Chapter 99

#### (House Bill 598)

AN ACT concerning

#### Prince George's County – Raffles – Charitable Foundations <del>and Repeal of</del> <del>Monetary Cap</del>

#### PG 301-15

FOR the purpose of authorizing a raffle to be conducted in Prince George's County by a certain charitable foundation that is affiliated with a professional football team that plays its home games in the county and that has an office and conducts operations in the county; requiring the foundation to obtain a written permit from a certain county agency before conducting the raffle; requiring the agency to ascertain the character of the applicant before issuing the permit; prohibiting the permit from being transferred; requiring the county agency to set a permit fee; providing for no limitation on the number of permits that may be issued in a year; authorizing the charitable foundation to set the price of raffle tickets and to award prizes in any amount in money or in merchandise, but prohibiting the amount from exceeding a certain percentage of the raffle proceeds; requiring that certain proceeds be used to benefit the residents of the county; prohibiting any proceeds from helping to cover certain costs in conducting the raffle; requiring that a raffle be held in conjunction with a specific professional football game played in the county; providing that a permit is valid for not more than a certain number of hours; setting certain requirements concerning the conduct of the raffle and the selling of raffle tickets: requiring the charitable foundation to send to a certain county agency an annual report detailing the amount and disposition of the money raised by raffles in the previous calendar year; repealing the cap on the amount of money that a qualified organization may award as a prize in a raffle conducted in Prince George's County; defining a certain term; making conforming changes; and generally relating to raffles held in Prince George's County.

BY repealing and reenacting, with amendments,

Article – Criminal Law Section 13–1901, 13–1908, 13–1909, 13–1910, and 13–1911 Annotated Code of Maryland (2012 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, without amendments, Article – Criminal Law Section 13–1902 Annotated Code of Maryland (2012 Replacement Volume and 2014 Supplement)

BY adding to

Article – Criminal Law Section 13–1911.1 Annotated Code of Maryland (2012 Replacement Volume and 2014 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

## Article – Criminal Law

13-1901.

(a) In this subtitle the following words have the meanings indicated.

(b) "Benefit performance" includes an outdoor carnival, indoor carnival, fair, picnic, dance, card party, bingo party, bazaar, concert, contest, exhibition, lecture, barbecue, or dinner.

## (C) "DESIGNATED COUNTY AGENCY" MEANS AN AGENCY DESIGNATED BY THE PRINCE GEORGE'S COUNTY GOVERNMENT.

[(c)] (D) (1) "Qualified organization" means an organization of a group of citizens of the county or a company, association, or corporation that is organized in good faith in the county to promote the purposes of a volunteer fire department or of a charitable, benevolent, patriotic, fraternal, educational, religious, or civic object.

(2) "Qualified organization" does not include a group organized for the private profit or gain of any member of the group, company, association, or corporation.

13 - 1902.

(a) This subtitle applies only in Prince George's County.

(b) Subtitle 2 of this title applies in Prince George's County.

### 13-1908.

# (A) This section does not apply to a raffle conducted under § 13–1911.1 of this subtitle.

[(a)] (B) Subject to subsection [(b)] (C) of this section, a qualified organization may conduct a raffle.

[(b)] (C) (1) The proceeds of a raffle:

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- (i) shall benefit the qualified organization; and
- (ii) shall be used for the purposes of the qualified organization.
- (2) Except for a bona fide raffle winner, an individual or group may not:
  - (i) benefit financially from the holding of a raffle; or
  - (ii) receive or be paid any proceeds from a raffle for personal use or

benefit.

13-1909.

# (A) THIS SECTION DOES NOT APPLY TO A RAFFLE CONDUCTED UNDER § 13–1911.1 OF THIS SUBTITLE.

**(B)** A raffle shall be personally conducted and managed only by regular members of the qualified organization.

13–1910.

# (A) This section does not apply to a raffle conducted under § 13–1911.1 of this subtitle.

[(a)] (B) A qualified organization shall obtain a written permit from the [Department of Environmental Resources] DESIGNATED COUNTY AGENCY before conducting a raffle if the total cash value of the prize exceeds \$200.

[(b)] (C) (1) Before issuing a permit, the [Department of Environmental Resources] **DESIGNATED COUNTY AGENCY** shall ascertain the character of the qualified organization applying for a permit under this section to determine if the application complies with this subtitle.

(2) A permit issued to a qualified organization to conduct a raffle may not be transferred.

[(c)] (D) The permit fee for each raffle is \$15.

13–1911.

(A) THIS SECTION DOES NOT APPLY TO A RAFFLE CONDUCTED UNDER § 13–1911.1 OF THIS SUBTITLE.

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(B) A qualified organization conducting a raffle may award prizes in money  $\frac{1}{4}$  not exceeding a total of 5,000 IN ANY AMOUNT and in merchandise in any amount or the merchandise cash equivalent.

## 13-1911.1.

(A) A RAFFLE MAY BE CONDUCTED BY A CHARITABLE FOUNDATION THAT:

(1) IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE;

(2) IS AFFILIATED WITH A PROFESSIONAL FOOTBALL TEAM THAT PLAYS ITS HOME GAMES IN PRINCE GEORGE'S COUNTY; AND

(3) HAS AN OFFICE AND CONDUCTS OPERATIONS IN PRINCE GEORGE'S COUNTY.

(B) (1) BEFORE CONDUCTING A RAFFLE, A CHARITABLE FOUNDATION SHALL OBTAIN A WRITTEN PERMIT FROM THE DESIGNATED COUNTY AGENCY.

(2) BEFORE ISSUING A PERMIT, THE DESIGNATED COUNTY AGENCY SHALL ASCERTAIN THE CHARACTER OF THE APPLICANT TO DETERMINE IF THE PERMIT SHOULD BE ISSUED.

(3) A PERMIT ISSUED TO A CHARITABLE FOUNDATION MAY NOT BE TRANSFERRED.

(4) THE DESIGNATED COUNTY AGENCY SHALL SET A FEE FOR ISSUANCE OF A PERMIT.

(5) THERE IS NO LIMIT ON THE NUMBER OF PERMITS THAT THE DESIGNATED COUNTY AGENCY MAY ISSUE IN A YEAR.

(C) (1) THE CHARITABLE FOUNDATION CONDUCTING A RAFFLE MAY:

(I) SET THE PRICE OF RAFFLE TICKETS; AND

(II) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AWARD PRIZES IN ANY AMOUNT IN MONEY OR IN MERCHANDISE.

(2) THE AMOUNT OF A CASH AWARD OR THE RETAIL CASH EQUIVALENT OF A MERCHANDISE AWARD MAY NOT EXCEED 50% OF THE PROCEEDS OF A RAFFLE. LAWRENCE J. HOGAN, JR., Governor

(D) (1) THE PROCEEDS OF A RAFFLE SHALL BE USED TO:

(I) BENEFIT THE RESIDENTS OF PRINCE GEORGE'S COUNTY;

(II) PAY FOR PRIZES AWARDED TO WINNERS; AND

(III) PAY FOR REASONABLE COSTS FOR NECESSARY EQUIPMENT AND SUPPLIES.

(2) PROCEEDS OF A RAFFLE MAY NOT BE USED TO HELP COVER COSTS INVOLVED IN CONDUCTING THE RAFFLE, INCLUDING ANY COMPENSATION TO TICKET SELLERS OR INDIVIDUALS WHO OPERATE THE RAFFLE.

(E) (1) A RAFFLE SHALL BE HELD IN CONJUNCTION WITH A SPECIFIC PROFESSIONAL FOOTBALL GAME PLAYED IN PRINCE GEORGE'S COUNTY.

(2) A PERMIT TO HOLD A RAFFLE IS VALID FOR NOT MORE THAN 24 HOURS.

(3) ALL RAFFLE TICKETS SHALL BE SOLD AND RECEIVED:

(I) ON PROPERTY OWNED OR UNDER THE CONTROL OF THE PROFESSIONAL FOOTBALL TEAM WITH WHICH THE CHARITABLE FOUNDATION IS AFFILIATED; AND

(II) MAY NOT BE SOLD ON THE INTERNET OR OTHERWISE TO AN INDIVIDUAL NOT PHYSICALLY PRESENT ON THE PROPERTY.

(F) ON OR BEFORE MARCH 30 OF EACH YEAR, THE CHARITABLE FOUNDATION SHALL SEND TO THE DESIGNATED COUNTY AGENCY A REPORT DETAILING THE AMOUNT AND DISPOSITION OF THE MONEY RAISED BY RAFFLES IN THE PREVIOUS CALENDAR YEAR.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2015.

Approved by the Governor, April 14, 2015.