HOUSE BILL 274

C7 5lr0747
CF SB 510

By: **Frederick County Delegation**
Introduced and read first time: February 4, 2015
Assigned to: Ways and Means

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 19, 2015

CHAPTER _____

AN ACT concerning

Frederick County – Gaming Events

FOR the purpose of authorizing certain organizations in Frederick County to conduct a card game, card tournament, or casino event under certain circumstances; requiring an organization to obtain a permit from the County Department of Permits and Inspections before conducting a card game, card tournament, or casino event; requiring an organization that seeks a permit to meet certain requirements; specifying that a card game, card tournament, or casino event may be managed and organized by certain organizations; requiring an individual who participates in or ~~helps operate~~ volunteers as an operator of a card game, card tournament, or casino event to be of a certain age; specifying that a permit holder may receive a certain maximum number of permits in a calendar year; providing a certain time limit on a card game, card tournament, or casino event; specifying that a permit is not transferable; requiring that proceeds from a card game, card tournament, or casino event be used for certain purposes and may not be used for certain other purposes subject to a certain exception; specifying that the operation of a card game, card tournament, or casino event may not occur during a certain time; authorizing a permit holder under this Act to charge only a preset entrance fee; requiring participants in a card game, card tournament, or casino event to use tokens and not cash for wagering under certain circumstances; prohibiting a permit holder from exchanging tokens under certain circumstances; requiring a permit holder to submit a financial report and certain information about winners of certain prizes to the County Department of Permits and Inspections under certain circumstances; requiring the Department to forward a certain report and certain information to the State Lottery and Gaming Control Commission; authorizing the County Executive

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
[Brackets**]** indicate matter deleted from existing law.
Underlining indicates amendments to bill.
~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

and County Council to adopt certain regulations; providing a certain penalty; defining certain terms; and generally relating to gaming in Frederick County.

BY adding to
Article – Criminal Law
Section 13–1304.1
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

13–1304.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "CASINO EVENT" INCLUDES THE PLAY OF CARD GAMES, DICE GAMES, AND ROULETTE.

(3) "PERMIT" MEANS A PERMIT TO CONDUCT A CARD GAME, CARD TOURNAMENT, OR CASINO EVENT.

(B) BEFORE AN ORGANIZATION MAY CONDUCT A CARD GAME, CARD TOURNAMENT, OR CASINO EVENT, THE ORGANIZATION SHALL OBTAIN A PERMIT FROM THE COUNTY DEPARTMENT OF PERMITS AND INSPECTIONS.

(C) TO QUALIFY FOR A PERMIT, AN ORGANIZATION SHALL BE A BONA FIDE:

(1) AMATEUR ATHLETIC ORGANIZATION;

(2) CHARITABLE ORGANIZATION;

(3) CIVIC ORGANIZATION;

(4) FRATERNAL ORGANIZATION;

(5) HOSPITAL;

(6) RELIGIOUS ORGANIZATION;

(7) VOLUNTEER FIRE COMPANY; OR

(8) WAR VETERANS' ORGANIZATION.

(D) (1) A CARD GAME, CARD TOURNAMENT, OR CASINO EVENT MAY BE:

(I) MANAGED AND OPERATED BY THE ORGANIZATION THAT IS THE PERMIT HOLDER; OR

(II) MANAGED BY THE ORGANIZATION THAT IS THE PERMIT HOLDER AND OPERATED BY ANOTHER ORGANIZATION LISTED IN SUBSECTION (C) OF THIS SECTION.

(2) (I) AN OPERATOR OF A CARD GAME, CARD TOURNAMENT, OR CASINO EVENT MAY NOT RECEIVE COMPENSATION.

(II) TO VOLUNTEER AS AN OPERATOR OF A CARD GAME, CARD TOURNAMENT, OR CASINO EVENT, AN INDIVIDUAL SHALL BE AT LEAST 18 YEARS OLD.

(III) TO PARTICIPATE IN ~~OR HELP OPERATE~~ A CARD GAME, CARD TOURNAMENT, OR CASINO EVENT, AN INDIVIDUAL SHALL BE AT LEAST 21 YEARS OLD.

(E) (1) AN ORGANIZATION THAT IS THE PERMIT HOLDER MAY RECEIVE NOT MORE THAN FOUR PERMITS IN A CALENDAR YEAR.

(2) A CARD GAME, CARD TOURNAMENT, OR CASINO EVENT MAY NOT LAST LONGER THAN 24 CONSECUTIVE HOURS.

(F) A PERMIT IS NOT TRANSFERABLE.

(G) (1) PROCEEDS FROM A CARD GAME, CARD TOURNAMENT, OR CASINO EVENT CONDUCTED UNDER THIS SECTION:

(I) SHALL BE USED TO BENEFIT A CHARITY OR TO FURTHER THE PURPOSE OF THE PERMIT HOLDER; AND

(II) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, MAY NOT ~~BENEFIT FINANCIALLY OR BE USED FOR THE~~ <u>BE USED FOR THE FINANCIAL BENEFIT OR</u> PERSONAL USE OF AN INDIVIDUAL OR A GROUP OF INDIVIDUALS.

(2) ON APPROVAL OF THE COUNTY EXECUTIVE OR DESIGNEE OF THE COUNTY EXECUTIVE, PROCEEDS MAY BE USED TO BENEFIT A FAMILY WITH MEDICAL NEEDS.

(H) A PERMIT MAY NOT AUTHORIZE THE OPERATION OF A CARD GAME, CARD TOURNAMENT, OR CASINO EVENT AFTER 1 A.M. ON SUNDAY.

(I) (1) AN ORGANIZATION THAT IS THE PERMIT HOLDER MAY CHARGE ONLY A PRESET ENTRANCE FEE FOR A CARD GAME, CARD TOURNAMENT, OR CASINO EVENT.

(2) PARTICIPANTS IN A CARD GAME, CARD TOURNAMENT, OR CASINO EVENT SHALL RECEIVE TOKENS FOR WAGERING IN EXCHANGE FOR THE ENTRANCE FEE.

(3) A PARTICIPANT MAY PURCHASE ADDITIONAL TOKENS, AT A TOTAL COST NOT EXCEEDING 100% OF THE ENTRANCE FEE, DURING A CARD GAME, CARD TOURNAMENT, OR CASINO EVENT.

(4) AN ORGANIZATION THAT IS THE PERMIT HOLDER MAY NOT ALLOW CASH TO BE USED FOR WAGERING.

(J) AN ORGANIZATION THAT IS THE PERMIT HOLDER MAY NOT EXCHANGE TOKENS USED FOR WAGERING FOR:

(1) AN ITEM OF MERCHANDISE THAT IS WORTH MORE THAN $10,000;

(2) MONEY; OR

(3) AN ITEM OF MERCHANDISE HAVING A VALUE THAT IS DIFFERENT FROM THE FAIR MARKET RETAIL VALUE OF THE ITEM OF MERCHANDISE THAT WAS RECEIVED FOR THE TOKENS.

(K) (1) WITHIN 60 DAYS AFTER HOLDING A CARD GAME, CARD TOURNAMENT, OR CASINO EVENT, THE ORGANIZATION THAT IS THE PERMIT HOLDER SHALL SUBMIT TO THE COUNTY DEPARTMENT OF PERMITS AND INSPECTIONS:

(I) A FINANCIAL REPORT THAT LISTS THE RECEIPTS AND EXPENDITURES FOR THE CARD GAME, CARD TOURNAMENT, OR CASINO EVENT; AND

(II) THE NAME, ADDRESS, AND SOCIAL SECURITY NUMBER OF A PARTICIPANT THAT IS DECLARED THE WINNER AT A CARD GAME, CARD TOURNAMENT, OR CASINO EVENT OF A PRIZE FOR WHICH THE ISSUANCE OF INTERNAL REVENUE SERVICE FORM W–2G OR A SUBSTANTIALLY EQUIVALENT FORM IS REQUIRED.

(2) THE COUNTY DEPARTMENT OF PERMITS AND INSPECTIONS SHALL FORWARD THE FINANCIAL REPORTS AND INFORMATION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION TO THE STATE LOTTERY AND GAMING CONTROL COMMISSION.

(L) AN ORGANIZATION THAT IS FOUND TO HAVE VIOLATED THIS SECTION IS INELIGIBLE TO RECEIVE A PERMIT UNDER THIS SECTION FOR A PERIOD ~~NOT EXCEEDING~~ OF 5 YEARS.

(M) THE COUNTY EXECUTIVE MAY ADOPT REGULATIONS TO CARRY OUT THIS SECTION, INCLUDING REGULATIONS TO GOVERN:

(1) THE ISSUING OF PERMITS; AND

~~(2) PERMIT FEES; AND~~

~~(3)~~ (2) THE CONDUCT AND MANAGEMENT OF A CARD GAME, CARD TOURNAMENT, OR CASINO EVENT IN A MANNER TO PREVENT FRAUD AND PROTECT THE PUBLIC.

(N) THE COUNTY COUNCIL MAY ADOPT REGULATIONS TO GOVERN PERMIT FEES UNDER THIS SECTION.

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

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.