

SENATE BILL 941

C7

6lr2288

By: **Senators Mathias and Manno**

Introduced and read first time: February 5, 2016

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Worcester County – Family Entertainment Centers – Amusement Gaming**
3 **Licenses**

4 FOR the purpose of altering the definition of slot machine to exclude certain machines;
5 authorizing the State Lottery and Gaming Control Commission to issue a certain
6 amusement gaming license to certain family entertainment centers in a certain
7 county; authorizing certain family entertainment centers to apply for a certain
8 license if certain requirements are satisfied; authorizing a family entertainment
9 center that holds a certain license to operate certain skills-based devices that award
10 certain prizes; requiring the Commission to determine the value of certain prizes
11 that may be awarded; prohibiting a family entertainment center from exchanging
12 certain merchandise for money; authorizing the Commission to determine that a
13 certain device at a family entertainment center is an illegal gaming device and
14 require that the device be removed; prohibiting a family entertainment center from
15 transferring a certain license to a certain location; defining certain terms; and
16 generally relating to amusement gaming licenses.

17 BY repealing and reenacting, with amendments,
18 Article – Criminal Law
19 Section 12–301(3)
20 Annotated Code of Maryland
21 (2012 Replacement Volume and 2015 Supplement)

22 BY adding to
23 Article – State Government
24 Section 9–1B–01 and 9–1B–02 to be under the new subtitle “Subtitle 1B. Amusement
25 Gaming Licenses”
26 Annotated Code of Maryland
27 (2014 Replacement Volume and 2015 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article – Criminal Law**

4 12–301.

5 In this subtitle:

6 (3) “slot machine” does not include a machine, apparatus, or device that:

7 (i) awards the user only free additional games or plays;

8 (ii) awards the user only noncash merchandise or noncash prizes of
9 minimal value;

10 (iii) dispenses paper pull tab tip jar tickets or paper pull tab instant
11 bingo tickets that must be opened manually by the user provided that the machine,
12 apparatus, or device does not:

13 1. read the tickets electronically;

14 2. alert the user to a winning or losing ticket; or

15 3. tabulate a player’s winnings and losses;

16 (iv) 1. is a handheld device that displays only facsimiles of bingo
17 cards that an individual uses to mark and monitor contemporaneously to a live call of bingo
18 numbers called on the premises by an individual where the user is operating the machine;

19 2. does not permit a user to play more than 54 bingo cards at
20 the same time;

21 3. does not randomly generate any numbers; and

22 4. is not part of an integrated system;

23 (v) is used by the State Lottery and Gaming Control Commission
24 under Title 9 of the State Government Article;

25 (vi) if legislation takes effect authorizing the operation of video
26 lottery terminals, is a video lottery terminal as defined in and licensed under that
27 legislation; [or]

28 (vii) is a skills–based amusement device that awards prizes of
29 minimal value approved by the State Lottery and Gaming Control Commission through
30 regulation; **OR**

1 (VIII) IS A SKILLS-BASED DEVICE THAT AWARDS NONCASH
2 MERCHANDISE AND IS LOCATED AT A FAMILY ENTERTAINMENT CENTER IN
3 WORCESTER COUNTY LICENSED UNDER § 9-1B-02 OF THE STATE GOVERNMENT
4 ARTICLE.

5 Article – State Government

6 SUBTITLE 1B. AMUSEMENT GAMING LICENSES.

7 9-1B-01.

8 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
9 INDICATED.

10 (B) “COMMISSION” MEANS THE STATE LOTTERY AND GAMING CONTROL
11 COMMISSION.

12 (C) (1) “FAMILY ENTERTAINMENT CENTER” MEANS A LOCATION WITH A
13 STREET ADDRESS:

14 (I) WHERE A PERSON OR LEGAL ENTITY OFFERS LICENSED
15 AMUSEMENT, MERCHANDISE, REDEMPTION, OR SKILLS-BASED DEVICES FOR
16 OPERATION OR PLAY TO INDIVIDUALS OF ALL AGES; AND

17 (II) THAT PAYS:

- 18 1. STATE AND LOCAL PROPERTY TAX;
- 19 2. SALES AND USE TAX; AND
- 20 3. ADMISSIONS AND AMUSEMENT TAX.

21 (2) “FAMILY ENTERTAINMENT CENTER” DOES NOT INCLUDE:

22 (I) A LOCATION WITHOUT A STREET ADDRESS;

23 (II) THE COMMON AREA OF A COMMERCIAL BUILDING OR
24 FACILITY; OR

25 (III) A LOCATION THAT IS OPERATED PRIMARILY AS A MOVIE
26 THEATER, BOWLING ALLEY, SKATING RINK, OR ANY OTHER SIMILAR
27 ESTABLISHMENT THAT DISPLAYS OR OPERATES AMUSEMENT DEVICES ONLY

1 DURING THE HOURS THAT THE ESTABLISHMENT MAKES ITS PRIMARY SERVICE OR
2 ACTIVITY AVAILABLE TO THE PUBLIC.

3 **9-1B-02.**

4 (A) THIS SECTION APPLIES ONLY IN WORCESTER COUNTY.

5 (B) THE COMMISSION MAY ISSUE AN AMUSEMENT GAMING LICENSE TO A
6 FAMILY ENTERTAINMENT CENTER THAT SATISFIES THE REQUIREMENTS OF THIS
7 SECTION.

8 (C) A FAMILY ENTERTAINMENT CENTER MAY APPLY TO THE COMMISSION
9 FOR A LICENSE UNDER THIS SECTION IF THE FAMILY ENTERTAINMENT CENTER:

10 (1) IS LOCATED IN A BUILDING THAT IS OWNED, LEASED, OR
11 OCCUPIED BY THE FAMILY ENTERTAINMENT CENTER FOR THE PRIMARY PURPOSE
12 OF PROVIDING AMUSEMENT DEVICES TO THE PUBLIC;

13 (2) RECEIVES A MAJORITY OF THE GROSS RECEIPTS FROM
14 AMUSEMENT, MERCHANDISE, REDEMPTION, OR SKILLS-BASED DEVICES;

15 (3) MARKETS ITS BUSINESS TO FAMILIES WITH CHILDREN;

16 (4) OFFERS AMUSEMENT DEVICES, ARCADE GAMES, CRANE GAMES,
17 VIDEO GAMES, INTERACTIVE AND SPORTING GAMES, AMUSEMENT RIDES,
18 MINIATURE GOLF, AND BOWLING; AND

19 (5) IS IN CONTINUOUS OPERATION IN THE SAME GEOGRAPHIC
20 LOCATION SINCE 1975.

21 (D) (1) A FAMILY ENTERTAINMENT CENTER THAT HOLDS AN AMUSEMENT
22 GAMING LICENSE ISSUED UNDER THIS SECTION MAY OPERATE:

23 (I) SKILLS-BASED DEVICES THAT AWARD NONCASH PRIZES OF
24 MINIMAL VALUE; AND

25 (II) UP TO 10 SKILLS-BASED DEVICES THAT AWARD NONCASH
26 PRIZES WITH A MINIMAL WHOLESALE VALUE THAT DOES NOT EXCEED \$599.

27 (2) THE COMMISSION SHALL DETERMINE THE VALUE OF THE
28 NONCASH PRIZES THAT MAY BE AWARDED BY A SKILLS-BASED DEVICE UNDER
29 PARAGRAPH (1)(I) OF THIS SUBSECTION.

1 **(E) A FAMILY ENTERTAINMENT CENTER MAY NOT EXCHANGE**
2 **MERCHANDISE FOR MONEY.**

3 **(F) THE COMMISSION MAY DETERMINE THAT A DEVICE AT A FAMILY**
4 **ENTERTAINMENT CENTER IS AN ILLEGAL GAMING DEVICE AND ORDER THE DEVICE**
5 **TO BE REMOVED FROM THE FAMILY ENTERTAINMENT CENTER.**

6 **(G) A FAMILY ENTERTAINMENT CENTER THAT HOLDS AN AMUSEMENT**
7 **GAMING LICENSE ISSUED UNDER THIS SECTION MAY NOT TRANSFER THE LICENSE**
8 **TO ANOTHER GEOGRAPHIC LOCATION.**

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
10 1, 2016.