

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 311

(Senator King, *et al.*)

Budget and Taxation

Ways and Means

Gaming - Home Games

This bill allows an individual who is at least 21 years old to conduct a home game involving wagering if the home game (1) is limited to Mah Jong or a card game; (2) is conducted not more than once a week in the individual's home or in a common area of a residential property that is restricted to residents age 55 or older; (3) allows a player to compete directly against one or more other players who share a preexisting social relationship; (4) does not allow an individual to benefit financially in any way, directly or indirectly, other than from the winnings accrued by participating as a player in the game; and (5) has a \$2,000 limit on the total amount of money, tokens representing money, or any other thing or consideration of value that may be wagered by all players during any 24-hour period. The home game may not involve a player's use of an electronic device that connects to the Internet, the use of paid public advertising or promotions, the charging of specified fees, or the use of any money except money used for wagering.

Fiscal Summary

State Effect: None. General fund revenues and expenditures may decrease minimally as a result of no longer assessing monetary and/or incarceration penalties for home game violations. However, since the Department of State Police does not devote any additional resources to monitoring or enforcing prohibitions on home games, it is assumed that violations are rarely assessed, so State finances are not affected.

Local Effect: None. It is assumed that incarceration penalties for home game violations are rarely assessed, so local finances are not affected.

Small Business Effect: None.

Analysis

Current Law: A person may not:

- bet, wager, or gamble;
- make or sell a book or pool on the result of a race, contest, or contingency;
- establish, keep, rent, use, or occupy or knowingly allow to be established, kept, rented, used, or occupied, a building, vessel, or place for the purpose of betting, wagering, or gambling or making, selling, or buying books or pools on the result of a race, contest, or contingency; or
- receive, become the depository of, record, register, or forward, or propose, agree, or pretend to forward, money or any other thing or consideration of value to be bet, wagered, or gambled on the result of a race, contest, or contingency.

A qualified organization is not prevented from conducting a gaming event for the exclusive benefit of a qualified organization if an individual or a group of individuals does not benefit financially from the gaming event or receive any of the proceeds from the gaming event for personal use or benefit.

A person who violates betting, wagering, and gambling laws is guilty of a misdemeanor and on conviction is subject to imprisonment for six months to one year and/or a fine of \$200 to \$1,000.

Background: In fiscal 2015, 20 violations were filed in the District Court of Maryland relating to illegal betting, wagering, or gambling.

The Washington Post reported in January 2015 that high-stakes poker games occur in Northern Virginia. The Fairfax County Police Department raided a private poker game in which the buy-in was \$20,000 and the host received a 1.5% cut from the buy-ins.

Mah Jong is a game that originated from China in which typically four players play the game using numbered tiles with the objective of collecting certain combinations of tiles.

Additional Information

Prior Introductions: A similar bill, HB 59 of 2015, received a hearing in the House Ways and Means Committee but was withdrawn. Its cross file, SB 184, received an unfavorable report by the Senate Judicial Proceedings Committee. Similar bills, HB 157 of 2015, HB 305 of 2014, and HB 486 of 2013, received a hearing in the House Ways and Means Committee, but no further action was taken. The cross file of HB 305, SB 428,

passed the Senate and received a hearing in the House Ways and Means Committee, but no further action was taken.

Cross File: HB 127 (Delegate Reznik, *et al.*) - Ways and Means.

Information Source(s): Comptroller's Office, Judiciary (Administrative Office of the Courts), Department of State Police, Maryland State Lottery and Gaming Control Agency, *The Washington Post*, Department of Legislative Services

Fiscal Note History: First Reader - February 1, 2016
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