C7 7lr2479

By: Delegates Mosby, B. Barnes, Buckel, Fisher, and Hornberger

Introduced and read first time: February 10, 2017

Assigned to: Ways and Means

## A BILL ENTITLED

1	AN ACT concerning								
2	Gaming – Instant Ticket Lottery Machines – Fraternal Organizations								
3 4 5 6 7	FOR the purpose of authorizing fraternal organizations as eligible recipients of a license issued by the Director of the State Lottery and Gaming Control Agency that allows the operation in certain counties of a certain number of instant ticket lottery machines under certain conditions; defining a certain term; and generally relating to the operation of instant ticket lottery machines in the State.								
8 9 10 11 12	BY repealing and reenacting, with amendments, Article – State Government Section 9–112 Annotated Code of Maryland (2014 Replacement Volume and 2016 Supplement)								
13 14	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:								
15	Article - State Government								
16	9–112.								
17 18	(a) (1) In this section[,] THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.								
19 20	(2) (I) "FRATERNAL ORGANIZATION" MEANS ANY ORGANIZATION THAT:								
21 22	1. IS CONDUCTED SOLELY FOR THE BENEFIT OF ITS MEMBERS AND ITS BENEFICIARIES:								



$\frac{1}{2}$	RITUALIST	IC ACT	TIVITY	2. ; AND	IS	OPE	RATED	ON	A	LODGE	SYSTE	M WITH	I A
3				3.	HA	SAR	EPRESE	NTAT	IVE	FORM O	F GOVER	NMENT.	
4 5	ORGANIZAT	TION.	(II)	"FRA	ATEF	RNAL	ORGA	NIZAT	ΓΙΟΝ	" INCI	UDES A	SORO	RAL
6			(III)	"FRA	ATER	RNAL	ORGAN	[ZATI	on"	DOES N	OT INCLU	DE:	
7 8	SORORITY;	OR		1.	AN	Y CO	LLEGE	OR 1	HIGI	н ѕсно	OL FRAT	ERNITY	OR
9 10 11	2. ANY OTHER FRATERNAL OR SORORAL ORGANIZATION THE MEMBERSHIP OF WHICH IS RESTRICTED WHOLLY OR LARGELY TO STUDENTS OF GRADUATES OF AN EDUCATIONAL INSTITUTION OR A PROFESSIONAL SCHOOL.												
12 13 14													
15 16 17 18	regulations of the Agency and this subtitle, the Director shall issue licenses to the persons and governmental units that will best serve the public convenience and promote the sale of												
19 20	(c) Before issuing a license to an applicant, the Director shall consider such factors as:							such					
21 22	business or						sibility	and s	secur	ity of t	he applic	ant and	the
23		(2)	the a	ccessib	ility	of the	e place o	f busi	ness	or activi	ty to the j	oublic;	
24		(3)	the s	ufficier	ncy o	f exist	ting lice	nses t	o ser	ve the p	ublic conv	enience;	and
25		(4)	the ve	olume	of ex	pecte	d sales.						
26	(d)	(1)	This	subsec	tion	does r	not appl	y in:					
27			(i)	Caro	line (	Count	у;						
28			(ii)	Cecil	Cou	nty;							
29			(iii)	Dorcl	heste	er Cou	inty;						

1		(iv)	Kent County;					
2		(v)	Queen Anne's County;					
3		(vi)	Somerset County;					
4		(vii)	Talbot County;					
5		(viii)	Wicomico County; and					
6		(ix)	Worcester County.					
7 8 9			Subject to subparagraph (ii) of this paragraph, the Director may subtitle for not more than five instant ticket lottery machines to erans' <b>OR FRATERNAL</b> organization.					
10 11 12 13	under this subsection shall locate and operate its instant ticket lottery machines at its principal meeting hall in the county in which the veterans' OR FRATERNAL organization							
14 15 16 17 18	provided under § 9–117 of this subtitle, a veterans' <b>OR FRATERNAL</b> organization issued a license under this subsection shall credit the remaining receipts from the sale of tickets from instant ticket lottery machines to the State Lottery Fund established under § 9–118							
19 20 21 22	=		Subject to subparagraph (ii) of this paragraph, a veterans' OR in issued a license under this subsection shall purchase or lease try machines to be used by the veterans' OR FRATERNAL					
23 24 25			An organization may not use receipts from the sale of tickets y machines that would otherwise be credited to the State Lottery chasing or leasing instant ticket lottery machines.					
26 27 28 29		cluded	Director may adopt regulations to implement the provisions of this restricting the location of instant ticket lottery machines in areas RNAL organization's public meeting hall that is accessible to the					
30 31 32 33 34	established under Amusements Inc.	in the this su v. Ridd	State Lottery and Gaming Control Agency shall ensure that the conduct of the gaming through the instant ticket lottery machines absection is consistent with the holding in the case of Chesapeake le, 363 Md. 16 (2001), in that the element of chance must be wholly astant lottery ticket, and that player enhancements in an instant					

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- ticket lottery machine may not affect the element of chance being wholly within the pre-printed instant lottery ticket.
- 3 (e) The Director may not issue a license to:
- 4 (1) a person or governmental unit to engage in business primarily as a 5 licensed agent; or
- 6 (2) an individual who is under the age of 21 years.
- 7 (f) The Commission may hear and decide an appeal of a denial of a license.
- 8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 9  $\,$  1, 2017.