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**By: Delegate Conway**

Introduced and read first time: January 10, 1996

Assigned to: Judiciary

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A BILL ENTITLED

1 AN ACT concerning

2 **Wicomico County - Gambling**

3 FOR the purpose of allowing certain additional organizations to become eligible for  
4 certain gaming licenses; establishing certain requirements for certain gaming license  
5 applicants; establishing the time periods for which certain licenses are to be in  
6 effect; requiring applications for certain licenses to contain certain information;  
7 requiring certain organizations to file certain reports with the Sheriff within a  
8 certain time period; establishing certain license fees for certain types of gambling;  
9 providing for the suspension of certain licenses under certain conditions; requiring  
10 the Sheriff of Wicomico County to establish a Gaming Advisory Committee; and  
11 generally relating to gambling in Wicomico County.

12 BY repealing and reenacting, with amendments,  
13 Article 27 - Crimes and Punishments  
14 Section 256  
15 Annotated Code of Maryland  
16 (1992 Replacement Volume and 1995 Supplement)

17 BY adding to  
18 Article 27 - Crimes and Punishments  
19 Section 256A  
20 Annotated Code of Maryland  
21 (1992 Replacement Volume and 1995 Supplement)

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

24 **Article 27 - Crimes and Punishments**

25 256.

26 (a) (1) Notwithstanding any other provisions of this subtitle, the Sheriff of  
27 Wicomico County is authorized to issue licenses to conduct games at which it shall be  
28 lawful to award prizes in cash or merchandise by such devices as are commonly  
29 designated as paddle wheels, wheels of fortune, chance books, bingo, raffles or any other  
30 gaming device.

1 Organizations eligible TO APPLY TO THE SHERIFF for licenses as provided in this  
2 section are listed as follows:

3 [(1)] (I) A tax-supported volunteer fire company or auxiliary unit of which  
4 the members thereof are directly associated with such fire company[.];

5 [(2)] (II) A nationally chartered veterans' organization or auxiliary unit of  
6 which the members thereof are directly associated with such organization AND THAT HAS  
7 BEEN LOCATED IN THE COUNTY FOR AT LEAST 5 YEARS IMMEDIATELY BEFORE THE  
8 APPLICATION TO THE SHERIFF[.];

9 [(3)] (III) A bona fide religious group which has conducted religious services  
10 at a fixed location in Wicomico County for a period of at least [three]5 years  
11 IMMEDIATELY prior to the application to the Sheriff[.];

12 (IV) A NONPROFIT ORGANIZATION THAT IS EXEMPT FROM  
13 TAXATION UNDER § 501(C)(3) OR § 501(C)(4) OF THE INTERNAL REVENUE CODE AND  
14 HAS BEEN LOCATED IN THE COUNTY FOR AT LEAST 5 YEARS IMMEDIATELY BEFORE  
15 THE APPLICATION TO THE SHERIFF;

16 (V) A NONPROFIT FRATERNAL ORGANIZATION THAT IS EXEMPT  
17 FROM TAXATION UNDER § 501(C)(10) OF THE INTERNAL REVENUE CODE AND HAS  
18 BEEN LOCATED IN THE COUNTY FOR AT LEAST 5 YEARS IMMEDIATELY BEFORE THE  
19 APPLICATION TO THE SHERIFF; AND

20 [(4)] (VI) [A] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A  
21 nonprofit organization [desiring] THAT DESIRES to raise money for an exclusively  
22 charitable, athletic [or], OR educational purpose specifically described in the application  
23 to the Sheriff[. To qualify under this subsection a nonprofit organization must have]  
24 AND HAS been operating as such in Wicomico County for a period of at least [three  
25 years] 5 YEARS IMMEDIATELY prior to the application to the Sheriff.

26 (2) TO QUALIFY UNDER PARAGRAPH (1)(VI) OF THIS SUBSECTION, THE  
27 CHARITABLE, ATHLETIC, OR EDUCATIONAL PURPOSE:

28 (I) SHALL MEET THE REQUIREMENTS FOR A CHARITABLE  
29 CONTRIBUTION UNDER § 170(C) OF THE INTERNAL REVENUE CODE; AND

30 (II) MAY NOT BE A PURPOSE TO BENEFIT:

31 1. AN AGENCY OF THE STATE GOVERNMENT OR OF A  
32 POLITICAL SUBDIVISION OF THE STATE, EXCEPT:

33 A. AN AMBULANCE, FIRE FIGHTING, OR RESCUE SQUAD; OR

34 B. A PRIMARY SCHOOL, SECONDARY SCHOOL, OR COLLEGE;

35 2. A LAW ENFORCEMENT AGENCY OR LAW ENFORCEMENT  
36 FRATERNAL ORGANIZATION; OR

37 3. A POLITICAL CLUB, COMMITTEE, OR PARTY.

38 (B) (1) A LICENSE ISSUED UNDER THIS SECTION MAY BE EFFECTIVE:

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1 (I) ON A DAILY BASIS FOR SPECIFIC DATES; OR

2 (II) FOR A PERIOD OF NOT MORE THAN 1 YEAR.

3 (2) THE LICENSING YEAR SHALL BE FROM JULY 1 THROUGH JUNE 30 OF  
4 EACH YEAR.

5 [(b)] (C) The application to the Sheriff for the issuance of a license under this  
6 section shall contain:

7 (1) A COPY OF THE TAX EXEMPT VERIFICATION AND A COPY OF THE  
8 ORGANIZATION'S CHARTER IF APPLICABLE, TO BE PLACED ON FILE WITH THE  
9 SHERIFF; AND

10 (2) [a] A certification by one of the principal officers of the organizations  
11 stating the following:

12 [(1)] (I) The [time] DATE OR DATES, place, and type of each game for  
13 which the license is sought[.];

14 [(2)] (II) That the games and gaming devices for which the license is sought  
15 will be solely and personally conducted, managed and operated by the regular members of  
16 the organization without the assistance of professionals and that no commission, salary,  
17 compensation, reward or recompense will be paid to any person for holding, operating or  
18 conducting, or assisting in the holding, operating, or conducting of a game or gaming  
19 device[.]; AND

20 (III) THAT ALL PROCEEDS OBTAINED UNDER A LICENSE ISSUED TO  
21 AN ORGANIZATION DESCRIBED IN SUBSECTION (A)(1) OF THIS SECTION SHALL BE  
22 USED IN FURTHERANCE OF THE ORGANIZATION.

23 [(3) That the applicant, by one of its principal officers, will, within fifteen  
24 days after the last day named in the application for the permit to conduct activities  
25 authorized by this section, file a report under penalties of perjury certifying the following  
26 facts:

27 (i) That the authorized activities were conducted at the time and  
28 place stated in the application by the regular members of the organization personally  
29 without the assistance of professionals;

30 (ii) The disposition of the cash proceeds of the licensed activities; and

31 (iii) That no fee for the rental of premises will be paid by any licensee  
32 to itself, to its trustees, to a committee of the licensee or to any organization whose  
33 members are the same, or substantially the same, as the licensee.]

34 (D) (1) THE APPLICANT, BY ONE OF ITS PRINCIPAL OFFICERS, SHALL FILE A  
35 REPORT ON A FORM PROVIDED BY THE SHERIFF CERTIFYING THE FOLLOWING  
36 FACTS:

37 (I) THAT THE AUTHORIZED ACTIVITIES WERE CONDUCTED AT  
38 THE DATE OR DATES AND PLACE STATED IN THE APPLICATION BY THE REGULAR  
39 MEMBERS OF THE ORGANIZATION WITHOUT THE ASSISTANCE OF PROFESSIONALS;

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1 (II) THE DISPOSITION OF THE CASH PROCEEDS OF THE LICENSED  
2 ACTIVITIES; AND

3 (III) THAT NO FEE FOR THE RENTAL OF PREMISES WILL BE PAID BY  
4 ANY LICENSEE TO ITSELF, TO ITS TRUSTEES, TO A COMMITTEE OF THE LICENSEE OR  
5 TO ANY ORGANIZATION WHOSE MEMBERS ARE THE SAME, OR SUBSTANTIALLY THE  
6 SAME, AS THE LICENSEE.

7 (2) AN ORGANIZATION FOR WHICH LICENSES ARE ISSUED FOR A  
8 PERIOD OF LESS THAN 1 YEAR SHALL FILE A REPORT WITH THE SHERIFF WITHIN 15  
9 DAYS AFTER THE EXPIRATION DATE OF THE LICENSE.

10 (3) AN ORGANIZATION FOR WHICH A LICENSE IS ISSUED FOR A FISCAL  
11 YEAR SHALL FILE A SEMIANNUAL REPORT WITH THE SHERIFF ON OR BEFORE  
12 JANUARY 31 OF THE LICENSING YEAR AND AN ANNUAL REPORT WITHIN 30 DAYS  
13 AFTER THE LICENSE EXPIRES.

14 (4) A LICENSEE SHALL KEEP ON FILE A WEEKLY REPORT, IN A FORM  
15 PROVIDED BY THE SHERIFF, THAT SHALL BE SUBJECT TO AUDIT AT A REASONABLE  
16 HOUR BY A MEMBER OF THE SHERIFF'S OFFICE OR THE STATE'S ATTORNEY'S  
17 OFFICE.

18 (5) A LICENSEE THAT FAILS TO COMPLY WITH THE REPORTING  
19 REQUIREMENTS OF THIS SUBSECTION SHALL HAVE ITS CURRENT LICENSE  
20 SUSPENDED UNTIL THE LICENSEE MEETS THE REQUIREMENTS.

21 [(c)] (E) (1) The Sheriff shall charge the applicant a license fee of:

22 (i) \$1 for each day the event is to be held; and

23 (ii) \$1 for each game intended to be operated, conducted, or held at  
24 the event] \$1 FOR EACH DAY FOR WHICH THE LICENSE IS ISSUED AND AN  
25 ADDITIONAL AMOUNT AS FOLLOWS:

26 (I) PULL TABS/INSTANT BINGOS -- \$1 FOR EACH DAY SOLD;

27 (II) BINGO GENERAL -- \$1 FOR EACH DAY OF THE EVENT;

28 (III) BINGO SPECIALS -- \$1 FOR EACH DAY OF THE EVENT;

29 (IV) GAMING DEVICES -- \$1 FOR EACH DEVICE PER DAY; AND

30 (V) RAFFLES -- \$1 FOR EACH RAFFLE HELD.

31 (2) (I) FOR THE PURPOSE OF THIS SECTION, A RAFFLE IS DEEMED TO  
32 BE OPERATED ON THE DAY THE RAFFLE WINNERS ARE SELECTED.

33 (II) RAFFLES MAY BE OPERATED ON SUNDAY.

34 [(2)] (3) A license issued under this section:

35 (i) May not authorize the conduct of any games on Sunday, except as  
36 provided in paragraph [(3)] (2)(II) of this subsection; [and]

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1 (ii) Shall indicate the DATE OR DATES, PLACE, AND games  
2 authorized to be conducted[.]; AND

3 [(3) (i) A license issued under this section may authorize the operation of:

4 1. More than 1 raffle at the same time; or

5 2. A raffle on Sunday.

6 (ii) For purposes of this section, a raffle is deemed to be operated on  
7 the day the raffle winners are selected.]

8 (III) FOR PURPOSES OF THIS SECTION, 50/50'S SOLD FOR A PERIOD  
9 EXCEEDING 1 DAY SHALL BE LICENSED AS A RAFFLE.

10 [(d)] (F) No minor under the age of 16 years shall be allowed to play, participate  
11 in, conduct or operate any game or gaming device for which a permit is issued under this  
12 section.

13 [(e)] (G) Nothing herein shall be construed to authorize slot machines or any type  
14 of coin machines to be used for gambling purposes.

15 [(f)] (H) The Sheriff, municipal police officers and all other prosecuting and  
16 peace officers of Wicomico County shall be strictly charged with the enforcement of this  
17 section.

18 [(g)] (I) (1) Any organization refusing to file the report set forth in subsection  
19 [(b)(3)] (D) of this section or failing to comply with the provisions of this section shall  
20 forfeit its right to the issuance of any license for the period of one year.

21 (2) (I) A LICENSEE SHALL BE NOTIFIED BY REGISTERED MAIL OF A  
22 DECLARATION BY THE SHERIFF OF THE LICENSEE'S FORFEITURE OF ITS RIGHT TO  
23 THE ISSUANCE OF ANOTHER LICENSE.

24 (II) THE LICENSEE SHALL HAVE 30 DAYS AFTER RECEIVING THE  
25 NOTICE TO APPEAL THE DECISION IN WRITING TO THE SHERIFF.

26 (III) NOTHING CONTAINED IN THIS SUBSECTION MAY BE  
27 CONSTRUED AS LIMITING THE RIGHT OF ANY PARTY TO SEEK JUDICIAL REVIEW OF  
28 THE DECISION TO DENY THE ISSUANCE OF ANY LICENSE DESCRIBED IN THIS  
29 SECTION.

30 256A.

31 (A) THE SHERIFF OF WICOMICO COUNTY SHALL ESTABLISH A GAMING  
32 ADVISORY COMMITTEE.

33 (B) THE GAMING ADVISORY COMMITTEE SHALL:

34 (1) MAKE RECOMMENDATIONS TO THE SHERIFF CONCERNING THE  
35 STANDARDS FOR REPORTING REQUIREMENTS TO BE MET BY LICENSEES; AND

36 (2) MAKE ANY OTHER RECOMMENDATIONS TO ASSIST THE SHERIFF IN  
37 THE ADMINISTRATION OF LICENSING AND OTHER DUTIES OF THE SHERIFF UNDER §  
38 256 OF THIS SUBHEADING.

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1 (C) THE MEMBERS OF THE GAMING ADVISORY COMMITTEE:

2 (1) SHALL SERVE AT THE PLEASURE OF THE SHERIFF; AND

3 (2) MAY NOT RECEIVE COMPENSATION.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
5 October 1, 1996.