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**By: Delegate Conway**

Introduced and read first time: January 10, 1996

Assigned to: Judiciary

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 18, 1996

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CHAPTER \_\_\_\_

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 denial or suspension of certain licenses under certain conditions;  
10 requiring the Sheriff of Wicomico County to establish a Gaming Advisory  
11 Committee; and 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:

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1           **Article 27 - Crimes and Punishments**

2 256.

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

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

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

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

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

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

23                   (V) A NONPROFIT FRATERNAL ORGANIZATION THAT IS EXEMPT  
24 FROM TAXATION UNDER § 501(C)(10) OF THE INTERNAL REVENUE CODE AND HAS  
25 BEEN LOCATED IN ~~THE~~ WICOMICO COUNTY FOR AT LEAST 5 YEARS IMMEDIATELY  
26 BEFORE THE APPLICATION TO THE SHERIFF; AND

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

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

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

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

38                                   1. AN AGENCY OF THE STATE GOVERNMENT OR OF A  
39 POLITICAL SUBDIVISION OF THE STATE, EXCEPT:

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

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- 1                           B. A PRIMARY SCHOOL, SECONDARY SCHOOL, OR COLLEGE;
- 2                           2. A LAW ENFORCEMENT AGENCY OR LAW ENFORCEMENT
- 3 FRATERNAL ORGANIZATION; OR
- 4                           3. A POLITICAL CLUB, COMMITTEE, OR PARTY.

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

- 6                           (I) ON A DAILY BASIS FOR SPECIFIC DATES; OR
- 7                           (II) FOR A PERIOD OF NOT MORE THAN 1 YEAR.

8                           (2) THE LICENSING YEAR SHALL BE FROM JULY 1 THROUGH JUNE 30 OF

9 EACH YEAR.

10           [(b)] (C) The application to the Sheriff for the issuance of a license under this

11 section shall contain:

12                           (1) A COPY OF THE TAX EXEMPT VERIFICATION AND A COPY OF THE

13 ORGANIZATION'S CHARTER IF APPLICABLE, TO BE PLACED ON FILE WITH THE

14 SHERIFF; AND

15                           (2) [a] A certification by one of the principal officers of the organizations

16 stating the following:

17                           [(1)] (I) The [time] DATE OR DATES, place, and type of each game for

18 which the license is sought[.];

19                           [(2)] (II) That the games and gaming devices for which the license is sought

20 will be solely and personally conducted, managed and operated by the regular members of

21 the organization without the assistance of professionals and that no commission, salary,

22 compensation, reward or recompense will be paid to any person for holding, operating or

23 conducting, or assisting in the holding, operating, or conducting of a game or gaming

24 device[.]; AND

25                           (III) THAT ALL PROCEEDS OBTAINED UNDER A LICENSE ISSUED TO

26 AN ORGANIZATION DESCRIBED IN ~~SUBSECTION (A)(1)~~ SUBSECTION (A)(1)(I)

27 THROUGH (V) OF THIS SECTION SHALL BE USED IN FURTHERANCE OF THE

28 ORGANIZATION.

29                           [(3)] That the applicant, by one of its principal officers, will, within fifteen

30 days after the last day named in the application for the permit to conduct activities

31 authorized by this section, file a report under penalties of perjury certifying the following

32 facts:

33                           (i) That the authorized activities were conducted at the time and

34 place stated in the application by the regular members of the organization personally

35 without the assistance of professionals;

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

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

4 (D) (1) THE APPLICANT, BY ONE OF ITS PRINCIPAL OFFICERS, SHALL FILE A  
5 REPORT UNDER THE PENALTIES OF PERJURY ON A FORM PROVIDED BY THE  
6 SHERIFF CERTIFYING THE FOLLOWING FACTS:

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

10 ~~(II) THE DISPOSITION OF THE CASH PROCEEDS OF THE LICENSED~~  
11 ~~ACTIVITIES; AND~~

12 (II) THE PROCEEDS OBTAINED AND THE DISBURSEMENTS MADE IN  
13 CONNECTION WITH THE LICENSED ACTIVITIES; AND

14 (III) THAT NO FEE FOR THE RENTAL OF PREMISES HAS BEEN OR  
15 WILL BE PAID BY ANY LICENSEE TO ITSELF, TO ITS TRUSTEES, TO A COMMITTEE OF  
16 THE LICENSEE OR TO ANY ORGANIZATION WHOSE MEMBERS ARE THE SAME, OR  
17 SUBSTANTIALLY THE SAME, AS THE LICENSEE.

18 (2) AN ORGANIZATION FOR WHICH LICENSES ARE ISSUED FOR A  
19 PERIOD OF LESS THAN 1 YEAR SHALL FILE A REPORT REQUIRED UNDER  
20 PARAGRAPH (1) OF THIS SUBSECTION WITH THE SHERIFF WITHIN 15 DAYS AFTER  
21 THE EXPIRATION DATE OF THE LICENSE.

22 (3) AN ORGANIZATION FOR WHICH A LICENSE IS ISSUED FOR A FISCAL  
23 YEAR SHALL FILE A SEMIANNUAL REPORT REQUIRED UNDER PARAGRAPH (1) OF  
24 THIS SUBSECTION WITH THE SHERIFF ON OR BEFORE JANUARY 31 OF THE  
25 LICENSING YEAR AND AN ANNUAL REPORT REQUIRED UNDER PARAGRAPH (1) OF  
26 THIS SUBSECTION WITHIN 30 DAYS AFTER THE LICENSE EXPIRES.

27 (4) A LICENSEE SHALL KEEP ON FILE A WEEKLY REPORT, UNDER THE  
28 PENALTIES OF PERJURY, IN A FORM PROVIDED BY THE SHERIFF, THAT SHALL BE  
29 SUBJECT TO AUDIT AT A REASONABLE HOUR BY A MEMBER OF THE SHERIFF'S  
30 OFFICE OR THE STATE'S ATTORNEY'S OFFICE.

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

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

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

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

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

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

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

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

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

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

7 (II) RAFFLES MAY BE OPERATED ON SUNDAY.

8 [(2)] (3) A license issued under this section:

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

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

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

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

15 2. A raffle on Sunday.

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

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

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

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

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

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

31 (2) (I) A LICENSEE SHALL BE NOTIFIED BY REGISTERED MAIL OF A  
32 DECLARATION BY THE SHERIFF OF THE LICENSEE'S FORFEITURE OF ITS RIGHT TO  
33 THE ISSUANCE OF ANOTHER LICENSE OR A SUSPENSION OF A LICENSE UNDER  
34 SUBSECTION (D) OF THIS SECTION.

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

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1 (III) NOTHING CONTAINED IN THIS SUBSECTION MAY BE  
2 CONSTRUED AS LIMITING THE RIGHT OF ANY PARTY TO SEEK JUDICIAL REVIEW OF  
3 THE DECISION TO DENY THE ISSUANCE OF, OR SUSPEND, ANY LICENSE DESCRIBED  
4 IN THIS SECTION.

5 256A.

6 (A) THE SHERIFF OF WICOMICO COUNTY SHALL ESTABLISH A GAMING  
7 ADVISORY COMMITTEE.

8 (B) THE GAMING ADVISORY COMMITTEE SHALL:

9 (1) MAKE RECOMMENDATIONS TO THE SHERIFF CONCERNING THE  
10 STANDARDS FOR REPORTING REQUIREMENTS TO BE MET BY LICENSEES; ~~AND~~

11 (2) EXAMINE THE REPORTS AND AUDITS DESCRIBED UNDER § 256(D) OF  
12 THIS SUBHEADING; AND

13 ~~(2)~~ (3) MAKE ANY OTHER RECOMMENDATIONS TO ASSIST THE  
14 SHERIFF IN THE ADMINISTRATION OF LICENSING AND OTHER DUTIES OF THE  
15 SHERIFF UNDER § 256 OF THIS SUBHEADING.

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

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

18 (2) MAY NOT RECEIVE COMPENSATION.

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