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**By: Delegate Walkup**

Introduced and read first time: January 31, 1996

Assigned to: Judiciary

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A BILL ENTITLED

1 AN ACT concerning

2 **Kent County - Gaming - Regulation**

3 FOR the purpose of allowing certain nonprofit companies, organizations, and  
4 corporations in Kent County to hold certain fund-raising affairs under certain  
5 conditions; requiring the companies, organizations, and corporations to acquire a  
6 certain permit for gaming devices and raffles if the Kent County Commissioners  
7 establish a certain permit system; abolishing the authority of the Kent County  
8 Commissioners to regulate the number of multiple gaming device permits issued to  
9 organizations each year; repealing a certain limit on the number of permits that the  
10 Commissioners may issue to a single organization each year; defining a certain term;  
11 and generally relating to the regulation of gaming in Kent County.

12 BY repealing and reenacting, with amendments,  
13 Article 27 - Crimes and Punishments  
14 Section 253(a) through (c) and (g)(1)  
15 Annotated Code of Maryland  
16 (1992 Replacement Volume and 1995 Supplement)

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

19 **Article 27 - Crimes and Punishments**

20 253.

21 (a) (1) (i) In this section the following words have the meanings indicated.

22 (ii) "GAMING DEVICE" DOES NOT INCLUDE A BINGO GAME, SLOT  
23 MACHINE, OR OTHER GAME OR DEVICE THAT IS REGULATED BY STATE LAW.

24 (III) "Permit" means:

25 1. A multiple gaming device permit, allowing two or more of the  
26 GAMING devices specified in paragraph [(3)] (6) of this subsection; or

27 2. A raffle permit issued under subsection (h) of this section.

28 [(iii)] (IV) 1. "Raffle" means a lottery using paper chances in which  
29 prizes are won by persons who buy chances in the lottery.

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1                                   2. A raffle is not a multiple gaming device unless run in  
2 conjunction with an event requiring a multiple gaming device permit.

3                                   (2) This section only applies in Kent County.

4                                   (3) SUBJECT TO PARAGRAPHS (4) AND (5) OF THIS SUBSECTION, A  
5 VOLUNTEER FIRE COMPANY OR AUXILIARY, A VETERANS' ORGANIZATION OR  
6 AUXILIARY, OR BONA FIDE RELIGIOUS, NONPROFIT, FRATERNAL, EDUCATIONAL,  
7 CIVIC, PATRIOTIC, OR CHARITABLE ORGANIZATION OR CORPORATION MAY HOLD A  
8 FUND-RAISING AFFAIR FOR THE EXCLUSIVE BENEFIT OF THE COMPANY,  
9 ORGANIZATION, OR CORPORATION.

10                                  (4) AN INDIVIDUAL OR GROUP OF INDIVIDUALS MAY NOT:

11                                   (I) BENEFIT FINANCIALLY FROM THE HOLDING OF THE  
12 FUND-RAISING AFFAIR; OR

13                                   (II) RECEIVE OR BE PAID ANY OF THE PROCEEDS FROM THE  
14 FUND-RAISING AFFAIR.

15                                  (5) IF THE COUNTY COMMISSIONERS ESTABLISH A PERMIT SYSTEM FOR  
16 GAMING DEVICES OR RAFFLES, AN ENTITY LISTED IN PARAGRAPH (3) OF THIS  
17 SUBSECTION MUST ACQUIRE THE APPROPRIATE PERMIT BEFORE USING GAMING  
18 DEVICES OR RAFFLES IN A FUND-RAISING AFFAIR.

19                                  [(3)] (6) Notwithstanding any other provision of this article, the County  
20 Commissioners may issue a multiple gaming device permit to any of the following  
21 organizations to conduct a fund-raising affair at which merchandise or cash prizes may be  
22 awarded by GAMING devices commonly known as paddle wheels, wheels of fortune,  
23 chance books, card games, raffles, or by any other gaming device:

24                                   (i) A county or municipally supported volunteer fire company or  
25 auxiliary unit whose members are directly associated with the fire company or auxiliary  
26 unit;

27                                   (ii) A nationally chartered veterans' organization or auxiliary unit  
28 whose members are directly associated with the organization;

29                                   (iii) A bona fide religious organization which has conducted religious  
30 services at the same location in Kent County for at least 3 years before applying for a  
31 permit;

32                                   (iv) A bona fide nonprofit fraternal, educational, civic, patriotic, or  
33 charitable organization desiring to conduct a fund-raiser for the benefit of a charity  
34 located in Kent County; or

35                                   (v) A bona fide nonprofit organization desiring to raise money for an  
36 exclusively charitable, athletic, or educational purpose specifically described in the permit  
37 application, that has operated on a nonprofit basis in Kent County for at least 3 years  
38 before applying for a permit.

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1 [(4)] (7) An organization under paragraph [(3)] (6) of this subsection shall  
2 be organized in and serve the residents of Kent County to be eligible for a permit under  
3 this subsection.

4 [(5)] (8) The County Commissioners shall determine whether an  
5 organization qualifies for a permit under this subsection. An organization, institution,  
6 association, society, or corporation that is exempt from taxation under § 501(c)(3) of the  
7 Internal Revenue Code is a bona fide charity, under this subsection.

8 [(6)] (9) This section may not be construed to authorize the use of slot  
9 machines, or any other type of coin machine, for gambling purposes. Slot machines are  
10 regulated under § 264B of this article.

11 (b) The County Commissioners may:

12 (1) Adopt regulations concerning permit applications and the issuance of  
13 permits;

14 (2) Charge a fee set by resolution for each permit; AND

15 (3) [Regulate the number of permits which may be issued to organizations  
16 each year; and

17 (4) Deny a permit to an organization for up to 3 years if it violates the  
18 provisions of this section or the regulations adopted under it.

19 (c) (1) [The County Commissioners may not issue more than two multiple  
20 gaming device permits in a year to an organization.

21 (2) (i) Subject to [subparagraph (ii) of this paragraph,] PARAGRAPH (2)  
22 OF THIS SUBSECTION, a multiple gaming device permit issued under this section for a  
23 fund-raiser at which two or more gaming devices will be used shall be valid for only one  
24 event lasting 6 hours.

25 [(ii)] (2) The County Commissioners may waive the 6-hour limitation  
26 on the period for which a permit is valid if the organization does not seek more than one  
27 multiple gaming device permit a year.

28 (g) (1) Unless a waiver is granted by the County Commissioners OR UNLESS A  
29 PERMIT SYSTEM IS NOT ESTABLISHED BY THE COUNTY COMMISSIONERS, a  
30 fund-raiser conducted under this section shall be managed and operated only by  
31 individuals domiciled in Kent County on behalf of the organization that receives a permit.

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