
By: Delegate Walkup

Introduced and read first time: February 7, 1996

Assigned to: Judiciary

A BILL ENTITLED

1 AN ACT concerning

2 **Kent County - Gaming - Regulation**

3 FOR the purpose of altering the procedures by which certain organizations may conduct
4 certain fund-raising events with certain gaming devices; specifying certain
5 organizations that may conduct certain fund-raising events in Kent County;
6 authorizing the Kent County Commissioners to adopt regulations requiring a permit
7 for certain gaming devices; authorizing certain organizations to conduct certain
8 fund-raising events in Kent County without a permit under certain circumstances;
9 requiring that certain fund-raisers be conducted in certain places; requiring that a
10 certain minimum amount of funds derived from a fund-raiser be used for a certain
11 purpose; requiring that certain fund-raisers be managed or operated only by certain
12 persons; providing certain penalties; and generally relating to gaming regulation in
13 Kent County.

14 BY repealing

15 Article 27 - Crimes and Punishments
16 Section 253
17 Annotated Code of Maryland
18 (1992 Replacement Volume and 1995 Supplement)

19 BY adding to

20 Article 27 - Crimes and Punishments
21 Section 253
22 Annotated Code of Maryland
23 (1992 Replacement Volume and 1995 Supplement)

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

26 **Article 27 - Crimes and Punishments**

27 [253.

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

29 (ii) "Permit" means:

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

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

4 (3) Regulate the number of permits which may be issued to organizations
5 each year; and

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

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

10 (2) (i) Subject to subparagraph (ii) of this paragraph, a multiple gaming
11 device permit issued under this section for a fund-raiser at which two or more gaming
12 devices will be used shall be valid for only one event lasting 6 hours.

13 (ii) The County Commissioners may waive the 6-hour limitation on
14 the period for which a permit is valid if the organization does not seek more than one
15 multiple gaming device permit a year.

16 (d) An organization which is issued a multiple gaming device permit under this
17 section shall conduct the fund-raiser in:

18 (1) A structure owned, leased, or occupied by the organization receiving the
19 permit;

20 (2) A structure owned, leased, or occupied by any organization which would
21 qualify for a permit under subsection (a) of this section; or

22 (3) A public location if it is described in the permit application and is
23 approved by the State's Attorney for Kent County.

24 (e) At least 50 percent of the funds derived from a multiple gaming device
25 fund-raiser that permits the use of two or more gaming devices shall be used for a civic,
26 charitable, or educational purpose.

27 (f) A multiple gaming device permit may not be approved to hold a fund-raiser
28 on premises that are licensed under a Class B or Class D alcoholic beverages license.

29 (g) (1) Unless a waiver is granted by the County Commissioners, a fund-raiser
30 conducted under this section shall be managed and operated only by individuals
31 domiciled in Kent County on behalf of the organization that receives a permit.

32 (2) Each organization shall designate an individual who shall be responsible
33 for complying with the terms and conditions of this section and a permit.

34 (3) A person may not be compensated for the management or operation of
35 any gaming activity authorized under a permit.

36 (h) (1) The County Commissioners may issue a raffle permit to an organization
37 that qualifies for a permit under subsection (a)(3) of this section or under regulations of
38 the County Commissioners.

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1 (2) A raffle conducted under a permit issued under this section may not last
2 more than 1 year from the date the permit is issued to the date the last prize is awarded.

3 (3) The County Commissioners may regulate the number of raffle permits
4 an organization may receive in a year.

5 (i) An organization which is issued a permit under this section shall send, within
6 30 days after each fund-raiser, to the County Commissioners:

7 (1) An accounting of all funds received or pledged;

8 (2) An accounting of all expenses paid or incurred; and

9 (3) A statement under oath of the application of the net profits.

10 (j) A person or organization that violates any provision of this section is guilty of
11 a misdemeanor and on conviction is subject to a fine not exceeding \$1,000 or
12 imprisonment not exceeding 1 year, or both. Each day of violation constitutes a separate
13 offense.]

14 253.

15 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
16 INDICATED.

17 (2) "RAFFLE" MEANS A LOTTERY USING PAPER CHANCES IN WHICH
18 PRIZES ARE WON BY PERSONS WHO BUY CHANCES IN THE LOTTERY.

19 (3) "GAMING DEVICE" INCLUDES PADDLE WHEELS, WHEELS OF
20 FORTUNE, CHANCE LOOKS, CARD GAMES, RAFFLES, TIP JARS, OR ANY OTHER
21 GAMING DEVICE.

22 (4) "MULTIPLE GAMING DEVICE FUND-RAISER" MEANS A
23 FUND-RAISING AFFAIR OR EVENT IN WHICH MERCHANDISE OR CASH PRIZES MAY
24 BE AWARDED BY THE USE OF TWO OR MORE GAMING DEVICES.

25 (5) "PERMIT" MEANS A PERMIT ISSUED BY KENT COUNTY PURSUANT TO
26 REGULATIONS ENACTED UNDER PARAGRAPH (E) OF THIS SECTION FOR A RAFFLE
27 OR OTHER GAMING DEVICE FUND-RAISER.

28 (B) (1) THIS SUBHEADING MAY NOT BE CONSTRUED TO MAKE IT
29 UNLAWFUL FOR ANY ORGANIZATION SPECIFIED IN SUBSECTIONS (C)(1) THROUGH
30 (C)(5) OF THIS SECTION TO CONDUCT A GAMING DEVICE FUND-RAISING EVENT,
31 PROVIDED THAT THE ORGANIZATION COMPLIES WITH THE PROVISIONS OF THIS
32 SECTION.

33 (2) (I) THIS SECTION MAY NOT BE CONSTRUED TO AUTHORIZE THE
34 USE OF SLOT MACHINES OR ANY OTHER TYPE OF COIN MACHINE FOR GAMBLING
35 PURPOSES.

36 (II) SLOT MACHINES ARE REGULATED UNDER SECTION 264B OF
37 THIS ARTICLE.

38 (3) THIS SECTION APPLIES ONLY IN KENT COUNTY.

1 (C) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, ONLY THE
2 FOLLOWING ORGANIZATIONS MAY CONDUCT A FUND-RAISER IN WHICH
3 MERCHANDISE OR CASH PRIZES MAY BE AWARDED BY ANY RAFFLE OR OTHER
4 GAMING DEVICE:

5 (1) A COUNTY OR MUNICIPALLY SUPPORTED VOLUNTEER FIRE
6 COMPANY OR AUXILIARY UNIT WHOSE MEMBERS ARE DIRECTLY ASSOCIATED
7 WITH THE FIRE COMPANY OR AUXILIARY UNIT;

8 (2) A NATIONALLY CHARTERED VETERANS ORGANIZATION OR
9 AUXILIARY UNIT WHOSE MEMBERS ARE DIRECTLY ASSOCIATED WITH THE
10 ORGANIZATION;

11 (3) A BONA FIDE RELIGIOUS ORGANIZATION WHICH HAS CONDUCTED
12 RELIGIOUS SERVICES IN KENT COUNTY;

13 (4) A BONA FIDE NONPROFIT FRATERNAL, EDUCATIONAL, CIVIC,
14 PATRIOTIC, OR CHARITABLE ORGANIZATION DESIRING TO CONDUCT A
15 FUND-RAISER FOR THE BENEFIT OF A CHARITY LOCATED IN KENT COUNTY; OR

16 (5) A BONA FIDE NONPROFIT ORGANIZATION OPERATING ON A
17 NONPROFIT BASIS IN KENT COUNTY AND DESIRING TO RAISE MONEY FOR AN
18 EXCLUSIVELY CHARITABLE, ATHLETIC, OR EDUCATIONAL PURPOSE.

19 (D) (1) AN ORGANIZATION LISTED UNDER SUBSECTION (C) OF THIS
20 SECTION SHALL BE ORGANIZED IN AND SERVE THE RESIDENTS OF KENT COUNTY.

21 (2) AN ORGANIZATION, INSTITUTION, ASSOCIATION, SOCIETY, OR
22 CORPORATION THAT IS EXEMPT FROM TAXATION UNDER SECTION 501(C)(3) OF THE
23 INTERNAL REVENUE CODE IS A BONA FIDE CHARITY.

24 (E) THE KENT COUNTY COMMISSIONERS MAY:

25 (1) ADOPT REGULATIONS REQUIRING A PERMIT FOR ANY RAFFLE OR
26 ANY OTHER GAMING DEVICE FUND-RAISER CONDUCTED IN KENT COUNTY;

27 (2) ADOPT REGULATIONS CONCERNING PERMIT APPLICATIONS AND
28 THE ISSUANCE OF PERMITS;

29 (3) CHARGE A FEE SET BY RESOLUTION FOR EACH PERMIT;

30 (4) REGULATE THE DURATION AND NUMBER OF RAFFLES OR OTHER
31 GAMING DEVICE FUND-RAISERS ORGANIZATIONS MAY CONDUCT;

32 (5) DENY A PERMIT TO AN ORGANIZATION FOR UP TO 3 YEARS IF IT
33 VIOLATES THE PROVISIONS OF THIS SECTION OR THE REGULATIONS ADOPTED
34 UNDER IT; AND

35 (6) ADOPT REGULATIONS REQUIRING AN ACCOUNTING OF FUNDS
36 RECEIVED OR PLEDGED, EXPENSES PAID OR INCURRED, AND THE APPLICATION OF
37 THE NET PROFITS OF ANY RAFFLE OR OTHER GAMING DEVICE FUND-RAISER.

38 (F) UNTIL THE COUNTY COMMISSIONERS ENACT REGULATIONS REQUIRING
39 A PERMIT FOR ANY RAFFLE OR OTHER GAMING DEVICE FUND-RAISER, THE

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1 FUND-RAISERS MAY BE CONDUCTED IN ACCORDANCE WITH THIS SECTION
2 WITHOUT A PERMIT.

3 (G) A MULTIPLE GAMING DEVICE FUND-RAISER SHALL BE CONDUCTED IN:

4 (1) A STRUCTURE OWNED, LEASED, OR OCCUPIED BY THE
5 ORGANIZATION AUTHORIZED IN SUBSECTION (C) TO CONDUCT THE FUND-RAISER;
6 OR

7 (2) A PUBLIC LOCATION, IF IT IS DESCRIBED IN WRITING AND
8 APPROVED BY THE STATE'S ATTORNEY FOR KENT COUNTY.

9 (H) AT LEAST 50% OF THE FUNDS DERIVED FROM A MULTIPLE GAMING
10 DEVICE FUND-RAISER SHALL BE USED FOR CIVIC, CHARITABLE, OR EDUCATIONAL
11 PURPOSE.

12 (I) A MULTIPLE GAMING DEVICE FUND-RAISER MAY NOT BE CONDUCTED
13 ON PREMISES THAT ARE LICENSED UNDER A CLASS B OR CLASS D ALCOHOLIC
14 BEVERAGES LICENSE.

15 (J) (1) A FUND-RAISER CONDUCTED UNDER THIS SECTION SHALL BE
16 MANAGED OR OPERATED ONLY BY INDIVIDUALS DOMICILED IN KENT COUNTY AND
17 ON BEHALF OF THE ORGANIZATION AUTHORIZED IN THIS SECTION TO CONDUCT
18 THE FUND-RAISER.

19 (2) EACH ORGANIZATION SHALL DESIGNATE AN INDIVIDUAL WHO
20 SHALL BE RESPONSIBLE FOR COMPLYING WITH THE TERMS AND CONDITIONS OF
21 THIS SECTION AND ANY LOCAL LAWS ENACTED IN ACCORDANCE WITH THIS
22 SECTION.

23 (3) A PERSON MAY NOT BE COMPENSATED FOR THE MANAGEMENT OR
24 OPERATION OF ANY GAMING ACTIVITY AUTHORIZED UNDER THIS SECTION.

25 (K) (1) A PERSON OR ORGANIZATION THAT VIOLATES ANY PROVISION OF
26 THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A
27 FINE NOT EXCEEDING \$1,000 OR IMPRISONMENT NOT EXCEEDING 1 YEAR, OR BOTH.

28 (2) EACH DAY OF VIOLATION CONSTITUTES A SEPARATE OFFENSE.

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