
By: Senator Baker

Introduced and read first time: January 31, 1996

Assigned to: Judicial Proceedings

Committee Report: Favorable

Senate action: Adopted

Read second time: March 14, 1996

CHAPTER ____

1 AN ACT concerning

2 **Slot Machines - Transportation**

3 FOR the purpose of providing that a slot machine that is lawfully owned and operated by
4 certain entities in certain counties may be transported directly to and from certain
5 locations for the purpose of servicing or repairing the slot machine; and generally
6 relating to slot machines on the Eastern Shore.

7 BY repealing and reenacting, with amendments,
8 Article 27 - Crimes and Punishments
9 Section 264B
10 Annotated Code of Maryland
11 (1992 Replacement Volume and 1995 Supplement)

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

14 **Article 27 - Crimes and Punishments**

15 264B.

16 Any machine, apparatus or device is a slot machine within the provisions of this
17 section if it is one that is adapted for use in such a way that, as a result of the insertion or
18 deposit therein, or placing with another person of any piece of money, coin, token or
19 other object, such machine, apparatus or device is caused to operate or may be operated,
20 and by reason of any element of chance or of other outcome of such operation
21 unpredictable by him, the user may receive or become entitled to receive any piece of
22 money, coin, token or other object representative of and convertible into money,
23 irrespective of whether the said machine, apparatus or device may, apart from any

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1 element of chance or unpredictable outcome of such operation, also sell, deliver or
2 present some merchandise or money or other tangible thing of value.

3 I. It shall be unlawful for any person, firm or corporation to locate, possess,
4 keep, maintain or operate any slot machine within this State, whether as owner, lessor,
5 lessee, licensor, licensee, or otherwise, except as provided in paragraphs II, VI, and VII of
6 this section.

7 II. In those counties and municipalities of this State wherein the county
8 commissioners or municipal authorities thereof, prior to July 1, 1963, licensed such slot
9 machines for operation therein,

10 (A) After July 1, 1965, it shall be unlawful for any person, firm or
11 corporation to conduct any place of business wherein is located or kept, other than in a
12 building or upon any premises used solely for storage, a number of slotmachines in excess
13 of the maximum numbers hereinafter set forth, and it shall be unlawful for any person,
14 firm or corporation to possess, keep or maintain, other than in a building or upon any
15 premises used solely for storage, or operate within any one building, or upon any
16 premises, as hereinafter defined, a number of slot machines in excess of the following
17 maximum numbers of such machines:

18 (1) At any time after July 1, 1963, a number equal to the number
19 located, kept, possessed, maintained or operated in such place of business, building or
20 premises as of March 1, 1963.

21 (2) At any time after July 1, 1965, a number equal to the number
22 located, kept, possessed, maintained or operated in such place of business, building or
23 premises as of January 1, 1963, or thirty (30) machines, whichever shall be the lesser
24 number.

25 (3) At any time after July 1, 1966, a number equal to the number
26 located, kept, possessed, maintained or operated in such place of business, building or
27 premises as of January 1, 1963, or twenty (20) machines, whichever shall be the lesser
28 number.

29 (4) At any time after July 1, 1967, a number equal to the number
30 located, kept, possessed, maintained or operated in such place of business, building or
31 premises as of January 1, 1963, or ten (10) machines, whichever shall be the lesser
32 number.

33 (B) After July 1, 1968, it shall be unlawful for any person, firm or
34 corporation, whether as owner, lessor, lessee, licensor, licensee, or otherwise, to possess,
35 keep, maintain or operate, or have in or upon any place of business, building or premises
36 for any purpose any slot machines whatsoever; provided, however, that the county
37 commissioners or county executive of any county in which such machines are situated
38 may, in their discretion, cause such machines to be registered in a manner appropriate to
39 their office and to be sealed against use, stored, kept and possessed under the supervision
40 and control of said county commissioners or county executive pending lawful disposal.

41 (C) For the purposes of this section, the term "premises" shall mean any
42 parcel or tract of land, whether improved or unimproved, under single ownership, or

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1 (3) Owns no more than 5 slot machines, where each slot machine is an
2 individual slot machine and not a console or set of slot machines affixed to each other;

3 (4) Locates and operates the slot machines at its principal meeting
4 hall in the county in which the eligible organization is located;

5 (5) Uses at least 50 percent of the proceeds from the slotmachines for
6 the benefit of a charity and the remainder of the proceeds in the furtherance of the
7 purposes of the eligible organization;

8 (6) Does not use any of the proceeds for the financial benefit of any
9 individual;

10 (7) Does not locate or operate the slot machines in any private
11 commercial facility; and

12 (8) Reports annually under affidavit to the Comptroller of the
13 Treasury the income of each slot machine and the disposition of the income in
14 accordance with this paragraph.

15 (D) To be eligible for use and operation under this paragraph VI of this
16 section:

17 (1) The slot machine shall be equipped with a tamperproof meter or
18 counter which accurately records gross receipts; and

19 (2) The eligible organization shall accurately take and maintain a
20 record of the gross receipts and payoffs of the slot machine.

21 (E) (1) Before an eligible organization operates a slot machine under
22 paragraph VI(C) of this section, the eligible organization shall obtain a license for the slot
23 machine from the sheriff for the county in which the eligible organization plans to locate
24 the slot machine.

25 (2) (i) The county shall:

26 1. Charge an annual fee for the license of \$50 for each machine;
27 and

28 2. Issue a license sticker to the applicant.

29 (ii) The applicant shall place the sticker on the slot machine.

30 (iii) The proceeds of the annual fee shall be transferred to the
31 general fund of the county.

32 (3) The application to the sheriff for the issuance of the license shall
33 be certified by an affidavit by one of the principal officers of the eligible organization
34 stating that it:

35 (i) Is an eligible organization; and

36 (ii) Will comply with the provisions of paragraph VI(C) of this
37 section.

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1 (4) (i) A principal officer of the eligible organization may not
2 intentionally misrepresent a statement of fact on the application.

3 (ii) Any person who violates this paragraph upon conviction is
4 subject to the penalty provided under Article 27, § 439 of the Code.

5 (F) A PERSON MAY TRANSPORT A SLOT MACHINE THAT IS LAWFULLY
6 OWNED AND OPERATED BY A LICENSEE UNDER THIS SUBTITLE DIRECTLY TO AND
7 FROM THE LICENSEE'S PRINCIPAL MEETING HALL IN THE COUNTY IN WHICH THE
8 LICENSEE IS LOCATED AND A SLOT MACHINE DISTRIBUTOR THAT HAS A PLACE OF
9 BUSINESS LOCATED IN ONE OF THE COUNTIES LISTED IN SUBSECTION VI(A) OF THIS
10 SECTION FOR THE PURPOSE OF SERVICING OR REPAIRING THE SLOT MACHINE.

11 VII. (A) Only for the purpose of demonstration or sale to an entity lawfully
12 permitted to buy slot machines, a person may take delivery of, possess, or transport slot
13 machines if the person:

14 (1) Is operating with or under a distributorship contract with a
15 manufacturer of slot machines;

16 (2) Is registered with the United States Department of Justice as a
17 distributor of slot machines; and

18 (3) Has provided the [Superintendent] SECRETARY OF THE
19 DEPARTMENT of the Maryland State Police with a copy of the person's current federal
20 registration.

21 (B) Any person violating the provisions of this paragraph shall upon
22 conviction be punished as provided in paragraph III of this section.

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