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-	nator Baker eed and read first time: January 31, 1996	
Assigned to: Judicial Proceedings		
Commit	tee Report: Favorable	
Senate a	action: Adopted	
Read se	cond time: March 14, 1996	
	CHAPTER	
1 AN	ACT concerning	
2	Slot Machines - Transportation	
3 FO	R 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	
	ARYLAND, That the Laws of Maryland read as follows:	
14	Article 27 - Crimes and Punishments	
15 26	4B.	
16	Any machine, apparatus or device is a slot machine within the provisions of this	
	tion if it is one that is adapted for use in such a way that, as a result of the insertion or	
	posit therein, or placing with another person of any piece of money, coin, token or	
19 oth	er object, such machine, apparatus or device is caused to operate ormay 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" shallmean any
- 42 parcel or tract of land, whether improved or unimproved, under single ownership, or

SENATE BILL 375 3 1 under the ownership of any combination of persons, firms or corporations associated 2 together in any joint or common venture. 3 III. Any firm, person or corporation violating the provisions hereofshall be 4 deemed guilty of a misdemeanor and shall, upon conviction, be punishable by a fine of 5 one thousand dollars (\$1,000) or by imprisonment for a period not to exceed one (1) year, 6 or by both such fine and such imprisonment, for each violation. 7 IV. It shall be unlawful for the licensing authorities in Calvert, Charles and St. 8 Mary's Counties to charge a license fee for such slot machines that shall exceed the pro 9 rata share of the license fee for such slot machines up to the date such slot machines are 10 required to be removed by the provisions of this section. 11 V. It shall be a defense to any prosecution under paragraph III of this section if 12 the defendant shows that the slot machine is an antique slot machine and was not 13 operated for gambling purposes while in the defendant's possession. Forthe purposes of 14 this paragraph, a slot machine is an antique slot machine if the defendant shows by a 15 preponderance of the evidence that the machine was manufactured at least 25 years 16 before the date on which the machine is seized. Whenever this defense is offered, no slot 17 machine seized from any defendant shall be destroyed or otherwise altered until after a 18 final court determination including review upon appeal, if any, that the defense is not 19 applicable. If the defense is applicable, the slot machine shall be returned pursuant to 20 provisions of law providing for the return of property. 21 VI. (A) The provisions of this paragraph of this section apply in: 22 (1) Caroline County; 23 (2) Cecil County; 24 (3) Dorchester County; 25 (4) Kent County; 26 (5) Queen Anne's County; 27 (6) Somerset County; (7) Talbot County; and 28 29 (8) Wicomico County. 30 (B) In paragraph VI, "eligible organization" means a bona fide fraternal, 31 religious, or war veterans' nonprofit organization which has been located in a county 32 listed in paragraph VI(A) of this section for a period of at least 5 years before application

(C) Notwithstanding any other provision of this subtitle, an eligible 35 organization may own and operate a slot machine if it:

33 for a license under paragraph VI(E) of this section.

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(1) Obtains a license under paragraph VI(E) of this section for each 36 37 slot machine owned or operated;

(2) Owns the slot machines it operates;

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1 2	(3) Owns no more than 5 slot machines, where each slot machine is an 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 hall in the county in which the eligible organization is located;
	(5) Uses at least 50 percent of the proceeds from the slotmachines for the benefit of a charity and the remainder of the proceeds in the furtherance of the purposes of the eligible organization;
8 9	(6) Does not use any of the proceeds for the financial benefit of any individual;
10 11	(7) Does not locate or operate the slot machines in any private commercial facility; and
	(8) Reports annually under affidavit to the Comptroller of the Treasury the income of each slot machine and the disposition of the income in accordance with this paragraph.
15 16	(D) To be eligible for use and operation under this paragraph VI of this section:
17 18	(1) The slot machine shall be equipped with a tamperproof meter or counter which accurately records gross receipts; and
19 20	(2) The eligible organization shall accurately take and maintain a record of the gross receipts and payoffs of the slot machine.
23	(E) (1) Before an eligible organization operates a slot machineunder paragraph VI(C) of this section, the eligible organization shall obtain a license for the slot machine from the sheriff for the county in which the eligible organization plans to locate the slot machine.
25	(2) (i) The county shall:
26 27	$1. \ Charge \ an \ annual \ fee \ for \ the \ license \ of \ \$50 \ for \ each \ machine \ and$
28	2. Issue a license sticker to the applicant.
29	(ii) The applicant shall place the sticker on the slot machine.
30 31	(iii) The proceeds of the annual fee shall be transferred to the general fund of the county.
	(3) The application to the sheriff for the issuance of thelicense shall be certified by an affidavit by one of the principal officers of the eligible organization stating that it:
35	(i) Is an eligible organization; and
36 37	$\mbox{(ii) Will comply with the provisions of paragraph $VI(C)$ of this section.} \label{eq:provisions}$

1 2	(4) (i) A principal officer of the eligible organization may not intentionally misrepresent a statement of fact on the application.
3	(ii) Any person who violates this paragraph upon conviction is subject to the penalty provided under Article 27, § 439 of the Code.
7 8 9	(F) A PERSON MAY TRANSPORT A SLOT MACHINE THAT IS LAWFULLY OWNED AND OPERATED BY A LICENSEE UNDER THIS SUBTITLE DIRECTLY TO AND FROM THE LICENSEE'S PRINCIPAL MEETING HALL IN THE COUNTY IN WHICH THE LICENSEE IS LOCATED AND A SLOT MACHINE DISTRIBUTOR THAT HAS A PLACE OF BUSINESS LOCATED IN ONE OF THE COUNTIES LISTED IN SUBSECTION VI(A) OF THIS SECTION FOR THE PURPOSE OF SERVICING OR REPAIRING THE SLOT MACHINE.
	VII. (A) Only for the purpose of demonstration or sale to an entity lawfully permitted to buy slot machines, a person may take delivery of, possess,or transport slot machines if the person:
14 15	(1) Is operating with or under a distributorship contract with a manufacturer of slot machines;
16 17	(2) Is registered with the United States Department of Justice as a distributor of slot machines; and
	(3) Has provided the [Superintendent] SECRETARY OF THE DEPARTMENT of the Maryland State Police with a copy of the person's current federal registration.
21 22	(B) Any person violating the provisions of this paragraph shallupon conviction be punished as provided in paragraph III of this section.
23 24	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1996.