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**By: Prince George's County Delegation**

Introduced and read first time: January 31, 1997

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County Charity Gaming Regulatory Act of 1997**

3 **PG 310-97**

4 FOR the purpose of authorizing Prince George's County to adopt by ordinance provisions  
5 concerning certain licenses relating to casino nights, including a certain appeal from  
6 decisions involving certain licenses; authorizing Prince George's County to adopt by  
7 ordinance provisions concerning limitations on the amount of gratuities volunteers  
8 who assist a casino night may accept; restricting the use of gratuities in certain  
9 circumstances to certain purposes in Prince George's County; authorizing a person  
10 that conducts a casino night to require pooling and sharing of gratuities by  
11 volunteers who assist the person in conducting the casino night; altering the date by  
12 which a person, group, or organization is required to submit certain reports relating  
13 to casino nights; altering certain criminal penalties; extending a certain termination  
14 date in connection with the regulation of casino nights in Prince George's County;  
15 providing for the effective date of this Act; and generally relating to the regulation  
16 of casino nights in Prince George's County.

17 BY repealing and reenacting, with amendments,  
18 Article 27 - Crimes and Punishments  
19 Section 258B(c) and (d)  
20 Annotated Code of Maryland  
21 (1996 Replacement Volume and 1996 Supplement)

22 BY repealing and reenacting, with amendments,  
23 Chapter 557 of the Acts of the General Assembly of 1995  
24 Section 3

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

27 **Article 27 - Crimes and Punishments**

28 258B.

29 (c) (1) (i) In this subsection the following words have the meanings  
30 indicated.

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1 (ii) 1. "Casino night" means a benefit performance at which card  
2 games, wheels of chance, or roulette are played and money winnings or tokens  
3 redeemable in money are awarded as prizes.

4 2. "Casino night" does not include a benefit performance such  
5 as a carnival, fair, or bazaar at which the only form of gaming is a wheel of fortune, big  
6 wheel, or other wheel of chance.

7 (iii) "County" means the governing body of Prince George's County or  
8 its designee.

9 (2) (i) The County may issue written permits for the operation of casino  
10 nights.

11 (ii) The County shall establish the fees for a permit to operate a casino  
12 night.

13 (III) THE COUNTY MAY ADOPT BY ORDINANCE ADDITIONAL  
14 PROVISIONS GOVERNING THE OPERATION OF CASINO NIGHTS, INCLUDING:

15 1. LIMITATION ON THE AMOUNT OF GRATUITIES A  
16 VOLUNTEER MAY RECEIVE FROM A CASINO NIGHT EVENT; AND

17 2. PROVISIONS GOVERNING THE ISSUANCE, SUSPENSION,  
18 AND REVOCATION OF WORKER LICENSES INCLUDING THE RIGHT OF APPEAL.

19 (IV) ANY GRATUITIES IN EXCESS OF THE AMOUNT PERMITTED BY A  
20 PROVISION ADOPTED IN ACCORDANCE WITH SUBPARAGRAPH (III) OF THIS  
21 PARAGRAPH SHALL BE USED EXCLUSIVELY BY THE CHARITABLE GAMING SPONSOR  
22 FOR ITS CHARITABLE PURPOSES AND NOT FOR ANY PRIVATE GAIN.

23 [(iii)] (V) The fees established under subparagraph (ii) of this  
24 paragraph shall be sufficient to pay for the costs of administering this subsection.

25 [(iv)] (VI) In addition to the fees established under subparagraph (ii) of  
26 this paragraph, the County shall establish a levy of up to 20 percent of the gross receipts  
27 derived from gaming activities conducted at a casino night to be expended for general  
28 purposes.

29 (3) A person, group, or organization may not conduct a casino night without  
30 first obtaining a permit under paragraph (2) of this subsection.

31 (4) The County shall restrict, regulate, or prohibit the issuance of written  
32 permits authorized under this subsection.

33 (5) (i) The number of permits issued for the operation of casino nights  
34 may not exceed 21 at any time.

35 (ii) The County in its discretion may issue fewer than 21 permits for  
36 the operation of casino nights.

37 (6) (i) An application submitted for issuance or renewal of a casino night  
38 permit may not be considered prima facie evidence that the applicant is entitled to the  
39 permit.

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1 (ii) The burden of proof is on the applicant to show that the approval  
2 of the issuance or renewal of a casino night permit is necessary for the accommodation of  
3 the general public.

4 (iii) An application form for issuance or renewal of a casino night  
5 permit shall be prepared by the County and shall contain any information the County  
6 considers necessary or helpful in making a decision on the issuance or renewal of a casino  
7 night permit.

8 (iv) The County shall reject an application if a determination is made  
9 that any information in the application is false or misleading or that the operation of a  
10 casino night is not necessary for the accommodation of the general public or would  
11 disturb the peace, create a nuisance, or be detrimental to the morals, health, or welfare of  
12 the community.

13 (v) The County shall review an application within 30 days after  
14 receiving it. The County shall approve or disapprove, in writing, the application within 10  
15 days after the completion of the review and promptly notify the applicant of the action  
16 taken.

17 (vi) If an application is rejected, the applicant shall be given the  
18 opportunity for a hearing after reasonable notice is given to the applicant.

19 (7) The proceeds of a casino night held in Prince George's County may not  
20 be used for any purpose other than the promotion of the purposes of a volunteer fire  
21 department in Prince George's County or for charitable, benevolent, patriotic, fraternal,  
22 educational, religious, or civic purposes in Prince George's County.

23 (8) On or before [July 1] OCTOBER 1 of each year, each person, group, or  
24 organization operating as a casino night permittee pursuant to this subsection during the  
25 [12 months preceding that July 1] PERIOD BETWEEN JULY 1 OF THE PREVIOUS YEAR  
26 THROUGH JUNE 30 OF THE CURRENT YEAR shall report under affidavit to the  
27 Comptroller of the Treasury, the County Executive and County Council of Prince  
28 George's County, and the Prince George's County House and Senate Delegations on:

29 (i) The total gross receipts from gaming activities at casino nights in  
30 Prince George's County for the 12-month period BETWEEN JULY 1 OF THE PREVIOUS  
31 YEAR THROUGH JUNE 30 OF THE CURRENT YEAR; and

32 (ii) The total expenses directly relating to gaming activities at casino  
33 nights for the 12-month period.

34 (9) A person may not knowingly make a false, fictitious, or fraudulent  
35 representation in a permit application, levy submission, record, report, or as part of any  
36 other documentation required under this subsection, under subsection (d) of this section,  
37 or under a County ordinance adopted pursuant to this subsection.

38 (10) A person that conducts a casino night in violation of the provisions of  
39 this subsection is subject to the following penalties:

40 (i) For a first violation, a 30-day suspension of the person's permit to  
41 conduct a casino night and a \$500 civil penalty;

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1 (ii) For a second violation, a 6-month suspension of the person's  
2 permit and a \$3,000 civil penalty; and

3 (iii) For a third violation, revocation of the person's permit and a  
4 \$10,000 civil penalty.

5 (11) A person who violates any provisions of this subsection or a County  
6 ordinance enacted pursuant to the provisions of this subsection is guilty of a misdemeanor  
7 and, on conviction, is subject to a fine not exceeding [\$5,000] \$10,000 or imprisonment  
8 not exceeding [3] 10 years or both.

9 (d) (1) (i) In this subsection the following words have the meanings  
10 indicated.

11 (ii) "Casino night" has the meaning stated in subsection (c)(1) of this  
12 section.

13 (iii) "County" has the meaning stated in subsection (c)(1) of this  
14 section.

15 (iv) "Person" means a group, company, association, or corporate body  
16 referred to in subsection (a) of this section.

17 (2) Notwithstanding § 255(b) of this article, in Prince George's County, a  
18 volunteer who assists a person that conducts a casino night may receive a gratuity offered  
19 by a public invitee who is playing the games of chance offered during the casino night  
20 activities.

21 (3) (i) The person that conducts a casino night shall monitor and keep  
22 daily records of any gratuities received by an individual under paragraph (2) of this  
23 subsection for each shift the individual assisted during each casino night conducted by the  
24 person.

25 (ii) The records required by subparagraph (i) of this paragraph shall  
26 include the name and Social Security number of each individual who receives gratuities  
27 under paragraph (2) of this subsection.

28 (III) A PERSON THAT CONDUCTS A CASINO NIGHT MAY REQUIRE  
29 THE VOLUNTEERS WHO ASSIST THE PERSON IN CONDUCTING THE CASINO NIGHT TO  
30 POOL AND SHARE GRATUITIES RECEIVED UNDER PARAGRAPH (2) OF THIS  
31 SUBSECTION.

32 (4) On request of the County or its designee, a person that conducts a casino  
33 night shall make the records required to be kept by paragraph (3) of this subsection  
34 available for inspection by the County or its designee.

35 (5) Except for a gratuity offered by a public invitee who is playing the games  
36 of chance offered during the casino night activities, a person may not pay an individual  
37 who assists in conducting a casino night a salary or compensation of any kind for assisting  
38 in conducting the casino night.

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1 (6) (i) A person that conducts a casino night in violation of the provisions  
2 of this subsection is guilty of a misdemeanor and, on conviction, is subject to a fine not  
3 exceeding [\$5,000] \$10,000 or imprisonment not exceeding [3] 10 years or both.

4 (ii) A person that conducts a casino night in violation of the provisions  
5 of this subsection is subject to the following penalties:

6 1. For a first violation, a 30-day suspension of the person's  
7 permit to conduct a casino night and a \$500 civil penalty;

8 2. For a second violation, a 6-month suspension of the person's  
9 permit and a \$3,000 civil penalty; and

10 3. For a third violation, revocation of the person's permit and a  
11 \$10,000 civil penalty.

12 **Chapter 557 of the Acts of 1995**

13 SECTION 3. AND BE IT FURTHER ENACTED, That Article 27, § 258B(c) and  
14 (d) and § 2-309(r)(8)(vi) of Courts and Judicial Proceedings Article as enacted by Section  
15 1 of this Act shall remain effective [for a period of 2 years from the effective date of this  
16 Act, and at the end of 2 years] UNTIL JULY 1, 1999, AT WHICH TIME, with no further  
17 action required by the General Assembly, Article 27, § 258B(c) and (d) and §  
18 2-309(r)(8)(vi) of Courts and Judicial Proceedings Article of the Code as enacted by  
19 Section 1 of this Act shall be abrogated and of no further force and effect.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
21 June 1, 1997.