

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 1111 (Delegates Bonsack and C. Davis)
Judiciary

Electronic Gaming Devices - Nonprofit Organizations

This bill changes the name of “slot machine” to “electronic gaming device” and authorizes their use by nonprofit religious, fraternal, and veterans’ organizations in all 24 subdivisions of the State.

Fiscal Summary

State Effect: None.

Local Effect: County revenues and expenditures could increase as described below.

Small Business Effect: Potential meaningful effect on small businesses. Authorizing the operation of electronic gaming devices could increase the revenue of eligible nonprofit organizations. Small businesses could benefit to the extent they provide supporting services for such gaming.

Fiscal Analysis

Local Revenues: From information provided by several counties, it is estimated that there is one eligible organization for every 7,500 people in the State. Accordingly, in the 15 counties covered by this bill, there could be about 530 eligible organizations. If each organization applied to license five slot machines, there would be 2,650 additional machines. For each machine, an annual license would have to be purchased from the sheriff’s office at a cost of \$50. Therefore, local revenues could increase by \$132,500 annually.

Half of the gross proceeds of the slot machines must be donated for charitable purposes, and half may be used to further the purposes of the licensees. Thus, local revenues would only be

affected through the licensing fees.

Local Expenditures: The Department of Fiscal Services advises that licensing could be done by the office of each county sheriff at minimal cost, which could be absorbed with existing resources.

Information Source(s): Department of Maryland State Police; Baltimore City; Allegany, Howard, and Prince George's counties; Department of Fiscal Services

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