

**Department of Fiscal Services**  
Maryland General Assembly

**FISCAL NOTE**

Senate Bill 856 (Senators Lawlah and Currie)  
Judicial Proceedings

---

**Charitable Gaming Activity - Sunset - Commission**

---

This bill extends the sunset date for casino nights in Prince George's County from May 25, 1997 to July 1, 1999, and applies this sunset to all charitable organizations in the State conducting any type of gaming activity. This bill also creates a 13-member Commission on Maryland Charitable Gaming, to be staffed by the Department of Fiscal Services and the Department of Legislative Reference. The commission is to study the extent of charitable gaming in the State, and the need for additional regulation or taxation of the industry. The commission is to report its findings and recommendations to the General Assembly by September 1, 1998.

This bill is effective June 1, 1997.

---

**Fiscal Summary**

**State Effect:** None. Commission members serve without compensation; staffing requirements can be absorbed within existing resources.

**Local Effect:** Local revenues of approximately \$5.7 million annually for all counties would continue through 1999, as would expenditures of approximately \$1.1 million annually for Prince George's County.

**Small Business Effect:** Potential meaningful impact on charitable organizations that conduct gaming activities. Organizations in Prince George's County would benefit because they would be authorized to conduct such activities for two additional years. Such organizations in the rest of the State would be adversely impacted because they would not be authorized to conduct gaming activities after July 1, 1999.

---

**Fiscal Analysis**

**Local Revenues:** About \$5.7 million of revenue was collected by local governments in fiscal 1996 for gaming activities. The majority of this was collected in Prince George's County, which has a 20% gross receipts tax on casino night operations. Most other counties collected minimal amounts of revenue, primarily through fees (only Prince George's, Frederick and Washington counties collected over \$100,000 of revenue). Under this bill, these revenues would continue through fiscal 1999.

**Local Expenditures:** Prince George's County spends about \$1.1 million annually to regulate charitable gaming activities (\$1,137,628 was budgeted for fiscal 1997). Other counties spend minimal amounts on regulation. These expenditures would continue through fiscal 1999.

**Additional Comments:** Provisions of current law regarding casino nights in Prince George's County sunset on May 25, 1997. This bill, extending the sunset, is effective June 1, 1997. Presumably, casino nights would not be lawful in the intervening period.

---

**Information Source(s):** Baltimore City; Allegany, Prince George's, Talbot, and Wicomico counties; Department of Fiscal Services

**Fiscal Note History:** First Reader - March 12, 1997  
nrd

---

Analysis by: David F. Roose  
Reviewed by: John Rixey

Direct Inquiries to:  
John Rixey, Coordinating Analyst  
(410) 841-3710  
(301) 858-3710