

HOUSE BILL 159

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E1

1998 Regular Session
8lr0226

By: **Delegates Leopold, Marriott, McKee, C. Davis, E. Burns, M. Burns,
Greenip, Ports, Flanagan, Cadden, Schade, O'Donnell, Klima, Getty,
Morgan, and Rzepkowski**

Introduced and read first time: January 19, 1998
Assigned to: Judiciary
Reassigned: Ways and Means, January 26, 1998

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 27, 1998

CHAPTER _____

1 AN ACT concerning

2 **Commercial Casino Gambling - Advertisements on State Property**

3 FOR the purpose of prohibiting ~~a person from knowingly allowing on State property~~
4 and certain State publications and materials the advertisement of certain
5 activities related to commercial casino gambling that are prohibited in the
6 State; specifying certain activities to which this Act applies; ~~providing certain~~
7 ~~penalties; requiring that the fines collected for the violation of this Act be used~~
8 ~~solely for a certain purpose~~; defining certain terms; and generally relating to the
9 advertisement of commercial casino gambling activities that are prohibited in
10 the State.

11 BY adding to
12 Article 41 - Governor - Executive and Administrative Departments
13 Section 18-207
14 Annotated Code of Maryland
15 (1997 Replacement Volume and 1997 Supplement)

16 ~~BY adding to~~
17 ~~Article 27 - Crimes and Punishments~~
18 ~~Section 262~~
19 ~~Annotated Code of Maryland~~
20 ~~(1996 Replacement Volume and 1997 Supplement)~~

21 ~~BY repealing and reenacting, without amendments,~~

1 ~~Article Health General~~
2 ~~Section 19-803~~
3 ~~Annotated Code of Maryland~~
4 ~~(1996 Replacement Volume and 1997 Supplement)~~

5 ~~BY repealing and reenacting, with amendments,~~
6 ~~Article Health General~~
7 ~~Section 19-804~~
8 ~~Annotated Code of Maryland~~
9 ~~(1996 Replacement Volume and 1997 Supplement)~~

10 Preamble

11 ~~WHEREAS, Maryland has a substantial governmental interest in the health,~~
12 ~~safety, and welfare of its citizens; and~~

13 ~~WHEREAS, Commercial casino gambling is illegal in Maryland; and~~

14 ~~WHEREAS, Maryland has a substantial governmental interest in discouraging~~
15 ~~the demand for commercial casino gambling by the citizens of Maryland; and~~

16 ~~WHEREAS, The existence of commercial casinos in several states adjacent or~~
17 ~~close to Maryland may have a negative effect on the Maryland economy and~~
18 ~~contribute to an increase in the number of Maryland citizens seeking assistance in~~
19 ~~Maryland as problem and compulsive gamblers; and~~

20 ~~WHEREAS, Commercial casino gambling establishments often advertise goods,~~
21 ~~services, and entertainment, such as food, hotel rooms, and concerts, that do not~~
22 ~~directly involve gambling to encourage individuals to participate in gambling~~
23 ~~activities offered by the casino; and~~

24 ~~WHEREAS, Commercial speech receives limited protection under the First~~
25 ~~Amendment to the United States Constitution as interpreted by the United States~~
26 ~~Supreme Court in Central Hudson Gas & Electric Corp. v. Public Service Commission,~~
27 ~~447 U.S. 557 (1980) and subsequent cases; and~~

28 ~~WHEREAS, The United States Congress, with certain exceptions, has banned~~
29 ~~the radio or television broadcast of "any advertisement of or information concerning~~
30 ~~any lottery, gift enterprise, or similar scheme, offering prizes dependent in whole or in~~
31 ~~part upon lot or chance" under 18 U.S.C. 1304; and has also banned the mailing of~~
32 ~~"any newspaper, circular, pamphlet, or publication of any kind containing any~~
33 ~~advertisement of any lottery, gift enterprise, or scheme" under 18 U.S.C. 1302; and~~

34 ~~WHEREAS, A prohibition of the advertisement of commercial casino gambling~~
35 ~~activities on Maryland television and radio stations, in Maryland print media, and on~~
36 ~~Maryland billboards directly advances the interest of the State of Maryland in~~
37 ~~discouraging the demand for commercial casino gambling activities; now, therefore,~~

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

3 ~~Article 27 - Crimes and Punishments~~

4 ~~262.~~

5 Article 41 - Governor - Executive and Administrative Departments

6 18-207.

7 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
8 INDICATED.

9 (2) (I) "ADVERTISEMENT" MEANS A COMMERCIAL MESSAGE IN THE
10 STATE THAT IS:

11 1. ~~BROADCAST BY A TELEVISION OR RADIO STATION IN THE~~
12 ~~STATE;~~

13 2. ~~TRANSMITTED BY ORIGINATION CABLECASTING BY A~~
14 ~~MARYLAND CABLE TELEVISION SYSTEM OPERATOR, UNLESS STATE REGULATION OF~~
15 ~~CABLECASTING IS PREEMPTED BY FEDERAL LAW;~~

16 3. ~~PRINTED IN A MAGAZINE OR NEWSPAPER PUBLISHED IN~~
17 ~~THE STATE; OR~~

18 4. ~~DISPLAYED ON AN ADVERTISING BILLBOARD, SIGN,~~
19 ~~DISPLAY, OR SIMILAR DEVICE LOCATED IN THE STATE.~~

20 1. DISPLAYED ON A STATE BUILDING OR OTHER STATE
21 PROPERTY, INCLUDING BUSES AND OTHER FORMS OF TRANSPORTATION; OR

22 2. DISPLAYED IN ANY STATE PUBLICATION OR OTHER FORM
23 OF WRITTEN OR TRANSMITTED MATERIALS.

24 (H) ~~"ADVERTISEMENT" INCLUDES A COMMERCIAL MESSAGE THAT:~~

25 1. ~~USES THE WORD "CASINO", UNLESS THE WORD IS PART OF~~
26 ~~THE LEGAL NAME OF A MULTIPURPOSE ESTABLISHMENT; OR~~

27 2. ~~DISPLAYS GAMBLING PARAPHERNALIA CONNECTED WITH~~
28 ~~ANY GAMBLING ACTIVITY THAT IS ILLEGAL IN THE STATE.~~

29 (3) "CASINO" MEANS AN INDIVIDUAL, PARTNERSHIP, BUSINESS TRUST,
30 ASSOCIATION, LIMITED LIABILITY COMPANY, CORPORATION, OR OTHER LEGAL OR
31 COMMERCIAL ENTITY:

32 (I) THAT USES THE WORD "CASINO" AS PART OF ITS PROPER NAME;
33 OR

1 (II) THAT IS IN THE BUSINESS OF CONDUCTING COMMERCIAL
2 CASINO GAMBLING.

3 (4) "COMMERCIAL CASINO GAMBLING" MEANS A FOR PROFIT
4 ENTERPRISE THAT CONDUCTS GAMES:

5 (I) FOR WHICH MONEY WINNINGS OR TOKENS REDEEMABLE IN
6 MONEY ARE AWARDED AS PRIZES; AND

7 (II) THAT INCLUDE CARD GAMES, DICE GAMES, ROULETTE,
8 WHEELS OF CHANCE, AND GAMES PLAYED ON SLOT MACHINES OR SIMILAR
9 ELECTRONIC DEVICES.

10 (B) ~~A PERSON IN THE STATE MAY NOT KNOWINGLY ALLOW THE~~
11 ~~ADVERTISEMENT OF COMMERCIAL CASINO GAMBLING.~~

12 (C) ~~THE ACTIVITY PROHIBITED UNDER SUBSECTION (B) OF THIS SECTION~~
13 ~~INCLUDES:~~

14 (1) ~~AN ACTIVITY THAT OFFERS THE PAYMENT OF PRIZES ON THE BASIS~~
15 ~~OF CHANCE FOR A CONSIDERATION THAT IS CARRIED ON BY A CASINO AND THAT IS~~
16 ~~PROHIBITED BY THE STATE; AND~~

17 (2) ~~ANY OTHER ACTIVITY CARRIED ON AT A CASINO THAT IS INTENDED~~
18 ~~TO ENCOURAGE PARTICIPATION IN GAMBLING AT A CASINO AND THAT IS CARRIED~~
19 ~~ON AT NO PROFIT TO A CASINO.~~

20 (B) THE ADVERTISEMENT OF ANY GAMBLING ACTIVITIES THAT ARE
21 PROHIBITED IN THIS STATE, REGARDLESS OF THE LEGALITY OF THE ACTIVITIES IN
22 ANOTHER STATE, IS PROHIBITED, INCLUDING ANY DISPLAY OR DESCRIPTION OF:

23 (1) COMMERCIAL CASINO GAMBLING;

24 (2) FOR PROFIT GAMBLING THAT INVOLVES SLOT MACHINES OR VIDEO
25 LOTTERY MACHINES;

26 (3) GAMBLING PARAPHERNALIA CONNECTED WITH ANY GAMBLING
27 ACTIVITY THAT IS ILLEGAL IN THE STATE; OR

28 (4) ANY OTHER ACTIVITY CARRIED ON AT A CASINO THAT IS INTENDED
29 TO ENCOURAGE PARTICIPATION IN GAMBLING AT A CASINO.

30 (D) ~~A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR~~
31 ~~AND IS SUBJECT TO A FINE OF:~~

32 (1) ~~FOR A FIRST OFFENSE, \$10,000; AND~~

33 (2) ~~FOR A SECOND OR SUBSEQUENT OFFENSE, NOT LESS THAN \$20,000~~
34 ~~AND NOT EXCEEDING \$50,000.~~

35 (E) ~~EACH DAY THAT A VIOLATION CONTINUES IS A SEPARATE OFFENSE.~~

1 ~~(F) FINES COLLECTED UNDER THIS SECTION SHALL BE USED SOLELY TO~~
2 ~~OPERATE THE CENTER FOR COMPULSIVE GAMBLERS ESTABLISHED UNDER § 19-803~~
3 ~~OF THE HEALTH—GENERAL ARTICLE.~~

4 ~~Article—Health—General~~

5 ~~19-803.~~

6 ~~As a pilot project, the Secretary shall establish a center for compulsive gamblers~~
7 ~~at a place that the Secretary determines to be accessible to a major population center~~
8 ~~of this State.~~

9 ~~19-804.~~

10 ~~(a) (1) The Secretary may make grants from or agreements for the use of~~
11 ~~State and federal funds to help public agencies or nonprofit organizations operate the~~
12 ~~center for compulsive gamblers and establish and operate local programs to provide~~
13 ~~the following for compulsive gamblers:~~

14 ~~(i) Inpatient services.~~

15 ~~(ii) Outpatient services.~~

16 ~~(iii) Partial care services.~~

17 ~~(iv) Aftercare services.~~

18 ~~(v) Consultative services.~~

19 ~~(vi) Educational services.~~

20 ~~(vii) Other preventive or rehabilitative services or treatment.~~

21 ~~(2) Research and training that are designed to improve or extend these~~
22 ~~services are proper items of expense.~~

23 ~~(b) Services under this subtitle shall be provided by public agencies or, under~~
24 ~~contract, by nonprofit organizations.~~

25 ~~(C) FINES COLLECTED FOR THE VIOLATION OF ARTICLE 27, § 262 OF THE~~
26 ~~CODE, WHICH PROHIBITS THE ADVERTISEMENT OF ACTIVITIES RELATED TO~~
27 ~~COMMERCIAL CASINO GAMBLING, SHALL BE DEPOSITED IN A SPECIAL FUND TO BE~~
28 ~~APPROPRIATED SOLELY TO OPERATE THE CENTER FOR COMPULSIVE GAMBLERS, IN~~
29 ~~ACCORDANCE WITH THE STATE BUDGET.~~

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 October 1, 1998.

