

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 1188 (Washington County Delegation)

Judiciary

Washington County Gaming Commission - Tip Jar Regulation

This bill requires that 15% of annual gross profits from tip jars operated by fraternal, civic, veterans, or charitable organizations must be credited to the Washington County Gaming Fund. Current law requires a 10% distribution to the fund in fiscal 1999, and an additional 10% distribution for charitable purposes. Of these proceeds, 60% would be distributed to charities in the county and 40% would be distributed to the Washington County Volunteer Fire and Rescue Association (WCVFRA). Requirements of direct distributions of these tip jar proceeds to charities are repealed.

A member of the commission may not serve as an official of any organization which applies for funds from the commission, and, if an organization applies for funds and an official of that organization is a member of the commission, that individual may no longer serve on the commission, and a new member shall be appointed. If a tip jar or wholesaler licensee has had the license revoked, a license may not be denied to any corporation of which more than 50% of the capital stock is owned by that individual, or any partnership of which that individual is a partner. Provisions regarding the procedure for requesting criminal history checks are modified.

This bill is effective July 1, 1998.

Fiscal Summary

State Effect: None.

Local Effect: Washington County Gaming Fund revenues and expenditures would increase by approximately \$300,000.

Small Business Effect: Meaningful. Under current law, 16% of tip jar proceeds from these

organizations would distributed for charitable purposes and 4% would be distributed to the WCVFRA in FY 1999. This bill reduces the total distribution and alters it to 9% for charitable purposes and 6% for the WCVFRA. The fraternal, civic, veterans, and charitable organizations operating the tip jars would retain an additional 5% of the gross proceeds.

Information Source(s): Washington County, Department of Legislative Services

Fiscal Note History: First Reader - March 11, 1998

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