
By: **Washington County Delegation**
Introduced and read first time: February 28, 2000
Assigned to: Rules and Executive Nominations
Re-referred to: Judiciary, March 6, 2000

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 25, 2000

CHAPTER _____

1 AN ACT concerning

2 **Washington County - Gaming Commission - Tip Jar Proceeds**

3 FOR the purpose of altering the effective dates of the appointment of members of the
4 Washington County Gaming Commission; listing the expiration dates of terms
5 of certain members of the Commission; establishing a certain distribution of
6 certain tip jar proceeds to certain entities; limiting the distribution of certain tip
7 jar proceeds in a certain way; requiring that the Commission report to the
8 Washington County Delegation at certain times on a certain subject; prohibiting
9 a holder of a wholesaler's license to sell tip jar packets from charging a fee for a
10 certain gaming sticker to certain volunteer fire companies or volunteer rescue
11 companies; providing for the termination of a provision of this Act; and generally
12 relating to the Washington County Gaming Commission.

13 BY repealing and reenacting, with amendments,
14 Article 27 - Crimes and Punishments
15 Section 255C(c) ~~and (q), (o), and (q)~~
16 Annotated Code of Maryland
17 (1996 Replacement Volume and 1999 Supplement)

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

20 **Article 27 - Crimes and Punishments**

21 255C.

22 (c) (1) The Commission consists of seven members appointed as follows:

- 1 (i) Three members appointed by the Board;
- 2 (ii) One member appointed by the Chairman of the Washington
3 County House of Delegates Delegation, with the concurrence of the County's House
4 Delegation;
- 5 (iii) One member appointed by the State Senators whose districts
6 are within or include part of Washington County;
- 7 (iv) One member from Washington County to represent
8 restaurants, taverns, and the alcoholic beverages industry in the County, appointed
9 by the Washington County House and Senate Delegations; and
- 10 (v) One member from the Washington County Clubs Association,
11 appointed by the Washington County House and Senate Delegations.
- 12 (2) A member of the Commission appointed under paragraph (1)(i), (ii),
13 or (iii) of this subsection may not:
- 14 (i) Hold a tip jar license or a wholesaler's license;
- 15 (ii) Be employed by a person who holds a tip jar license or a
16 wholesaler's license;
- 17 (iii) Hold any ownership interest in or receive any direct benefit
18 from the holder of a tip jar license or a wholesaler's license; or
- 19 (iv) Serve on any board of directors or as an officer of any
20 organization that applies for funds from the Commission.
- 21 (3) If an organization, that has on its board of directors or as an officer a
22 member of the Commission, applies for funds from the Commission during the
23 member's term, the member of the Commission may no longer serve on the
24 Commission and a new member shall be appointed to complete the term.
- 25 (4) A member of the Commission shall be a resident of Washington
26 County.
- 27 (5) The term of a member of the Commission is 2 years and begins on
28 [July 1] MARCH 1 OR OCTOBER 1, ACCORDING TO THE STAGGERED SCHEDULE
29 REQUIRED BY THE TERMS PROVIDED FOR MEMBERS OF THE COMMISSION ON
30 OCTOBER 1, 2000.
- 31 (6) A member of the Commission may not be reappointed within 5 years
32 after completion of two 2-year terms.
- 33 (7) The terms of members of the Commission are staggered as required
34 by the terms in effect for members of the Commission on July 1, 1995.
- 35 (8) At the end of a term, a member continues to serve until a successor is
36 appointed.

1 (9) A member who is appointed after a term has begun serves only for
2 the rest of the term and until a successor is appointed.

3 (10) A member of the Commission:

4 (i) May not receive compensation; but

5 (ii) May be entitled to reimbursement for expenses, in accordance
6 with a policy of the Board.

7 SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the members
8 of the Washington County Gaming Commission in office on October 1, 2000, shall
9 expire as follows:

10 (1) For one member appointed by the Board, February 28, 2001;

11 (2) For one member appointed by the Board, September 30, 2001;

12 (3) For one member appointed by the Board, February 28, 2002;

13 (4) For the member appointed by the Chairman of the Washington
14 County House of Delegates Delegation, with the concurrence of the County's House
15 Delegation, February 28, 2002;

16 (5) For the member appointed by the State Senators whose districts are
17 within or include part of Washington County, September 30, 2002;

18 (6) For the member from Washington County to represent restaurants,
19 taverns, and the alcoholic beverages industry in the County, appointed by the
20 Washington County House and Senate Delegations, February 28, 2001; and

21 (7) For the member from the Washington County Clubs Association,
22 appointed by the Washington County House and Senate Delegations, September 30,
23 2001.

24 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland
25 read as follows:

26 **Article 27 - Crimes and Punishments**

27 255C.

28 (o) (1) Before selling a tip jar packet, a holder of a wholesaler's license shall
29 obtain a gaming sticker from the County agency and affix the gaming sticker to the
30 tip jar packet as the Board requires.

31 (2) A holder of a wholesaler's license:

32 (I) may not sell a tip jar packet to any person who does not hold a
33 tip jar license; AND

1 (II) MAY NOT CHARGE A FEE FOR A GAMING STICKER TO A
2 VOLUNTEER FIRE COMPANY OR A VOLUNTEER RESCUE COMPANY.

3 (q) (1) There is a Washington County Gaming Fund established by the
4 Commission.

5 (2) In this subsection, "gross profits" means the total proceeds from the
6 operation of a tip jar less the amount of prizes or money winnings distributed.

7 (3) (i) Subject to subparagraphs (ii) and (iii) of this paragraph, a
8 person that qualifies for a tip jar license under subsection (f)(1)(v), (vi), or (vii) of this
9 section shall deposit with a financial institution that the Commission designates and
10 to the credit of the Fund the gross profits from the tip jars that the person operates.

11 (ii) To offset the costs of operating a tip jar, a person that qualifies
12 for a tip jar license under subsection (f)(1)(v), (vi), or (vii) of this section may retain
13 [the lesser of \$45 or] 50% of the gross profits from each tip jar game.

14 (iii) The gross profits of a tip jar operated by a person that is subject
15 to this paragraph may not exceed \$250.

16 (4) (i) A fraternal, civic, veterans, or bona fide charitable organization
17 or sportsmen's association that qualifies for a tip jar license under subsection (f)(1)(iii)
18 or (iv) of this section shall deposit with a financial institution that the Commission
19 designates and to the credit of the Fund 15% of the gross profits earned during the
20 period July 1 through June 30 each year.

21 (ii) If an organization that is subject to this subsection does not
22 contribute in a year the full amount required under subparagraph (i) of this
23 paragraph, the organization in the next year shall deposit, with a financial institution
24 that the Commission designates and to the credit of the Fund, the balance of the
25 amount required to be contributed.

26 (5) The Board shall establish the time, method of deposit, and other
27 procedures necessary to carry out paragraphs (3) and (4) of this subsection.

28 (6) The Commission may use money in the Fund to reimburse the Board
29 for the costs to the County for administering this section in accordance with a written
30 agreement between the Board and the Commission.

31 (7) [Each] SUBJECT TO PARAGRAPH (8) OF THIS SUBSECTION, EACH
32 year, after the reimbursement under paragraph (6) of this subsection, the
33 Commission shall distribute:

34 (i) [60] 50 percent of the moneys deposited in the Fund to bona
35 fide charitable organizations in the County, subject to any restrictions that the Board
36 may adopt by regulation; and

37 (ii) [40] 50 percent of the moneys deposited in the Fund to the
38 Washington County Volunteer Fire and Rescue Association.

1 (8) THE COMMISSION MAY NOT DISTRIBUTE MORE THAN \$50,000 TO
2 EACH APPLICANT PER APPLICATION.

3 [(8)] (9) The Board may not reduce the total of its appropriations to
4 nonprofit organizations in the County budget below the total appropriation to
5 nonprofit organizations that is in the budget for the 1996 fiscal year.

6 (10) ON OR BEFORE JANUARY 31, 2001, AND EVERY 6 MONTHS
7 THEREAFTER, THE COMMISSION SHALL REPORT TO THE WASHINGTON COUNTY
8 DELEGATION ON HOW RECIPIENTS OF MONEYS FROM THE WASHINGTON COUNTY
9 GAMING FUND HAVE BEEN AFFECTED BY THE FORMULA FOR DISTRIBUTING THOSE
10 MONEYS SPECIFIED UNDER THIS ACT.

11 SECTION 4. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall
12 remain effective for a period of 3 years and, at the end of June 30, 2003, with no
13 further action required by the General Assembly, Section 3 of this Act shall be
14 abrogated and of no further force and effect.

15 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect
16 July 1, 2000.