

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE
Revised

House Bill 1389 (Washington County Delegation)
Judiciary

Washington County - Gaming Commission - Tip Jar Proceeds

The bill provides that the money deposited in the Washington County Gaming Fund, after a distribution for administrative expenses of the Washington County Gaming Commission, must be distributed as follows: (1) 50% to bona fide charitable organizations in the county; and (2) 50% to the Washington County Volunteer Fire and Rescue Association. The bill also limits the distribution of tip jar proceeds to \$50,000 to each applicant per application. The commission is required to report to the Washington County Delegation every six months, beginning January 31, 2001, on how recipients of money from the Washington Gaming Fund have been affected by the formula for distributing those funds. This section of the bill sunsets June 30, 2003. The bill also alters the effective dates of the appointments of members of the Washington County Gaming Commission. The bill provides that persons who qualify for a tip jar license may retain 50% of the gross profits from tip jar games to offset the costs of operating a tip jar. Finally, the bill prohibits a wholesaler who is licensed to sell tip jar packets from charging a fee for a gaming sticker to a volunteer fire or rescue company.

The bill takes effect July 1, 2000.

Fiscal Summary

State Effect: None.

Local Effect: Potential increase in Washington County expenditures if the county chooses to provide funds to charitable organizations that lose funds because of the new funding formula.

Small Business Effect: Meaningful. Distributions for charitable organizations could decline by approximately \$235,000 and distributions for the Washington County Volunteer Fire and

Rescue Association could increase by approximately \$235,000 as a result of the new distribution formula.

Analysis

Current Law: All commission members serve two-year terms that begin on July 1 and expire June 30. Money deposited in the Washington County Gaming Fund, after a distribution for administrative expenses of the commission, is distributed as follows: (1) 60% to bona fide charitable organizations in the county; and (2) 40% to the Washington County Volunteer Fire and Rescue Association. Persons who qualify for a tip jar license may retain the lesser of \$45 or 50% of the gross profits from tip jar games to offset the costs of operating a tip jar.

Background: In 1995, the General Assembly enacted legislation that established the Washington County Gaming Commission and provided a regulatory scheme for tip jar gaming in Washington County.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 16, 2000
drg/jr Revised - House Third Reader - March 29, 2000

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