

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

House Bill 1342
Judiciary

(Allegany County Delegation)

Allegany County - Paper Gaming - Regulation

This bill establishes a paper gaming licensing procedure in Allegany County. The bill authorizes a person with a nonprofit or a for-profit business to engage in paper gaming if the person has obtained a paper gaming license without charge that is issued by the Board of License Commissioners with the approval of the Board of County Commissioners. The bill provides that a for-profit business engaged in paper gaming must have an alcoholic beverages license that allows for consumption on the premises. The bill also requires: (1) wholesale paper gaming vendors to obtain and pay for a wholesale vendor's license issued by the Board of License Commissioners with the approval of the Board of County Commissioners; (2) wholesale paper gaming vendors to report quarterly to the Board of License Commissioners a list of all customers to whom they sell gaming products and the total number of products sold to each customer; and (3) alcoholic beverages licensees to display a paper gaming stamp along with the alcoholic beverages license. The bill authorizes: (1) wholesale vendors to sell paper gaming devices to paper gaming licensees; (2) the Board of License Commissioners to set the annual fee of the wholesale vendor's license to cover but not exceed the costs of administering paper gaming in the county; and (3) the Board of License Commissioners to revoke or suspend the license of a paper gaming licensee, a wholesale vendor licensee, or an agent of a licensee for violations of paper gaming provisions.

Fiscal Summary

State Effect: None.

Local Effect: Allegany County revenues could increase due to license fees collected from vendors who supply paper gaming products to establishments that conduct paper gaming events. Allegany County expenditures would increase to enforce the licensing

provisions of the bill. The annual fee of the licenses fee is unknown, but Allegany County advises that the fee is expected to be nominal and total fee revenue is not expected to exceed the costs of issuing and monitoring the licenses.

Small Business Effect: Potential meaningful. To the extent that paper gaming attracts customers small business could be positively impacted. Paper gaming vendors will incur additional costs in selling paper gaming products to Allegany County businesses.

Analysis

Current Law: In Allegany County a volunteer fire company or a fraternal, civic, war veterans', religious, or charitable organization or corporation may conduct a carnival, bazaar, or raffle including paper gaming for the exclusive benefit of any such organization if no individual or group of individuals benefits financially from the event or is paid any of the proceeds of the event. Paper gaming is not authorized for for-profit organizations in Allegany County.

Background: Paper gaming is a game of chance in which prizes are awarded and the devices used to play the game are constructed out of paper or cardboard. Paper gaming includes tip jar and punchboard gambling. Paper gaming is legal in Allegany County's nonprofit clubs and fire companies, but licenses are not required.

Additional Information

Prior Introductions: None.

Cross File: SB 847 (Senator Hafer) – Judicial Proceedings.

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

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