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By: **Washington County Delegation**

Introduced and read first time: February 27, 2003

Assigned to: Rules and Executive Nominations

Re-referred to: Ways and Means, March 13, 2003

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Committee Report: Favorable

House action: Adopted

Read second time: March 21, 2003

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

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

3 FOR the purpose of prohibiting the Washington County Gaming Commission from  
4 distributing in any year to each applicant per application more than a certain  
5 amount of money deposited in a certain fund containing gross profits from tip  
6 jar gaming; prohibiting the Commission from distributing more than a certain  
7 amount of money in the fund for each distribution, if the Commission makes two  
8 distributions during a year; repealing a certain reporting requirement imposed  
9 on the Commission; repealing on a certain date limits on the distribution by the  
10 Commission of certain money to certain persons; repealing and altering certain  
11 termination provisions relating to a prohibition against charging a fee for a  
12 gaming sticker to certain persons and to certain percentages of certain money  
13 distributed to certain persons; and generally relating to the Washington County  
14 Gaming Commission.

15 BY repealing and reenacting, with amendments,  
16 Article - Criminal Law  
17 Section 13-2435  
18 Annotated Code of Maryland  
19 (2002 Volume)

20 BY repealing and reenacting, with amendments,  
21 Chapter 26 of the Acts of the General Assembly of 2002  
22 Section 15

23 BY repealing and reenacting, with amendments,

1 Article - Criminal Law  
2 Section 13-2435(f)  
3 Annotated Code of Maryland  
4 (2002 Volume)  
5 (As enacted by Section 1 of this Act)

6 BY repealing  
7 Chapter 479 of the Acts of the General Assembly of 2000  
8 Section 4

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

11 **Article - Criminal Law**

12 13-2435.

13 (a) In this section, "gross profits" means the total proceeds from the operation  
14 of a tip jar less the amount of money winnings or value of prizes distributed.

15 (b) There is a Washington County Gaming Fund.

16 (c) (1) The county commissioners shall establish:

17 (i) the method and time of deposits to the fund; and

18 (ii) other procedures necessary to carry out subsections (d) and (e)  
19 of this section.

20 (2) In accordance with a written agreement between the county  
21 commissioners and the gaming commission, the gaming commission may use money  
22 from the fund to reimburse the county commissioners for the costs to the county for  
23 administering Part III of this subtitle.

24 (d) (1) This subsection applies only to a person who holds a tip jar license  
25 under § 13-2420(b)(7), (8), or (9) of this subtitle.

26 (2) Subject to paragraphs (3) and (4) of this subsection, a person subject  
27 to this subsection shall deposit with a financial institution designated by the gaming  
28 commission, to the credit of the fund, the gross profits from each tip jar that the  
29 person operates.

30 (3) The gross profits from a tip jar may not exceed \$250.

31 (4) To offset the costs of operating a tip jar, a person with a tip jar license  
32 may retain 50% of the gross profits from each tip jar game.

33 (e) (1) This subsection applies only to a person who holds a tip jar license  
34 under § 13-2420(b)(1) through (6) of this subtitle.

1 (2) A person subject to this subsection shall deposit with a financial  
 2 institution designated by the gaming commission, to the credit of the fund, 15% of the  
 3 gross profits earned through the operation of tip jars during the 12-month period  
 4 ending June 30.

5 (3) If a person fails to contribute the full amount required under  
 6 paragraph (2) of this subsection, the person shall deposit the balance required during  
 7 the next year.

8 (f) (1) Subject to paragraph (2) of this subsection, and after the  
 9 reimbursement under subsection (c)(2) of this section, each year the gaming  
 10 commission shall distribute:

11 (i) 50% of the money deposited in the fund to the Washington  
 12 County Volunteer Fire and Rescue Association; and

13 (ii) subject to any restrictions that the county commissioners adopt  
 14 by regulation, 50% of the money deposited in the fund to bona fide charitable  
 15 organizations in the county.

16 (2) (I) IN ANY YEAR, THE GAMING COMMISSION MAY NOT DISTRIBUTE  
 17 A TOTAL OF MORE THAN \$100,000 TO EACH APPLICANT PER APPLICATION.

18 (II) [The] IF THE GAMING COMMISSION MAKES TWO  
 19 DISTRIBUTIONS DURING A YEAR, FOR EACH DISTRIBUTION, THE gaming commission  
 20 may not distribute more than \$50,000 to each applicant per application.

21 [(g) Every 6 months, on or before January 31 and July 31, the gaming  
 22 commission shall report to the county delegation on how recipients of moneys from  
 23 the fund have been affected by the formula for distributing those moneys specified  
 24 under this section.]

25 **Chapter 26 of the Acts of 2002**

26 SECTION 15. AND BE IT FURTHER ENACTED, That Section 3 of this Act  
 27 shall take effect July 1, [2003] 2005.

28 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
 29 read as follows:

30 **Article - Criminal Law**

31 13-2435.

32 (f) [(1) Subject to paragraph (2) of this subsection, and after] AFTER the  
 33 reimbursement under subsection (c)(2) of this section, each year the gaming  
 34 commission shall distribute:

35 [(i)] (1) 50% of the money deposited in the fund to the Washington  
 36 County Volunteer Fire and Rescue Association; and

1                    [(ii)]    (2)    subject to any restriction that the county commissioners  
2 adopt by regulation, 50% of the money deposited in the fund to bona fide charitable  
3 organizations in the county.

4                    [(2)    (i)    In any year, the gaming commission may not distribute a total  
5 of more than \$100,000 to each applicant per application.

6                    (ii)    If the gaming commission makes two distributions during a year, for  
7 each distribution, the gaming commission may not distribute more than \$50,000 to  
8 each applicant per application.]

9        SECTION 3. AND BE IT FURTHER ENACTED, That Section(s) 4 of Chapter  
10 479 of the Acts of the General Assembly of 2000 be repealed.

11        SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall  
12 take effect July 1, 2005.

13        SECTION 5. AND BE IT FURTHER ENACTED, That, except as provided in  
14 Section 4 of this Act, this Act shall take effect July 1, 2003.