

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1011

(Allegany County Delegation)

Ways and Means

Judicial Proceedings

Allegany County - Paper Gaming - Licensing and Taxing

This bill makes several changes to paper gaming law in Allegany County.

The bill takes effect June 1, 2004.

Fiscal Summary

State Effect: None.

Local Effect: Allegany County finances would not be affected because it mostly reflects current practice.

Small Business Effect: Minimal.

Analysis

Bill Summary: The bill prohibits a paper gaming licensee from having a paper gaming device on its premises that does not display a gaming sticker. The bill also prohibits the county commissioners from imposing a paper gaming tax on these entities that buy paper gaming devices from licensed wholesale vendors.

The bill alters the reporting timeframe, from quarterly to monthly, by which licensed wholesale vendors of paper gaming devices must provide a list to the county commissioners of all customers to whom they sell paper gaming products.

The bill repeals the restriction that a for-profit business that holds a Class A, C, or D retail alcoholic beverages license in Allegany County must have on-premises consumption privileges before engaging in paper gaming. The bill also repeals the requirement that such a licensee who has a paper gaming license must also obtain a stamp from the county commissioners to be displayed along with the alcoholic beverages license.

Current Law: Paper gaming is permitted in Allegany County. A for-profit business in Allegany County that holds a Class A, C, or D alcoholic beverages license for on-premises consumption may hold paper gaming on the licensed premises after obtaining, among other things, a stamp that is to be displayed with the alcoholic beverages license.

Licensed paper gaming device wholesalers are required to provide quarterly reports that list all customers to whom they sell paper gaming products to the county commissioners.

Class A alcoholic beverages licenses permit off-premises consumption only. Class C and D alcoholic beverages licenses permit on-sale consumption only.

Local Effect: Chapter 462 of 2003 established paper gaming licensing in Allegany County. Allegany County advises that Class A alcoholic beverages licensees are currently being issued paper gaming licenses, even though they do not have on-premises consumption privileges.

Allegany County advises that reviewing monthly reports provided by wholesale paper gaming vendors would not impact county finances or operations. The prohibition imposing a paper gaming tax on qualified organizations, fire companies, or rescue departments that conduct paper gaming would not affect county revenues.

Repealing the restriction that a paper gaming licensee obtain a stamp to be displayed along with an alcoholic beverages license would not impact county finances because the county commissioners currently do not issue stamps to paper gaming licensees.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 9, 2004
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