
By: **Delegates Hixson, Healey, Howard, Marriott, and Patterson**

Introduced and read first time: January 24, 2005

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Charitable Gaming - Reporting Requirements**

3 FOR the purpose of requiring the State Comptroller to collect certain information and
4 make a certain report regarding charitable and nonprofit gaming in the State;
5 requiring the Comptroller to adopt certain regulations regarding reporting by
6 entities conducting certain gaming activities in the State; providing that certain
7 local laws that conflict with certain State reporting requirements are
8 preempted; providing for a delayed effective date; and generally relating to
9 reporting requirements for charitable and nonprofit gaming in the State.

10 BY adding to

11 Article - Criminal Law

12 Section 13-102

13 Annotated Code of Maryland

14 (2002 Volume and 2004 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Criminal Law**

18 13-102.

19 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
20 INDICATED.

21 (2) "CHARITABLE ORGANIZATION" MEANS AN ORGANIZATION
22 DESCRIBED IN § 170(C) OF THE INTERNAL REVENUE CODE.

23 (3) (I) "GAMING" MEANS ANY GAME OF CHANCE THAT IS PLAYED FOR
24 MONEY OR ANY OTHER PRIZE.

25 (II) "GAMING" INCLUDES:

26 1. BINGO;

- 1 2. BINGO FOR COMMERCIAL PURPOSES;
- 2 3. CARD GAMES;
- 3 4. CHANCE GAMES;
- 4 5. DICE GAMES;
- 5 6. PADDLE WHEELS, WHEELS OF FORTUNE, AND ANY OTHER
- 6 GAME INVOLVING WHEELS OF CHANCE;
- 7 7. PUNCHBOARDS;
- 8 8. RAFFLES;
- 9 9. ROULETTE;
- 10 10. SLOT MACHINES; AND
- 11 11. TIP JARS.

12 (III) "GAMING" DOES NOT INCLUDE:

- 13 1. LOTTERIES CONDUCTED UNDER TITLE 9 OF THE STATE
- 14 GOVERNMENT ARTICLE;
- 15 2. HORSE RACING CONDUCTED UNDER TITLE 11 OF THE
- 16 BUSINESS REGULATION ARTICLE; AND
- 17 3. GAMING ABOARD A PASSENGER CRUISE VESSEL THAT IS
- 18 AUTHORIZED UNDER § 6-209 OF THE TRANSPORTATION ARTICLE.

19 (B) THE COMPTROLLER SHALL PREPARE AND SUBMIT AN ANNUAL REPORT TO
20 THE GOVERNOR AND, SUBJECT TO THE PROVISIONS OF § 2-1246 OF THE STATE
21 GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY BY JANUARY 1 OF EACH YEAR
22 ON GAMING ACTIVITIES UNDER THIS TITLE, INCLUDING:

23 (1) THE BONA FIDE NATURE AND CHARACTER AND THE VIABILITY OF
24 CHARITABLE AND NONPROFIT ORGANIZATIONS AUTHORIZED TO CONDUCT GAMING
25 ACTIVITIES IN THE STATE; AND

26 (2) WHETHER THE NET PROCEEDS OF CHARITABLE AND NONPROFIT
27 ORGANIZATIONS ALLOWED TO CONDUCT GAMING ACTIVITIES INURE TO
28 CHARITABLE OR NONPROFIT PURPOSES AS REQUIRED BY LAW.

29 (C) THE COMPTROLLER SHALL ADOPT REGULATIONS TO CARRY OUT THIS
30 SECTION, INCLUDING REGULATIONS THAT REQUIRE A GAMING LICENSEE TO
31 RECORD AND REPORT ALL INCOME AND EXPENSES THAT RELATE TO GAMING
32 ACTIVITIES TO THE COMPTROLLER IN A MANNER AND ON A SCHEDULE TO BE
33 ESTABLISHED BY THE COMPTROLLER, INCLUDING:

- 1 (1) SUFFICIENT AND CLEAR DATA ON GROSS REVENUE GENERATED;
- 2 (2) ALL EXPENSES AND PAYMENTS MADE FROM OTHER REVENUE;
- 3 (3) THE IDENTITY OF ALL RECIPIENTS OF ANY PORTION OF THE GROSS
4 REVENUE;
- 5 (4) THE AMOUNT OF THE GROSS REVENUE THAT IS DISTRIBUTED TO
6 ANY CHARITABLE ORGANIZATION OR ANY OTHER PERSON; AND
- 7 (5) THE AMOUNT OF THE GROSS REVENUE THAT IS USED IN
8 FURTHERANCE OF ANY OTHER GAMING ACTIVITY OR FOR THE PURPOSES OF A
9 GAMING ESTABLISHMENT.

10 (D) THE REPORTS MADE UNDER THIS SECTION ARE PUBLIC RECORDS.

11 (E) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THIS SECTION
12 MAY NOT BE CONSTRUED TO PREEMPT THE AUTHORITY OF ANY COUNTY OR
13 MUNICIPAL CORPORATION OF THE STATE UNDER THIS TITLE OR ANY OTHER PUBLIC
14 GENERAL LAW, PUBLIC LOCAL LAW, LOCAL ORDINANCE, OR LOCAL RESOLUTION IN
15 EFFECT BEFORE, ON, OR AFTER THE EFFECTIVE DATE OF THIS SECTION.

16 (2) IF ANY LAW GRANTING AUTHORITY TO ANY COUNTY OR MUNICIPAL
17 CORPORATION CONFLICTS WITH THE REPORTING REQUIREMENTS OF THIS SECTION,
18 THIS SECTION SHALL PREEMPT THAT LAW.

19 (F) (1) IN ORDER TO COMPLY WITH THE REPORTING REQUIREMENTS OF
20 THIS SECTION, THE COMPTROLLER SHALL HAVE ACCESS TO ANY RECORDS OR
21 OTHER INFORMATION WITHIN THE CUSTODY OF THE FOLLOWING UNITS OF STATE
22 AND LOCAL GOVERNMENT THAT RELATE TO ANY LICENSEE, APPLICANT, OR OTHER
23 MATTER RELATING TO GAMING ACTIVITIES:

- 24 (I) THE OFFICE OF THE SECRETARY OF STATE;
- 25 (II) THE DEPARTMENT OF ASSESSMENTS AND TAXATION;
- 26 (III) THE COMPTROLLER OF THE TREASURY;
- 27 (IV) THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION;
28 AND
- 29 (V) ANY COUNTY OR MUNICIPAL AGENCY.

30 (2) THE UNITS LISTED IN PARAGRAPH (1) OF THIS SUBSECTION SHALL
31 COOPERATE WITH THE COMPTROLLER IN IMPLEMENTING THE PROVISIONS OF THIS
32 SECTION.

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
34 January 1, 2006.