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By: **Senator Hafer**

Introduced and read first time: February 4, 2005

Assigned to: Judicial Proceedings

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A BILL ENTITLED

1 AN ACT concerning

2 **Garrett County - Gaming Events, Paper Gaming, and Bingo - Regulation**

3 FOR the purpose of establishing in Garrett County licensing and regulatory  
4 procedures for certain persons to conduct certain gaming events, paper gaming,  
5 or bingo; authorizing certain organizations to conduct gaming events;  
6 establishing terms of gaming permits; requiring that only members of a permit  
7 holder may conduct a gaming event; prohibiting a gaming event to be conducted  
8 at a certain time; prohibiting more than a certain number of gaming events;  
9 establishing certain prizes for gaming events; authorizing certain persons to  
10 engage in paper gaming; requiring the seller of paper gaming devices to obtain a  
11 wholesale vendor's license; requiring the County Commissioners to set certain  
12 annual fees; requiring wholesale vendor licensees to provide a certain customer  
13 and products list to the County Commissioners by a certain time; requiring  
14 paper gaming licensees to display gaming stickers on paper gaming devices;  
15 authorizing the County Commissioners to impose certain taxes; requiring the  
16 County Commissioners to establish a Special Gaming Fund; specifying the type,  
17 components, and purposes of the Fund; authorizing the County Commissioners  
18 to hire or designate certain inspectors; providing for certain penalties;  
19 authorizing certain organizations to conduct bingo for certain purposes;  
20 establishing certain requirements to qualify for a bingo permit; establishing  
21 certain maximum prizes or awards for bingo; authorizing the County  
22 Commissioners to adopt certain regulations; defining certain terms; and  
23 generally relating to the conduct of gaming events, paper gaming, and bingo in  
24 Garrett County.

25 BY repealing

26 Article - Criminal Law  
27 Section 13-1401  
28 Annotated Code of Maryland  
29 (2002 Volume and 2004 Supplement)

30 BY adding to

31 Article - Criminal Law  
32 Section 13-1401 through 13-1406

1 Annotated Code of Maryland  
2 (2002 Volume and 2004 Supplement)

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

5 **Article - Criminal Law**

6 [13-1401.

7 Subtitle 2 of this title applies in Garrett County.]

8 13-1401.

9 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
10 INDICATED.

11 (B) "COUNTY COMMISSIONERS" MEANS THE BOARD OF COUNTY  
12 COMMISSIONERS OF GARRETT COUNTY.

13 (C) "GAMING EVENT" INCLUDES A BAZAAR, CARNIVAL, RAFFLE, TIP JAR,  
14 PUNCHBOARD, AND ANY OTHER EVENT AT WHICH A GAMING DEVICE IS OPERATED.

15 (D) (1) "GAMING DEVICE" MEANS:

16 (I) EXCEPT FOR A BILLIARD TABLE, A GAMING TABLE AT WHICH A  
17 GAME OF CHANCE IS PLAYED FOR MONEY OR ANY OTHER THING OR CONSIDERATION  
18 OF VALUE; OR

19 (II) A GAME OR DEVICE AT WHICH MONEY OR ANY OTHER THING  
20 OR CONSIDERATION OF VALUE IS BET, WAGERED, OR GAMBLED.

21 (2) "GAMING DEVICE" INCLUDES A PADDLE WHEEL, WHEEL OF  
22 FORTUNE, AND CHANCE BOOK.

23 13-1402.

24 (A) THIS SUBTITLE APPLIES ONLY IN GARRETT COUNTY.

25 (B) SUBTITLE 2 OF THIS TITLE APPLIES IN GARRETT COUNTY.

26 13-1403.

27 (A) BEFORE AN ORGANIZATION LISTED IN SUBSECTION (B) OF THIS SECTION  
28 MAY CONDUCT A GAMING EVENT, THE ORGANIZATION SHALL OBTAIN A PERMIT  
29 FROM THE COUNTY AGENCY THAT THE COUNTY COMMISSIONERS DESIGNATE.

30 (B) AN ORGANIZATION MAY CONDUCT A GAMING EVENT FOR ITS OWN  
31 BENEFIT IF THE ORGANIZATION IS:

32 (1) A BONA FIDE:

- 1 (I) RELIGIOUS ORGANIZATION;
- 2 (II) FRATERNAL ORGANIZATION;
- 3 (III) CIVIC ORGANIZATION;
- 4 (IV) WAR VETERANS' ORGANIZATION;
- 5 (V) HOSPITAL;
- 6 (VI) AMATEUR ATHLETIC ORGANIZATION;
- 7 (VII) PATRIOTIC ORGANIZATION;
- 8 (VIII) EDUCATIONAL ORGANIZATION; OR
- 9 (IX) CHARITABLE ORGANIZATION;
- 10 (2) A COUNTY VOLUNTEER FIRE COMPANY OR RESCUE COMPANY; OR
- 11 (3) AN AUXILIARY FOR A COUNTY VOLUNTEER FIRE COMPANY OR
- 12 RESCUE COMPANY.

13 (C) (1) BEFORE THE COUNTY AGENCY MAY ISSUE A GAMING PERMIT, THE

14 COUNTY AGENCY SHALL DETERMINE WHETHER THE ORGANIZATION APPLYING FOR

15 THE GAMING PERMIT MEETS THE REQUIREMENTS OF THIS SECTION.

16 (2) AN APPLICATION AND THE ACTION THAT THE COUNTY AGENCY

17 TAKES ON THE APPLICATION ARE PUBLIC RECORDS.

18 (D) (1) (I) A GAMING PERMIT IS VALID FOR 1 YEAR AFTER THE DATE THAT

19 IT IS ISSUED.

20 (II) A GAMING PERMIT MAY NOT BE TRANSFERRED.

21 (2) THE COUNTY COMMISSIONERS MAY CHARGE A PERMIT FEE.

22 (E) (1) ONLY MEMBERS OF AN ORGANIZATION THAT HOLDS A GAMING

23 PERMIT MAY CONDUCT A GAMING EVENT.

24 (2) EXCEPT AS ALLOWED UNDER § 13-1405 OF THIS SUBTITLE, AN

25 INDIVIDUAL MAY NOT BENEFIT FINANCIALLY FROM A GAMING EVENT.

26 (3) A GAMING PERMIT MAY NOT AUTHORIZE A GAMING EVENT TO BE

27 CONDUCTED ON A SUNDAY BEFORE 1 P.M.

28 (F) (1) THE HOLDER OF A GAMING PERMIT MAY AWARD:

29 (I) PRIZES TO INDIVIDUALS AT A GAMING EVENT; AND

30 (II) ONLY ONE MAJOR PRIZE AT EACH GAMING EVENT.

1 (2) DURING EACH CALENDAR YEAR, THE HOLDER OF A GAMING EVENT:

2 (I) MAY NOT CONDUCT OR RECEIVE THE PROCEEDS FROM MORE  
3 THAN ONE GAMING EVENT IN WHICH THE MAJOR PRIZE HAS A VALUE OF \$5,000 OR  
4 MORE; AND

5 (II) MAY NOT CONDUCT OR RECEIVE THE PROCEEDS FROM MORE  
6 THAN FIVE RAFFLES IN WHICH THE MAJOR PRIZE HAS A VALUE OF \$5,000 OR LESS.

7 13-1404.

8 (A) (1) IN THIS SECTION, "PAPER GAMING" MEANS A GAME OF CHANCE IN  
9 WHICH:

10 (I) PRIZES ARE AWARDED; AND

11 (II) THE DEVICES USED TO PLAY THE GAME ARE CONSTRUCTED  
12 OUT OF PAPER OR CARDBOARD.

13 (2) "PAPER GAMING" INCLUDES TIP JAR AND PUNCHBOARD GAMING.

14 (3) "PAPER GAMING" DOES NOT INCLUDE BINGO.

15 (B) (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, A  
16 PERSON THAT IS A FOR PROFIT BUSINESS OR QUALIFIED ORGANIZATION MAY  
17 ENGAGE IN PAPER GAMING IF THE PERSON OBTAINS A PAPER GAMING LICENSE  
18 THAT IS ISSUED BY THE COUNTY COMMISSIONERS.

19 (2) IF THE PERSON IS A FOR PROFIT BUSINESS, THE PERSON SHALL  
20 ALSO HOLD A CLASS A, C, OR D RETAIL ALCOHOLIC BEVERAGES LICENSE.

21 (3) QUALIFIED ORGANIZATIONS THAT DO NOT HAVE AN ALCOHOLIC  
22 BEVERAGES LICENSE AND FIRE AND RESCUE DEPARTMENTS MAY ENGAGE IN PAPER  
23 GAMING WITHOUT OBTAINING A PAPER GAMING LICENSE.

24 (D) A PERSON MAY SELL PAPER GAMING DEVICES TO A PAPER GAMING  
25 LICENSEE IF THE PERSON OBTAINS A WHOLESALE VENDOR'S LICENSE ISSUED BY  
26 THE COUNTY COMMISSIONERS.

27 (E) THE COUNTY COMMISSIONERS SHALL SET ANNUAL FEES FOR A PAPER  
28 GAMING LICENSE AND A WHOLESALE VENDOR'S LICENSE.

29 (F) NOT LATER THAN THE FIFTEENTH OF EACH MONTH, WHOLESALE  
30 VENDOR LICENSEES SHALL PROVIDE TO THE COUNTY COMMISSIONERS A LIST FOR  
31 THE PREVIOUS MONTH OF ALL CUSTOMERS TO WHOM THEY SOLD PAPER GAMING  
32 PRODUCTS AND THE TOTAL NUMBER OF PRODUCTS SOLD TO EACH CUSTOMER.

33 (G) A PAPER GAMING LICENSEE MAY NOT HAVE ON ITS PREMISES A PAPER  
34 GAMING DEVICE THAT DOES NOT DISPLAY A GAMING STICKER ISSUED BY THE  
35 COUNTY.

1 (H) THE COUNTY COMMISSIONERS SHALL ENSURE THAT EACH RETAIL  
2 ALCOHOLIC BEVERAGES LICENSEE WHO CONDUCTS A PAPER GAMING LICENSE  
3 SELLS TO THE PUBLIC THE SAME SERIAL-NUMBERED PAPER GAMING DEVICES THAT  
4 ARE LISTED ON THE BILL OF SALE FROM THE WHOLESALE VENDOR LICENSEE.

5 (I) THE COUNTY COMMISSIONERS MAY IMPOSE THE FOLLOWING PAPER  
6 GAMING TAXES:

7 (1) ON LICENSEES THAT ARE QUALIFIED ORGANIZATIONS, 10% OF  
8 GROSS PROFITS MINUS THE COSTS OF PAPER GAMING PRODUCTS; AND

9 (2) ON LICENSEES THAT ARE FOR PROFIT BUSINESSES, 40% OF GROSS  
10 PROFITS MINUS THE COSTS OF PAPER GAMING PRODUCTS.

11 (J) (1) IN THIS SUBSECTION, "FUND" MEANS THE SPECIAL GAMING FUND.

12 (2) THE COUNTY COMMISSIONERS MAY ESTABLISH A SPECIAL GAMING  
13 FUND.

14 (3) THE FUND IS A SPECIAL CONTINUING, NONLAPSING FUND.

15 (4) THE FUND MAY BE USED ONLY TO BENEFIT FIRE AND RESCUE  
16 DEPARTMENTS AND TO PAY FOR SPECIFIED SCHOOL COSTS.

17 (5) (I) THE FUND CONSISTS OF:

18 1. REVENUE DERIVED FROM THE TAXATION OF GROSS  
19 PROFITS FROM TIP JAR SALES; AND

20 2. SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH,  
21 MONEY RECEIVED FROM OTHER SOURCES.

22 (II) MONEY FROM THE GENERAL FUND OF THE STATE OR THE  
23 COUNTY, INCLUDING ANY FEDERAL MONEY, MAY NOT BE TRANSFERRED BY BUDGET  
24 AMENDMENT OR OTHERWISE TO THE FUND.

25 (6) THE FUND SHALL BE INVESTED AND REINVESTED IN THE SAME  
26 MANNER AS OTHER COUNTY FUNDS.

27 (7) ANNUALLY THE COUNTY COMMISSIONERS SHALL:

28 (I) PAY FROM THE FUND ALL ADMINISTRATIVE COSTS OF  
29 CARRYING OUT THIS SECTION, INCLUDING THE HIRING OF ADDITIONAL NECESSARY  
30 PERSONNEL; AND

31 (II) ALLOCATE THE REMAINING MONEY IN THE FUND TO FIRE AND  
32 RESCUE SERVICES.

33 (K) THE COUNTY COMMISSIONERS MAY ADOPT RULES AND REGULATIONS TO  
34 ADMINISTER AND ENFORCE THIS SECTION.

1 (L) THE COUNTY COMMISSIONERS MAY:

2 (1) HIRE ONE OR MORE INSPECTORS; AND

3 (2) AUTHORIZE EACH INSPECTOR TO ENTER THE PREMISES OF A  
4 LICENSEE TO ENSURE COMPLIANCE WITH THIS SECTION OR A RULE OR REGULATION  
5 ADOPTED UNDER THIS SECTION.

6 (M) THE COUNTY COMMISSIONERS MAY ADOPT AN ORDINANCE OR  
7 RESOLUTION DECLARING THAT A VIOLATION OF THIS SECTION OR A RULE OR  
8 REGULATION ADOPTED UNDER THIS SECTION IS:

9 (1) A CIVIL INFRACTION UNDER ARTICLE 25B, § 13C OF THE CODE; OR

10 (2) A MISDEMEANOR PUNISHABLE BY A TERM OF IMPRISONMENT NOT  
11 EXCEEDING 30 DAYS OR A FINE NOT EXCEEDING \$1,000 OR BOTH.

12 (N) AFTER A HEARING, IF THE COUNTY COMMISSIONERS OR A DESIGNEE OF  
13 THE BOARD FINDS THAT A PAPER GAMING LICENSEE, A WHOLESALE VENDOR  
14 LICENSEE, OR AN AGENT OF A LICENSEE HAS VIOLATED THIS SECTION OR A RULE OR  
15 REGULATION ADOPTED UNDER THIS SECTION, THE BOARD MAY SUSPEND OR  
16 REVOKE THE LICENSE IN ADDITION TO ANY FINE OR PENALTY IMPOSED UNDER  
17 SUBSECTION (M) OF THIS SECTION.

18 13-1405.

19 (A) A PERSON AUTHORIZED TO CONDUCT BINGO UNDER SUBSECTION (B) OF  
20 THIS SECTION SHALL OBTAIN A BINGO PERMIT FROM THE COUNTY AGENCY  
21 DESIGNATED BY THE COUNTY COMMISSIONERS TO ISSUE A BINGO PERMIT.

22 (B) AN ORGANIZATION MAY CONDUCT BINGO FOR ITS OWN BENEFIT OR TO  
23 BENEFIT CHARITY IN THE COUNTY IF THE ORGANIZATION IS A LEGAL RESIDENT OF  
24 THE COUNTY AND IS:

25 (1) A BONA FIDE:

26 (I) RELIGIOUS ORGANIZATION;

27 (II) FRATERNAL ORGANIZATION;

28 (III) CIVIC ORGANIZATION;

29 (IV) WAR VETERANS' ORGANIZATION;

30 (V) HOSPITAL;

31 (VI) AMATEUR ATHLETIC ORGANIZATION;

32 (VII) PATRIOTIC ORGANIZATION;

33 (VIII) EDUCATIONAL ORGANIZATION; OR

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1 (IX) CHARITABLE ORGANIZATION;

2 (2) A COUNTY VOLUNTEER:

3 (I) FIRE COMPANY; OR

4 (II) RESCUE COMPANY; OR

5 (3) AN AUXILIARY FOR A COUNTY VOLUNTEER:

6 (I) FIRE COMPANY; OR

7 (II) RESCUE COMPANY.

8 (C) A PERSON WHO IS NOT A LEGAL RESIDENT OF THE COUNTY MAY NOT  
9 CONDUCT BINGO.

10 (D) TO QUALIFY FOR A BINGO PERMIT, A PERSON SHALL MEET THE  
11 REQUIREMENTS SET BY THE COUNTY.

12 (E) ONLY MEMBERS OF A QUALIFYING ORGANIZATION MAY CONDUCT AND  
13 OPERATE BINGO GAMES.

14 (F) A PERSON WHO CONDUCTS BINGO MAY NOT OFFER OR AWARD:

15 (1) A PRIZE OR AWARD WITH A FAIR MARKET VALUE EXCEEDING \$5,000;

16 OR

17 (2) A MONEY PRIZE EXCEEDING \$5,000.

18 13-1406.

19 THE COUNTY COMMISSIONERS MAY ADOPT REGULATIONS TO CARRY OUT THIS  
20 SUBTITLE.

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
22 July 1, 2005.