
By: **Senator Hafer**

Introduced and read first time: February 4, 2005

Assigned to: Judicial Proceedings

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: April 7, 2005

CHAPTER_____

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 under certain circumstances; requiring the seller of
11 paper gaming devices to obtain a wholesale vendor's license; requiring the
12 County Commissioners to set certain annual fees; requiring wholesale vendor
13 licensees to provide a certain customer and products list to the County
14 Commissioners by a certain time; requiring paper gaming licensees to display
15 gaming stickers on paper gaming devices; authorizing the County
16 Commissioners to impose certain taxes; requiring the County Commissioners to
17 establish a Special Gaming Fund; specifying the type, components, and
18 purposes of the Fund; authorizing the County Commissioners to hire or
19 designate certain inspectors; providing for certain penalties; authorizing certain
20 organizations to conduct bingo for certain purposes; establishing certain
21 requirements to qualify for a bingo permit; establishing certain maximum prizes
22 or awards for bingo; authorizing the County Commissioners to adopt certain
23 regulations; defining certain terms; and generally relating to the conduct of
24 gaming events, paper gaming, and bingo in Garrett County.

25 BY repealing
26 Article - Criminal Law
27 Section 13-1401

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

3 BY adding to
4 Article - Criminal Law
5 Section 13-1401 through 13-1406
6 Annotated Code of Maryland
7 (2002 Volume and 2004 Supplement)

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

10 **Article - Criminal Law**

11 [13-1401.

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

13 13-1401.

14 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
15 INDICATED.

16 (B) "COUNTY COMMISSIONERS" MEANS THE BOARD OF COUNTY
17 COMMISSIONERS OF GARRETT COUNTY.

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

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

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

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

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

28 13-1402.

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

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

1 13-1403.

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

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

7 (1) A BONA FIDE:

8 (I) RELIGIOUS ORGANIZATION;

9 (II) FRATERNAL ORGANIZATION;

10 (III) CIVIC ORGANIZATION;

11 (IV) WAR VETERANS' ORGANIZATION;

12 (V) HOSPITAL;

13 (VI) AMATEUR ATHLETIC ORGANIZATION;

14 (VII) PATRIOTIC ORGANIZATION;

15 (VIII) EDUCATIONAL ORGANIZATION; OR

16 (IX) CHARITABLE ORGANIZATION;

17 (2) A COUNTY VOLUNTEER FIRE COMPANY OR RESCUE COMPANY; OR

18 (3) AN AUXILIARY FOR A COUNTY VOLUNTEER FIRE COMPANY OR
19 RESCUE COMPANY.

20 (C) (1) BEFORE THE COUNTY AGENCY MAY ISSUE A GAMING PERMIT, THE
21 COUNTY AGENCY SHALL DETERMINE WHETHER THE ORGANIZATION APPLYING FOR
22 THE GAMING PERMIT MEETS THE REQUIREMENTS OF THIS SECTION.

23 (2) AN APPLICATION AND THE ACTION THAT THE COUNTY AGENCY
24 TAKES ON THE APPLICATION ARE PUBLIC RECORDS.

25 (D) (1) (I) A GAMING PERMIT IS VALID FOR 1 YEAR AFTER THE DATE THAT
26 IT IS ISSUED.

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

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

29 (E) (1) ONLY MEMBERS OF AN ORGANIZATION THAT HOLDS A GAMING
30 PERMIT MAY CONDUCT A GAMING EVENT.

1 (2) EXCEPT AS ALLOWED UNDER § 13-1405 OF THIS SUBTITLE, AN
2 INDIVIDUAL MAY NOT BENEFIT FINANCIALLY FROM A GAMING EVENT.

3 (3) A GAMING PERMIT MAY NOT AUTHORIZE A GAMING EVENT TO BE
4 CONDUCTED ON A SUNDAY BEFORE 1 P.M.

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

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

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

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

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

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

14 13-1404.

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

17 (I) PRIZES ARE AWARDED; AND

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

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

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

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

26 (2) IF THE PERSON IS A FOR PROFIT BUSINESS, THE PERSON:

27 (I) SHALL ALSO HOLD A CLASS A, B, C, OR D RETAIL ALCOHOLIC
28 BEVERAGES LICENSE; AND

29 (II) MAY ENGAGE IN PAPER GAMING ONLY ON THE PREMISES OF
30 THE FOR PROFIT BUSINESS.

31 (3) QUALIFIED ORGANIZATIONS THAT DO NOT HAVE AN ALCOHOLIC
32 BEVERAGES LICENSE AND FIRE AND RESCUE DEPARTMENTS MAY ENGAGE IN PAPER

1 ~~GAMING WITHOUT OBTAINING A PAPER GAMING LICENSE ONLY ON THE PREMISES~~
2 ~~OF THE QUALIFIED ORGANIZATION OR FIRE AND RESCUE DEPARTMENT.~~

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

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

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

12 (G) A PAPER GAMING LICENSEE MAY NOT HAVE ON ITS PREMISES A PAPER
13 GAMING DEVICE THAT DOES NOT DISPLAY A GAMING STICKER ISSUED BY THE
14 COUNTY.

15 (H) THE COUNTY COMMISSIONERS SHALL ENSURE THAT EACH ~~RETAIL~~
16 ~~ALCOHOLIC BEVERAGE~~ LICENSEE WHO CONDUCTS A PAPER GAMING LICENSE
17 SELLS TO THE PUBLIC THE SAME SERIAL-NUMBERED PAPER GAMING DEVICES THAT
18 ARE LISTED ON THE BILL OF SALE FROM THE WHOLESALE VENDOR LICENSEE.

19 (I) THE COUNTY COMMISSIONERS MAY IMPOSE THE FOLLOWING PAPER
20 GAMING TAXES:

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

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

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

26 (2) THE COUNTY COMMISSIONERS ~~MAY~~ SHALL ESTABLISH A SPECIAL
27 GAMING FUND.

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

29 (4) THE FUND ~~MAY~~ SHALL BE USED ONLY TO BENEFIT FIRE AND
30 RESCUE DEPARTMENTS ~~AND TO PAY FOR SPECIFIED SCHOOL COSTS. SERVICES.~~

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

32 1. REVENUE DERIVED FROM THE TAXATION OF GROSS
33 PROFITS FROM TIP JAR SALES; AND

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

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

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

6 (7) ANNUALLY THE COUNTY COMMISSIONERS SHALL:

7 (I) PAY FROM THE FUND ALL ADMINISTRATIVE COSTS OF
8 CARRYING OUT THIS SECTION, INCLUDING THE HIRING OF ADDITIONAL NECESSARY
9 PERSONNEL; AND

10 (II) ALLOCATE THE REMAINING MONEY IN THE FUND TO FIRE AND
11 RESCUE SERVICES.

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

14 (L) THE COUNTY COMMISSIONERS MAY:

15 (1) HIRE OR DESIGNATE ONE OR MORE INSPECTORS; AND

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

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

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

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

25 (N) AFTER A HEARING, IF THE COUNTY COMMISSIONERS OR A DESIGNEE OF
26 THE BOARD FINDS THAT A PAPER GAMING LICENSEE, A WHOLESALE VENDOR
27 LICENSEE, OR AN AGENT OF A LICENSEE HAS VIOLATED THIS SECTION OR A RULE OR
28 REGULATION ADOPTED UNDER THIS SECTION, THE BOARD MAY SUSPEND OR
29 REVOKE THE LICENSE IN ADDITION TO ANY FINE OR PENALTY IMPOSED UNDER
30 SUBSECTION (M) OF THIS SECTION.

31 13-1405.

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

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

4 (1) A BONA FIDE:

5 (I) RELIGIOUS ORGANIZATION;

6 (II) FRATERNAL ORGANIZATION;

7 (III) CIVIC ORGANIZATION;

8 (IV) WAR VETERANS' ORGANIZATION;

9 (V) HOSPITAL;

10 (VI) AMATEUR ATHLETIC ORGANIZATION;

11 (VII) PATRIOTIC ORGANIZATION;

12 (VIII) EDUCATIONAL ORGANIZATION; OR

13 (IX) CHARITABLE ORGANIZATION;

14 (2) A COUNTY VOLUNTEER:

15 (I) FIRE COMPANY; OR

16 (II) RESCUE COMPANY; OR

17 (3) AN AUXILIARY FOR A COUNTY VOLUNTEER:

18 (I) FIRE COMPANY; OR

19 (II) RESCUE COMPANY.

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

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

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

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

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

28 OR

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

1 13-1406.

2 THE COUNTY COMMISSIONERS MAY ADOPT REGULATIONS TO CARRY OUT THIS
3 SUBTITLE.

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