
By: **Delegate Edwards**

Introduced and read first time: January 16, 2006

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

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

3 FOR the purpose of clarifying the identity of certain organizations that may engage in
4 paper gaming in Garrett County under certain circumstances; repealing a
5 certain penalty provision; authorizing the County Commissioners to declare that
6 each day a certain violation continues is a separate offense; clarifying the
7 identity of certain organizations whose members may conduct and operate bingo
8 games; and generally relating to paper gaming and bingo in Garrett County.

9 BY repealing and reenacting, without amendments,
10 Article - Criminal Law
11 Section 13-1402(a)
12 Annotated Code of Maryland
13 (2002 Volume and 2005 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article - Criminal Law
16 Section 13-1403(b), 13-1404, and 13-1405
17 Annotated Code of Maryland
18 (2002 Volume and 2005 Supplement)

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

21 **Article - Criminal Law**

22 13-1402.

23 (a) This subtitle applies only in Garrett County.

24 13-1403.

25 (b) An organization may conduct a gaming event for its own benefit if the
26 organization is:

- 1 (1) a bona fide:
- 2 (i) religious organization;
- 3 (ii) fraternal organization;
- 4 (iii) civic organization;
- 5 (iv) war veterans' organization;
- 6 (v) hospital;
- 7 (vi) amateur athletic organization;
- 8 (vii) patriotic organization;
- 9 (viii) educational organization; or
- 10 (ix) charitable organization;
- 11 (2) a county volunteer fire [company] DEPARTMENT or rescue
- 12 [company] SQUAD; or
- 13 (3) an auxiliary for a county volunteer fire [company] DEPARTMENT or
- 14 rescue [company] SQUAD.

15 13-1404.

- 16 (a) (1) In this section, "paper gaming" means a game of chance in which:
- 17 (i) prizes are awarded; and
- 18 (ii) the devices used to play the game are constructed out of paper
- 19 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 person that is a
- 23 for profit business or [qualified] AN organization LISTED UNDER § 13-1403(B) OF THIS
- 24 SUBTITLE may 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 beverages
- 28 license; and
- 29 (ii) may engage in paper gaming only on the premises of the for
- 30 profit business.

1 (3) [Qualified organizations that do not have an alcoholic beverages
2 license and fire and rescue departments may engage in paper gaming only on the
3 premises of the qualified organization or fire and rescue department.] SUBJECT TO
4 PARAGRAPH (4) OF THIS SUBSECTION, AN ORGANIZATION MAY ENGAGE IN PAPER
5 GAMING IF THE ORGANIZATION:

6 (I) IS LISTED UNDER § 13-1403(B) OF THIS SUBTITLE AND DOES
7 NOT HAVE AN ALCOHOLIC BEVERAGES LICENSE; OR

8 (II) IS A COUNTY VOLUNTEER FIRE DEPARTMENT OR RESCUE
9 SQUAD AND HAS AN ALCOHOLIC BEVERAGES LICENSE.

10 (4) AN ORGANIZATION UNDER PARAGRAPH (3) OF THIS SUBSECTION
11 MAY ENGAGE IN PAPER GAMING ONLY ON ITS PREMISES.

12 (c) A person may sell paper gaming devices to a paper gaming licensee if the
13 person obtains a wholesale vendor's license issued by the County Commissioners.

14 (d) The County Commissioners shall set annual fees for a paper gaming
15 license and a wholesale vendor's license.

16 (e) Not later than the fifteenth of each month, wholesale vendor licensees
17 shall provide to the County Commissioners a list for the previous month of all
18 customers to whom they sold paper gaming products and the total number of products
19 sold to each customer.

20 (f) A paper gaming licensee may not have on its premises a paper gaming
21 device that does not display a gaming sticker issued by the county.

22 (g) The County Commissioners shall ensure that each licensee who conducts
23 [a] paper gaming [license] UNDER A PAPER GAMING LICENSE sells to the public the
24 same serial-numbered paper gaming devices that are listed on the bill of sale from
25 the wholesale vendor licensee.

26 (h) The County Commissioners may impose the following paper gaming taxes:

27 (1) on licensees that are qualified organizations, 10% of gross profits
28 minus the costs of paper gaming products; and

29 (2) on licensees that are for profit businesses, 40% of gross profits minus
30 the costs of paper gaming products.

31 (i) (1) In this subsection, "Fund" means the Special Gaming Fund.

32 (2) The County Commissioners shall establish a Special Gaming Fund.

33 (3) The Fund is a special continuing, nonlapsing fund.

34 (4) The Fund shall be used only to benefit fire and rescue services.

35 (5) (i) The Fund consists of:

1 revenue derived from the taxation of gross profits from tip
2 jar sales; and

3 2. subject to subparagraph (ii) of this paragraph, money
4 received from other sources.

5 (ii) Money from the General Fund of the State or the county,
6 including any federal money, may not be transferred by budget amendment or
7 otherwise to the Fund.

8 (6) The Fund shall be invested and reinvested in the same manner as
9 other county funds.

10 (7) Annually the County Commissioners shall:

11 (i) pay from the Fund all administrative costs of carrying out this
12 section, including the hiring of additional necessary personnel; and

13 (ii) allocate the remaining money in the Fund to fire and rescue
14 services.

15 (j) The County Commissioners may adopt rules and regulations to administer
16 and enforce this section.

17 (k) The County Commissioners may:

18 (1) hire or designate one or more inspectors; and

19 (2) authorize each inspector to enter the premises of a licensee to ensure
20 compliance with this section or a rule or regulation adopted under this section.

21 (l) The County Commissioners may adopt an ordinance or resolution
22 declaring that:

23 (1) a violation of this section or a rule or regulation adopted under this
24 section is[:

25 (1) a civil infraction under Article 25B, § 13C of the Code; or

26 (2)] a misdemeanor punishable by a term of imprisonment not exceeding
27 30 days or a fine not exceeding \$1,000 or both; AND

28 (2) EACH DAY THAT A VIOLATION CONTINUES IS A SEPARATE OFFENSE.

29 (m) After a hearing, if the County Commissioners or a designee of the Board
30 finds that a paper gaming licensee, a wholesale vendor licensee, or an agent of a
31 licensee has violated this section or a rule or regulation adopted under this section,
32 the Board may suspend or revoke the license in addition to any fine or penalty
33 imposed under THIS subsection [(m) of this section].

1 13-1405.

2 (a) A person authorized to conduct bingo under subsection (b) of this section
3 shall obtain a bingo permit from the county agency designated by the County
4 Commissioners to issue a bingo permit.

5 (b) An organization may conduct bingo for its own benefit or to benefit charity
6 in the county if the organization is a legal resident of the county and 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[:

18 (i)] fire [company] DEPARTMENT[;] or

19 [(ii)] rescue [company] SQUAD; or

20 (3) an auxiliary for a county volunteer[:

21 (i)] fire [company] DEPARTMENT[;] or

22 [(ii)] rescue [company] SQUAD.

23 (c) A person who is not a legal resident of the county may not conduct bingo.

24 (d) To qualify for a bingo permit, a person shall meet the requirements set by
25 the county.

26 (e) Only members of [a qualifying] AN organization LISTED UNDER
27 SUBSECTION (B) OF THIS SECTION may conduct and operate bingo games.

28 (f) A person who conducts bingo may not offer or award:

29 (1) a prize or award with a fair market value exceeding \$5,000; or

1 (2) a money prize exceeding \$5,000.

2 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
3 October 1, 2006.