
By: **Delegates Cardin and Goldwater**

Introduced and read first time: February 10, 2006

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Charitable Gaming - Reporting Requirements**

3 FOR the purpose of requiring certain organizations conducting certain gaming
4 activities to record and report those activities to certain entities; requiring the
5 State Comptroller to make a certain annual report to the General Assembly
6 regarding charitable gaming in the State; providing that certain provisions
7 related to certain gaming activities apply to all counties in the State; requiring
8 the Comptroller to adopt certain regulations regarding reporting on certain
9 gaming activities in the State; requiring a certain fee for gaming activities to be
10 remitted to the Comptroller; providing for certain measures related to problem
11 gaming within local jurisdictions; requiring that certain gaming proceeds be
12 distributed to certain eligible organizations; and generally relating to reporting
13 requirements for charitable gaming in the State.

14 BY adding to

15 Article - Criminal Law
16 Section 13-102 through 13-104
17 Annotated Code of Maryland
18 (2002 Volume and 2005 Supplement)

19 BY repealing and reenacting, with amendments,

20 Article - Criminal Law
21 Section 13-202 and 13-203
22 Annotated Code of Maryland
23 (2002 Volume and 2005 Supplement)

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

1 **Article - Criminal Law**

2 13-102.

3 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
4 INDICATED.5 (2) (I) "GAMING" MEANS ANY GAME OF CHANCE THAT IS PLAYED FOR
6 MONEY OR ANY OTHER PRIZE.

7 (II) "GAMING" INCLUDES:

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

19 (III) "GAMING" DOES NOT INCLUDE:

- 20 1. LOTTERIES CONDUCTED UNDER TITLE 9 OF THE STATE
21 GOVERNMENT ARTICLE;
- 22 2. HORSE RACING CONDUCTED UNDER TITLE 11 OF THE
23 BUSINESS REGULATION ARTICLE;
- 24 3. BINGO NOT CONDUCTED FOR COMMERCIAL PURPOSES;
25 AND
- 26 4. GAMING ABOARD A PASSENGER CRUISE VESSEL THAT IS
27 AUTHORIZED UNDER § 6-209 OF THE TRANSPORTATION ARTICLE.

28 (3) "QUALIFIED ORGANIZATION" MEANS AN ORGANIZATION AS
29 DESCRIBED IN § 13-201 OF THIS TITLE.

1 (4) "REGULATORY ENTITY" MEANS THE ENTITY RESPONSIBLE FOR THE
2 LICENSING OR PERMITTING OF GAMING ACTIVITIES WITHIN A LOCAL JURISDICTION.

3 (B) ANY QUALIFIED ORGANIZATION OR ANY OTHER ORGANIZATION
4 CONDUCTING GAMING IN A LOCAL JURISDICTION SHALL RECORD AND REPORT ALL
5 INCOME AND EXPENSES THAT RELATE TO GAMING ACTIVITIES TO THE REGULATORY
6 ENTITY, INCLUDING:

7 (1) SUFFICIENT AND CLEAR DATA ON GROSS REVENUE GENERATED;

8 (2) ALL EXPENSES AND PAYMENTS MADE FROM OTHER REVENUE;

9 (3) THE IDENTITY OF ALL RECIPIENTS OF ANY PORTION OF THE GROSS
10 REVENUE;

11 (4) THE AMOUNT OF THE GROSS REVENUE THAT IS DISTRIBUTED TO A
12 QUALIFIED ORGANIZATION OR ANY OTHER ORGANIZATION; AND

13 (5) THE AMOUNT OF THE GROSS REVENUE THAT IS USED IN
14 FURTHERANCE OF ANY OTHER GAMING ACTIVITY OR FOR THE PURPOSES OF A
15 GAMING ESTABLISHMENT.

16 (C) THE REGULATORY ENTITY IN EACH LOCAL JURISDICTION SHALL PROVIDE
17 THE INCOME AND EXPENSE INFORMATION REPORTED UNDER SUBSECTION (B) OF
18 THIS SECTION TO THE COMPTROLLER, IN A MANNER AND ON A SCHEDULE TO BE
19 ESTABLISHED THROUGH REGULATIONS PROMULGATED BY THE COMPTROLLER.

20 (D) THE COMPTROLLER SHALL PREPARE AND SUBMIT A REPORT TO THE
21 GOVERNOR AND, SUBJECT TO THE PROVISIONS OF § 2-1246 OF THE STATE
22 GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY ON OCTOBER 15, 2007, AND ON
23 OCTOBER 15 OF EACH YEAR THEREAFTER, ON GAMING ACTIVITIES CONDUCTED
24 UNDER THIS TITLE AND TITLE 12 OF THIS ARTICLE IN THE PREVIOUS FISCAL YEAR,
25 INCLUDING:

26 (1) THE BONA FIDE NATURE AND CHARACTER AND THE VIABILITY OF
27 QUALIFIED ORGANIZATIONS AUTHORIZED TO CONDUCT GAMING ACTIVITIES IN THE
28 STATE; AND

29 (2) WHETHER THE NET PROCEEDS OF QUALIFIED ORGANIZATIONS
30 CONDUCTING GAMING ACTIVITIES INURE TO CHARITABLE PURPOSES.

31 (E) THE REPORTS MADE UNDER THIS SECTION ARE PUBLIC RECORDS.

32 (F) (1) IN ORDER TO COMPLY WITH THE REPORTING REQUIREMENTS OF
33 THIS SECTION, THE COMPTROLLER SHALL HAVE ACCESS TO ANY RECORDS OR
34 OTHER INFORMATION WITHIN THE CUSTODY OF THE FOLLOWING UNITS OF STATE
35 AND LOCAL GOVERNMENT THAT RELATE TO ANY MATTER RELATING TO GAMING
36 ACTIVITIES:

37 (I) THE OFFICE OF THE SECRETARY OF STATE;

- 1 (II) THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION;
2 (III) THE COMPTROLLER OF THE TREASURY;
3 (IV) THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION;
4 AND
5 (V) ANY COUNTY OR MUNICIPAL AGENCY.

6 (2) THE UNITS LISTED IN PARAGRAPH (1) OF THIS SUBSECTION SHALL
7 COOPERATE WITH THE COMPTROLLER IN IMPLEMENTING THE PROVISIONS OF THIS
8 SECTION.

9 13-103.

10 (A) THE REGULATORY ENTITY SHALL IMPOSE AND COLLECT A FEE, TO BE
11 REMITTED TO THE COMPTROLLER, OF:

12 (1) IF THE GROSS REVENUE REPORTED UNDER § 13-102 OF THIS
13 SUBTITLE EXCEEDS \$15,000, \$1,000 FOR EACH LICENSE OR PERMIT ISSUED FOR
14 GAMING ACTIVITIES; OR

15 (2) IF THE GROSS REVENUE REPORTED UNDER § 13-102 OF THIS
16 SUBTITLE IS \$15,000 OR LESS, 6% OF THE GROSS REVENUES REPORTED.

17 (B) THE FEE SHALL BE COLLECTED AT THE TIME THAT THE REPORT TO THE
18 REGULATORY ENTITY IS SUBMITTED UNDER § 13-102 OF THIS SUBTITLE.

19 13-104.

20 THE REGULATORY ENTITY SHALL DEVELOP AND IMPLEMENT MEASURES THAT
21 ARE INTENDED TO REDUCE OR MITIGATE THE EFFECTS OF PROBLEM GAMING
22 WITHIN THE LOCAL JURISDICTION.

23 13-202.

24 Except as otherwise provided in this title, this subtitle applies in [the following]
25 ALL counties]:

- 26 (1) Allegany County;
27 (2) Anne Arundel County;
28 (3) Baltimore County;
29 (4) Calvert County;
30 (5) Caroline County;
31 (6) Carroll County;

- 1 (7) Dorchester County;
- 2 (8) Frederick County;
- 3 (9) Garrett County;
- 4 (10) Howard County;
- 5 (11) Prince George's County;
- 6 (12) St. Mary's County;
- 7 (13) Somerset County;
- 8 (14) Talbot County; and
- 9 (15) Washington County].

10 13-203.

11 (A) [This] SUBJECT TO SUBSECTION (B) OF THIS SECTION, THIS title and Title
12 12 of this article do not prohibit a qualified organization from conducting a gaming
13 event for the [exclusive benefit] PURPOSES of a qualified organization if an
14 individual or group of individuals does not:

15 (1) benefit financially from the gaming event under this subtitle; or

16 (2) receive any of the proceeds from the gaming event under this subtitle
17 for personal use or benefit.

18 (B) A QUALIFIED ORGANIZATION THAT CONDUCTS GAMING AUTHORIZED
19 UNDER THIS TITLE SHALL USE AT LEAST ONE-HALF OF THE PROCEEDS FROM ANY
20 GAMING ACTIVITIES FOR THE BENEFIT OF ANOTHER QUALIFIED ORGANIZATION.

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 July 1, 2006.