
By: ~~Delegates Cardin and Goldwater, Goldwater, C. Davis, Elmore,~~
Franchot, Hixson, Impallaria, and Nathan-Pulliam

Introduced and read first time: February 10, 2006

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 22, 2006

CHAPTER _____

1 AN ACT concerning

2 **Charitable Gaming—Reporting Requirements**
 3 **Task Force to Study Charitable and Commercial Gaming Activities in**
 4 **Maryland**

5 FOR the purpose of ~~requiring certain organizations conducting certain gaming~~
 6 ~~activities to record and report those activities to certain entities; requiring the~~
 7 ~~State Comptroller to make a certain annual report to the General Assembly~~
 8 ~~regarding charitable gaming in the State; providing that certain provisions~~
 9 ~~related to certain gaming activities apply to all counties in the State; requiring~~
 10 ~~the Comptroller to adopt certain regulations regarding reporting on certain~~
 11 ~~gaming activities in the State; requiring a certain fee for gaming activities to be~~
 12 ~~remitted to the Comptroller; providing for certain measures related to problem~~
 13 ~~gaming within local jurisdictions; requiring that certain gaming proceeds be~~
 14 ~~distributed to certain eligible organizations; and generally relating to reporting~~
 15 ~~requirements for charitable gaming in the State~~ establishing a Task Force to
 16 Study Charitable and Commercial Gaming Activities in Maryland to study and
 17 assess certain gaming activities in the State; providing for the membership and
 18 staffing of the Task Force; prohibiting members of the Task Force from receiving
 19 certain compensation but authorizing the reimbursement of certain expenses;
 20 requiring a report by a certain date; providing for the termination of this Act;
 21 providing for a delayed effective date; and generally relating to the Task Force to
 22 Study Charitable and Commercial Gaming Activities in Maryland.

23 ~~BY adding to~~
 24 ~~Article—Criminal Law~~
 25 ~~Section 13-102 through 13-104~~
 26 ~~Annotated Code of Maryland~~

1 (~~2002 Volume and 2005 Supplement~~)

2 ~~BY repealing and reenacting, with amendments,~~

3 ~~Article—Criminal Law~~

4 ~~Section 13-202 and 13-203~~

5 ~~Annotated Code of Maryland~~

6 (~~2002 Volume and 2005 Supplement~~)

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

9 **~~Article—Criminal Law~~**

10 ~~13-102.~~

11 (A) (1) ~~IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS~~
12 ~~INDICATED.~~

13 (2) (1) ~~"GAMING" MEANS ANY GAME OF CHANCE THAT IS PLAYED FOR~~
14 ~~MONEY OR ANY OTHER PRIZE.~~

15 (H) ~~"GAMING" INCLUDES:~~

16 1. ~~BINGO FOR COMMERCIAL PURPOSES;~~

17 2. ~~CARD GAMES;~~

18 3. ~~CHANCE GAMES;~~

19 4. ~~DICE GAMES;~~

20 5. ~~PADDLE WHEELS, WHEELS OF FORTUNE, AND ANY OTHER~~
21 ~~GAME INVOLVING WHEELS OF CHANCE;~~

22 6. ~~PUNCHBOARDS;~~

23 7. ~~RAFFLES;~~

24 8. ~~ROULETTE;~~

25 9. ~~SLOT MACHINES; AND~~

26 10. ~~TIP JARS.~~

27 (H) ~~"GAMING" DOES NOT INCLUDE:~~

28 1. ~~LOTTERIES CONDUCTED UNDER TITLE 9 OF THE STATE~~
29 ~~GOVERNMENT ARTICLE;~~

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

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

4 (F) (1) ~~IN ORDER TO COMPLY WITH THE REPORTING REQUIREMENTS OF~~
5 ~~THIS SECTION, THE COMPTROLLER SHALL HAVE ACCESS TO ANY RECORDS OR~~
6 ~~OTHER INFORMATION WITHIN THE CUSTODY OF THE FOLLOWING UNITS OF STATE~~
7 ~~AND LOCAL GOVERNMENT THAT RELATE TO ANY MATTER RELATING TO GAMING~~
8 ~~ACTIVITIES:~~

9 (I) ~~THE OFFICE OF THE SECRETARY OF STATE;~~

10 (II) ~~THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION;~~

11 (III) ~~THE COMPTROLLER OF THE TREASURY;~~

12 (IV) ~~THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION;~~
13 ~~AND~~

14 (V) ~~ANY COUNTY OR MUNICIPAL AGENCY.~~

15 (2) ~~THE UNITS LISTED IN PARAGRAPH (1) OF THIS SUBSECTION SHALL~~
16 ~~COOPERATE WITH THE COMPTROLLER IN IMPLEMENTING THE PROVISIONS OF THIS~~
17 ~~SECTION.~~

18 ~~13-103.~~

19 (A) ~~THE REGULATORY ENTITY SHALL IMPOSE AND COLLECT A FEE, TO BE~~
20 ~~REMITTED TO THE COMPTROLLER, OF:~~

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

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

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

28 ~~13-104.~~

29 ~~THE REGULATORY ENTITY SHALL DEVELOP AND IMPLEMENT MEASURES THAT~~
30 ~~ARE INTENDED TO REDUCE OR MITIGATE THE EFFECTS OF PROBLEM GAMING~~
31 ~~WITHIN THE LOCAL JURISDICTION.~~

32 ~~13-202.~~

33 Except as otherwise provided in this title, this subtitle applies in [the following]
34 ~~ALL counties~~;

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

16 ~~13-203.~~

17 (A) ~~[This] SUBJECT TO SUBSECTION (B) OF THIS SECTION, THIS title and Title~~
18 ~~12 of this article do not prohibit a qualified organization from conducting a gaming~~
19 ~~event for the [exclusive benefit] PURPOSES of a qualified organization if an~~
20 ~~individual or group of individuals does not:~~

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

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

24 (B) ~~A QUALIFIED ORGANIZATION THAT CONDUCTS GAMING AUTHORIZED~~
25 ~~UNDER THIS TITLE SHALL USE AT LEAST ONE HALF OF THE PROCEEDS FROM ANY~~
26 ~~GAMING ACTIVITIES FOR THE BENEFIT OF ANOTHER QUALIFIED ORGANIZATION.~~

27 (a) There is a Task Force to Study Charitable and Commercial Gaming
28 Activities in Maryland.

29 (b) The Task Force shall study and assess the following issues:

- 1 (1) the current statutory and regulatory provisions governing charitable
2 and commercial gaming activities at the State and local levels;
- 3 (2) the prevalence of illegal charitable and commercial gaming activities
4 in local jurisdictions;
- 5 (3) the financial impact of charitable and commercial gaming activities
6 on qualified organizations conducting the activities, and other organizations that may
7 benefit financially from such activities;
- 8 (4) the impact of charitable and commercial gaming activities on law
9 enforcement agencies;
- 10 (5) the impact of charitable and commercial gaming activities on other
11 types of legalized gaming activities in the State, including the State Lottery and horse
12 racing;
- 13 (6) the feasibility of each county and Baltimore City having local gaming
14 commissions to regulate charitable and commercial gaming activities;
- 15 (7) how the State may exercise additional or improved oversight of
16 charitable and commercial gaming activities; and
- 17 (8) any other issues concerning charitable and commercial gaming
18 activities in the State.
- 19 (c) The Task Force shall consist of the following members:
- 20 (1) a chair, appointed by the Governor;
- 21 (2) three members of the Senate Judicial Proceedings Committee,
22 appointed by the President of the Senate;
- 23 (3) three members of the House Committee on Ways and Means,
24 appointed by the Speaker of the House;
- 25 (4) the Comptroller of the Treasury, or the Comptroller's designee;
- 26 (5) the Attorney General, or the Attorney General's designee;
- 27 (6) the Director of the State Lottery Agency, or the Director's designee;
- 28 (7) a representative of the Maryland Association of Counties;
- 29 (8) a representative of the Maryland Municipal League;
- 30 (9) a representative of the Maryland Sheriff's Association; and
- 31 (10) two representatives of qualified organizations that conduct
32 charitable or commercial gaming activities, appointed by the Governor.

1 (d) The Comptroller of the Treasury and the Attorney General shall provide
2 staff support to the Task Force.

3 (e) A member of the Task Force:

4 (1) may not receive compensation as a member of the Task Force; but

5 (2) is entitled to reimbursement for expenses under the Standard State
6 Travel Regulations, as provided in the State budget.

7 (f) The Task Force shall submit a report of its findings and any
8 recommendations to the Governor and, in accordance with § 2-1246 of the State
9 Government Article, to the General Assembly on or before December 31, 2007.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 July 1, 2006. June 1, 2007. It shall remain effective for a period of 7 months and, at
12 the end of December 31, 2007, with no further action required by the General
13 Assembly, this Act shall be abrogated and of no further force and effect.