

# HOUSE BILL 867

C7

71r1073

---

By: **Delegates McComas, Impallaria, McDonough, Riley, Stull, and Weir**  
Introduced and read first time: February 9, 2007  
Assigned to: Ways and Means

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Gaming – Slot Machines – Ownership and Operation by Eligible Nonprofit**  
3 **Organizations**

4 FOR the purpose of making provisions that authorize eligible organizations to own or  
5 operate slot machines applicable statewide; altering the definition of “eligible  
6 organization” to make it applicable to a nonprofit organization that has been  
7 located in the State for a certain number of years before the organization  
8 applies for a license; increasing the number of slot machines that an eligible  
9 organization may own; and generally relating to slot machine ownership and  
10 operation by eligible nonprofit organizations.

11 BY repealing and reenacting, with amendments,  
12 Article – Criminal Law  
13 Section 12–304  
14 Annotated Code of Maryland  
15 (2002 Volume and 2006 Supplement)

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

18 **Article – Criminal Law**

19 12–304.

20 (a) In this section, “eligible organization” means a nonprofit organization  
21 that:

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           (1) has been located in [a county listed in subsection (b) of this  
2 section] **THE STATE** for at least [5] **10** years before the organization applies for a  
3 license under subsection (e) of this section; and

4           (2) is a bona fide:

5                   (i) fraternal organization;

6                   (ii) religious organization; or

7                   (iii) war veterans' organization.

8       (b) [This section applies in:

9           (1) Caroline County;

10          (2) Cecil County;

11          (3) Dorchester County;

12          (4) Kent County;

13          (5) Queen Anne's County;

14          (6) Somerset County;

15          (7) Talbot County; and

16          (8) Wicomico County.

17       (c) (1) In this subsection, a console or set of affixed slot machines is not  
18 an individual slot machine.

19       (2) Notwithstanding any other provision of this subtitle, an eligible  
20 organization may own and operate a slot machine if the eligible organization:

21                   (i) obtains a license under subsection [(e)] **(D)** of this section for  
22 each slot machine;

23                   (ii) owns each slot machine that the eligible organization  
24 operates;

- 1 (iii) owns not more than [five] **10** slot machines;
- 2 (iv) locates and operates its slot machines at its principal  
3 meeting hall in the county in which the eligible organization is located;
- 4 (v) does not locate or operate its slot machines in a private  
5 commercial facility;
- 6 (vi) uses:
- 7 1. at least one-half of the proceeds from its slot  
8 machines for the benefit of a charity; and
- 9 2. the remainder of the proceeds from its slot machines  
10 to further the purposes of the eligible organization;
- 11 (vii) does not use any of the proceeds of the slot machine for the  
12 financial benefit of an individual; and
- 13 (viii) reports annually under affidavit to the State Comptroller:
- 14 1. the income of each slot machine; and
- 15 2. the disposition of the income from each slot machine.

16 [(d)](C) An eligible organization may not use or operate a slot machine  
17 unless:

- 18 (1) the slot machine is equipped with a tamperproof meter or counter  
19 that accurately records gross receipts; and
- 20 (2) the eligible organization keeps an accurate record of the gross  
21 receipts and payoffs of the slot machine.

22 [(e)](D) (1) Before an eligible organization may operate a slot machine  
23 under this section, the eligible organization shall obtain a license for the slot machine  
24 from the sheriff of the county in which the eligible organization plans to locate the slot  
25 machine.

26 (2) (i) The county shall:

