

**Department of Legislative Services**  
Maryland General Assembly  
2008 Session

**FISCAL AND POLICY NOTE**

House Bill 1567  
Ways and Means

(Frederick County Delegation)

Judicial Proceedings

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**Frederick County - Tip Jars and Punchboards - Licensed Distributors**

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This bill requires that, to sell a tip jar or punchboard, a distributor licensed in Frederick County must have an office in the State rather than the county.

The bill takes effect July 1, 2008.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** A tip jar or punchboard must be purchased from a distributor that has an office in the county, is licensed by the Frederick County Department of Permits and Inspections, and keeps records required by the county commissioners.

Only a distributor licensed by Frederick County may sell tip jars or punchboards, or gaming supplies for use in the county. Each distributor must submit monthly reports and the appropriate issuance fee to the county within 45 days after the end of each month.

A distributor is ineligible to apply for or possess a license if the applicant or any of the applicant's officers, directors, or employees directly responsible for the distribution of tip

jars, punchboards, or other gaming supplies, has been convicted of a felony or convicted of a misdemeanor in anyway related to gambling or gaming within the past five years of the submission of the license application.

**Background:** Paper gaming is a game of chance in which prizes are awarded, and the devices used to play the game are constructed of paper. The most common forms of paper gaming are punchboards and tip jars. A punchboard is a square piece of wood or cardboard with dozens or hundreds of holes punched in it, each filled with a piece of paper with numbers or symbols printed on it. The holes are covered with foil or paper, and players pay for the right to punch one or more holes. If the numbers or symbols on their slips of paper match a winning combination, they receive a prize, either cash or another item. Tip jars dispense a sealed piece of paper that contain within it several folded pieces of paper. The sealed piece of paper is opened by a purchaser and the numbers or symbols printed on the folded papers are compared to a board that identifies winning combinations.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Frederick County, Frederick County Department of Permits and Inspections, Department of Legislative Services

**Fiscal Note History:** First Reader - March 18, 2008  
mll/rhh

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