

HOUSE BILL 39

C7
HB 56/10 – W&M

11r0705
CF SB 249

By: **Delegates Conway and McDermott**
Introduced and read first time: January 17, 2011
Assigned to: Ways and Means

Committee Report: Favorable
House action: Adopted
Read second time: March 8, 2011

CHAPTER _____

1 AN ACT concerning

2 **Worcester County – Slot Machines for Nonprofit Organizations**

3 FOR the purpose of adding Worcester County to the list of counties in which certain
4 nonprofit fraternal, religious, and war veterans' organizations may own and
5 operate a certain number of slot machines under certain circumstances; and
6 generally relating to slot machines in Worcester County.

7 BY repealing and reenacting, with amendments,
8 Article – Criminal Law
9 Section 12–304
10 Annotated Code of Maryland
11 (2002 Volume and 2010 Supplement)

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

14 **Article – Criminal Law**

15 12–304.

16 (a) In this section, “eligible organization” means:

17 (1) a nonprofit organization that:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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

4 (ii) is a bona fide:

- 5 1. fraternal organization;
- 6 2. religious organization; or
- 7 3. war veterans' organization; or

8 (2) a nonprofit organization that has been affiliated with a national
9 fraternal organization for less than 5 years and has been located in a county listed in
10 subsection (b) of this section for at least 50 years before the nonprofit organization
11 applies for a license under subsection (e) of this section.

12 (b) This section applies in:

- 13 (1) Caroline County;
- 14 (2) Cecil County;
- 15 (3) Dorchester County;
- 16 (4) Kent County;
- 17 (5) Queen Anne's County;
- 18 (6) Somerset County;
- 19 (7) Talbot County; [and]
- 20 (8) Wicomico County; AND
- 21 **(9) WORCESTER COUNTY.**

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

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

26 (i) obtains a license under subsection (e) of this section for each
27 slot machine;

1 (ii) owns each slot machine that the eligible organization
2 operates;

3 (iii) owns not more than five slot machines;

4 (iv) locates and operates its slot machines at its principal
5 meeting hall in the county in which the eligible organization is located;

6 (v) does not locate or operate its slot machines in a private
7 commercial facility;

8 (vi) uses:

9 1. at least one-half of the proceeds from its slot
10 machines for the benefit of a charity; and

11 2. the remainder of the proceeds from its slot machines
12 to further the purposes of the eligible organization;

13 (vii) does not use any of the proceeds of the slot machine for the
14 financial benefit of an individual; and

15 (viii) reports annually under affidavit to the State Comptroller:

16 1. the income of each slot machine; and

17 2. the disposition of the income from each slot machine.

18 (d) An eligible organization may not use or operate a slot machine unless:

19 (1) the slot machine is equipped with a tamperproof meter or counter
20 that accurately records gross receipts; and

21 (2) the eligible organization keeps an accurate record of the gross
22 receipts and payoffs of the slot machine.

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

27 (2) (i) The county shall:

28 1. charge an annual fee of \$50 for each license for a
29 machine; and

30 2. issue a license sticker to the applicant.

1 (ii) The applicant shall place the sticker on the slot machine.

2 (iii) The proceeds of the annual fee shall be transferred to the
3 general fund of the county.

4 (3) In the application to the sheriff for a license, one of the principal
5 officers of the eligible organization shall certify under affidavit that the organization:

6 (i) is an eligible organization; and

7 (ii) will comply with this section.

8 (f) (1) A principal officer of the eligible organization may not intentionally
9 misrepresent a statement of fact on the application.

10 (2) A person who violates this subsection is guilty of perjury and on
11 conviction is subject to the penalty provided under Title 9, Subtitle 1 of this article.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 October 1, 2011.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.