

SENATE BILL 670

C7

2lr1110
CF 2lr1109

By: **Senators Shank and Edwards**

Introduced and read first time: February 3, 2012

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Washington County – Tip Jars – Accountability and Oversight**

3 FOR the purpose of authorizing the County Commissioners of Washington County to
4 require the Washington County Volunteer Fire and Rescue Association to
5 submit certain financial reports; authorizing the county commissioners to adopt
6 certain regulations; authorizing the county commissioners to withhold certain
7 funds under certain circumstances; requiring the Washington County Volunteer
8 Fire and Rescue Association to submit its budget to the county commissioners
9 each year on or before a certain date; requiring the county commissioners to
10 accept or reject the budget in a certain manner; expanding the authority of the
11 county commissioners to establish certain procedures; prohibiting certain funds
12 from being used for certain fire and rescue services; and generally relating to
13 the use of certain tip jar gaming proceeds in Washington County.

14 BY repealing and reenacting, with amendments,
15 Article – Criminal Law
16 Section 13–2435
17 Annotated Code of Maryland
18 (2002 Volume and 2011 Supplement)

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

21 **Article – Criminal Law**

22 13–2435.

23 (a) In this section, “gross profits” means the total proceeds from the
24 operation of a tip jar less the amount of money winnings or value of prizes distributed.

25 (b) There is a Washington County Gaming Fund.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (c) (1) The county commissioners shall establish:

2 (i) the method and time of deposits to the fund; and

3 (ii) other procedures necessary to carry out subsections [(d) and
4 (e)] **(D), (E), AND (F)** of this section.

5 (2) In accordance with a written agreement between the county
6 commissioners and the gaming commission, the gaming commission may use money
7 from the fund to reimburse the county commissioners for the costs to the county for
8 administering Part III of this subtitle.

9 **(3) (I) THE COUNTY COMMISSIONERS MAY REQUIRE THE
10 WASHINGTON COUNTY VOLUNTEER FIRE AND RESCUE ASSOCIATION TO
11 SUBMIT FINANCIAL REPORTS OF THE ASSOCIATION.**

12 **(II) THE COUNTY COMMISSIONERS MAY ADOPT
13 REGULATIONS SPECIFYING THE TIME FRAMES FOR SUBMISSION OF THE
14 REPORTS, BUT THE REGULATIONS SHALL BE LIMITED IN SCOPE TO THE TIMING
15 OF SUBMISSION OF THE REPORTS ONLY.**

16 **(III) THE FINANCIAL REPORTS OF THE WASHINGTON
17 COUNTY VOLUNTEER FIRE AND RESCUE ASSOCIATION MAY INCLUDE AN
18 ANNUAL BUDGET AS APPROVED UNDER PARAGRAPH (4) OF THIS SUBSECTION,
19 BUDGET REPORTS, AND RELATED DOCUMENTATION THAT SHOWS HOW MONEY
20 HAS BEEN SPENT BY THE WASHINGTON COUNTY VOLUNTEER FIRE AND
21 RESCUE ASSOCIATION DURING THE PREVIOUS FISCAL YEAR.**

22 **(IV) IF THE FINANCIAL REPORTS ARE NOT SUBMITTED
23 WITHIN THE TIME REQUIRED UNDER THE REGULATIONS, THE COUNTY
24 COMMISSIONERS MAY WITHHOLD FUNDS THAT WOULD OTHERWISE BE
25 DISTRIBUTED UNDER SUBSECTION (F)(1) OF THIS SECTION UNTIL THE REPORTS
26 ARE SUBMITTED.**

27 **(4) (I) EACH YEAR THE WASHINGTON COUNTY VOLUNTEER
28 FIRE AND RESCUE ASSOCIATION SHALL SUBMIT ITS BUDGET TO THE COUNTY
29 COMMISSIONERS ON OR BEFORE MAY 15.**

30 **(II) THE COUNTY COMMISSIONERS SHALL ACCEPT OR
31 REJECT THE BUDGET BY A MAJORITY VOTE.**

32 **(III) THE ACCEPTANCE OR REJECTION OF THE BUDGET MAY
33 NOT BE DELEGATED TO ANY DESIGNEE.**

1 **(IV) THE COUNTY COMMISSIONERS MAY WITHHOLD FUNDS**
2 **THAT WOULD OTHERWISE BE DISTRIBUTED UNDER SUBSECTION (F)(1) OF THIS**
3 **SECTION UNTIL THE BUDGET OF THE WASHINGTON COUNTY VOLUNTEER FIRE**
4 **AND RESCUE ASSOCIATION IS ACCEPTED BY THE COUNTY COMMISSIONERS.**

5 (d) (1) This subsection applies only to a person who holds a tip jar license
6 under § 13–2420(b)(7), (8), or (9) of this subtitle.

7 (2) Subject to paragraph (3) of this subsection, a person subject to this
8 subsection shall deposit with a financial institution designated by the gaming
9 commission, to the credit of the fund, the gross profits from each tip jar that the
10 person operates.

11 (3) To offset the costs of operating a tip jar, a person with a tip jar
12 license may retain the lesser of \$45 or 50% of the gross profits from each tip jar game.

13 (e) (1) This subsection applies only to a person who holds a tip jar license
14 under § 13–2420(b)(1) through (6) of this subtitle.

15 (2) A person subject to this subsection shall deposit with a financial
16 institution designated by the gaming commission, to the credit of the fund, 15% of the
17 gross profits earned through the operation of tip jars during the 12–month period
18 ending June 30.

19 (3) If a person fails to contribute the full amount required under
20 paragraph (2) of this subsection, the person shall deposit the balance required during
21 the next year.

22 (f) After the reimbursement under subsection (c)(2) of this section, each year
23 the gaming commission shall distribute:

24 (1) 50% of the money deposited in the fund to the Washington County
25 Volunteer Fire and Rescue Association; and

26 (2) subject to any restriction that the county commissioners adopt by
27 regulation, 50% of the money deposited in the fund to bona fide charitable
28 organizations in the county.

29 **(G) THE COUNTY COMMISSIONERS MAY NOT REQUIRE THAT FUNDS**
30 **DISTRIBUTED UNDER (F)(1) OF THIS SECTION BE USED FOR FIRE AND RESCUE**
31 **SERVICES FOR WHICH FUNDS PREVIOUSLY HAVE BEEN APPROPRIATED IN THE**
32 **COUNTY OPERATING BUDGET.**

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
34 October 1, 2012.