

# SENATE BILL 670

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CF HB 1005

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By: **Senators Shank and Edwards**

Introduced and read first time: February 3, 2012

Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 21, 2012

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## CHAPTER \_\_\_\_\_

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**

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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 13-2435.

2 (a) In this section, "gross profits" means the total proceeds from the  
3 operation of a tip jar less the amount of money winnings or value of prizes distributed.

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

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

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

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

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

13 **(3) (I) THE COUNTY COMMISSIONERS MAY REQUIRE THE**  
14 **WASHINGTON COUNTY VOLUNTEER FIRE AND RESCUE ASSOCIATION TO**  
15 **SUBMIT FINANCIAL REPORTS OF THE ASSOCIATION.**

16 **(II) THE COUNTY COMMISSIONERS MAY ADOPT**  
17 **REGULATIONS SPECIFYING THE TIME FRAMES FOR SUBMISSION OF THE**  
18 **REPORTS, BUT THE REGULATIONS SHALL BE LIMITED IN SCOPE TO THE TIMING**  
19 **OF SUBMISSION OF THE REPORTS ONLY.**

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

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

31 **(4) (I) EACH YEAR THE WASHINGTON COUNTY VOLUNTEER**  
32 **FIRE AND RESCUE ASSOCIATION SHALL SUBMIT ITS BUDGET TO THE COUNTY**  
33 **COMMISSIONERS ~~ON OR BEFORE MAY 15.~~**

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

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

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

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

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

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

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

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

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

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

28                   (1)   50% of the money deposited in the fund to the Washington County  
29 Volunteer Fire and Rescue Association; and

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

33                   **(G) THE COUNTY COMMISSIONERS MAY NOT REQUIRE THAT FUNDS**  
34 **DISTRIBUTED UNDER (F)(1) OF THIS SECTION BE USED FOR FIRE AND RESCUE**

1 SERVICES FOR WHICH FUNDS PREVIOUSLY HAVE BEEN APPROPRIATED IN THE  
2 COUNTY OPERATING BUDGET.

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

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.