

SENATE BILL 941

C7

6lr2288

By: **Senators Mathias and Manno**

Introduced and read first time: February 5, 2016

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: March 17, 2016

CHAPTER _____

1 AN ACT concerning

2 **Worcester County – Family Entertainment Centers – Amusement Gaming**
3 **Licenses**

4 FOR the purpose of altering the definition of slot machine to exclude certain machines;
5 authorizing the State Lottery and Gaming Control Commission to issue a certain
6 amusement gaming license to certain family entertainment centers in a certain
7 county; authorizing certain family entertainment centers to apply for a certain
8 license if certain requirements are satisfied; authorizing a family entertainment
9 center that holds a certain license to operate certain skills–based devices that award
10 certain prizes; requiring the Commission to determine the value of certain prizes
11 that may be awarded; prohibiting a family entertainment center from exchanging
12 certain merchandise for money; authorizing the Commission to determine that a
13 certain device at a family entertainment center is an illegal gaming device and
14 require that the device be removed; prohibiting a family entertainment center from
15 transferring a certain license to a certain location; defining certain terms; and
16 generally relating to amusement gaming licenses.

17 BY repealing and reenacting, with amendments,
18 Article – Criminal Law
19 Section 12–301(3)
20 Annotated Code of Maryland
21 (2012 Replacement Volume and 2015 Supplement)

22 BY adding to
23 Article – State Government

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 Section 9–1B–01 and 9–1B–02 to be under the new subtitle “Subtitle 1B. Amusement
2 Gaming Licenses”
3 Annotated Code of Maryland
4 (2014 Replacement Volume and 2015 Supplement)

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

7 **Article – Criminal Law**

8 12–301.

9 In this subtitle:

- 10 (3) “slot machine” does not include a machine, apparatus, or device that:
- 11 (i) awards the user only free additional games or plays;
- 12 (ii) awards the user only noncash merchandise or noncash prizes of
13 minimal value;
- 14 (iii) dispenses paper pull tab tip jar tickets or paper pull tab instant
15 bingo tickets that must be opened manually by the user provided that the machine,
16 apparatus, or device does not:
- 17 1. read the tickets electronically;
- 18 2. alert the user to a winning or losing ticket; or
- 19 3. tabulate a player’s winnings and losses;
- 20 (iv) 1. is a handheld device that displays only facsimiles of bingo
21 cards that an individual uses to mark and monitor contemporaneously to a live call of bingo
22 numbers called on the premises by an individual where the user is operating the machine;
- 23 2. does not permit a user to play more than 54 bingo cards at
24 the same time;
- 25 3. does not randomly generate any numbers; and
- 26 4. is not part of an integrated system;
- 27 (v) is used by the State Lottery and Gaming Control Commission
28 under Title 9 of the State Government Article;

1 (vi) if legislation takes effect authorizing the operation of video
2 lottery terminals, is a video lottery terminal as defined in and licensed under that
3 legislation; [or]

4 (vii) is a skills-based amusement device that awards prizes of
5 minimal value approved by the State Lottery and Gaming Control Commission through
6 regulation; OR

7 (VIII) IS A SKILLS-BASED DEVICE THAT AWARDS NONCASH
8 MERCHANDISE AND IS LOCATED AT A FAMILY ENTERTAINMENT CENTER IN
9 WORCESTER COUNTY LICENSED UNDER § 9-1B-02 OF THE STATE GOVERNMENT
10 ARTICLE.

11 **Article – State Government**

12 **SUBTITLE 1B. AMUSEMENT GAMING LICENSES.**

13 **9-1B-01.**

14 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
15 INDICATED.

16 (B) “COMMISSION” MEANS THE STATE LOTTERY AND GAMING CONTROL
17 COMMISSION.

18 (C) (1) “FAMILY ENTERTAINMENT CENTER” MEANS A LOCATION WITH A
19 STREET ADDRESS:

20 (I) WHERE A PERSON OR LEGAL ENTITY OFFERS LICENSED
21 AMUSEMENT, MERCHANDISE, REDEMPTION, OR SKILLS-BASED DEVICES FOR
22 OPERATION OR PLAY TO INDIVIDUALS OF ALL AGES; AND

23 (II) THAT PAYS:

24 1. STATE AND LOCAL PROPERTY TAX;

25 2. SALES AND USE TAX; AND

26 3. ADMISSIONS AND AMUSEMENT TAX.

27 (2) “FAMILY ENTERTAINMENT CENTER” DOES NOT INCLUDE:

28 (I) A LOCATION WITHOUT A STREET ADDRESS;

1 **(II) THE COMMON AREA OF A COMMERCIAL BUILDING OR**
2 **FACILITY; OR**

3 **(III) A LOCATION THAT IS OPERATED PRIMARILY AS A MOVIE**
4 **THEATER, BOWLING ALLEY, SKATING RINK, OR ANY OTHER SIMILAR**
5 **ESTABLISHMENT THAT DISPLAYS OR OPERATES AMUSEMENT DEVICES ONLY**
6 **DURING THE HOURS THAT THE ESTABLISHMENT MAKES ITS PRIMARY SERVICE OR**
7 **ACTIVITY AVAILABLE TO THE PUBLIC.**

8 **9-1B-02.**

9 **(A) THIS SECTION APPLIES ONLY IN WORCESTER COUNTY.**

10 **(B) THE COMMISSION MAY ISSUE AN AMUSEMENT GAMING LICENSE TO A**
11 **FAMILY ENTERTAINMENT CENTER THAT SATISFIES THE REQUIREMENTS OF THIS**
12 **SECTION.**

13 **(C) A FAMILY ENTERTAINMENT CENTER MAY APPLY TO THE COMMISSION**
14 **FOR A LICENSE UNDER THIS SECTION IF THE FAMILY ENTERTAINMENT CENTER:**

15 **(1) IS LOCATED IN A BUILDING THAT IS OWNED, LEASED, OR**
16 **OCCUPIED BY THE FAMILY ENTERTAINMENT CENTER FOR THE PRIMARY PURPOSE**
17 **OF PROVIDING AMUSEMENT DEVICES TO THE PUBLIC;**

18 **(2) RECEIVES A MAJORITY OF THE GROSS RECEIPTS FROM**
19 **AMUSEMENT, MERCHANDISE, REDEMPTION, OR SKILLS-BASED DEVICES;**

20 **(3) MARKETS ITS BUSINESS TO FAMILIES WITH CHILDREN;**

21 **(4) OFFERS AMUSEMENT DEVICES, ARCADE GAMES, CRANE GAMES,**
22 **VIDEO GAMES, INTERACTIVE AND SPORTING GAMES, AMUSEMENT RIDES,**
23 **MINIATURE GOLF, AND BOWLING; AND**

24 **(5) IS IN CONTINUOUS OPERATION IN THE SAME GEOGRAPHIC**
25 **LOCATION SINCE 1975.**

26 **(D) (1) A FAMILY ENTERTAINMENT CENTER THAT HOLDS AN AMUSEMENT**
27 **GAMING LICENSE ISSUED UNDER THIS SECTION MAY OPERATE:**

28 **(I) SKILLS-BASED DEVICES THAT AWARD NONCASH PRIZES OF**
29 **MINIMAL VALUE; AND**

1 (II) UP TO 10 SKILLS-BASED DEVICES THAT AWARD NONCASH
2 PRIZES WITH A MINIMAL WHOLESALE VALUE THAT DOES NOT EXCEED \$599.

3 (2) THE COMMISSION SHALL DETERMINE THE VALUE OF THE
4 NONCASH PRIZES THAT MAY BE AWARDED BY A SKILLS-BASED DEVICE UNDER
5 PARAGRAPH (1)(I) OF THIS SUBSECTION.

6 (E) A FAMILY ENTERTAINMENT CENTER MAY NOT EXCHANGE
7 MERCHANDISE FOR MONEY.

8 (F) THE COMMISSION MAY DETERMINE THAT A DEVICE AT A FAMILY
9 ENTERTAINMENT CENTER IS AN ILLEGAL GAMING DEVICE AND ORDER THE DEVICE
10 TO BE REMOVED FROM THE FAMILY ENTERTAINMENT CENTER.

11 (G) A FAMILY ENTERTAINMENT CENTER THAT HOLDS AN AMUSEMENT
12 GAMING LICENSE ISSUED UNDER THIS SECTION MAY NOT TRANSFER THE LICENSE
13 TO ANOTHER GEOGRAPHIC LOCATION.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
15 1, 2016.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.