

# SENATE BILL 415

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CF HB 277

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By: **Senator Lewis Young**

Introduced and read first time: January 18, 2024

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Frederick County – Local Gaming and Authorization for Electronic Tip Jar**  
3 **Dispensers**

4 FOR the purpose of authorizing, subject to certain provisions of law, a person that operates  
5 a tip jar in Frederick County to operate a certain electronic tip jar dispenser; altering  
6 certain obsolete language in provisions of law governing gaming in Frederick  
7 County; and generally relating to gaming and electronic tip jar dispensers in  
8 Frederick County.

9 BY repealing and reenacting, with amendments,  
10 Article – Criminal Law  
11 Section 13–1301, 13–1304, 13–1305, and 13–1306(a)  
12 Annotated Code of Maryland  
13 (2021 Replacement Volume and 2023 Supplement)

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

16 **Article – Criminal Law**

17 13–1301.

18 (A) In this subtitle[, “gaming event”] **THE FOLLOWING WORDS HAVE THE**  
19 **MEANINGS INDICATED.**

20 (B) **“GAMING EVENT”** includes:

21 (1) a bazaar;

22 (2) a carnival;

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) a raffle;

2 (4) a tip jar; and

3 (5) a punchboard.

4 (C) **“TIP JAR” INCLUDES AN ELECTRONIC TIP JAR DISPENSER THAT DOES**  
5 **NOT CONNECT TO THE INTERNET OR TO A SERVER.**

6 13–1304.

7 (a) Before an organization listed in subsection (b) of this section may conduct a  
8 gaming event, the organization shall obtain a permit from the county [agency that the  
9 county commissioners designate] **DEPARTMENT OF PERMITS AND INSPECTIONS.**

10 (b) An organization may conduct a gaming event for its own benefit if the  
11 organization is:

12 (1) a bona fide:

13 (i) religious organization;

14 (ii) fraternal organization;

15 (iii) civic organization;

16 (iv) war veterans' organization;

17 (v) hospital;

18 (vi) amateur athletic organization;

19 (vii) patriotic organization;

20 (viii) educational organization; or

21 (ix) charitable organization;

22 (2) a Frederick County volunteer:

23 (i) fire company;

24 (ii) rescue company; or

25 (iii) ambulance company; or

1 (3) an auxiliary for a Frederick County volunteer:

2 (i) fire company;

3 (ii) rescue company; or

4 (iii) ambulance company.

5 (c) (1) Before the county [agency] **DEPARTMENT OF PERMITS AND**  
6 **INSPECTIONS** may issue a gaming permit, the county [agency] **DEPARTMENT OF**  
7 **PERMITS AND INSPECTIONS** shall determine whether the organization applying for the  
8 gaming permit meets the requirements of this section.

9 (2) An application and the action that the county [agency] **DEPARTMENT**  
10 **OF PERMITS AND INSPECTIONS** takes on the application are public records.

11 (d) (1) (i) A gaming permit is valid for 1 year after the date that it is issued.

12 (ii) A gaming permit may not be transferred.

13 (2) [The county commissioners] **FREDERICK COUNTY** may charge a  
14 permit fee.

15 (e) (1) Only members of an organization that holds a gaming permit may  
16 conduct the gaming event.

17 (2) Except as allowed under § 13–1305 of this subtitle, an individual may  
18 not benefit financially from a gaming event.

19 (3) A gaming permit authorizes a gaming event to be conducted on a  
20 Sunday during the hours of sale for the alcoholic beverages sold at the establishment where  
21 the gaming event is conducted.

22 (f) (1) The holder of a gaming permit may award:

23 (i) prizes to individuals at a gaming event; and

24 (ii) only one major prize at each gaming event.

25 (2) During each calendar year, the holder of a gaming event, including a  
26 raffle for which the prize drawings are held on a single day, may not hold or receive the  
27 proceeds from more than four gaming events in which the major prize has a value of more  
28 than \$5,000.

1           (3)     During each calendar year, the holder of a gaming event may hold one  
2 raffle in which prize drawings are held on more than a single day if the major prize has a  
3 value of \$5,000 or less.

4           (4)     [The county commissioners] **FREDERICK COUNTY** may regulate the  
5 number of permits to conduct a raffle that an organization may receive in 1 calendar year.

6           (g)     [The county commissioners] **FREDERICK COUNTY** may adopt regulations to  
7 carry out this section and §§ 13–1305 and 13–1307 of this subtitle.

8 13–1305.

9           (a)     (1)    To operate a tip jar or punchboard in the county, an establishment or  
10 proprietor must be licensed to serve food and alcoholic beverages for consumption on the  
11 premises.

12           (2)    The operator of a tip jar shall display conspicuously a gaming permit  
13 issued to the beneficiary of the tip jar under § 13–1304 of this subtitle.

14           (3)    The operator of a punchboard shall display within the establishment a  
15 gaming permit issued to the beneficiary of the punchboard under § 13–1304 of this subtitle.

16           (b)     (1)    A person may operate a tip jar or punchboard in the county only for the  
17 benefit of one of the following organizations located in the county:

18                   (i)    a bona fide:

- 19                           1.    religious organization;
- 20                           2.    fraternal organization;
- 21                           3.    civic organization;
- 22                           4.    war veterans' organization;
- 23                           5.    hospital;
- 24                           6.    amateur athletic organization;
- 25                           7.    patriotic organization;
- 26                           8.    charitable organization; or
- 27                           9.    educational organization;

28                   (ii)   a Frederick County volunteer:

- 1 1. fire company;
- 2 2. rescue company; or
- 3 3. ambulance company; or

4 (iii) an auxiliary of a Frederick County volunteer:

- 5 1. fire company;
- 6 2. rescue company; or
- 7 3. ambulance company.

8 (2) The beneficiary of a tip jar may not hold more than three permits to  
9 operate tip jars or punchboards outside of the beneficiary's premises.

10 (c) (1) The beneficiary of a tip jar or punchboard must receive at least 70% of  
11 the gross proceeds of the tip jar or punchboard after paying winning players and  
12 reimbursing the operator for operating expenses.

13 (2) For each tip jar or punchboard operated, the operator shall submit to  
14 the county agency that issued the gaming permit monthly reports detailing:

- 15 (i) gross proceeds;
- 16 (ii) prizes;
- 17 (iii) expenses; and
- 18 (iv) the amount paid to the beneficiary.

19 (d) The tip jar or punchboard shall be purchased from a distributor that:

- 20 (1) has an office in the State;
- 21 (2) is licensed by the county [agency that issues gaming event permits]  
22 **DEPARTMENT OF PERMITS AND INSPECTIONS**; and
- 23 (3) keeps the records that Frederick County requires.

24 (e) A person who keeps records about tip jars or punchboards shall make those  
25 records available for inspection and copying by a law enforcement unit or by the county  
26 [agency that issues the gaming event permit] **DEPARTMENT OF PERMITS AND**  
27 **INSPECTIONS**.

1           (a)    A person authorized to conduct bingo under this subtitle shall obtain a bingo  
2 permit from the county [agency that issues a bingo permit] **DEPARTMENT OF PERMITS**  
3 **AND INSPECTIONS.**

4           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
5 1, 2024.