

HOUSE BILL 1398

C7

2lr3358

By: **Delegates Impallaria, McComas, McDonough, and Norman**

Introduced and read first time: February 24, 2012

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Harford County – Slot Machines – Ownership and Operation by Eligible War**
3 **Veterans’ Organizations**

4 FOR the purpose of authorizing eligible war veterans’ organizations in Harford County
5 to own or operate slot machines under certain circumstances; altering the
6 definition of “eligible organization” to include a war veterans’ organization that
7 has been located in Harford County for a certain number of years before the
8 organization applies for a license for a slot machine; and generally relating to
9 slot machine ownership and operation by eligible war veterans’ organizations in
10 Harford County.

11 BY repealing and reenacting, with amendments,
12 Article – Criminal Law
13 Section 12–304
14 Annotated Code of Maryland
15 (2002 Volume and 2011 Supplement)

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

18 **Article – Criminal Law**

19 12–304.

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

21 **(1) A BONA FIDE WAR VETERANS’ ORGANIZATION THAT HAS BEEN**
22 **LOCATED IN HARFORD COUNTY FOR AT LEAST 5 YEARS BEFORE THE**
23 **ORGANIZATION APPLIES FOR A LICENSE UNDER SUBSECTION (E) OF THIS**
24 **SECTION;**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 ~~[(1)]~~ **(2)** a nonprofit organization that:

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

5 (ii) is a bona fide:

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

9 ~~[(2)]~~ **(3)** a nonprofit organization that has been affiliated with a
10 national fraternal organization for less than 5 years and has been located in a county
11 listed in subsection (b) of this section for at least 50 years before the nonprofit
12 organization applies for a license under subsection (e) of this section.

13 (b) This section applies **TO:**

14 **(1) AN ELIGIBLE ORGANIZATION DESCRIBED IN SUBSECTION**
15 **(A)(1) OF THIS SECTION; AND**

16 **(2) AN ELIGIBLE ORGANIZATION DESCRIBED IN SUBSECTION**
17 **(A)(2) OR (3) OF THIS SECTION ONLY IF THE ELIGIBLE ORGANIZATION IS**
18 **LOCATED in:**

19 ~~[(1)]~~ **(I)** Caroline County;

20 ~~[(2)]~~ **(II)** Cecil County;

21 ~~[(3)]~~ **(III)** Dorchester County;

22 ~~[(4)]~~ **(IV)** Kent County;

23 ~~[(5)]~~ **(V)** Queen Anne's County;

24 ~~[(6)]~~ **(VI)** Somerset County;

25 ~~[(7)]~~ **(VII)** Talbot County;

26 ~~[(8)]~~ **(VIII)** Wicomico County; ~~[and]~~ **OR**

1 **[(9)] (IX)** Worcester County.

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

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

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

8 (ii) owns each slot machine that the eligible organization
9 operates;

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

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

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

15 (vi) uses:

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

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

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

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

23 1. the income of each slot machine; and

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

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

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

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

1 (e) (1) (i) The State Comptroller shall regulate the operation of slot
2 machines under this section.

3 (ii) The State Comptroller may adopt regulations to implement
4 the requirements of this section, including requiring audits of the annual reports
5 submitted to the State Comptroller under subsection (c)(2)(viii) of this section.

6 (2) Before an eligible organization may operate a slot machine under
7 this section, the eligible organization shall obtain a license for the slot machine from
8 the State Comptroller.

9 (3) (i) The State Comptroller shall:

10 1. charge an annual fee for each license for a machine;
11 and

12 2. issue a license sticker to the applicant.

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

14 (iii) The State Comptroller shall set the amount of the annual
15 fee so that the total proceeds of the annual fee equal an amount directly related to
16 administrative costs of the State Comptroller to regulate the operation of slot
17 machines under this section.

18 (4) In the application to the State Comptroller for a license, one of the
19 principal officers of the eligible organization shall certify under affidavit that the
20 organization:

21 (i) is an eligible organization; and

22 (ii) will comply with this section.

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

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

27 (g) The Comptroller may not issue a license for a slot machine to an eligible
28 organization located in Ocean City that is located east of South and North Baltimore
29 Avenues.

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