

# SENATE BILL 4

C7

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SB 4/10 – B&T

(PRE-FILED)

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By: **Senators Klausmeier and Glassman**

Requested: November 9, 2010

Introduced and read first time: January 13, 2011

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

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

4 FOR the purpose of making provisions that authorize eligible war veterans’  
5 organizations to own or operate slot machines applicable statewide; altering the  
6 definition of “eligible organization” to make it applicable to a war veterans’  
7 organization that has been located in the State for a certain number of years  
8 before the organization applies for a license for a slot machine; and generally  
9 relating to slot machine ownership and operation by eligible war veterans’  
10 organizations.

11 BY repealing and reenacting, with amendments,  
12 Article – Criminal Law  
13 Section 12–304  
14 Annotated Code of Maryland  
15 (2002 Volume and 2010 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 THE STATE FOR AT LEAST 5 YEARS BEFORE THE ORGANIZATION**  
23 **APPLIES FOR A LICENSE UNDER SUBSECTION (E) OF THIS SECTION;**

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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; **OR**

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

16                    (1)        Caroline County;

17                    (2)        Cecil County;

18                    (3)        Dorchester County;

19                    (4)        Kent County;

20                    (5)        Queen Anne's County;

21                    (6)        Somerset County;

22                    (7)        Talbot County; and

23                    (8)        Wicomico County.

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

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

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

1 (ii) owns each slot machine that the eligible organization  
2 operates;

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

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

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

8 (vi) uses:

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

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

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

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

16 1. the income of each slot machine; and

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

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

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

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

23 (e) (1) Before an eligible organization may operate a slot machine under  
24 this section, the eligible organization shall obtain a license for the slot machine from  
25 the sheriff of the county in which the eligible organization plans to locate the slot  
26 machine.

27 (2) (i) The county shall:

28 1. charge an annual fee of \$50 for each license for a  
29 machine; and

30 2. issue a license sticker to the applicant.

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

2                   (iii)   The proceeds of the annual fee shall be transferred to the  
3 general fund of the county.

4                   (3)    In the application to the sheriff for a license, one of the principal  
5 officers of the eligible organization shall certify under affidavit that the organization:

6                   (i)    is an eligible organization; and

7                   (ii)   will comply with this section.

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

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

12                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
13 October 1, 2011.