

SENATE BILL 10

C7

EMERGENCY BILL
(PRE-FILED)

2lr0732
CF HB 325

By: ~~Senators Colburn and Mathias~~, **Mathias, and Pipkin**

Requested: October 17, 2011

Introduced and read first time: January 11, 2012

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 22, 2012

CHAPTER _____

1 AN ACT concerning

2 **Slot Machines for Nonprofit Organizations on the Eastern Shore – Uses of**
3 **Proceeds**

4 FOR the purpose of altering a provision so as to require that one-half of the net after
5 payout proceeds from slot machines operated by certain nonprofit organizations
6 in counties on the Eastern Shore must benefit charities; making this Act an
7 emergency measure; and generally relating to slot machines for nonprofit
8 organizations in certain counties.

9 BY repealing and reenacting, without amendments,
10 Article – Criminal Law
11 Section 12-304(a)
12 Annotated Code of Maryland
13 (2002 Volume and 2011 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – Criminal Law
16 Section 12-304(c)
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:

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

Article – Criminal Law

2 12–304.

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

4 (1) a nonprofit organization that:

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

8 (ii) is a bona fide:

9 1. fraternal organization;

10 2. religious organization; or

11 3. war veterans’ organization; or

12 (2) a nonprofit organization that has been affiliated with a national
13 fraternal organization for less than 5 years and has been located in a county listed in
14 subsection (b) of this section for at least 50 years before the nonprofit organization
15 applies for a license under subsection (e) of this section.16 (c) (1) In this subsection, a console or set of affixed slot machines is not
17 an individual slot machine.18 (2) Notwithstanding any other provision of this subtitle, an eligible
19 organization may own and operate a slot machine if the eligible organization:20 (i) obtains a license under subsection (e) of this section for each
21 slot machine;22 (ii) owns each slot machine that the eligible organization
23 operates;

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

25 (iv) locates and operates its slot machines at its principal
26 meeting hall in the county in which the eligible organization is located;27 (v) does not locate or operate its slot machines in a private
28 commercial facility;

29 (vi) uses:

1 1. at least one-half of the [gross] NET AFTER PAYOUT
2 proceeds from its slot machines for the benefit of a charity; and

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

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

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

8 1. the income of each slot machine; and

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

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
11 measure, is necessary for the immediate preservation of the public health or safety,
12 has been passed by a yea and nay vote supported by three-fifths of all the members
13 elected to each of the two Houses of the General Assembly, and shall take effect from
14 the date it is enacted.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.