

## MARYLAND

### **I. Definition of Gambling**

#### **1. Definition**

According to Md. Code Ann., CR § 12-102 (2002 & Supp. 2009) an individual in Maryland may not bet, wager, or gamble, a broad prohibition indeed. The definition of gaming device found in Md. Code Ann., CR § 12-101(d) (2009), defines a gaming device as a “gambling table at which a game of chance is played for money or any other thing or consideration of value” or “a game or device at which money or any other thing or consideration of value is bet, wagered, or gambled.” Betting, wagering, or gambling at things like horse races have commonly been held to be in violation of this section. *Novak v. State*, 136 A.2d 256 (Md. Ct. App. 1957). A bet or wager has also included the insertion of money and the operation of a pinball machine for the chance to win a prize. *Brown v. State*, 123 A.2d 324 (Md. Ct. App. 1956).

The court in *Brown v. State*, 123 A.2d 324 (Md. Ct. App. 1956), held that the pinball machine in question was a gaming device. The court stated that the statutes prohibiting betting or wagering or keeping a gaming device did not limit prohibition to strictly games of chance. *Id.* at 327. It said in effect that playing any game for money is gaming. *Id.* Because this was a machine that took money and the operation of it could garner the player a monetary reward through either free games or cash, the insertion of money to play it was a bet or wager, regardless of the element of skill. *Id.* However, this court still held that this game was at least partly determined by chance and should be considered a prohibited gambling device. *Id.*

The case of *Chesapeake Amusements, Inc. v. Riddle*, 766 A.2d 1036 (Md. Ct. App. 2001), seems to signal that a game of chance in Maryland must only contain “any element” of chance. Even though the court in that case held that the machine in question was not an illegal slot machine, it states that to be an illegal slot machine under the definition of an old statute, the machine must contain “any element” of chance. *Id.* at 1043. The current statute still lists that a slot machine is one that through the element of chance awards the user something of value. M.D. Code Ann., CR § 12-301 (2009).

A lottery in Maryland must contain the usual three elements, namely: Prize, consideration, and chance. *Silbert v. State*, 280 A.2d 55, 65 (Md. Ct. App. 1971). Even though games of chance may have the same elements of a lottery, the Maryland courts have held games of chance and lotteries to be two distinct things, usually centering on the amount of involvement in the scheme. *Bender v. Arundel Arena, Inc.*, 236 A.2d 7, 12 (Md. Ct. App. 1967).

#### **2. Free Entry**

The court in *Mid-Atlantic Coca-Cola Bottling Co. v. Chen*, 460 A.2d 44, 49 (Md. Ct. App. 1983) held that an advertising promotion, which besides giving chances to those that purchased certain products also gave chances through free alternative means, was not an illegal lottery.

## **II. Definition of Bookmaking**

According to Md. Code Ann., CR § 12-102(a)(2) (2002 & Supp 2009), a person may not make or sell a book on the result of an event like a race or contest. Md. Code Ann., CR § 12-101(a)(3)(ii) (2002) states that a person may not establish, keep, rent, use or occupy a building to do this making, selling, or buying of books and pools. These race or contests are commonly either horse races or some kind of sporting event. *State v. Mayes*, 399 A.2d 597 (Md. Ct. App. 1979), and *Handy v. State*, 326 A.2d 189 (Md. Ct. App. 1974).

## **III. Specific Gaming Device Definitions**

According to Md. Code Ann., CR § 12-101 (2009), a gaming device specifically includes a paddle wheel, wheel of fortune, chance book, and bingo. A gaming device under Maryland law is quite broad as it also includes:

“(i) a gaming table, except a billiard table, at which a game of chance is played for money or any other thing or consideration of value or

(ii) a game or device at which money or any other thing or consideration of value is bet, wagered, or gambled”

Other things that have held to be a gambling device is a pinball machine where if the person depositing money to play received a certain point threshold, they could either receive a number of free games or receive a cash-payout redeemable at the counter. *Brown v. State*, 123 A.2d 324 (Md. Ct. App. 1956).

In *Gaither v. Cate*, 144 A. 239 (Md. Ct. App. 1929), the court held that a vending machine depositing a box of mints after inserting a nickel could be considered a gambling device. This machine also would randomly distribute anywhere from zero to twenty metal discs the size of a nickel that could be used to play the machine again, but would not distribute any mints. *Id.* at 240-41. The court said that even though these discs were not redeemable for merchandise or prizes, it would still hold that this was a gambling device. *Id.* at 244. The thing of value included within these discs was the amusement of playing this device again and this was sufficient to make it a gambling device. *Id.*

Even though the case of *American Legion, Clopper Michael Post No. 10 v. State*, 447 A.2d 842, 846 (Md. Ct. App. 1982), dealt with a qualified organization using these devices, the court still labeled chance books in the form of a pack of tickets and the jar or bowl from which they were drawn to be considered a gaming device.

Maryland courts have also held that a dispensing machine that distributes coupon card games of chance are illegal gambling devices. *F.A.C.E. Trading, Inc. v. Todd*, 903 A.2d 348, 382 (Md. Ct. App. 2006).

However, this definition may not include a slot machine. Under the statute permitting certain qualified organization to use gambling devices, this term as used in that section does not incorporate slot machines, but only devices like the ones expressly mentioned in the statute above. *State v. 149 Slot Machines*, 529 A.2d 817, 821 (Md. Ct. App. 1987). Also, because slot machine is defined differently from a gambling device and carries different penalties, these two seem to be a separate entity. M.D. Code Ann., CR § 12-301 & 12-302 (2009). However, slot machines are illegal in Maryland. However, this definition may not include a slot machine. Under the statute permitting certain qualified organization to use gambling devices, this term as used in that section does not incorporate slot machines, but only devices like the ones expressly mentioned in the statute above. *State v. 149 Slot Machines*, 529 A.2d 817, 821 (Md. Ct. App. 1987). Also, because slot machine is defined differently from a gambling device and carries different penalties, these two seem to be a separate entity. M.D. Code Ann., CR § 12-301(2009). Slot machines are however illegal in Maryland. However, this definition may not include a slot machine. Under the statute permitting certain qualified organization to use gambling devices, this term as used in that section does not incorporate slot machines, but only devices like the ones expressly mentioned in the statute above. *State v. 149 Slot Machines*, 529 A.2d 817, 821 (Md. Ct. App. 1987). Also, because slot machine is defined differently from a gambling device and carries different penalties, these two seem to be a separate entity. Md. Code Ann., CR § 12-301 (2009).

#### **IV. Bucket Shop Laws**

There is no mention of a bucket shop law in the statutes of Maryland. However, in *Baxter v. Deenen*, 57 A. 601 (Md. Ct. App. 1903), the court dealt with someone trying to get their money back from the operator of a “bucket shop.” However, this was a civil suit, not a criminal suit.

#### **V. Prohibition of Games of Skill**

Maryland lists several games that are prohibited in the state. This list includes “thimbles, little joker, craps, any other gaming device or fraudulent trick. Md. Code Ann., CR § 12-103 (2009).

##### **1. Poker/dice games**

As Maryland allows certain counties to define their gambling provisions, it seems that poker and other card games would be illegal in certain counties. Anne Arundel County defines a casino event as an event that involves a card game, dice game, or roulette game and then bans people from running those events in the county. M.D. Code Ann., CR § 13-404 (2009). In Baltimore County, a person other than a established exempt organization cannot operate a card game, dice game, or roulette, or any other casino event and the exempt organizations can do it once a year.

M.D. Code Ann., CR § 13-603(d)(2)(i-ii) and M.D. Code Ann., CR § 13-604(a) (2009). Carroll County does not allow a person to conduct a card game, dice game, roulette, or casino night unless they are a qualified organization. M.D. Code Ann., CR § 13-906 (2009). Howard County also does not allow a person to conduct a card or dice game. M.D. Code Ann., CR § 13-1604 (2009). Prince George's County also prohibits these kinds of events or games. M.D. Code Ann., CR § 13-1912(b)(2) (2009). Many other counties provide that if a permit is not obtained to conduct a card or dice game, then that organization can be punished or an individual who cannot legally obtain one of these licenses can be subject to a penalty.

## **2. Billiards**

A billiards table is expressly exempted from the definition of a gaming device if a game of chance is played for money or any other thing or consideration of value on it. M.D. Code Ann., CR § 12-101(d)(i) (2009). However, there have been many cases where an establishment's billiards license was revoked because they operated a gambling house. *Burley v. City of Annapolis*, 34 A.2d 603, 606-07 (Md. Ct. App. 1943). This case also stated that a table could lose its exemption under the definition of a gambling table by being used for purposes of gaming. *Id.* at 605. However, it does not distinguish if the table is merely used as a surface for gaming or if the game of billiards is gambled on itself.

## **3. Bowling**

Maryland does not expressly state anything about bowling and gambling, but simply contains the usual alcoholic license and normal license requirements as most other states.

## **4. Darts**

There is no mention of the game of darts in Maryland case law or in its statutes.

# **VI. Express Exemptions**

## **1. Social gambling exemption**

In Baltimore City County, if an organization can conduct a bingo game if

1. consists only of individuals who are at least 60 years old
2. It goes through that County's permit procedures and:
3. The organization was formed primarily for social purposes
4. All proceeds of the games of bingo are used only to further the purposes of the organization.

Md. Code Ann., CR § 13-508 (2009).

In Calvert County, it seems that anyone is eligible for a license to conduct bingo in the county, provided that they meet certain requirements. Md. Code Ann., CR § 13-705 (2009). This can be

inferred because the usual organizations that are considered to be qualified for conducting these types of events are exempted from getting a license in this county. Md. Code Ann., CR § 13-706 (2009).

In Carroll County, a senior center site council can conduct billiards five days a week, excluding Sundays, for a winning prize no more than five dollars and the entry cannot be more than two dollars. M.D. Code Ann., CR § 13-905.1 (2009). This county also allows this senior site council centers to operate card games five days of week, excluding Sundays, provided that five dollars or less is given to the winner in each session, and the entry fee does not exceed one dollar. M.D. Code Ann., CR § 13-905.2 (2009).

## **2. Charity Gaming**

Certain charity gambling exceptions apply to various counties. For instance, a qualified organization can conduct a gaming event (meaning a carnival, bazaar, or **raffle**) for its exclusive benefit and it can award a prize in money or in merchandise at a gaming event using any gaming device in the following counties:

- (1) Allegany County;
- (2) Anne Arundel County;
- (3) Baltimore County;
- (4) Calvert County;
- (5) Caroline County;
- (6) Carroll County;
- (7) Dorchester County;
- (8) Frederick County;
- (9) Garrett County;
- (10) Howard County;
- (11) Prince George's County;
- (12) St. Mary's County;
- (13) Somerset County;
- (14) Talbot County; and
- (15) Washington County.

M.D. Code Ann., CR § 13-201-205 (2009).

Broken down by County, the following charity exemptions also apply:

### ***(1) Anne Arundel***

This county allows political fundraisers at which prizes of merchandise or money are awarded in a game or spin using a paddle wheel or wheel or fortune. M.D. Code Ann., CR § 13-406 (2009).

This county also allows a bona fide charitable, religious, fraternal or volunteer fire company to operate bingo for the benefit of charity in the county or to further the purposes of the organization. M.D. Code Ann., CR § 13-407 (2009).

### ***(2) Baltimore City***

A bona fide organization can run a gaming event if they obtain a permit from the Baltimore City Police Commissioner. M.D. Code Ann., CR § 13-503 (2009).

They may award a prize of money or merchandise to any individual in any amount in one game or spin using a paddle wheel, wheel of fortune, or a film of a horse race. Md. Code Ann., CR § 13-504 (2009). These organizations also need a permit from the Police Commissioner to run a game of bingo. M.D. Code Ann., CR § 13-507 (2009). These games cannot offer a money or merchandise prize over forty-five dollars. Md. Code Ann., CR § 13-507(h)(2)(i) (2009). However, a special permit is available for games that are limited to one hundred people and the value of the prize is less five dollars or less. Md. Code Ann., CR § 13-507(h)(1) (2009).

This country also allows a political committee to conduct a fundraiser at which prizes of merchandise or money are awarded in a game or spin using a paddle wheel or wheel of fortune and this amount does not exceed the maximum allowed for the City. Md. Code Ann., CR § 13-506(a-b) (2009).

### ***(3) Baltimore County***

These organizations listed can run a gaming event or casino event if they get a permit from the Department of Permits and Development Management.

- (i) religious organization;
- (ii) fraternal organization;
- (iii) civic organization, including:
  - 1. a hunting organization;
  - 2. a social organization; or
  - 3. a sporting organization;
- (iv) volunteer fire organization;
- (v) veterans' organization;
- (vi) veterans' hospital;
- (vii) amateur athletic organization; or
- (viii) charitable organization.

Md. Code Ann., CR § 13-603(b)(1) (2009).

An organization that obtains a permit may award a prize of money or merchandise using:

- (i) a paddle wheel;
- (ii) a wheel of fortune;
- (iii) a chance book;
- (iv) bingo; or
- (v) any other gaming device except:
  - 1. a card game;
  - 2. a dice game; or
  - 3. roulette.

Md. Code Ann., CR § 13-603(d)(1) (2009).

These organizations can run one casino event that includes a card game once per month, and one casino event per year that includes roulette. M.D. Code Ann., CR § 13-604(a) (2009). However, the organizations can still not award money prizes for these events and cannot exchange tokens for merchandise worth more than one thousand dollars. M.D. Code Ann., CR § 13-604(c)(2) (2009).

Political organizations can also conduct a fundraiser giving out various prizes of money or merchandise using a paddle spin or wheel of fortune, provided that this money amount does not exceed the maximum value allowed in this state. M.D. Code Ann., CR § 13-605 (2009).

These below list of organizations can get a permit from the Department of Permits and Development Management to run a game of bingo.

- 1) a tax-supported volunteer fire company or an auxiliary unit whose members are directly associated with a tax-supported volunteer fire company;
- (2) a nationally chartered veterans' organization or an auxiliary unit whose members are directly associated with a nationally chartered veterans' organization;
- (3) a bona fide religious group that has conducted religious services at a fixed location in the county for at least 3 years before applying for a bingo license;
- (4) the Maryland State Fair and Agricultural Society;
- (5) a bona fide fraternal organization;
- (6) a bona fide patriotic organization; or
- (7) a bona fide charitable organization that has been located at a fixed location in the county for 3 years before applying for a bingo license

Md. Code Ann., CR § 13-606(b) (2009).

Licenses can range from those that are special one day per year permits, ten days per year permits, or for the whole year provided that no more than two games are run per year. M.D. Code Ann., CR § 13-606(d)(1)(i) (2009).

#### ***(4) Calvert County***

These organizations can hold a gaming event, defined as a carnival or bazaar in this country, if they get a permit from the county commissioners.

- (1) a volunteer fire company; or
- (2) a bona fide:
  - (i) religious organization;
  - (ii) fraternal organization;
  - (iii) civic organization;
  - (iv) war veterans' organization; or
  - (v) charitable organization.

Any person in this county can conduct a bingo game if they get a license from the county commissioners to do so. The licenses that can be granted are as follows:

- i) a Class NA license, for bingo that does not exceed a seating or player capacity of 750 individuals;
- (ii) a Class NB license, for bingo that does not exceed a seating or player capacity of 500 individuals;
- (iii) a Class NC license, for bingo that does not exceed a seating or player capacity of 1,000 individuals;
- (iv) a Class ND beach license, for bingo that:
  - 1. does not exceed a seating or player capacity of 500 individuals;
  - 2. may be operated within the town limits of North Beach or Chesapeake Beach; and
  - 3. may be operated between May 1 and September 30;
- (v) a Class NE beach license, for bingo that:
  - 1. does not exceed a seating or player capacity of 1,000 individuals;
  - 2. may be operated within the town limits of North Beach or Chesapeake Beach; and
  - 3. may be operated between May 1 and September 30;
- (vi) a Class NF beach license, for bingo that:
  - 1. does not exceed a seating or player capacity of 500 individuals;
  - 2. may be operated within the town limits of North Beach or Chesapeake Beach; and
  - 3. may be operated throughout the year; or
- (vii) a Class NG beach license, for bingo that:
  - 1. does not have a limitation on seating or player capacity;
  - 2. may be operated within the town limits of North Beach or Chesapeake Beach; and
  - 3. may be operated throughout the year.

Md. Code Ann., CR § 13-705(e)(1)(2009).

However, certain organizations are not required to get a license to conduct bingo games including:

- (1) a religious organization;
- (2) a patriotic organization;
- (3) an educational organization;
- (4) a charitable or benevolent organization;
- (5) a civic organization;
- (6) a volunteer fire company; or
- (7) any other organization that is authorized under § 13-703 of this subtitle and Subtitle 2 of this title to conduct bingo in the county.

Md. Code Ann., CR § 13-706 (2009).

**(5) *Carroll County***

To conduct a bingo game or gaming event, defined in this county as carnival, bazaar, raffle, or game of entertainment these following organizations must get a permit from the country commissioners.

- (1) religious organization;
- (2) fraternal organization;
- (3) civic organization;
- (4) war veterans' organization;
- (5) hospital;
- (6) amateur athletic organization;
- (7) charitable organization; or
- (8) volunteer fire company.

Md. Code Ann., CR § 13-903(b)(2009). The money or merchandise awarded for these gaming events cannot exceed one hundred dollars. M.D. Code Ann., CR § 13-903(e)(4)(2009).

During a year, the above listed organizations may hold not more than:

- (i) six single-drawing raffles in which the major prize is worth \$2,500 or more; or
- (ii) ten single-drawing raffles in which the major prize is worth less than \$2,500.

(3) An organization listed in § 13-903 of this subtitle may not hold:

- (i) more than 30 weekly drawings in a multi-drawing raffle;
- (ii) more than two multi-drawing raffles during a year; or
- (iii) a multi-drawing raffle in which the major prize is worth more than \$1,100.

Md. Code Ann., CR § 13-904(c)(2009).

These organizations also cannot award a money prize over ten dollars or merchandise worth over two hundred fifty dollars when operating a paddle wheel or wheel of fortune game. M.D. Code Ann., CR § 13-904(a)(1)(2009).

In a bingo game, the maximum winning amount of money is limited to one hundred dollars to a player in a regular bingo game, or two hundred and fifty dollars in special bingo game. M.D. Code Ann., CR § 13-908(a)(2009). However, a jackpot not exceeding one thousand dollars can be awarded as well. M.D. Code Ann., CR § 13-908(b) (2009).

#### ***(6) Cecil County***

The organizations listed below can conduct a bingo game or gaming event, defined here as carnival, bazaar, raffle, or other game of entertainment, for their exclusive benefit.

- (1) a volunteer fire company; or
- (2) a bona fide:
  - (i) religious organization;
  - (ii) fraternal organization;
  - (iii) civic organization;
  - (iv) war veterans' organization; or
  - (v) charitable organization.

Md. Code Ann., CR § 13-1001(2009).

#### ***(7) Charles County***

A fundraising committee listed below that has been located in the county for at least 5 years if they obtain a permit from the Charles Country Gaming Permit Review Board can conduct bingo or any other game of chance:

- (1) religious organization;
- (2) fraternal organization;
- (3) civic organization;
- (4) war veterans' organization;
- (5) charitable organization;
- (6) volunteer fire company;
- (7) rescue squad; or
- (8) ambulance company.

Md. Code Ann., CR § 13-1106(a)(2009).

The prize limits on bingo are five thousand to any player on one day, and ten thousand total for a day. Md. Code Ann., CR § 13-1109(c)(1)(2009). The time limits on these games include playing for no more than 4 hours a day, and no more than four days during the week, and it cannot be played on three consecutive days. Md. Code Ann., CR § 13-1109(d)(2009).

***(8) Dorchester County***

These organizations in Dorchester County can conduct bingo games if they get a license from the clerk of the circuit court of the county.

(1) bona fide religious group that has conducted religious services at a fixed location in the county for at least 3 years before applying for a license;

(2) tax-supported volunteer fire company or an auxiliary unit whose members are directly associated with the fire company;

(3) nationally chartered veterans' organization or an auxiliary unit whose members are directly associated with the organization; or

(4) nonprofit organization that:

(i) intends to raise money for an exclusively charitable, athletic, or educational purpose that is described in the application for a license; and (ii) has operated in the county for at least 3 years before applying for a license.

Md. Code Ann., CR § 13-1203(c)(2009).

One day bingo licenses can be had for one dollar a day. Md. Code Ann., CR § 13-1207(c)(2009).

***(9) Frederick County***

These organizations can also conduct gaming events, defined in this county as a carnival, raffle, bazaar, tip-jar, or punchboard, for its own benefit if they get a license from the county commissioners.

1) a bona fide:

(i) religious organization;

(ii) fraternal organization;

(iii) civic organization;

(iv) war veterans' organization;

(v) hospital;

(vi) amateur athletic organization;

(vii) patriotic organization;

(viii) educational organization; or

(ix) charitable organization;

(2) a Frederick County volunteer:

(i) fire company;

(ii) rescue company; or

(iii) ambulance company; or

(3) an auxiliary for a Frederick County volunteer:

- (i) fire company;
- (ii) rescue company; or
- (iii) ambulance company.

Md. Code Ann., CR § 13-1304(b)(2009).

However, to be a tip-jar or punchboard, the establishment must be licensed to serve food and alcohol. Md. Code Ann., CR § 13-1305(a)(2009).

The limits for bingo prizes are five thousand dollars, regardless if it is cash or merchandise. Md. Code Ann., CR § 13-1306(e)(2009).

### ***(10) Garrett County***

These following organizations can run a gaming event, defined in this county as a carnival, bazaar, raffle, tip jar, punchboard, any other event at which a gaming device is operated provided that it has obtained a permit from the county agency that the County Commissioners have designated. These organizations are also able to get a bingo permit from the same agency.

1) a bona fide:

- (i) religious organization;
  - (ii) fraternal organization;
  - (iii) civic organization;
  - (iv) war veterans' organization;
  - (v) hospital;
  - (vi) amateur athletic organization;
  - (vii) patriotic organization;
  - (viii) educational organization; or
  - (ix) charitable organization;
- (2) a county volunteer fire department or rescue squad; or
- (3) an auxiliary for a county volunteer fire department or rescue squad.

Md. Code Ann., CR § 13-1403(b)(2009).

This county also offers a game of chance known as “paper gaming” in which prizes are awarded, and the devices used in the game are made out of paper or cardboard. The following provisions apply for that form of gaming: b)(1) Subject to paragraphs (2) and (3) of this subsection, a person that is a for profit business or an organization listed under § 13-1403(b) of this subtitle may engage in paper gaming if the person obtains a paper gaming license that is issued by the County Commissioners.

(2) If the person is a for profit business, the person:

- (i) shall also hold a Class A, B, C, or D retail alcoholic beverages license; and
- (ii) may engage in paper gaming only on the premises of the for profit business.

(3) Subject to paragraph (4) of this subsection, an organization may engage in paper gaming if the organization:

(i) is listed under § 13-1403(b) of this subtitle and does not have an alcoholic beverages license; or

(ii) is a county volunteer fire department or rescue squad and has an alcoholic beverages license.

(4) An organization under paragraph (3) of this subsection may engage in paper gaming only on its premises.

#### Wholesale vendor's license

(c) A person may sell paper gaming devices to a paper gaming licensee if the person obtains a wholesale vendor's license issued by the County Commissioners.

#### Fees

(d) The County Commissioners shall set annual fees for a paper gaming license and a wholesale vendor's license.

#### Customer lists

(e) Not later than the fifteenth of each month, wholesale vendor licensees shall provide to the County Commissioners a list for the previous month of all customers to whom they sold paper gaming products and the total number of products sold to each customer.

#### Gaming stickers

(f) A paper gaming licensee may not have on its premises a paper gaming device that does not display a gaming sticker issued by the county.

#### Sale of paper gaming licenses

(g) The County Commissioners shall ensure that each licensee who conducts paper gaming under a paper gaming license sells to the public the same serial-numbered paper gaming devices that are listed on the bill of sale from the wholesale vendor licensee. Md. Code Ann., CR § 13-1404(b-g) (2009).

### ***(11) Hartford County***

The following organizations can ran bingo, members-only instant bingo, a raffle, or a paddle wheel if it gets a license from the County sheriff:

(1) a bona fide religious group that has conducted religious services at a fixed location in the county for at least 3 years before applying for a license;

(2) a State-chartered organization authorized by a nationally chartered veterans organization;

(3) a tax-supported volunteer fire company; or

(4) a nonprofit organization that intends to raise money for an exclusively charitable, athletic, or educational purpose that is specifically described in the application for a license.

Md. Code Ann., CR § 13-1503(b)(2009).

A single organization cannot get more than 52 bingo licenses in a calendar year. Md. Code Ann., CR § 13-1504(a) (2009). The prizes for a game cannot exceed fifty dollars or one thousand dollars for a jackpot. Md. Code Ann., CR § 13-1504(b)(2009).

An organization cannot get more than 4 licenses in a calendar year to have members-only instant bingo and the license is valid for only three months. M.D. Code Ann., CR § 13-1505(a-b) (2009). The prize for one of these games cannot exceed fifty dollars. M.D. Code Ann., CR § 13-1504(c) (2009).

The following provisions apply to an organization in the operation of raffles:

- (a)(1) The sheriff may not issue to a single organization in 1 calendar year more than 12 raffle licenses, no more than one of which may be for a raffle with a money prize exceeding \$1,000.
- (2) All raffle drawings shall be conducted in 1 calendar day.
- (3) A raffle license is valid until all raffles are drawn.
- (4) A raffle license shall state the day for the drawing or drawings.

#### Prizes

- (b) A money prize for a raffle may not exceed: (1) \$10,000 if the sponsoring organization has not held a raffle for a money prize exceeding \$1,000 in the current calendar year; or
- (2) \$1,000 if the sponsoring organization has held a raffle for a money prize exceeding \$1,000 in the current calendar year.

#### Security required

- (c) An organization that intends to conduct a raffle for a money prize exceeding \$1,000 shall:
  - (1) post a bond in the amount of the money prize; or
  - (2) obtain an irrevocable letter of credit from a bank in the amount of the money prize.

Md. Code Ann., CR § 13-1506 (2009).

This county also places a limitation on the number of paddle wheels licenses that can be issued to an organization per year. This number is limited to twelve licenses and only one a week can be issued. Md. Code Ann., CR § 13-1507(a) (2009). The prize money that can be distributed for one of these games is limited to ten dollars. Md. Code Ann., CR § 13-1507(b) (2009).

The aforementioned organizations can also conduct a 50/50 without a license, provided that the money prize for the game does not exceed fifty dollars. Md. Code Ann., CR § 13-1508(a, c)

(2002). These games can only be conducted at a meeting of the organization. Md. Code Ann., CR § 13-1508(d)(2009).

**(12) Howard County**

These following organizations may award prizes in money or merchandise using a paddle wheel, wheel of fortune, a chance book, bingo, and any other gaming device except for card games, dice games, or roulette, provided that it is done for the benefit of charity in the county or to further purposes of the organization:

- (1) a bona fide:
  - (i) religious organization;
  - (ii) fraternal organization;
  - (iii) patriotic organization;
  - (iv) educational organization; or
  - (v) charitable organization; or
- (2) a volunteer fire company.

Md. Code Ann., CR § 13-1602(a)(2009).

**(13) Kent County**

(a) The county commissioners may issue a permit to an organization specified in subsection (c) of this section to use two or more of the following gaming devices in conducting a fundraiser at which a prize of merchandise or money may be awarded:

- (1) a paddle wheel;
- (2) a wheel of fortune;
- (3) a chance book;
- (4) a card game;
- (5) a raffle; or
- (6) any other gaming device.

**Exception**

(b) Unless conducted at an event requiring a permit under subsection (a) of this section, a raffle is not a multiple gaming device regulated under this section.

**Qualified organizations**

(c)(1) In this subsection, “charity” means an organization, institution, association, society, or corporation that is exempt from taxation under § 501(c)(3) of the Internal Revenue Code.

(2) The county commissioners may issue a permit to use multiple gaming devices to:

- (i) a bona fide religious organization that has conducted religious services at the same location in

the county for at least 3 years before applying for a permit;

(ii) a county-supported or municipally supported volunteer fire company or an auxiliary unit whose members are directly associated with the volunteer fire company or auxiliary unit;

(iii) a nationally chartered veterans' organization or an auxiliary unit whose members are directly associated with the veterans' organization;

(iv) for the purpose of conducting a fundraiser for the benefit of a charity located in the county, a bona fide:

1. fraternal organization;
2. educational organization;
3. civic organization;
4. patriotic organization; or
5. charitable organization; or

(v) a bona fide nonprofit organization that:

1. has operated on a nonprofit basis in the county for at least 3 years before applying for a permit; and

2. intends to use the multiple gaming devices to raise money for an exclusively charitable, athletic, or educational purpose specifically described in the permit application.

#### Application

(d) Before issuing a permit, the county commissioners shall determine that the organization seeking the permit:

(1) is organized in and serves the residents of the county; and

(2) meets the conditions of this subtitle.

#### Permit

(e)(1)(i) Except as provided in subparagraph (ii) of this paragraph, a permit is valid for one event that does not last longer than 6 hours.

(ii) The county commissioners may issue a permit for an event longer than 6 hours if the permit holder does not seek more than one permit in the same year.

(2) The county commissioners may not approve a permit for gaming events to be held on premises that are licensed under a Class B or Class D alcoholic beverages license.

(3) The county commissioners may not issue more than two permits to an organization in a single year.

(4) The county commissioners may:

(i) charge a fee set by resolution for each permit;

(ii) set the number of permits that may be issued each year; and

(iii) adopt regulations governing permit applications and the issuance of permits.

## Limitations

(f)(1) An organization that is issued a permit shall conduct its fundraiser in a:

- (i) structure that the organization owns, leases, or occupies;
- (ii) structure that any organization that would qualify for a permit owns, leases, or occupies; or
- (iii) public location that is: 1. described in the permit application; and 2. approved by the State's Attorney for the county.

2)(i) Unless the county commissioners grant a waiver, only a resident of the county may manage and operate a fundraiser for which a permit is issued on behalf of the permit holder.

(ii) Each permit holder shall designate an individual to be responsible for compliance with the terms and conditions of this subtitle and a permit issued under this subtitle. (iii) A person may not be compensated for operating the gaming activity conducted under a permit.

Md. Code Ann., CR § 13-1703 (2009).

The county commissioners may also issue a raffle permit to one of these aforementioned qualified organizations. Md. Code Ann., CR § 13-1704(a)(2009).

To conduct bingo in this county, an organization must be a bona fide:

- (1) religious organization;
- (2) fraternal organization;
- (3) war veterans' organization;
- (4) charitable organization; or
- (5) volunteer fire company operating in a community that does not have a paid fire department.

Md. Code Ann., CR § 13-1705 (2009).

### ***(14) Montgomery County***

These listed qualified organizations can conduct bingo games in this county provided that the money prizes in each game don't exceed five hundred dollars. These organizations can also sell breakout tickets in the room in which bingo is conducted. These organizations must be licensed to do the aforementioned:

- (i) a religious organization;
- (ii) a volunteer fire company;
- (iii) a volunteer rescue squad;
- iv) a fraternal organization;
- (v) a patriotic organization;
- (vi) an educational organization; and
- (vii) a charitable organization.

Md. Code Ann., CR § 13-1801(c) (2009).

Also, this county allows a person to conduct bingo at the Annual Montgomery County Fair, but only non-cash prizes can be awarded. Md. Code Ann., CR § 13-1803(b) (2009).

The following provisions apply to holding a raffle in this county: a) A qualified organization may conduct a raffle in the county to benefit charity or to further the purpose of the qualified organization.

#### Conducted by qualified organization

(b) A raffle shall be conducted by a qualified organization and not by a person who:

- (1) retains a portion of the proceeds from the raffle; or
- (2) is compensated by the qualified organization for which the raffle is held.

#### Private profit prohibited

(c) A person may not receive a private profit from the proceeds of a raffle.

#### Record keeping

(d) A qualified organization that conducts a raffle shall:

- (1) keep accurate records of all transactions that occur on behalf of the raffle;
- (2) keep the records for 2 years after the raffle; and
- (3) on request, make the records available for examination by:
  - (i) the State's Attorney for the county;
  - (ii) the county sheriff;
  - (iii) the county Department of Health and Human Services;
  - (iv) the county attorney;
  - (v) the Department of State Police; or
  - (vi) a designated officer or agent of any of those units.

#### Residency requirement

(e) A person operating a raffle shall be a resident of the county and a member of the qualified organization.

#### Prize--Money or merchandise

(f) Prizes of money or merchandise may be awarded in a raffle conducted under this subtitle.

#### Prize--Real property

(g) For a raffle of real property, the requirements of this section are in addition to the requirements of § 12-106(a) of this article.

Limitation on number of raffles yearly; exception

(h)(1) Except as provided in paragraph (2) of this subsection, a qualified organization may not conduct more than 12 raffles each year.

(2) There is no limit to the number of 50/50 raffles that a qualified organization may conduct if the prize for each 50/50 raffle does not exceed \$300.

Md. Code Ann., CR § 13-1810 (2009).

### ***(15) Prince George's County***

These following organizations can conduct benefit performances, raffles, and casino nights provided that they get a permit from the appropriate agency beforehand:

(c)(1) "Qualified organization" means an organization of a group of citizens of the county or a company, association, or corporation that is organized in good faith in the county to promote the purposes of a volunteer fire department or of a charitable, benevolent, patriotic, fraternal, educational, religious, or civic object.

(2) "Qualified organization" does not include a group organized for the private profit or gain of any member of the group, company, association, or corporation.

Md. Code Ann., CR § 13-1901 (2009).

A benefit performance allows the organization to conduct games of skill or to dispose of merchandise or things of value using a device like a paddle wheel, wheel of fortune, bingo, or similar device. Md. Code Ann., CR § 13-1904(b) (2009). However, if a cash prize is awarded, it cannot exceed one thousand dollars per prize. Md. Code Ann., CR § 13-1906 (2009). The permit for these must be obtained from the governing body of the county. Md. Code Ann., CR § 13-1905 (2009).

A raffle license must be obtained from the Department of Environmental Resources if the total cash prize is going to exceed two hundred dollars. Md. Code Ann., CR § 13-1909(a)(2009). The maximum limit that can be awarded is five thousand in merchandise or the cash equivalent. Md. Code Ann., CR § 13-1911 (2009).

### ***(16) Queen Anne's County***

The following provisions relate to conducting a gaming event in this county:

Permit required

(a) An organization listed in subsection (b) of this section shall obtain a permit from the county commissioners before the organization may use two or more of the following gaming devices in conducting a fundraiser at which prizes of merchandise or money may be awarded:

- (1) a paddle wheel;
- (2) a wheel of fortune;
- (3) a chance book;
- (4) a card game;
- (5) a raffle; or
- (6) any other gaming device.

#### Qualified organization

(b)(1) In this subsection, “charity” means an organization, institution, association, society, or corporation that is exempt from taxation under § 501(c)(3) of the Internal Revenue Code.

(2) Notwithstanding any other provision of this subtitle, the county commissioners may issue a permit to use multiple gaming devices to an organization if the organization is:

(i) a bona fide religious organization that has conducted religious services at the same location in the county for at least 3 years before applying for a permit;

(ii) a county-supported or municipally supported volunteer fire company or an auxiliary unit of the volunteer fire company whose members are directly associated with the volunteer fire company or auxiliary unit;

(iii) a nationally chartered veterans’ organization or an auxiliary unit of the veterans’ organization whose members are directly associated with the veterans’ organization;

(iv) if the organization intends to use two or more gaming devices to conduct a fundraiser for the benefit of a charity located in the county, an organization that is a bona fide:

1. fraternal organization;
2. educational organization;
3. civic organization;
4. patriotic organization; or
5. charitable organization; or

(v) a bona fide nonprofit organization that: 1. has operated on a nonprofit basis in the county for at least 3 years before applying for a permit; and 2. intends to use the multiple gaming devices to raise money for an exclusively charitable, athletic, or educational purpose specifically described in the permit application.

#### Application review

(c) Before issuing a permit, the county commissioners shall determine that the organization seeking the permit:

- (1) is organized in and serves the residents of the county; and
- (2) meets the conditions of this section.

#### Permit terms and administration

(d)(1)(i) Except as provided in subparagraph (ii) of this paragraph, a permit is valid for one event that does not last longer than 6 hours.

(ii) The county commissioners may issue a permit for an event longer than 6 hours if the permit holder does not seek more than one permit in the same year.

(2) The county commissioners may not approve a permit for gaming events to be held on premises that are licensed under a Class B or Class D alcoholic beverages license.

(3) The county commissioners may not issue more than two permits to an organization in a single year.

(4) The county commissioners may:

- (i) charge a fee set by resolution for each permit;

- (ii) set the number of permits that may be issued each year; and

- (iii) adopt regulations governing permit applications and the issuance of permits.

#### Operational requirements

(e)(1) An organization that is issued a permit shall conduct its fundraiser in:

- (i) a structure that the organization owns, leases, or occupies;

- (ii) a structure that any organization that would qualify for a permit owns, leases, or occupies; or

- (iii) a public location that is:

1. described in the permit application; and

2. approved by the State's Attorney for the county.

(2)(i) Unless the county commissioners grant a waiver, a fundraiser for which a permit is issued shall be managed and operated only by individuals who reside in the county and on behalf of the permit holder.

- (ii) Each permit holder shall designate an individual to be responsible for compliance with the terms and conditions of this subtitle and a permit issued under this subtitle.

- (iii) A person may not be compensated for operating the gaming activity conducted under a permit.

#### Financial accounting

(f)(1) The permit holder shall use at least one-half of the funds raised using the permit for civic, charitable, or educational purposes.

(2) Within 30 days after a fundraiser, the permit holder shall send to the county commissioners:

- (i) an accounting of all funds received or pledged;

- (ii) an accounting of all expenses paid or incurred; and

- (iii) a statement under oath of the application of the net profits.

#### Disqualification

(g) The county commissioners may deny a permit for not more than 3 years to an organization that violates this subtitle or regulations adopted under this subtitle.

Md. Code Ann., CR § 13-2003 (2009).

These qualified organizations listed above can also obtain a permit to hold raffles in this county, with the exact number per year determined by the county commissions.

Md. Code Ann., CR § 13-2004 (2009).

These following organizations can conduct bingo games:

- (1) religious organization;
- (2) fraternal organization;
- (3) charitable organization; or
- (4) volunteer fire company operating in a community that does not have a paid fire department.

Md. Code Ann., CR § 13-2005 (2009).

***(17) St. Mary's County***

These following organizations can get a bingo license from the county sheriff:

- 1) a bona fide religious group that has conducted religious services at a fixed location in the county for at least 3 years before the application date;
- (2) a volunteer fire company or volunteer rescue squad, regardless of whether the company or squad is supported by tax revenues, or an auxiliary unit whose members are associated directly with the company or squad;
- (3) a nationally chartered veterans' organization, or an auxiliary unit whose members are associated directly with the organization; or
- (4) a nonprofit organization that: (i) has operated in the county for at least 3 years before the application date; and  
(ii) intends to raise money for an exclusively charitable, athletic, or educational purpose specifically described in the application.

Md. Code Ann., CR § 13-2104 (2009).

These organizations can hold a gaming event and operate a gaming device, defined in this county as a paddle wheel, wheel of fortune, chance book, bingo, Nevada card, and a stamp machine, provided that it does not operate more than five gaming devices and the proceeds are used for legitimate means:

- (1) a volunteer fire company; or
- (2) a bona fide: (i) religious organization;
- (ii) fraternal organization;
- (iii) civic organization;
- (iv) war veterans' organization; or
- (v) charitable organization.

Md. Code Ann., CR § 13-2111 (2009).

***(18) Somerset County***

These organizations can conduct bingo to benefit or further the purposes of their organization:

- (1) religious organization;
- (2) fraternal organization;
- (3) war veterans' organization;
- (4) charitable organization; or
- (5) volunteer fire company operating in a community that does not have a paid fire department.

Md. Code Ann., CR § 13-2202 (2009).

***(19) Washington County***

A person can conduct bingo provided that they get a permit from the county commissioners. Md. Code Ann., CR § 13-2408(a) (2009). It seems however, that a nonprofit organization is not required to pay the permit fee that a person is required to, which may be up to five thousand dollars. Md. Code Ann., CR § 13-2409(a-b) (2009). The prize limits on a single bingo game is no more than one thousand dollars cash or merchandise value, or a combination of the two. Md. Code Ann., CR § 13-2410 (2009).

An agency must be licensed by the Washington County Gaming Commission to operate a tip-jar. The following organizations are eligible:

- (1) religious organization;
- (2) civic organization;
- (3) fraternal organization;
- (4) veterans' organization;
- (5) bona fide charitable organization;
- (6) sportsmen's association that is tax exempt under § 501(c) of the Internal Revenue Code and that is approved by the county commissioners;
- (7) holder of a Class A beer, wine and liquor license;
- (8) restaurant with an alcoholic beverages license;
- (9) tavern with an alcoholic beverages license;
- (10) volunteer fire company; or
- (11) volunteer rescue company.

Md. Code Ann., CR § 13-2420(b)(2009).

This county also makes its tip jar packet wholesalers obtain a license before it can provide these items. Md. Code Ann., CR § 13-2427(a)(2009).

***(20) Wicomico County***

The following provisions apply to gaming events in Wicomico County:

#### License required

(a) The sheriff may issue a license to an organization listed in subsection (b) of this section to conduct a game that uses any of the following devices to award prizes of merchandise or money:

- (1) a paddle wheel;
- (2) a wheel of fortune;
- (3) a chance book;
- (4) bingo;
- (5) a raffle; or
- (6) any other gaming device.

#### Qualified organization

(b) To qualify for a license under this subtitle, an organization shall be:

- (1) a bona fide religious organization that has conducted religious services at a fixed location in the county for at least 5 years before the organization applies for a license;
- (2) a tax-supported volunteer fire company or an auxiliary unit whose members are directly associated with the fire company;
- (3) an organization that has been located in the county for at least 5 years before it applies for a license and is:
  - (i) a nationally chartered veterans' organization or an auxiliary unit whose members are directly associated with the veterans' organization;
  - (ii) a nonprofit organization that is exempt from taxation under § 501(c)(3) or (4) of the Internal Revenue Code;
  - (iii) a nonprofit fraternal organization that is exempt from taxation under § 501(c)(10) of the Internal Revenue Code; or
  - (iv) a nonprofit organization that:
    1. intends to use the gaming license to raise money for an exclusively charitable, athletic, or educational purpose that meets the conditions of subsection (c) of this section; and
    2. states the charitable, athletic, or educational purpose in the application to the sheriff.

#### Charitable purpose

(c) For the purposes of subsection (b)(3)(iv) of this section, a purpose is considered a charitable, athletic, or educational purpose if the purpose:

- (1) meets the requirements for a charitable contribution under § 170(c) of the Internal Revenue Code; and
- (2) does not benefit a:
  - (i) law enforcement unit;

- (ii) fraternal organization for a law enforcement unit;
- (iii) political club;
- (iv) political committee;
- (v) political party; or
- (vi) unit of State government or a political subdivision of the State other than:
  - 1. an ambulance company;
  - 2. a fire fighting company;
  - 3. a rescue company;
  - 4. a primary school;
  - 5. a secondary school; or
  - 6. an institution of higher education.

### Application

(d)(1) An applicant for a license shall submit an application to the sheriff.

(2) The application shall contain:

- (i) a copy of the tax exempt verification of the organization;
- (ii) a copy of the applicant's charter, if applicable; and
- (iii) a certification by a principal officer of the applicant stating:

- 1. the dates for which the license is sought;
- 2. the place at which the game will be conducted;
- 3. the type of game for which the license is sought;
- 4. that only the regular members of the applicant will conduct the games and operate the gaming device for which the license is sought;
- 5. that the applicant will not use the assistance of gaming professionals in conducting games or operating gaming devices;
- 6. that persons conducting the games and operating the gaming devices or assisting in conducting the games and operating the gaming devices will not receive compensation or reward; and
- 7. that all proceeds obtained under the license will be used to further the purposes of the organization.

(3) The sheriff shall retain the copies of the applicant's verification of tax exemption and charter.

### License

(e)(1) The sheriff may issue a license:

- (i) for one or more specific dates; or
  - (ii) for a period not exceeding 1 year.
- (2) The licensing year shall run from July 1 through the following June 30.
- (3) The license shall state:

- (i) the dates that the game will be conducted;
- (ii) the place that the game will be conducted; and(iii) the type of game authorized.

#### Limitations

(f)(1) Except as provided under paragraph (2) of this subsection, a licensee may not conduct a game on Sunday.

(2)(i) A licensee may operate a raffle on Sunday.

(ii) A raffle is considered to be operated on the day that the licensee selects the raffle winner.

(iii) The sheriff shall license a 50/50 game operated for a period of more than 1 day as a raffle.

(3) A licensee may not allow a child who is under the age of 16 years to:

(i) operate a game or gaming device for which a license is issued under this subtitle;

(ii) conduct a game in which a gaming device is operated; or

(iii) play or participate in a game in which a gaming device is operated.

(4) The licensee may not pay a fee for the rental of the premises on which a game is conducted to:

(i) itself;

(ii) a trustee of the licensee;

(iii) a committee of the licensee; or

(iv) an organization with the same members or substantially the same members as the licensee.

#### Fees

(g) The sheriff shall charge each applicant:

(1) a license fee of \$1 for each day for which a license is issued; and

(2) the following additional amounts:

(i) except as provided in items (ii) through (v) of this item, \$1 for each gaming device to be operated each day;

(ii) \$1 for each day that a pull tab or instant bingo device is to be sold;

(iii) \$1 for each day that a bingo event is to be conducted;

(iv) \$1 for each day that a bingo special event is to be conducted; and

(v) \$1 for each raffle to be conducted.

Md. Code Ann., CR § 13-2503 (2009).

#### ***(21) Worcester County***

The following organizations con conduct bingo in this county:

1) a bona fide religious organization that has conducted religious services at a fixed location in the county for at least 6 years before applying for a license under this part;

- (2) a municipal corporation in the county;
- (3) a volunteer fire company in the county;
- (4) a local unit of a nationwide bona fide nonprofit organization or club that consists solely of members who served in the armed forces of the United States; or
- (5) a nonprofit organization that:
  - (i) intends to raise money for an exclusively charitable or educational purpose that is specifically described in the license application filed with the board; and
  - (ii) has operated as a nonprofit organization in the county for at least 5 years before applying for a license under this part.

Md. Code Ann., CR § 13-2606 (2002).

There are two types of bingo licenses, which depend upon the number of days the game is planned on being held in a year. An annual license is needed if it will be conducted more than fifteen times per year, and a temporary license is required for an amount smaller than that. Md. Code Ann., CR § 13-2610(a)(2009). It is one hundred dollars for the annual license and three dollars each day for the temporary license. Md. Code Ann., CR § 13-2610(c)(2009). Prizes for one game cannot exceed fifty dollars in money, merchandise, or services. Md. Code Ann., CR § 13-2611(b)(2009). Jackpot prizes cannot be more than one thousand dollars. Md. Code Ann., CR § 13-2611(b)(2009). One dollar is the most an organization can charge a person to play. Md. Code Ann., CR § 13-2611(a)(2009).

The following organizations may be able to obtain a permit from the county commissioner to conduct a fundraiser at which merchandise or money prizes may be awarded by gaming devices:

- 1) a bona fide religious organization that has conducted religious services at the same location in the county for at least 3 years before applying for a permit;
- (2) a volunteer fire company that is supported by the county or a municipal corporation in the county or an auxiliary unit whose members are directly associated with the volunteer fire company or auxiliary unit;
- (3) a nationally chartered veterans' organization or an auxiliary unit whose members are directly associated with the veterans' organization;
- (4) a bona fide nonprofit fraternal, educational, civic, patriotic, or charitable organization that intends to conduct a fundraiser for the benefit of a charity located in the county; or
- (5) a bona fide nonprofit organization that:
  - (i) intends to raise money for an exclusively charitable, athletic, or educational purpose that is specifically described in the permit application; and
  - (ii) has operated as a nonprofit organization in the county for at least 3 years before applying for a permit.

Md. Code Ann., CR § 13-2621(a)(2009).

### **3. Chucky Cheese Exemption**

No exemption for redemption slot machines and/or family entertainment centers found in Maryland.

#### **4. Commercial Gaming**

As a general rule, slot machines are not allowed in the state of Maryland. Md. Code Ann., CR § 12-302(a-b)(2009). However, there is an exception for “antique slot machines” if they meet certain requirements including:

1. It is an antique slot machine
2. It was not operated for gambling purposes while in the person’s possession

Md. Code Ann., CR § 12-303(b)(2009).

Also, certain counties have granted bona fide fraternal, religious, and war veterans’ organizations that have been located in the county for at least 5 years, the ability to own and operate a slot machine. Md. Code Ann., CR § 12-304(a)(2009). These organizations must get a license from each machine from the sheriff of the county. Md. Code Ann., CR § 12-304(e)(2009).

These counties include:

- (1) Caroline County;
- (2) Cecil County;
- (3) Dorchester County;
- (4) Kent County;
- (5) Queen Anne’s County;
- (6) Somerset County;
- (7) Talbot County; and
- (8) Wicomico County.

Md. Code Ann., CR § 12-304(b)(2009).

The following provisions apply to a distributor of slot machines:

In general

(a) A person may take delivery of, possess, or transport a slot machine to demonstrate or sell the slot machine to a prospective customer who is allowed to purchase a slot machine if the person:

- (1) operates with or under a distributorship contract with a manufacturer of slot machines;
- (2) is registered with the United States Department of Justice as a distributor of slot machines; and
- (3) has provided the Secretary of the State Police with a copy of the person’s current federal registration.

Violation--Penalty

(b) A person who violates this section is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 1 year or a fine of \$1,000 or both for each violation. Md. Code Ann., CR § 12-305 (2009).

## **5. Lottery**

Maryland has a State Lottery Agency and a State Lottery Commission that oversees the state lottery in Maryland. M.D. Code Ann., SG § 9-103-104 (2009).

The director of this agency can issue licenses to the persons and governmental units that will best serve the lottery purposes of this state. Md. Code Ann., SG § 9-112 (2009). The director may not issue a license a person or unit engaged solely as a licensed agent or anyone under the age of twenty-one. Md. Code Ann., SG § 9-112 (2009).

The Agency can also conduct lotteries for the benefit of the Maryland Stadium Authority. Md. Code Ann., SG § 9-120.1 (2009).

The Agency shall provide for at least one drawing per week. Md. Code Ann., SG § 9-122 (2009). Minors can actually win, but depending on the amount of money it will be paid in a check to an adult member of the family or a guardian, or deposited in a bank with an adult member of the family or guardian as a custodian of the account. Md. Code Ann., SG § 9-122(d) (2009).

## **6. Horse Racing**

Maryland has a State Racing Commission that oversees all of the racing in Maryland, which includes harness, mile thoroughbred, special thoroughbred, steeplechase or hurdle, flat, and quarter horse racing. Md. Code Ann., BR § 11-201 (2009).

This commission shall issue a license for these races to each applicant who is awarded race days in a meeting and pays the license fee. Md. Code Ann., BR § 11-304(b)(2009).

The only tracks which can obtain a license for racing at a mile track are the Maryland Jockey Club in Baltimore City and the Laurel Racing Assoc., Inc. and one other racing associated located in Allegany County that is owned and operated by the racing association. Md. Code Ann., BR § 11-510(b)(2009).

The State Racing Commission shall issue a special thoroughbred racing license to the Maryland-National Capital Park and Planning Commission to conduct 4 one-day race meetings at Prince George's Equestrian Center. Md. Code Ann., BR § 11-526(b)(2009).

There is also a Maryland-Bred Race Fund Advisory Committee that oversees those fund races in the state. Md. Code Ann., BR § 11-530 (2009). There is also a Maryland Standardbred Race Fund Advisory Committee that oversees these fund races in the state. Md. Code Ann., BR § 11-625 (2009).

Harness racing licenses may not be issued to more than 3 racing associations, and more than one license for use in any one county. Md. Code Ann., BR § 11-609 (2009). These licenses are not available in Carroll, Dorchester, Frederick, Montgomery, or Wicomico County. Md. Code Ann., BR § 11-609 (2009).

The State Racing Commission shall issue a license to the Cecil County Breeders' Fair, Inc. or its successor to hold steeplechase hurdle, or flat racing at the Fair Hill Natural Resources Management Arena on at least two days but not more than eight. Md. Code Ann., BR § 11-702 (2009). These same facilities can also get a license to hold two days of quarter horse racing. Md. Code Ann., BR § 11-703 (2009).

## **7. Other Pari-mutuel Betting**

The Commission may authorize a licensee to hold racing with pari-mutuel betting. Md. Code Ann., BR § 11-801 (2004).

If the Commission approves, a licensee may contract to hold pari-mutuel betting on a race that is held at an out-of state if betting on the race is lawful. Md. Code Ann., BR § 11-804 (2009). Conversely, a licensee can simulcast races held in this State to another jurisdiction where betting on racing is lawful. Md. Code Ann., BR § 11-804.1 (2009).

The Commission may authorize telephone betting at an track where racing is authorized. Md. Code Ann., BR § 11-805(a)(2009).

These mutual pools can include combination of bets from the in-state facility and the out-of-state facility. Md. Code Ann., BR § 11-809(a)(2009).

As stipulated in this provision, intertrack betting is allowed to the extent that: b) This section applies only to intertrack betting in which:

(1) the sending track is equipped to transmit simulcast races and is:

(i) a mile thoroughbred track;

(ii) a harness track;

(iii) a track where racing is conducted by Fair Hill; or

(iv) a track where racing is conducted by the State Fair Society; and

(2) the receiving track is:

(i) equipped to receive simulcast races and hold intertrack betting on those races; and

(ii) one of the tracks specified in item (1) of this subsection.

(c) The Commission may authorize intertrack betting involving tracks of:

(1) mile thoroughbred racing licensees;

(2) harness racing licensees;

- (3) Fair Hill; or
- (4) the State Fair Society.

(d) The Commission may authorize licensees, Fair Hill, or the State Fair Society to participate in intertrack betting by operating sending tracks and receiving tracks only if:

- (1) the operators of the sending track and the receiving track submit a joint application to the Commission;
- (2) the Commission holds a public hearing on the matter;
- (3) the operator of the receiving track shows to the satisfaction of the Commission that the operator has held, is holding, or will hold regularly scheduled race meetings at the receiving track in accordance with a license and has complied with the terms of the license; and
- (4) the receiving track meets the requirements of subsection (e) of this section, unless the Commission has waived them, and subsection (f) of this section.

(e)(1) Laurel Race Course, a track where racing is conducted by the State Fair Society or Rosecroft Raceway may be a receiving track only if live racing was held there in the previous calendar year on at least 75% of the racing days available to it.

(2) Ocean Downs may be a receiving track only if at least 40 days of live racing were held there in the previous calendar year.

(3) Pimlico Race Course may be a receiving track only if at least 90 days of live racing were held there in the previous calendar year.

(4) A track where racing is conducted by Fair Hill may be a sending track only on days when Fair Hill is licensed to conduct and actually conducts live racing.

(5) A track in Allegany County may be a sending track:

(i) to any receiving track:

- 1. on days when the track is licensed to conduct and actually conducts live racing; and
- 2. for live races conducted at the track; and

(ii) to a receiving track located more than 35 miles from any of Laurel Park, Pimlico Race Course, and Rosecroft Raceway:

- 1. on any day the Commission has authorized the licensee to hold racing; and
- 2. for simulcast races conducted at the track.

(6) Subject to § 11-804.2 of this subtitle, nothing in paragraph (5) of this subsection shall limit the ability of a track in Allegany County to act as a sending track to a satellite simulcast facility.

(7) A track in Allegany County may be a receiving track:

- (i) during its opening year if it has scheduled at least 21 days of live racing within 12 months of its opening and the Commission has granted its application to race on those days; and
- (ii) in subsequent years if at least 21 days of live racing were held at the track in the previous calendar year.

(8) The Commission may waive a requirement of this subsection if the receiving track could not meet the requirement because of:

- (i) an act of God; or
- (ii) what the Commission finds to be an emergency.

(f)(1) Intertrack betting may be held only if the organizations specified in this subsection approve the agreement between the receiving track and the sending track to simulcast races.

(2) If the sending track is a mile thoroughbred track or a track where racing is conducted by the State Fair Society or Fair Hill, approval shall be by an organization representing:

- (i) a majority of the owners and trainers at the sending track; and
- (ii) a majority of the thoroughbred breeders in the State.

(3) If the sending track is a harness track, approval shall be by an organization representing:

- (i) a majority of the owners, trainers, and drivers of standardbred horses at the sending track; and
- (ii) a majority of the standardbred breeders in the State.

(4) If the receiving track is a mile thoroughbred track or a track where racing is conducted by the State Fair Society, approval shall be by an organization representing:

- (i) a majority of the owners and trainers at the receiving track; and
- (ii) a majority of the thoroughbred breeders in the State.

(5) If the receiving track is a harness track, approval shall be by an organization representing:

- (i) a majority of the owners, trainers, and drivers of standardbred horses at the harness track; and
- (ii) a majority of the standardbred breeders in the State.

(g)(1) The simulcast signal shall be encoded.

(2) The licensee of the receiving track may not transmit the simulcast signal beyond the premises where pari-mutuel betting is allowed.

(h) Notwithstanding the provisions of subsection (f) of this section, if a track where racing is conducted by the State Fair Society is within the 35-mile radius of a mile thoroughbred track, it shall first obtain the concurrence of that mile thoroughbred track before it may be a receiving track during a period of time when the State Fair Society is not licensed to conduct live racing.

Md. Code Ann., BR § 11-811 (2009).

Maryland also allows any individual to apply for a license from the State Racing Commission to conduct satellite simulcast betting. Md. Code Ann., BR § 11-816(a) (2009).

## **VII. Specific Internet Prohibition**

No specific statute expressly outlawing Internet gambling in this jurisdiction.

## **VIII. Penalties for Unlawful Gambling**

Besides the various county specific penalties that can be imposed, there are also numerous state-wide penalties as well.

A person that bets, wagers, or gambles, or engages in bookmaking or pool-selling, and keeps a location dedicated to these purposes is guilty of a misdemeanor and could be subject a prison term between six months and one year and a fine between two hundred and one thousand dollars. Md. Code Ann., CR § 12-102(b)(2009). This seemingly applies to players and operators. A player is the one that bets, wagers, or gambles and the operator is the one that makes and sells the books or pools.

Also, any person that plays thimbles, little joker, craps, or any other gaming device or fraudulent trick is guilty of a misdemeanor and could be subject to a prison term between six months and one year, and a fine of up to one hundred dollars. Md. Code Ann., CR § 12-103(b)(2009). This section only says “plays” so it applies only to players.

Also, a person may not keep a gaming device, or keep, rent, lease, own, or deal a location in the state for the purpose of gambling. If they do, they are guilty of a misdemeanor and could be subject to a prison term between six months and one year, and a fine up to five hundred dollars. Md. Code Ann., CR § 12-104(b)(2009). This seemingly applies only to operators because it says those that keep or own, not to those that frequent those machines or locales.

However, another section bans players from making bets, wagers, or gambling on vessel on water within the State or on a building that is built on or over the water. This section also bans those that conduct, maintain, or operate these facilities or devices. So both players and operators in violation of this section are guilty of a misdemeanor and could be subject to a prison term of up to one year and a fine between two hundred and one thousand dollars. Md. Code Ann., CR § 12-105(2009).

Any person may not **conduct or operate** with pari-mutuel betting or other forms of similar betting any game, contest, event, including jai-alai, unless betting is being conducted under the Maryland Horse Racing Act or at bingos, carnivals, raffles, bazaars, or similar games of entertainment. Md. Code Ann., CR § 12-107(b)(2009). Those that do are guilty of a misdemeanor and could be subject to a fine between two hundred and one thousand dollars. Md. Code Ann., CR § 12-107(c)(2009).

Also, any organization that is allowed to **operate** a gaming event cannot accept credit from a person to allow that person to play a gaming device. This is a misdemeanor offense and is subject to a penalty of up to one thousand dollars and/or the revocation of their license to hold these events for sixty days. Md. Code Ann., CR § 12-108 (2009).

A person who tries to willfully alter the results of a horse race is guilty of a misdemeanor and may be subject up to a three-year prison terms and/or a fine up to five thousand dollars. Md. Code Ann., CR § 12-109(b) (2009).

A person that keeps a location for the purpose of selling lottery tickets is guilty of a misdemeanor and could be imprisoned for up to a year and/or be fine up to one thousand dollars. Md. Code Ann., CR § 12-204(c)(2009).

Possession of lottery devices and records is a misdemeanor offense and is subject to a prison terms of up to a year and/or a fine up to one thousand dollars. Md. Code Ann., CR § 12-205(c) (2009). Also, publication of accounts of lotteries or lottery prizes is a misdemeanor offense subject to a prison term of up to sixty days and/or a fine up to one hundred dollars. Md. Code Ann., CR § 12-206(c)(2009).

A person that insures or receives consideration for insuring for or against the drawing of a lottery tickets is guilty of a misdemeanor and could face imprisonment between three and six months and/or a fine between two hundred and one thousand dollars. Md. Code Ann., CR § 12-207(b) (2009).

Repeated lottery violations can carry a prison term up to five years and a fine up to five thousand dollars. Md. Code Ann., CR § 12-210(b)(2009).

A person who **runs** a barter, trade, or gift enterprise is guilty of misdemeanor and could be sentenced to a fine exceeding fifty dollars for each violation. M.D. Code Ann., CR § 12-212 (2009).

Those that locate, keep, possess, or operate a slot machine, besides the numerous exceptions, are guilty of a misdemeanor and could be subject to a prison term not exceeding one year and/or a fine up to one thousand dollars. M.D. Code Ann., CR § 12-302(b)(2009).

Slot machine distributors, if not registered, are guilty of a misdemeanor and could be subject to a prison term up to one year and/or a thousand dollar fine for each violation. M.D. Code Ann., CR § 12-305(b)(2009).

## **IX. Statute of Anne/Recovery of Debts**

M.D. Code Ann., CR § 12-110(2009) provides:

a) A person who loses money at a gaming device that is prohibited by this subtitle, Subtitle 2 of this title, or Title 13 of this article:

- (1) may recover the money as if it were a common debt; and
- (2) is a competent witness to prove the loss.

### Limitation

(b) Notwithstanding subsection (a) of this section, a person may not recover money or any other thing that the person won by betting at a gaming device prohibited by this subtitle, Subtitle 2 of this title, or Title 13 of this article.

Explained in *Bender v. Arundel Arena, Inc.*, 236 A.2d 7 (Md. Ct. App. 1967), the court stated that civil recovery of a gambling loss is allowed only when the gambling that produced the loss was illegal.

#### **X. Lawful Commercial Casino Gaming**

Maryland does not have any statutory authority, attorney general opinions, or case law allowing commercial casino gaming.