

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

1995 Legislative Session

Bill No. _____ CB-98-1995

Chapter No. _____ 74

Proposed and Presented by _____ Council Members Estep and Gourine

Introduced by _____ Council Members Estep and Gourine

Co-Sponsors

Date of Introduction _____ October 24, 1995

EMERGENCY BILL

AN EMERGENCY ACT concerning

Casino Nights

For the purpose of amending certain provisions regulating casino night events and creating a Gaming Permit Review Board.

BY repealing and reenacting with amendments:

SUBTITLE 5. BUSINESSES AND LICENSES.

Sections 5-118.01, 5-118.04, 5-118.06, 5-118.08, and 5-118.11,

The Prince George's County Code

(1991 Edition, 1994 Supplement,

as amended by CB-44-1995).

BY adding:

SUBTITLE 5. BUSINESSES AND LICENSES.

Sections 5-118.04.01 and 5-118.04.02,

The Prince George's County Code

(1991 Edition, 1994 Supplement,

as amended by CB-44-1995).

SECTION 1. BE IT ENACTED by the County Council of Prince George's County, Maryland, that Sections 5-118.01, 5-118.04, 5-118.06, 5-118.08, and 5-118.11 of the Prince George's County Code be and the same are hereby repealed and reenacted with the following amendments:

SUBTITLE 5. BUSINESSES AND LICENSES.**DIVISION 2A. CASINO NIGHTS.****Sec. 5-118.01. Permit eligibility.**

(a) To be eligible for permits generally, an applicant must be:

(1) A group, company, association, corporate body, volunteer fire department, or other bona fide organization within the County that promotes the purposes of any charitable, benevolent, patriotic, fraternal, educational, religious, or civil object or objects, and is not organized for the private profit or gain of any member of such group or organization; and

(2) A group or organization that is located within Prince George's County and which has been active for at least two (2) years prior to the institution of casino night activity or a majority of the officers and directors of which have been residents of Prince George's County for at least two (2) years.

Sec. 5-118.04. Permit required; fees.

(a) Before operating a casino night, a group or organization shall first obtain a written permit from the Department. Application shall be made on forms provided by the Department and submitted at least thirty (30) days prior to the first event.

(b) Before a group or an organization may obtain a permit to conduct a casino night, an officer of the group or organization shall certify that the group or organization has been located in Prince George's County for at least two (2) years or that a majority of the officers and directors of the organization have been residents of Prince George's County for at least two (2) years.

(c) The application fee for a permit shall be as established by resolution of the County Council.

(d) The permit enforcement fee shall be as established by resolution of the County Council.

(e) Permits may be issued on a yearly basis.

(f) The number of permits issued for the operation of casino nights may not exceed twenty-one (21) at any time; twenty full time and one rotating part time.

(g) Applications for joint permits pursuant to Section 5-118.04.01 shall be submitted to the Gaming Permit Review Board established under Section 5-118.04.02, together with the Director's recommendation, if any. The Gaming Permit Review Board shall make the final decision within

forty-five (45) days of the date the application is filed.

Sec. 5-118.06. Permit restrictions; general.

(a) In addition to other conditions that may be imposed by the Director, all permits are subject to the following conditions:

(1) Compliance with all health, electrical, zoning, fire, and building code requirements and regulations;

(2) Not more than [two (2)] three (3) casino night events shall be conducted in any one (1) week;

(3) The hours of operation are limited as follows:

(A) 2 p.m. to 11 p.m. on Sunday;

(B) 12 noon to 11 p.m. on Monday through Thursday;

(C) 12 noon Friday to 2 a.m. Saturday; and

(D) 12 noon Saturday to 2 a.m. Sunday;

(4) Casino night events shall not be held in any establishment whose primary use is of a commercial nature or on any premises other than one upon which an eligible organization is located and regularly conducts its business and primary activity. Not more than five (5) casino night events shall be conducted at a location in any one (1) week;

(5) All casino night activities shall be managed and operated by bona fide members of the applicant group or organization;

(6) The manager [of] or chief supervisor of all casino night events shall be a bona fide member of the group or organization for a minimum of three (3) years or a resident of Prince George's County, Maryland;

(7) All personnel participating in casino night events shall be a bona fide member of the group or organization [and shall have been a bona fide member thereof for a minimum of one (1) year before participating];

(8) Dealers or supervisors shall not play as patrons at events they work;

(9) Cash prizes shall not exceed One Thousand Dollars (\$1,000.00) per prize;

(10) The cashing of checks shall not exceed a maximum amount of Two Hundred

Dollars (\$200.00) per person per casino night event; and

(11) Only betting tokens or tickets that have been paid for by a patron with cash shall be used in the conduct of casino night games.

Sec. 5-118.08. Volunteer members; affidavit required.

(a) Any [person] member who works at a casino night event shall submit an affidavit, under the penalty of perjury, stating that the [person] member is a volunteer, not working at the casino night event for any salary or compensation (except tips) as authorized by state law from the organization or private gain from the proceeds[, and not working for more than two (2) groups or organizations]. The worker affidavits shall be filed with an organization's quarterly reports, as required by Section 5-118.11.

(b) Each person who works at a casino night event shall be required to obtain a license annually from the Department by submitting an application supplied by the Director.

(c) The Director shall conduct such background investigations of volunteers as necessary to insure that anyone with a past illegal gambling conviction (including probation before judgment or a plea of nolo contendere), other criminal background, or conviction for any crime involving financial misrepresentations is not allowed to work at casino night operations in the County. All individuals who assist in conducting casino nights shall be fingerprinted. No license shall be issued to a person under 18 years old or to a person who has been convicted of a felony.

(1) The license shall be valid for one year.

(2) The license fee for supervisors, dealers and games operators, and other workers shall be as established by resolution of the County Council.

(3) Replacement badges may be issued after a replacement fee is paid. The amount of the fee shall be as established by resolution of the County Council.

(4) The license fees may be paid by the organization.

Sec. 5-118.11. Organizational reporting.

(a) Each group or organization conducting casino night events shall file a quarterly event report on a form supplied by the Department, within thirty (30) days from the end of each quarter

as established by the Director. The reports shall include the following information:

- (1) The dates of each event held during the reporting period;
 - (2) The gross and net income derived from each event;
 - (3) An itemized list of expenses, including the names and addresses of each vendor and lessor, the necessity of each expense, date of purchase or lease, and, if prepaid before the event(s), the source of the payment;
 - (4) As of the date of filing, an itemized list of any gifts or donations made from the proceeds of the casino night events, including:
 - (A) The name, address, and tax identification number of each person, group, or organization receiving such gifts or donations; and
 - (B) The dates and amounts of each gift or donation;
 - (5) A statement of the organization's intent as to the disposition of any unexpended portion of net proceeds from such events;
 - (6) Copies of the worker affidavits required by Section 5118.08, in addition to a certification by an officer of the applicant group or organization that none of the proceeds were used for the private gain of any member of the organization or any affiliated organization, foundation, or institution; and
 - (7) A list of all persons who worked at casino night events during the reporting period.
- (b) Each group or organization shall file an annual report for the preceding calendar year, on a form supplied by the Department, not later than April 15 of each year (beginning April 15, 1989). The report shall contain a summary of the previous year's activities and a statement of how the organization's casino night event activities continually and substantially work towards the organization's stated goals and activities. The group or organization shall also submit an unqualified audited financial statement concerning the operation of its casino activities prepared by an independent certified public accountant and a copy of its most recent IRS 990 and State Form COF-85 or any other substitute documents deemed necessary by the Director on the same day as the organization's Federal Tax Returns are due.
- (c) On or before July 1 of each year, each group or organization operating as a casino night

permittee during the twelve (12) months preceding that July 1, shall report under affidavit to the Comptroller of the Treasury, the Prince George's County House of Delegates Delegation, the Prince George's County Senate Delegation, and the County Executive and County Council of Prince George's County on:

(1) The total gross receipts from gaming activities at casino nights in Prince George's County for the twelve-month period; and

(2) The total expenses directly related to gaming activities at casino night for the twelve-month period.

SECTION 2. BE IT FURTHER ENACTED that Sections 5-118.04.01 and 5-118.04.02 be and the same are hereby added to the Prince George's County Code.

SUBTITLE 5. BUSINESSES AND LICENSES.

DIVISION 2A. CASINO NIGHTS.

Sec. 5-118.04.01. Joint Permits.

(a) The Director may issue a joint permit under the following terms and conditions:

(1) A joint permit shall be held jointly between an eligible organization and an applicant which meets the requirements of Section 5-118.01. Such a joint permit shall constitute an amendment of the existing permit and shall not be an award of a new permit.

(2) Applicants for a joint permit shall make application for joint permit days. A joint permit event may not be held more than once weekly, in addition to the two (2) days of events authorized in Section 5-118.06(a)(2).

(3) Both eligible organizations shall be responsible for meeting all reporting, permit, and tax requirements of this Subtitle.

(4) Applicants for a joint permit shall enter into a written agreement concerning joint operating responsibility and division of revenue. No less than fifty percent (50%) of the revenues net of expenses shall be enured to the benefit of the subordinate joint permit holder. All agreements executed pursuant to this Subtitle must be in writing and signed by the chief executive officer of each eligible organization. All such agreements and any amendments thereto shall be filed with the Director.

(5) Such joint permit has been approved by the Gaming Permit Review Board.

Sec. 5-118.04.02. Gaming Permit Review Board.

(a) There shall be a Gaming Permit Review Board, which shall consist of three (3) members, each of whom shall be appointed by the County Executive and confirmed by the County Council. The County Executive shall designate one member to serve as chairman and one member to serve as vice-chairman. The members shall serve without compensation for terms of four (4) years. The County Executive shall designate by executive order the agency responsible for providing staff assistance to the Gaming Permit Review Board.

(b) The Gaming Permit Review Board shall be responsible for approving any application for a joint permit to be awarded under Section 5-118.04.01. The Board shall not be responsible for hearing appeals within the jurisdiction of the Board of Administrative Appeals, nor shall the Board have responsibility for making decisions concerning renewal, modification, suspension or revocation of any permit.

(c) Any party aggrieved by a decision of the Board may appeal to the Circuit Court for Prince George's County within thirty (30) days of the date of the final decision of the Board.

SECTION 3. BE IT FURTHER ENACTED that in accordance with the provisions of Section 317 of the Charter, the County Council hereby declares that a public emergency exists affecting the public health, safety, and welfare; said emergency being the need to expand the fund-raising opportunities from limited casino night events to a broader population in the County at the earliest possible time.

SECTION 4. BE IT FURTHER ENACTED that the prohibition on the issuance of new casino night permits imposed by CR-87-1991, as amended by CR-31-1992, is rescinded on the day this Act becomes law to authorize the filing, acceptance, processing and issuance of casino night permits to any bona fide charitable organization pursuant to Subtitle 5, Division 2A of the Prince George's County Code and Article 27, Section 258B of the Annotated Code of Maryland.

SECTION 5. BE IT FURTHER ENACTED that this Act shall take effect the day it becomes law.

Adopted this 21st day of November, 1995, by an affirmative vote of two-thirds of the members of the full County Council.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY:
Anne T. MacKinnon
Chairwoman

ATTEST:

Joyce T. Sweeney
Clerk of the Council

APPROVED:

DATE: _____

BY:

Wayne K. Curry
County Executive

KEY:

Underscoring indicates language added to existing law.

[Brackets] indicate language deleted from existing law.