

Paper Gaming Regulations of the Allegany County Gaming Office

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Section 1-101. Purpose.

(a) These Regulations are adopted pursuant to Chapter 132 of the Code of Public Local Laws for Allegany County, Maryland, pursuant to authority granted by Section 13-201 et seq of the Criminal Law Article of the Annotated Code of Maryland for the purpose of regulating paper gaming within Allegany County, Maryland. The purpose of these provisions includes the protection of the public.

(b) These Regulations shall apply to all paper gaming activities in Allegany County, Maryland, except for those specifically exempted by law or by these Regulations.

(c) If any provision of these Regulations shall be held invalid, its invalidity shall not affect any of these Regulations that can be given effect without the invalid provision, and for this purpose, the provisions of these Regulations are declared to be severable.

Section 1-102. Definitions.

All terms used in these Regulations shall have their ordinary meaning unless otherwise specially defined herein.

In these Regulations, the following terms shall have the following meaning indicated:

Allegany County Gaming Office: The Allegany County Gaming Office and any employee of the office designated by the Administrator to perform any act in furtherance of these Regulations or any statute or public local law.

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Board: Board of County Commissioners of Allegany County, Maryland.

County: Allegany County, Maryland.

County Code: The Code of Public Local Laws of Allegany County.

Flare: A written statement of the number of tickets and prizes contained in a paper game packet and the winning numbers, colors and symbols.

Gaming: Participating in or conducting a game of chance for which prizes are awarded in cash or merchandise using a Paper Gaming device.

Gaming Administrator: The Gaming Office Administrator shall be in charge of the Gaming Office and shall report directly to the Allegany County Administrator.

Gaming device: Includes, but is not limited to, a tip jar, punch board, or other device in which a series of numbers or other symbols is obtained for consideration by the selection of a sealed piece of paper that may entitle the purchaser of the number or numbers or symbol to a payoff in cash or other manner immediately upon receipt or as a result of a subsequent announcement of a winning number or numbers or other symbol or any other device commonly recognized as Paper Gaming, or as may more particularly be defined herein.

Gaming event: Any bazaar, carnival, or other event or activity where gaming takes place or occurs.

Gaming sticker: A sticker issued by the Gaming Office and required to be affixed to a paper game packet and the face of the seal card before the paper game packet and seal card are sold.

Good moral character: Determinations of good moral character shall be made on an individual basis. However, an individual will not be considered to be of good moral character if that person has been found guilty, entered a guilty plea, or has a *nolo contendere* plea accepted for any crime which is a felony in the State of Maryland or a misdemeanor involving any gaming or gambling law, regardless of the final disposition of the criminal case.

Gross profits: The total proceeds received from the operation of a paper game less the total amount of prizes or money winnings distributed and less the actual cost of the game paid to the Wholesaler. The amount of prizes or money winnings distributed shall be determined by the manufacturer's description of the game. Gross profits of a paper game are earned when the paper game packet is purchased by the paper game operator.

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Inspectors: Persons employed by the Gaming Office serving under the direction of the Gaming Office Administrator who shall be given authority to enter upon the premises of any licensee to insure compliance with the Paper Gaming law and these Regulations.

Office: A place of business within the County consisting of actual, active working space, staffed at least part-time; not merely a post office box and/or telephone number.

Operator: Individual or entity conducting or operating the gaming event.

Paper Game, Paper Gaming: A game of chance in which prizes are awarded and the devices used are constructed out of paper or cardboard, and includes tip jars and punch board gaming, but does not include bingo.

Paper Game License: A license issued by the County Gaming Office that permits a person to operate a paper game at a specific location within the County .

Person: An individual, corporation, partnership, business trust, limited liability company, unincorporated association, or other legal entity.

Proceeds: Total proceeds received from the operation of a paper game.

Qualified Organization: A volunteer fire company or a bonafide religious organization, fraternal organization, civic organization, veteran's organization, or charitable organization.

Seal card: The card or other paper that identifies the winning number or other symbol and that determines the prize payout of paper game when the seal is opened or removed.

State: State of Maryland.

Tip jar packet: A package containing tips to be sold by way of a paper game sufficient for a single paper game.

Volunteer fire company: Community entity providing volunteer services within the County for fire protection or any entity affiliated with such an organization.

Volunteer rescue company: Community entity providing volunteer services within the County for rescue protection and/or ambulance services or any entity affiliated with such an organization.

Wholesaler: A person who sells or wholesales for profit paper game packets within the County.

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Wholesaler's license: A license issued by the County Gaming Office which permits a person to sell or wholesale for profit paper game packets in the County.

Section 1-103. License eligibility.

- (a) A person is not eligible to hold an annual Paper Gaming operator's license or a temporary Paper Gaming operator's license if the person:
 - (1) Has been convicted of a misdemeanor involving any gambling or gaming law of any State, or a felony;
 - (2) Owes taxes to the State, County, or a municipal corporation in the County;
 - (3) Holds a Wholesaler's License; or
 - (4) Has had a Paper Gaming operator's license or wholesaler's license revoked.
- (b) The following persons, if otherwise eligible, may be issued an annual Paper Gaming License:
 - (1) A qualified organization holding an alcoholic beverage license;
 - (2) A for-profit business holding a Class "A", "C", or "D" retail alcoholic beverage license allowing on-premises consumption;
 - (3) A volunteer fire company; a volunteer rescue company, or a qualified organization not possessing an alcoholic beverage license may engage in Paper Gaming without a license.
- (c) A temporary Paper Gaming operator's license may be issued to a qualified organization holding a permanent or temporary alcoholic beverage license.
- (d) To be eligible for a Wholesaler's License, a person must satisfy the following requirements:
 - (1) Must have an office in Allegany County, or must designate a responsible person over the age of 21 who actually resides in Allegany County as its resident agent;
 - (2) Not have been convicted of a misdemeanor involving any gambling or gaming law of any State or a felony;
 - (3) Be of good moral character;

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- (4) Must not hold a Paper Gaming Operator's License, own an interest in an entity that holds a Paper Gaming Operator's License, or be an immediate family member of a person who holds a Paper Gaming Operator's License or owns an interest in an entity that holds a Paper Gaming Operator's License;
- (5) Not owe taxes to the State, County, or municipal corporation in the County;
- (6) Not have had a Paper Gaming Operator's License or a Wholesaler's License revoked;
- (7) Not be a corporation, limited liability company, or unincorporated association 50% of whose stock holders or members are holders of Paper Gaming Licenses.

Section 1-104. Licensing procedure.

- (a) To obtain a Wholesaler's License, annual Paper Gaming Operator's License, or a temporary Paper Gaming Operator's License, a person must:
 - (1) Submit to the Gaming Office a license application on a form prescribed by the Gaming Office and pay the appropriate license issuance fee;
 - (2) Demonstrate satisfaction of license eligibility requirements by providing copies of an Internal Revenue Service determination letter; alcoholic beverages license; personal property tax returns; certificates of good standing; corporate or other charters; and/or such other documents as the Gaming Office may reasonably require;
 - (3) Execute an affidavit to establish the absence of a disqualifying criminal record;
 - (4) In the case of an application for Wholesaler's License only, submit a surety bond as required by Section 1-107 ; and
 - (5) In the case of an individual applicant, submit to fingerprinting; in the case of a partnership applicant, cause the general partners to be fingerprinted; in the case of all other applicants, cause the officers or the applicant to be fingerprinted; and in addition, cause such other individuals as the Gaming Office may require who are involved in the operation of a Paper Game to be fingerprinted. (All fingerprinting shall be at the discretion and under the supervision of the Gaming Office).

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(b) The Gaming Office shall review the application and grant or deny the applicable license.

(1) In reviewing the application and supporting documents, the Gaming Office shall determine if the applicant meets the requirements of the statute, the County Code, and these Regulations, and may obtain a criminal records check from the Criminal Justice Information System Central Repository of the State Department of Public Safety and Correction Services, as well as refer the application to the Sheriff of Allegany County for a criminal background investigation.

(2) The application, its supporting documents, and the documents produced and received by the Gaming Office in processing the application are matters of public record.

(c) Licenses are not transferable.

(d) Applications for renewal of annual Paper Gaming Operator's Licenses and Wholesaler's Licenses must be submitted to the Gaming Office no later than May 31 immediately following the effective date of the outstanding license.

(e) A temporary Paper Gaming Operator's License may be issued for a period not to exceed three (3) days. No more than four (4) licenses or permits, as the case may be, may be issued to an applicant during the twelve-month period from July 1 through June 30, except upon a showing by the applicant of special circumstances which shall be determined by the Gaming Office.

(f) There shall be no fee for an annual Paper Gaming Operator's License.

(g) The annual fee for a Wholesaler's License shall be one thousand dollars (\$1,000.00). Provided, however, that any license issued after January 1 of a fiscal year shall be \$750.00. (Licenses issued for fiscal year 2003/2004 only, shall be \$600.00.)

(h) There shall be no fee for a temporary Paper Gaming Operator's License.

(i) License fees are not refundable after a license has been issued.

(j) The Paper Gaming Operator's License must be prominently displayed upon the premises of the licensee of the licensee with the Liquor License at all times.

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Section 1-105. Paper Game operations.

- (a) Except for volunteer fire companies, volunteer rescue companies, and qualified organizations not possessing an alcoholic beverage license, no person may operate a Paper Game in the County unless that person holds a current Paper Gaming Operator's License (either annual or temporary) issued to that person by the Gaming Office.
- (b) A holder of an annual Paper Gaming Operator's License may only operate a Paper Game if the operation is on the premises of the holder during normal business hours.
- (c) No person may own or possess a Paper Game, Paper Game packet, or a seal card to which a gaming sticker has not been affixed.
- (d) No person may purchase a Paper Game or Paper Game packet which does not have a gaming sticker affixed to it.
- (e) No person may purchase a Paper Game or a Paper Game packet except from a holder of a current Wholesaler's License issued by the Gaming Office.
- (f) The holder of an annual Paper Gaming Operator's License or a temporary Paper Gaming Operator's License may award prizes in cash or merchandise.
 - (1) The total amount of any prize awarded shall be equal to the amount of the payout stated or prescribed for the Paper Game by its manufacturer.
- (g) An operator shall pay the following Paper Gaming tax:
 - (1) An operator shall pay a tax on the gross profits on the proceeds derived from the sale of the Paper Gaming packet which tax shall be paid to the wholesaler at the time of purchase of the Paper Gaming packet.
 - (2) An operator who is a for-profit business shall pay a tax of 40%.
 - (3) An operator who is a qualified organization shall pay a tax of 10%.
- (h) For all purposes under these Regulations, including calculation of gross profits, the value of merchandise awarded as a prize shall be the actual cost of the merchandise to the Paper Gaming licensee.
- (i) Volunteer fire companies, volunteer rescue companies, and qualified organizations not possessing an Alcoholic Beverage License, are exempt from the provisions of subsection (c), (d) and (e) of this Section.

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Section 1-106. Wholesalers' operations.

- (a) No person may sell or wholesale for profit a Paper Gaming packet in the County unless that person holds a current Wholesaler's License issued to that person by the Gaming Office.
- (b) No person to whom a Wholesaler's License has been issued may hold a Paper Gaming Operator's License (annual or temporary).
- (c) A holder of a wholesaler's license may not sell or distribute a Paper Gaming device or a Paper Gaming packet to any person who does not hold a current Paper Gaming Operator's License (annual or temporary), or a person or entity that is exempt from the licensing requirement by statute, County Code, or these Regulations.
- (d) A holder of a Wholesaler's License may not sell any paper gaming device or packet except for cash on delivery.
- (e) Before selling a Paper Gaming packet, a holder of a Wholesaler's License shall obtain a two-part gaming sticker from the Gaming Office and affix the gaming sticker to the Paper Game packet and corresponding seal card. The gaming sticker is a two-part bar-coded label; Part A must be affixed to the Paper Game packet, and Part B must be affixed to the corresponding seal card for that packet. The seal card shall also be imprinted with the manufacturer's serial number for its corresponding Paper Game packet before the Paper Game packet is sold by the holder of a Wholesaler's License.
- (f) Before distributing a replacement seal card for use with a Paper Game packet original seal card which has become defective, the holder of a Wholesaler's License shall obtain a single replacement gaming sticker from the Gaming Office and affix the gaming sticker to the replacement seal card.
- (g) The holder of a Wholesaler's License shall pay to the Gaming Office a fee for each gaming sticker as follows:
 - (1) One dollar (\$1.00) per two-part gaming sticker (Bar Code Gaming Label "A" and Bar Code Gaming Label "B").
 - (2) Fifty cents (\$0.50) per single replacement gaming sticker (Gaming Label "C").
- (h) A holder of a Wholesalers' License may sell a Paper Gaming Packet which does not meet the requirements of subsection (e) of this Section to a volunteer fire company, volunteer rescue company, or a qualified organization, not possessing an Alcoholic Beverage License.

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Section 1-107. Bonding requirement for wholesaler licensees.

- (a) As a condition for obtaining a Wholesaler's License, an applicant shall be required to post a bond on a form prescribed by the Gaming Office to assure the faithful performance by the holder of a Wholesaler's License of all financial obligations of the holder to the Board.
- (b) The principal amount of the bond shall be determined by the Gaming Office but shall not be less than ten thousand dollars (\$10,000.00).

Section 1-108. Gaming procedures.

- (a) A Paper Gaming packet with an illegible serial number or other defect shall be returned to the Wholesaler Licensee and accounted for on the wholesaler licensee's reports. Tips from such a Paper Gaming packet shall not be sold.
- (b) Before a Paper Gaming packet is offered for sale to customers, the Paper Gaming operator shall record the gaming sticker number, the serial number of the Paper Gaming packet, and the gross profits of the Paper Game.
- (c) The seal card shall be displayed prominently with its corresponding Paper Gaming packet during the sale of the Paper Gaming packet. The seal card shall be imprinted with the manufacturer prescribed payout for the Paper Game and shall show the serial number of the Paper Gaming packet. After the complete sale of each Paper Gaming packet, the seal card shall be retained pursuant to these Regulations and the County Code.
- (d) All miscellaneous games must be entered on the Paper Gaming licensee's log showing the serial number, sticker number, gross receipts, and the value of any merchandise (non-cash) prizes.
- (e) The operation of Paper Games which include "dummy" or "loser tickets" is prohibited.
- (f) Only merchandise (non-cash) prizes may be awarded for punchboards and tip boards (tear strips) having a gross profit of less than fifty dollars (\$50.00). Invoices or sales receipts for merchandise (non-cash) prizes shall be retained by the paper gaming license operator and shall be determinative of the value of such prizes.
- (g) All Paper Gaming packets and related material located on the premises of the holder of a Paper Gaming Operator's License or otherwise in the possession of a Paper Gaming licensee shall be made available for inspection by the Gaming Office or its Inspectors upon request.

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Section 1-109. Wholesaler reporting and deposit requirements.

(a) Each holder of a Wholesaler's License shall submit to the Gaming Office no later than the 15th day of each month on a computer disk format or other permitted electronic means prescribed by the Gaming Office, the following information for each Paper Gaming packet sold to a holder of a Paper Gaming Operator's License during the preceding month:

- (1) Wholesaler licensee's name;
- (2) Paper Gaming licensee's name;
- (3) Gaming sticker number;
- (4) Serial number of the Paper Gaming packet;
- (5) Name of manufacturer of the Paper Gaming packet; and
- (6) Gross profits of the Paper Game.

(b) At the time of sale of each Paper Gaming packet, a wholesaler shall collect from the Paper Gaming Operator and deposit with the Gaming Office, the Paper Gaming tax prescribed in subsection (g) of Section 1-105.

(c)

- (1) Each holder of a wholesaler's license shall deposit with the Gaming Office on the fifteenth day of each month the total collections received from tip jar licensees under subsection (b) of this Section during the period commencing on the first day of the month and ending on the fourteenth day of the month.
- (2) Each holder of a wholesaler's license shall deposit with the Gaming Office on the first day of each month the total collections received from tip jar licensees under subsection (b) of this Section during the period commencing on the fifteenth day of the preceding month and ending on the last day of the preceding month.
- (3) If the date on which a deposit is required to be made with the Gaming Office under subsections (c)(1) and (c)(2) is a Saturday, Sunday, or a holiday observed by the closing of the Gaming Office, then the deposit shall be made on the next business day when the Gaming Office is open.
- (4) A Wholesaler shall pay a penalty of ten percent of any deposit which is late or \$50.00, whichever is the higher amount.
- (5) Late deposit of collections with the Gaming Office may be grounds for suspension or revocation of the Wholesaler's License.

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(d) All reports required by these Regulations to be submitted to the Gaming Office by a holder of a Wholesaler's License shall be on a computer disk in a format to be determined by the Gaming Office from time to time.

(e) Before selling or distributing a Paper Gaming packet in the County, a holder of a Wholesaler's License shall submit to the Gaming Office (i) a copy of the flare or insert relating to the Paper Gaming packet which has been prepared by the manufacturer of the Paper Gaming packet or (ii) where no flare or insert has been prepared by the manufacturer of the Paper Gaming packet, a written statement prepared by the wholesaler containing the following information about the Paper Gaming packet: (i) a description of game; (ii) number of cards and cost of each card; (iii) payout scale; (iv) gross profit; and (v) suggested bonus award where applicable;

(f) All financial and other records of each holder of a Wholesaler's License shall be retained by the licensee for five (5) years.

(g) Each holder of a Wholesaler's License shall make available upon request by the Gaming Office for inspection and/or audit by the Gaming Office or its agent, inspectors, or auditor all of the licensee's financial and other records relating to the sale or wholesale for profit of Paper Gaming packets in the County.

Section 1-110. Paper Gaming operator reporting requirements.

(a) Each holder of an annual Paper Gaming Operator's License shall submit a monthly report to the Gaming Office, no later than the end of the month following the report month, on forms or a computer disk or other electronic means prescribed by the Gaming Office, the following information for each Paper Game operated by the holder of the annual Paper Gaming Operator's License:

- (1) Serial number of the gaming stickers affixed to the Paper Gaming packet;
- (2) Serial number of the Paper Gaming packet;
- (3) Description of the Paper Game;
- (4) Gross profits from the operation of the Paper Game;
- (5) Date on which the Paper Game began;
- (6) Date on which the Paper Game ended; and
- (7) Paper Game winning number.

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(b) Each holder of a temporary Paper Gaming Operator's License shall submit to the Gaming Office no later than ten (10) business days after the date of expiration of each license on forms or a computer "disk format prescribed by the Gaming Office the following information, applicable, for each paper game operated by the holder of the temporary paper gaming operator's license during the period of the license and for each paper game packet in the possession of the license holder at the expiration of license which had not been operated or from which games had not been offered for sale ("Temporary License Report"):

- (1) Serial number of the gaming stickers affixed to the Paper Gaming packet;
- (2) Serial number of the Paper Gaming packet;
- (3) Description of the Paper Game;
- (4) Gross profits from the operation of the Paper Game;
- (5) Date on which the Paper Game began;
- (6) Date on which the Paper Game ended; and
- (7) Paper Game winning numbers.

In addition, the original temporary license shall be returned to the Gaming Office with the Temporary License Report.

(c) In addition to the information required to be reported under subsections (a) and (b) above, if a merchandise prize is awarded for a paper game, the merchandise prize shall be identified by description and value of the merchandise prize in the miscellaneous or comment column of the reporting form. (The value of merchandise prizes shall be the cost of the merchandise prize(s) to the paper gaming operator licensee.)

(d) All reports required by these Regulations to be submitted to the Gaming Office by a holder of an Operator's License shall be on a computer disk in a format to be determined by the Gaming Office from time to time.

(e) Any punchboards, tip boards or tear strips with a gross profit less than fifty dollars (\$50.00) must be reported with N/A in the gross profit column of the reporting form.

(f) Each holder of a Paper Gaming Operator's License (annual or temporary) shall make available upon request by the Gaming Office for inspection and/or audit by the Gaming Office or its agent, inspectors, or auditor all of the licensee's financial and other records relating to the operation of a paper game by the licensee.

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(g) All financial and other records of each holder of a Paper Gaming Operator's License (annual or temporary), except seal cards, shall be retained by the licensee for five (5) years. Every seal card shall be retained by the licensee until the expiration of six (6) months following the last day of the month in which the paper gaming operator submits the Monthly Report (see Section 1-110 (a)) or the Temporary License Report (see Section

1-110 (b)) in which the paper game to which the seal card relates is reported as having been operated.

(h) The Gaming Office shall send an Inspector to inspect periodically the premises of holders of Paper Gaming Operator's Licenses (annual or temporary) to ensure compliance with the County Code and these Regulations.

(i) All reports submitted under this section shall include a written statement signed by the individual making the report in which the individual solemnly affirms under the penalties of the County Code and these Regulations and under the penalty of perjury that the contents of the report are true to the best of the individual's knowledge, information, and belief.

Section 1-111. Payment. All payments called for herein, whether to the County or to the County Gaming Office shall be made to the Allegany County Tax and Utility Office.

Section 1-112. Allegany County Gaming Fund.

(a) An Allegany County Gaming Fund is established.

(b) Deposits that are to be made by holders of wholesaler's licenses pursuant to Section 1-109 shall be made to the credit of the Fund.

(c) The Fund shall consist of:

(1) Revenue derived from the taxation of Paper Gaming; and

(2) Subject to subparagraph (d) of this section, money received from other sources.

(d) Money received from the General Fund of the State or County, including any Federal money may not be transferred by budget amendment or otherwise to the Fund.

(e) The Fund shall be invested and reinvested in the same manner as other County funds.

(f) Annually, the Board of County Commissioners shall:

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- (1) Pay from the fund all administrative costs of the Gaming Office, including salaries and benefits for the Gaming Office staff; and
- (2) Allocate the remaining money in the fund as follows:
 - a. The Board of County Commissioners, annually by Resolution, shall appropriate at least 25%, but not more than 35% of the Fund to fire and rescue departments; and
 - b. The Balance of the Fund shall be allocated to pay for school construction, school supplies, and other non-maintenance of effort public school costs.

Section 1-113. Enforcement and Penalties.

(a) Licensing.

- (1) If the Gaming Office makes a preliminary determination that an applicant for a license will not be granted a license, the applicant shall first be given an opportunity for a hearing as provided for herein.
- (2) If the applicant does not submit to the Gaming Office a written request for a hearing within fifteen (15) days after receipt of notice of the preliminary determination, the application for license shall be denied and no license shall be issued.
- (3) If a hearing is requested by an applicant, the hearing shall be conducted by the a hearing officer who shall be chosen from a group of one or more persons who shall be regularly appointed by the Board of County Commissioners.
- (4) An applicant for a license shall have the burden of proving by clear and convincing evidence that the applicant is eligible for and entitled to a license.
- (5) If an applicant is denied a license by the Gaming Office and no hearing on the denial is held, fifty percent (50%) of the license fee which was paid at the time of the filing of the application shall be refunded to the applicant. If a hearing is held on the denial of a license, no part of the license fee shall be refunded.

(b) Violations.

- (1) Civil Infraction: It shall be a civil infraction pursuant to Article 25B, Sec. 13c of the Annotated Code of Maryland, for any person, corporation, association, or organization to violate any provisions of Chapter 132 of the County Code or these Regulations.

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(2) The Inspectors are hereby authorized to cite any violator of Chapter 132 or these Regulations with a civil citation.

(c) Penalties.

(1) The following penalties may be imposed for any civil infraction:

- a. For a first offense, a civil fine not exceeding \$500.
- b. For a subsequent offense, a civil fine not exceeding \$1,000.

(2) The fines herein imposed are in addition to any administrative penalties which may be imposed by the Gaming Office, including suspension or revocation of a license.

(d) Misdemeanor. Any person, corporation, association, or organization selling, distributing, or possessing Paper Gaming devices without a license in violation of the County Code or these Regulations, shall be guilty of a misdemeanor, which shall be punishable by a term of imprisonment not exceeding 30 days or a fine not exceeding \$1,000 or both.

Section 1-114. Suspension or Revocation of License.

Any licensee may have its license suspended or revoked if after a hearing, as provided for herein, it is determined that the licensee or its agent has violated Chapter 132 of the County Code or these Regulations.

(a) Procedure.

- (1) If after investigation, the Gaming Office believes that suspension or revocation of a license is appropriate, the licensee shall be cited by the Gaming Office for specific violation of the County Code or these Regulations, and shall be given a hearing as provided for herein.
- (2) The Gaming Office shall give a licensee written notice of the alleged violation and the right to a hearing if requested within fifteen (15) days.
- (3) If the licensee does not submit to the Gaming Office a written request for a hearing to contest the alleged gaming law violations or the proposed penalty within fifteen (15) days of receiving the Gaming Office notice, the citation

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shall be sustained and the finding of violations and the proposed administrative penalties shall become final.

- (4) If a timely written request for a hearing is made by the licensee, a hearing shall be held within sixty (60) days after receipt of the licensee's request before a hearing officer who shall be selected in the same manner as provided for in Section 1-113(a)(3) of these Regulations.
- (5) The Gaming Office shall have the burden of proving violations by a preponderance of the evidence.
- (6) The determination of the hearing officer is a final decision for purposes of judicial review of a final decision in a contested case under the Administrative Procedures Act.
- (7) Judicial review of disputed issues of the facts shall be confined to the record for judicial review.
- (8) The following administrative penalties may be imposed for violations of the County Code or these Regulations:
 - a. For a first offense, denial or suspension of the persons license.
 - b. For a subsequent offense, revocation of the persons license.
 - c. The license may be denied, suspended, or revoked if an applicant makes materially false statement on or fraudulently completes or submits a license application or any other document submitted to the Gaming Office related to Paper Gaming operations, or provides false, fraudulent, or misleading information to an Inspector or during a disciplinary proceeding.
 - d. Any administrative penalty imposed herein may be in addition to any civil penalties or criminal sanctions otherwise permitted by statute, County Code or these Regulations.

(b) Action by Gaming Office.

- (1) In addition to the penalties set forth above for a subsequent offense,, if the licensee also has a liquor license, the Gaming Office may recommend to the Board of License Commissioners for Allegany County that the licensee's liquor license be suspended for not less than fifteen (15) days.

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- (2) If applicable, the Gaming Office shall notify the Board of License Commissioners of the County of a violation of statute, County Code, or these Regulations for the Board of License Commissioners' consideration under Article 2B, Section 12-201 of the Annotated Code of Maryland.
- (c) Fines or penalties collected under this subsection shall be credited to the general fund of the County.
- (d) A person whose Paper Gaming Operator's License or Wholesaler's License is revoked, may not be issued another Paper Gaming Operator's License or Wholesaler's License in the County.

Section 1-115. Effective dates.

These Regulations shall be effective immediately upon their passage by the Board of County Commissioners.

ADOPTED BY THE BOARD OF COUNTY COMMISSIONERS AT THEIR PUBLIC MEETING ON OCTOBER 9, 2003.

AMENDED BY THE BOARD OF COUNTY COMMISSIONERS AT THEIR PUBLIC MEETING ON NOVEMBER 21, 2003.

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AMENDMENT
to
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Section 1-105. Paper Game operations.

(i) Volunteer fire companies, volunteer rescue companies, and qualified organizations not possessing an Alcoholic Beverage License, are exempt from the provisions of subsection (c), (d) and (e) of this Section.

Section 1-106. Wholesalers' operations.

(h) A holder of a Wholesalers' License may sell a Paper Gaming Packet which does not meet the requirements of subsection (e) of this Section to a volunteer fire company, volunteer rescue company, or a qualified organization, not possessing an Alcoholic Beverage License.

**ADOPTED BY THE BOARD OF COUNTY COMMISSIONERS AT THE PUBLIC
MEETING ON NOVEMBER 21, 2003.**