Unofficial Copy HB1361/425864/1

BY: Committee on Ways and Means

AMENDMENTS TO HOUSE BILL NO. 1361

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike "and Malone" and substitute "Malone, and G. Clagett"; in line 2, strike "Educational Facility Construction and Renovation" and substitute "Education Trust Fund"; strike beginning with "requiring" in line 6 down through "Commission" in line 8 and substitute "altering a certain geographic cost of education index grant that reflects regional differences in the cost of education that are due to factors outside the control of local jurisdictions to be a mandatory education funding requirement; requiring the State Racing Commission to award at least a certain number of racing days to a certain racecourse in each calendar year; requiring the Secretary of Health and Mental Hygiene to establish certain regional centers for services to compulsive gamblers; requiring the Secretary to conduct certain studies"; strike beginning with "requiring" in line 10 down through "Commission;" in line 11; in line 22, strike "authorizing" and substitute "requiring"; and in line 26, strike "State Lottery" and substitute "Video Lottery Facility Location".

On page 2, in line 2, strike "Lottery" and substitute "Racing"; strike beginning with "requiring" in line 3 down through "circumstances;" in line 5; in line 9, after "Affairs;" insert "providing that the Video Lottery Facility Location Commission may reissue a video lottery operation license under certain circumstances;"; in lines 43 and 44 and line 45, in each instance, strike "Maryland Educational Facility Construction and Renovation" and substitute "Education Trust"; and in line 46, after "purpose;" insert "requiring the Interagency Committee on School Construction to establish priorities in a certain manner for projects to be funded by the Education Trust Fund;".

On page 3, in line 19, after "the" insert "<u>State Lottery</u>"; in line 21, after "date;" insert "<u>prohibiting a licensee for a certain period of time from employing, or entering into a financial relationship with, an individual who was a member of the State Lottery Commission or the Video <u>Lottery Facility Location Commission</u>;"; strike beginning with "requiring" in line 21 down through</u>

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"date;" in line 22 and substitute "requiring the State Lottery Agency to conduct certain market analyses and submit certain reports; requiring the Governor to include certain funds in the State budget for a certain fiscal year for a certain analysis;"; and after line 29, insert:

"BY repealing and reenacting, with amendments,

Article - Education

Section 5-202(f)

Annotated Code of Maryland

(2004 Replacement Volume and 2004 Supplement)".

On page 4, in line 9, strike "9-1A-35" and substitute "9-1A-36".

AMENDMENT NO. 2

On page 4, after line 35, insert:

"Article - Education

<u>5-202.</u>

- (f) (1) In this subsection, "GCEI adjustment" means the foundation program for each county multiplied by:
 - (i) 0.000 in Allegany;
 - (ii) 0.018 in Anne Arundel;
 - (iii) 0.042 in Baltimore City;
 - (iv) 0.008 in Baltimore;
 - (v) 0.021 in Calvert;
 - (vi) 0.000 in Caroline;

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| (vii) | 0.014 in Carroll; |
|----------------|---------------------------|
| (viii) | 0.000 in Cecil; |
| <u>(ix)</u> | 0.020 in Charles; |
| <u>(x)</u> | 0.000 in Dorchester; |
| <u>(xi)</u> | 0.024 in Frederick; |
| (xii) | 0.000 in Garrett; |
| (<u>xiii)</u> | 0.000 in Harford; |
| (xiv) | 0.015 in Howard; |
| <u>(xv)</u> | 0.010 in Kent; |
| (xvi) | 0.034 in Montgomery; |
| (xvii) | 0.048 in Prince George's; |
| (xviii) | 0.011 in Queen Anne's; |
| (xix) | 0.002 in St. Mary's; |
| <u>(xx)</u> | 0.000 in Somerset; |
| (xxi) | 0.000 in Talbot; |
| (xxii) | 0.000 in Washington; |

(xxiii) 0.000 in Wicomico; and

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(xxiv) 0.000 in Worcester.

- (2) [To the extent funds are provided in the State budget for the grants under this subsection, in] IN addition to the State share of the foundation program, each county board [may] SHALL receive a grant to reflect regional differences in the cost of education that are due to factors outside of the control of the local jurisdiction.
- (3) [Subject to paragraph (4) of this subsection, the] THE amount of the grant to each county board under this subsection shall equal the GCEI adjustment for the county board multiplied times:
 - (i) 0.50 in fiscal year [2006] 2007;
 - (ii) 0.62 in fiscal year [2007] 2008;
 - (iii) 0.74 in fiscal year [2008] 2009;
 - (iv) 0.86 in fiscal year [2009] 2010; and
 - (v) 1.00 in fiscal year [2010] 2011 and each fiscal year thereafter.
- [(4) For any fiscal year, if sufficient funds are not provided in the State budget to fully fund the grants provided under this subsection, the grant to each county board under this subsection shall equal the amount determined under paragraph (3) of this subsection multiplied by a fraction:
- (i) The numerator of which is the amount provided in the State budget to fund the grants; and
- (ii) The denominator of which is the sum of the amounts calculated under paragraph (3) of this subsection for all the county boards.]".

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On page 6, in line 5, before "CENTERS" insert "<u>REGIONAL</u>"; and in lines 5 and 7, in each instance, after "gamblers" insert "<u>WHO RESIDE IN THE STATE</u>".

AMENDMENT NO. 4

On page 12, strike beginning with "CONFORMING" in line 20 down through "(II)" in line 22; and in lines 25, 27, and 30, strike "(III)", "(IV)", and "(V)", respectively, and substitute "(III)", "(III)", and "(IV)", respectively.

AMENDMENT NO. 5

On page 13, in line 14, strike "SECTION" and substitute "SUBTITLE, INCLUDING THE AUTHORITY PROVIDED TO THE COMMISSION UNDER THIS SUBTITLE,"; in line 20, after "(4)" insert "OTHER"; and strike beginning with "BY" in line 20 down through "ORGANIZATION" in line 22.

AMENDMENT NO. 6

On page 16, in line 6, strike "MAY" and substitute "SHALL"; and strike beginning with "IF" in line 10 down through "SUBSECTION," in line 11.

AMENDMENT NO. 7

On page 17, in line 7, after "THE" insert "<u>VIDEO LOTTERY FACILITY LOCATION</u>"; in the same line, after "COMMISSION" insert "<u>ESTABLISHED UNDER § 9-1A-36 OF THIS SUBTITLE</u>"; in line 15, strike "BUSINESS ENTITY" and substitute "<u>OWNER</u>"; in line 16, strike "THE" and substitute "<u>A</u>"; in the same line, after "ENTITY" insert a comma; and in line 18, after "ENTITY" insert "<u>AND, NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS SUBTITLE, INCLUDING A PERSON HAVING ANY OWNERSHIP INTEREST REGARDLESS OF THE PERCENTAGE OF OWNERSHIP INTEREST".</u>

AMENDMENT NO. 8

On page 18, in line 18, strike "IF THE COMMISSION ESTABLISHES A FEE FOR A LICENSE,".

AMENDMENT NO. 9

On page 24, in line 22, strike "THAT RECEIVE A SHARE OF THE PROCEEDS UNDER

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THIS SUBTITLE".

AMENDMENT NO. 10

On page 25, in line 2, after the first "THE" insert "CONSTRUCTION AND".

AMENDMENT NO. 11

On page 26, after line 19, insert:

- "(C) (1) THE VIDEO LOTTERY FACILITY LOCATION COMMISSION ESTABLISHED UNDER § 9-1A-36 OF THIS SUBTITLE MAY REISSUE A VIDEO LOTTERY OPERATION LICENSE THAT IS REVOKED OR SURRENDERED.
- (2) <u>IN REISSUING A VIDEO LOTTERY OPERATION LICENSE, THE VIDEO</u>
 <u>LOTTERY FACILITY LOCATION COMMISSION SHALL UTILIZE THE CRITERIA</u>
 OUTLINED IN THIS SUBTITLE.".

AMENDMENT NO. 12

On page 32, in line 15, strike "§ 9-1A-35" and substitute "§ 9-1A-36"; and in the same line, strike "8,500" and substitute "9,500".

AMENDMENT NO. 13

On page 32, in line 18, strike "3,000" and substitute "3,500".

AMENDMENT NO. 14

On page 36, in line 22, strike "IMPACT" and substitute "<u>DEVELOPMENT</u>"; and in line 30, strike "DEVELOPMENT" and substitute "<u>IMPACT</u>".

AMENDMENT NO. 15

On page 36, in line 15, after the second "A" insert "VIDEO LOTTERY"; in line 30, strike "5%" and substitute "3%"; and in line 31, after "FACILITIES" insert ", BASED ON THAT JURISDICTION'S PERCENTAGE OF OVERALL GROSS REVENUES FROM VIDEO LOTTERY TERMINALS".

AMENDMENT NO. 16

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On page 36, in line 21, strike "(I)"; in line 24, strike "AND"; and strike in their entirety lines 25 through 28, inclusive.

On page 37, after line 13, insert:

- "(D) OF THE AMOUNT SPECIFIED IN SUBSECTION (B)(2) OF THIS SECTION, AT LEAST 45% OF THE AMOUNT FOR BALTIMORE CITY SHALL BE UTILIZED FOR CAPITAL PROJECTS BENEFITTING ECONOMIC AND COMMUNITY DEVELOPMENT IN THE FOLLOWING MANNER:
- (1) AT LEAST 75% CONSISTENT WITH THE PARK HEIGHTS MASTER PLAN; AND
- (2) THE REMAINDER CONSISTENT WITH NEEDS IDENTIFIED BY THE BALTIMORE CITY DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT IN THE AREA LOCATED WITHIN 1 MILE OF PIMLICO RACE COURSE, BUT NOT WITHIN THE BOUNDARIES OF THE PARK HEIGHTS MASTER PLAN.".

AMENDMENT NO. 17

On page 37, in lines 3 and 4, strike "MARYLAND EDUCATIONAL FACILITY CONSTRUCTION AND RENOVATION" and substitute "EDUCATION TRUST"; and in line 12, strike "MARYLAND EDUCATIONAL FACILITY CONSTRUCTION AND RENOVATION" and substitute "EDUCATION".

On page 39, in line 30, strike "A" and substitute "AN"; in lines 30 and 31 and lines 33 and 34, in each instance, strike "MARYLAND EDUCATIONAL FACILITY CONSTRUCTION AND RENOVATION" and substitute "EDUCATION TRUST".

On page 40, in lines 1 and 2, 4 and 5, and 7 and 8, in each instance, strike "MARYLAND EDUCATIONAL FACILITY CONSTRUCTION AND RENOVATION" and substitute "EDUCATION TRUST".

AMENDMENT NO. 18

On page 37, in line 32, strike "A PERCENTAGE OF"; and strike beginning with the first

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"TO" in line 33 down through "YEAR" in line 36 and substitute "AS FOLLOWS:

- (1) 70% TO THE THOROUGHBRED INDUSTRY; AND
- (2) 30% TO THE STANDARDBRED INDUSTRY".

AMENDMENT NO. 19

On page 38, in line 1, strike "MILE".

AMENDMENT NO. 20

On page 39, in lines 4 and 5, 12, 16, and 20, in each instance, strike "MATCHING FUND"; in line 13, after "SHALL" insert ":

<u>(1)</u>";

in line 15, after "APPROVAL" insert "; AND

(2) EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, PROVIDE AND EXPEND A MATCHING FUND";

after line 15, insert:

- "(F) (1) OF THE AMOUNT PROVIDED FROM THE RACETRACK FACILITY RENEWAL ACCOUNT UNDER SUBSECTION (D)(1) OF THIS SECTION, \$1,000,000 SHALL BE PROVIDED ANNUALLY FOR 5 YEARS TO THE RACECOURSE AT TIMONIUM FOR RACETRACK FACILITY CAPITAL CONSTRUCTION AND IMPROVEMENTS.
- (2) A MATCHING FUND IS NOT REQUIRED FOR THE AMOUNT PROVIDED FOR THE RACECOURSE AT TIMONIUM UNDER PARAGRAPH (1) OF THIS SUBSECTION.";

in line 16, strike "(F)" and substitute " $\underline{(G)}$ "; in line 23, strike "(G)" and substitute " $\underline{(H)}$ "; and in line 27, strike "(H)" and substitute " $\underline{(I)}$ ".

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AMENDMENT NO. 21

On page 40, strike beginning with the second "FUND" in line 5 down through "EDUCATION" in line 6 and substitute ":

- (1) PROVIDE FUNDS TO CONSTRUCT PUBLIC SCHOOL BUILDINGS
 AND PROVIDE PUBLIC SCHOOL CAPITAL IMPROVEMENTS IN ACCORDANCE WITH §§
 5-301 THROUGH 5-303 OF THE EDUCATION ARTICLE; AND
- (2) PROVIDE FUNDING FOR REGIONAL DIFFERENCES IN THE COST OF EDUCATION UNDER § 5-202(F) OF THE EDUCATION ARTICLE.
- (D) IN ESTABLISHING PRIORITIES FOR THE FUNDING OF CONSTRUCTION AND RENOVATION NEEDS FOR PUBLIC SCHOOLS PROVIDED UNDER SUBSECTION (C)(1) OF THIS SECTION, THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION ESTABLISHED UNDER § 5-302 OF THE EDUCATION ARTICLE SHALL GIVE THE HIGHEST PRIORITY TO PROJECTS THAT ADDRESS PUBLIC SCHOOL FACILITY DEFICIENCIES IDENTIFIED IN THE 2004 FINAL REPORT OF THE TASK FORCE TO STUDY PUBLIC SCHOOL FACILITIES, PARTICULARLY DEFICIENCIES THAT AFFECT HEALTH AND SAFETY AND STUDENT ACHIEVEMENT";

and in line 7, strike "(D)" and substitute "(E)".

AMENDMENT NO. 22

On page 40, in line 21, strike "AT LEAST 50% OF"; and in line 23, strike "SHOULD" and substitute "SHALL".

AMENDMENT NO. 23

On page 42, in line 25, strike "\$400" and substitute "\$700".

AMENDMENT NO. 24

On page 43, after line 24, insert:

"<u>9-1A-35.</u>

FOR A PERIOD OF 1 YEAR AFTER THE INDIVIDUAL'S SERVICE ON THE STATE LOTTERY COMMISSION OR THE VIDEO LOTTERY FACILITY LOCATION COMMISSION ENDS, A LICENSEE MAY NOT EMPLOY, OR ENTER INTO A FINANCIAL RELATIONSHIP WITH, AN INDIVIDUAL WHO HAS BEEN A MEMBER OF THE STATE LOTTERY COMMISSION OR THE VIDEO LOTTERY FACILITY LOCATION COMMISSION.".

On page 44, in line 11, strike "9-1A-35." and substitute "9-1A-36.".

AMENDMENT NO. 25

On page 46, in line 8, strike "(1)"; in lines 12, 16, and 19, strike "(I)", "(III)", and "(IV)", respectively, and substitute "(1)", "(2)", and "(3)", respectively; and strike in their entirety lines 21 and 22.

AMENDMENT NO. 26

On page 46, in line 12, strike "3,000" and substitute "<u>3,500</u>"; and strike in their entirety lines 14 and 15.

AMENDMENT NO. 27

On page 46, in lines 16 and 19, in each instance, strike "2,000" and substitute "2,500".

AMENDMENT NO. 28

On page 46, after line 26, insert:

"(2) ALL INITIAL LICENSE FEES SUBMITTED UNDER THIS SUBTITLE SHALL ACCRUE TO THE EDUCATION TRUST FUND ESTABLISHED UNDER § 9-1A-30 OF THIS SUBTITLE.";

and in line 27, strike "(2)" and substitute "(3)".

AMENDMENT NO. 29

On page 46, in line 18, strike "OR"; and in line 20, after "95" insert "; OR

(4) A LOCATION WITH NOT MORE THAN 1,000 VIDEO LOTTERY

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TERMINALS ON STATE PROPERTY ASSOCIATED WITH THE ROCKY GAP LODGE AND GOLF RESORT IN ALLEGANY COUNTY".

AMENDMENT NO. 30

On page 46, in line 28, strike "\$18,000,000" and substitute "\$15,000,000".

AMENDMENT NO. 31

On page 47, in line 9, strike "AND"; and in line 11, after "LICENSE" insert ";

(VI) THE PERCENTAGE OF OWNERSHIP BY ENTITIES MEETING
THE DEFINITION OF MINORITY BUSINESS ENTERPRISE UNDER TITLE 14, SUBTITLE 3
OF THE STATE FINANCE AND PROCUREMENT ARTICLE; AND

(VII) THE EXTENT TO WHICH THE PROPOSED LOCATION WILL PRESERVE EXISTING MARYLAND JOBS AND THE NUMBER OF NET NEW JOBS TO BE CREATED".

AMENDMENT NO. 32

On page 47, in line 15, strike "THE NUMBER OF" and substitute "<u>THE ANTICIPATED</u> WAGES AND BENEFITS FOR".

On page 48, in line 14, strike "FIVE" and substitute "FOUR".

AMENDMENT NO. 33

On page 50, in line 16, strike "2" and substitute "<u>5</u>"; and in lines 17 and 19, in each instance, strike "fifth" and substitute "<u>fourth</u>".

AMENDMENT NO. 34

On page 50, after line 14, insert:

"SECTION 10. AND BE IT FURTHER ENACTED, That if a video lottery operation license is awarded to Laurel Park in Anne Arundel County, the local impact grant provided to Anne Arundel County under § 9-1A-27(b)(3) of the State Government Article of the Annotated Code of Maryland,

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as enacted by Section 1 of this Act, shall be distributed in the following manner:

- (a) 73% to Anne Arundel County;
- (b) 17% to Howard County; and
- (c) 10% to the City of Laurel.";

in lines 15, 23, and 29, strike "10.", "11.", and "12.", respectively, and substitute "<u>11.</u>", "<u>12.</u>", and "<u>13.</u>", respectively; in line 29, strike "10" and substitute "<u>11</u>"; and in line 30, strike "11" and substitute "<u>12</u>".