

# HOUSE BILL 1553

C7, C6

(9lr3350)

## ENROLLED BILL

—Ways and Means / Budget and Taxation—

Introduced by **Delegates Conway, Mathias, and Elmore**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
Speaker.

### CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Worcester County – Video Lottery Operations – ~~Horse Racing~~**

3 FOR the purpose of ~~altering the amounts that horse racing licensees must invest~~  
4 ~~annually in thoroughbred and standardbred racing facilities to be eligible for~~  
5 ~~funding from certain proceeds of video lottery terminals; requiring that a~~  
6 ~~certain employee hiring preference be followed for a video lottery facility in~~  
7 ~~Worcester County; repealing a requirement that the State Lottery Commission~~  
8 ~~deny a video lottery employee license to an applicant who is disqualified due to~~  
9 ~~a lack of certain expertise or training; altering certain responsibilities of a video~~  
10 ~~lottery operation licensee; repealing the requirement that the Mayor of the~~  
11 ~~Town of Ocean City participate in *providing for the appointment of certain*~~  
12 ~~*members of a certain development council; altering the appointment of a certain*~~  
13 ~~local development council; ~~requiring, instead of authorizing, the State to pay for~~~~  
14 ~~certain reasonable transportation costs; altering the manner in which a certain~~  
15 local impact grant is to be distributed under certain circumstances; and

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**EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics indicate opposite chamber / conference committee amendments.*



1 generally relating to video lottery operations ~~and horse racing~~ in Worcester  
2 County.

3 BY repealing and reenacting, with amendments,  
4 Article – State Government  
5 Section ~~9-1A-09(b)(5), 9-1A-10(a)(5), 9-1A-14(e), 9-1A-23(b),~~  
6 ~~9-1A-31(c)(3)(ii), and 9-1A-32(a)~~  
7 Annotated Code of Maryland  
8 (2004 Replacement Volume and 2008 Supplement)

9 BY repealing and reenacting, with amendments,  
10 Chapter 4 of the Acts of the General Assembly of the 2007 Special Session  
11 Section 8A

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article – State Government**

15 ~~9-1A-09.~~

16 ~~(b) As a condition of eligibility for funding under § 9-1A-29 of this subtitle, a~~  
17 ~~racing licensee shall:~~

18 ~~(5) develop and submit to the State Racing Commission a multiyear~~  
19 ~~plan to improve the quality and marketing of horse racing at racetrack locations~~  
20 ~~owned or operated by the racing licensee in Maryland, which shall include:~~

21 ~~(i) goals, indicators, and timelines for specific actions that will~~  
22 ~~be taken by the racing licensee to improve the quality and marketing of the horse~~  
23 ~~racing industry in Maryland; and~~

24 ~~(ii) a master plan for capital improvements that reflects, at a~~  
25 ~~minimum:~~

26 ~~1. commitments that have been made to the State~~  
27 ~~Racing Commission; and~~

28 ~~2. an ongoing ANNUAL investment in capital~~  
29 ~~maintenance and improvements in the horse racing facilities of at least [\$1,500,000~~  
30 ~~annually] \$1,000,000 FOR THOROUGHBRED RACING FACILITIES AND \$500,000~~  
31 ~~FOR STANDARD BRED RACING FACILITIES, which may include amounts provided as~~  
32 ~~a matching fund as required under § 9-1A-29(c)(2) of this subtitle; and~~

33 ~~9-1A-10.~~

1           ~~(a) (5) (I) Notwithstanding any collective bargaining agreement or~~  
2 ~~agreements, a licensee shall:~~

3                           ~~[(i)] 1. provide health insurance coverage for its employees;~~  
4 ~~and~~

5                           ~~[(ii)] 2. EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF~~  
6 ~~THIS PARAGRAPH, give a preference to hiring qualified employees from the~~  
7 ~~communities within 10 miles of the video lottery facility.~~

8                           ~~(II) FOR A VIDEO LOTTERY FACILITY IN WORCESTER~~  
9 ~~COUNTY, A PREFERENCE SHALL BE GIVEN TO HIRING QUALIFIED EMPLOYEES~~  
10 ~~FROM WORCESTER COUNTY OR WICOMICO COUNTY.~~

11 ~~9-1A-14.~~

12           ~~(e) The Commission shall deny a video lottery employee license to an~~  
13 ~~applicant who is disqualified due to:~~

14                           ~~(1) the applicant's failure to prove the applicant's good character,~~  
15 ~~honesty, and integrity;~~

16                           ~~(2) [the applicant's lack of expertise or training to be a video lottery~~  
17 ~~employee;~~

18                           ~~(3)] the applicant's conviction for any crime involving moral turpitude~~  
19 ~~or gambling under the laws of the United States or any state;~~

20                           ~~[(4)](3) the applicant's current prosecution for any crime involving~~  
21 ~~moral turpitude or gambling under the laws of the United States or any state, but, at~~  
22 ~~the request of the applicant, the Commission may defer a decision on the application~~  
23 ~~during the pendency of the charge;~~

24                           ~~[(5)](4) pursuit by the applicant of economic gain in an occupational~~  
25 ~~manner or context that is in violation of the laws of the State, if the pursuit creates a~~  
26 ~~reasonable belief that participation of the applicant in video lottery operations would~~  
27 ~~be inimical to the policies of this subtitle;~~

28                           ~~[(6)](5) identification of the applicant as a career offender or a~~  
29 ~~member of a career offender cartel or an associate of a career offender or career~~  
30 ~~offender cartel in a manner that creates a reasonable belief that the association is of a~~  
31 ~~nature as to be inimical to the policies of this subtitle;~~

32                           ~~[(7)](6) commission of an act by the applicant that would constitute~~  
33 ~~an offense described under item [(3)](2) of this subsection, even if the act has not been~~  
34 ~~or may not be prosecuted under the criminal laws of the State;~~

1 ~~[(8)] (7) willful defiance by the applicant or a person that is required~~  
 2 ~~to be qualified under this subtitle as a condition of a license of a legislative~~  
 3 ~~investigatory body or other official investigatory body of the United States or a~~  
 4 ~~jurisdiction within the United States when the body is engaged in the investigation of~~  
 5 ~~crimes relating to gambling, official corruption, or organized crime activity; and~~

6 ~~[(9)] (8) any other reason established in the regulations of the~~  
 7 ~~Commission as a reason for denying a license.~~

8 ~~9-1A-23.~~

9 (b) ~~A video lottery operation licensee shall be responsible for all [marketing,~~  
 10 ~~advertising, and promotion] **ADVERTISING** for its video lottery operation.~~

11 9-1A-31.

12 (c) (3) (ii) If the video lottery facility is at a racetrack location at the  
 13 Ocean Downs Race ~~Course,~~ **COURSE:**

14 **1.** the County Commissioners of Worcester County [and  
 15 the Mayor of the Town of Ocean City] shall [jointly] appoint the local development  
 16 council;

17 **2. THE SENATOR OR THE SENATOR'S DESIGNEE**  
 18 **SHALL SERVE AS A MEMBER OF THE LOCAL DEVELOPMENT COUNCIL; AND**

19 **3. THE DELEGATES OR THE DELEGATES' DESIGNEES**  
 20 **SHALL SERVE AS MEMBERS OF THE LOCAL DEVELOPMENT COUNCIL.**

21 ~~9-1A-32.~~

22 (a) ~~The State [may] **SHALL** pay for the reasonable transportation costs to:~~

23 ~~(1) mitigate the impact on the communities in the immediate~~  
 24 ~~proximity to the facility; and~~

25 ~~(2) make each video lottery facility accessible to the public.~~

#### 26 Chapter 4 of the Acts of the 2007 Special Session

27 SECTION 8A. AND BE IT FURTHER ENACTED, That, if a video lottery  
 28 operation license is awarded to Ocean Downs racetrack, the local impact grant  
 29 provided under § 9-1A-27(a)(3) of the State Government Article, as enacted by Section  
 30 1 of this Act, shall be distributed in the following manner:

- 1           (1)    [70%] **60%** to Worcester County;
- 2           (2)    20% to Ocean City; [and]
- 3           (3)    10% to the Town of Berlin; **AND**
- 4           (4)    **NOTWITHSTANDING § 9-1A-31 OF THE STATE GOVERNMENT**
- 5 **ARTICLE, 10% TO THE OCEAN PINES ASSOCIATION TO BE USED FOR A**
- 6 **SPECIFIED PUBLIC INFRASTRUCTURE PURPOSE.**

7           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect

8           October 1, 2009.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.