

**SB0864/909937/2**

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL 864  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “Instant Bingo –”; in the same line, after “Machines” insert “– Regulation”; in line 11, after “law;” insert “altering the definition of “slot machine” to include a certain machine, apparatus, or device regardless of the manner in which it delivers a game and to exclude certain skills-based amusement devices;”; in line 13, after “General,” insert “the State Lottery Commission,”; in lines 16, 20, and 24, in each instance, after “certain” insert “electronic”; in line 25, after “fees;” insert “altering the purpose of the Special Fund for Preservation of Cultural Arts in Maryland; requiring that the Fund be used to provide certain supplemental grants for operating and programmatic improvements that strengthen cultural arts organizations in certain ways; altering the process for transferring certain funds from the Fund; specifying that grants from the Fund are supplemental and may not take the place of certain funding for certain organizations; creating the Calvert County Youth Recreational Opportunities Fund; providing for the purpose, administration, type, contents, expenditures, and investments of the Fund; requiring that the Fund be used only for certain projects; specifying that certain money expended from the Fund is not intended to take the place of funding that otherwise would be appropriated for a certain purpose;”; in line 29, strike “Program Open Space” and substitute “the Calvert County Youth Recreational Opportunities Fund”; and in line 30, after “years;” insert “requiring that certain admissions and amusement taxes are to be determined on a certain basis; providing that certain admissions and amusement taxes may be determined on a certain basis;”.

On page 2, in line 5, after “provisions” insert “and requiring that the regulations include certain provisions; repealing certain obsolete provisions of law; making a certain technical correction”; in the same line, after “of” insert “electronic”; in line 9, strike “12-301(3)” and substitute “12-301(2) and (3)”; after line 16, insert:

(Over)

“BY repealing and reenacting, with amendments,  
Article - Economic Development  
Section 4-801  
Annotated Code of Maryland  
(2008 Volume and 2011 Supplement)

BY adding to  
Article - Natural Resources  
Section 5-1901 to be under the new subtitle “Subtitle 19. Calvert County Youth  
Recreational Opportunities Fund”  
Annotated Code of Maryland  
(2005 Replacement Volume and 2011 Supplement)”;

and in line 19, after “2-202” insert “, 4-102,”.

AMENDMENT NO. 2

On page 2, in line 26, after “**GENERAL,**” insert “**THE STATE LOTTERY COMMISSION,**”; in line 28, strike the brackets; and in the same line, strike “**ARTICLE**”.

On page 3, after line 6, insert:

“(2) “slot machine” includes:

(i) a machine, apparatus, or device described in item (1) of this section that also sells, delivers, or awards merchandise, money, or some other tangible thing of value; [and]

(ii) a pinball machine or console machine that pays off in merchandise; AND

(III) A MACHINE, APPARATUS, OR DEVICE DESCRIBED IN ITEM (1) OF THIS SECTION, REGARDLESS OF WHETHER THE MACHINE, APPARATUS, OR DEVICE DELIVERS A GAME THROUGH THE INTERNET OR OFFERS INTERNET OR OTHER SERVICES; AND;

and in line 28, strike “or”.

On page 4, in line 3, after “legislation” insert “; OR”

(VII) IS A SKILLS-BASED AMUSEMENT DEVICE THAT AWARDS PRIZES OF MINIMAL VALUE APPROVED BY THE STATE LOTTERY COMMISSION THROUGH REGULATION;

in line 10, strike “A” and substitute “AN ELECTRONIC”; in line 16, after “LAWFUL” insert “AND UNLAWFUL”; in line 19, after “LICENSE” insert “ELECTRONIC”; in line 22, after “OF” insert “ELECTRONIC”; and in line 30, after “FOR” insert “ELECTRONIC”.

On page 5, in line 2, strike the first “A” and substitute “AN ELECTRONIC”; in line 4, strike “A” and substitute “AN ELECTRONIC”; in line 6, strike “**JULY 1, 2012**” and substitute “JANUARY 1, 2013”; in the same line, strike “GAMBLING” and substitute “GAMING”; and after line 22, insert:

“Article – Economic Development

4–801.

(a) In this section, “Fund” means the Special Fund for Preservation of Cultural Arts in Maryland.

(Over)

- (b) There is a Special Fund for Preservation of Cultural Arts in Maryland.
- (c) The purpose of the Fund is to provide [emergency] SUPPLEMENTAL grants to cultural arts organizations[, including museums, or similar entities] in the State THAT QUALIFY FOR GENERAL OPERATING SUPPORT GRANTS FROM THE MARYLAND STATE ARTS COUNCIL.
- (d) The Secretary of Business and Economic Development shall administer the Fund.
- (e) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.
- (2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.
- (f) The Fund consists of:
- (1) revenue distributed to the Fund under [§ 2–202(1)(ii)] § 2-202(A)(1)(II) of the Tax – General Article; and
- (2) any other money from any other source accepted for the benefit of the Fund.
- (g) [(1) Subject to paragraph (2) of this subsection, the Fund may be used only for preventing the closure, termination, or financial distress of] THE FUND SHALL BE USED TO PROVIDE SUPPLEMENTAL GRANTS FOR OPERATING AND PROGRAMMATIC IMPROVEMENTS THAT STRENGTHEN THE ORGANIZATIONAL CAPACITY AND FINANCIAL STABILITY OF cultural arts organizations[, including

museums, or similar entities] in the State THAT QUALIFY FOR GENERAL OPERATING SUPPORT GRANTS FROM THE MARYLAND STATE ARTS COUNCIL.

[(2) For fiscal year 2011:

(i) \$450,000 from the Fund shall be used to provide a grant to the Baltimore Symphony Orchestra; and

(ii) \$50,000 from the Fund shall be used to provide a grant to the National Philharmonic.]

(h) (1) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(2) Any investment earnings of the Fund shall be credited to the General Fund of the State.

(i) For each appropriation to the Fund, the Governor may:

(1) include the funds in the State budget subject to appropriation by the General Assembly; or

(2) transfer the funds by budget amendment from the Fund to the expenditure account of the [Department of Business and Economic Development only after the proposed budget amendment has been:

(i) submitted to the Senate Budget and Taxation Committee and the House Appropriations Committee of the General Assembly; and

(ii) approved by the Legislative Policy Committee] MARYLAND STATE ARTS COUNCIL.

(Over)

(j) [Money expended] SUPPLEMENTAL GRANTS MADE from the Fund [for cultural arts organizations, including museums, or other similar entities is] ARE supplemental to and [is not intended to] MAY NOT take the place of funding that otherwise would be appropriated for [those] QUALIFYING organizations [or similar entities].

Article – Natural Resources

SUBTITLE 19. CALVERT COUNTY YOUTH RECREATIONAL OPPORTUNITIES FUND.

5-1901.

(A) IN THIS SECTION, “FUND” MEANS THE CALVERT COUNTY YOUTH RECREATIONAL OPPORTUNITIES FUND.

(B) THERE IS A CALVERT COUNTY YOUTH RECREATIONAL OPPORTUNITIES FUND.

(C) THE PURPOSE OF THE FUND IS TO INCREASE YOUTH RECREATIONAL OPPORTUNITIES IN CALVERT COUNTY.

(D) THE SECRETARY SHALL ADMINISTER THE FUND.

(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

**(F) THE FUND CONSISTS OF:**

**(1) REVENUE DISTRIBUTED TO THE FUND UNDER § 2-202(B)(1)(II) OF THE TAX – GENERAL ARTICLE;**

**(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**  
**AND**

**(3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.**

**(G) THE FUND MAY BE USED ONLY FOR PROJECTS THAT ARE APPROVED BY THE SECRETARY TO ADVANCE YOUTH RECREATIONAL OPPORTUNITIES IN CALVERT COUNTY AND THAT RECEIVE CONTRIBUTIONS FROM THE COUNTY FOR THE PROJECTS.**

**(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

**(2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE CREDITED TO THE GENERAL FUND OF THE STATE.**

**(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.**

**(J) MONEY EXPENDED FROM THE FUND FOR YOUTH RECREATIONAL OPPORTUNITIES IN CALVERT COUNTY IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE**

(Over)

APPROPRIATED FOR YOUTH RECREATIONAL OPPORTUNITIES IN CALVERT COUNTY.

AMENDMENT NO. 3

On page 5, in line 27, strike the brackets; in the same line, strike “SUBSECTIONS”; and in the same line, strike “AND (C)”.

On page 6, strike beginning with “PROGRAM” in line 19 down through “9” in line 20 and substitute “THE CALVERT COUNTY YOUTH RECREATIONAL OPPORTUNITIES FUND UNDER TITLE 5, SUBTITLE 19”; in line 21, strike “LOCAL OPEN SPACE”; in line 22, strike “THE DEPARTMENT OF”; in line 23, strike “AND”; after line 23, insert:

**“(2) FOR FISCAL YEARS 2014 THROUGH 2016, FROM:**

**(I) THE REVENUE ATTRIBUTABLE TO A TAX RATE OF 1.5%:**

**1. \$100,000 TO THE BOYS AND GIRLS CLUB OF THE TOWN OF NORTH BEACH; AND**

**2. THE REMAINDER TO THE TOWN OF NORTH BEACH;**

**(II) THE REVENUE ATTRIBUTABLE TO A TAX RATE OF 2.5% TO THE TOWN OF CHESAPEAKE BEACH; AND**

**(III) THE REVENUE ATTRIBUTABLE TO A TAX RATE OF 4% TO THE CALVERT COUNTY YOUTH RECREATIONAL OPPORTUNITIES FUND UNDER TITLE 5, SUBTITLE 19 OF THE NATURAL RESOURCES ARTICLE; AND”;**

in line 24, strike “(2)” and substitute “(3)”; in the same line, strike “2014” and substitute “2017”; in the same line, after “THEREAFTER” insert “, FROM”; in line 25, strike “FROM”; in line 26, strike “3%” and substitute “1.5%”; and in line 30, strike “AND”.

On page 7, in line 1, strike “5%” and substitute “2.5%”; in line 2, after “BEACH” insert “; AND

**(III) THE REVENUE ATTRIBUTABLE TO A TAX RATE OF 4% TO THE CALVERT COUNTY BOARD OF EDUCATION FOR SCHOOL RENOVATION AND RENEWAL PROJECTS THAT MAY NOT BE USED TO SUPPLANT COUNTY FUNDS FOR PUBLIC SCHOOL CONSTRUCTION**”.

AMENDMENT NO. 4

On pages 7 and 8, strike the lines beginning with line 3 on page 7 through line 14 on page 8, inclusive, and substitute:

“4-102.

**(A) IN THIS SECTION, “NET PROCEEDS” MEANS THE TOTAL RECEIPTS FROM THE OPERATION OF AN ELECTRONIC BINGO MACHINE OR ELECTRONIC TIP JAR MACHINE LESS THE AMOUNT OF MONEY WINNINGS OR PRIZES PAID OUT TO PLAYERS.**

**[(a)](B) A county may impose, by resolution, a tax on:**

**(1) the gross receipts derived from any admissions and amusement charge in that county; and**

**(2) an admission in that county for a reduced charge or at no charge to a place if there is a charge for other admissions to the place.**

(Over)

[(b)](C) A municipal corporation may impose, by ordinance or resolution, a tax on:

(1) the gross receipts derived from any admission and amusement charge in that municipal corporation; and

(2) an admission in that municipal corporation for a reduced charge or at no charge to a place if there is a charge for other admissions to the place.

[(c)](D) The Stadium Authority may impose a tax on:

(1) the gross receipts derived from any admissions and amusement charge for an admission to a facility owned or leased by the Stadium Authority; and

(2) an admission for a reduced charge or at no charge to a facility owned or leased by the Stadium Authority if there is a charge for other admissions to the facility.

[(d)](E) [(1) In this subsection, “net proceeds” means the total receipts from the operation of an electronic bingo machine or electronic tip jar machine less the amount of money winnings or prizes paid out to players.

(2) A State tax is imposed on the net proceeds derived from any charge for the operation of an electronic bingo machine permitted under a commercial bingo license or an electronic tip jar machine authorized under Title 13 of the Criminal Law Article that is operated for commercial purposes.

**(F) (1) THE STATE AND LOCAL ADMISSIONS AND AMUSEMENT TAXES APPLICABLE TO ELECTRONIC INSTANT BINGO SHALL BE DETERMINED ON A TAX-INCLUDED OR SEPARATELY STATED BASIS.**

**(2) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, OTHER STATE AND LOCAL ADMISSIONS AND AMUSEMENT TAXES APPLIED UNDER THIS SECTION MAY BE DETERMINED ON A TAX-INCLUDED OR SEPARATELY STATED BASIS.**

On page 9, in line 2, strike “July 1, 2012” and substitute “January 1, 2013”; in line 18, after “Act” insert “:

(1)”;

and in line 20, after “Act” insert “; and

(2) shall include provisions providing for the legal operation of amusement games licensed by Baltimore City and Baltimore County”.