

SB0001/873626/1

BY: Delegate Smigiel

AMENDMENTS TO SENATE BILL 1
(Third Reading File Bill – Committee Reprint)

AMENDMENT NO. 1

On page 1, at the top of the page, insert “CONSTITUTIONAL AMENDMENT”.

On page 3, in line 17, after “date;” insert “repealing Article XIX – Video Lottery Terminals of the Maryland Constitution; specifying in statutory law that the primary purpose of the operation of video lottery terminals is to raise revenue for certain public education goals; requiring in statutory law that a video lottery facility comply with all applicable planning and zoning laws of the local jurisdiction; submitting this amendment to the qualified voters of the State for their adoption or rejection; making this Act contingent on the passage and ratification of a certain Constitutional Amendment;”.

On page 4, in line 39, after “9-1A-01(u),” insert “9-1A-02”; in the same line, strike “9-1A-11(c)(1)” and substitute “9-1A-11”.

On page 5, after line 26, insert:

“BY proposing a repeal of the Maryland Constitution
Article XIX – Video Lottery Terminals
Section 1 and the article designation “Article XIX – Video Lottery Terminals””.

AMENDMENT NO. 2

On page 55, before line 1, insert:

“SECTION 3A. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, (Three-fifths of all the members elected to each of the two Houses concurring), That it be proposed that the Maryland Constitution read as follows:

(Over)

[Article XIX – Video Lottery Terminals]

[1.

(a) This article does not apply to:

(1) Lotteries conducted under Title 9, Subtitle 1 of the State Government Article of the Annotated Code of Maryland;

(2) Wagering on horse racing conducted under Title 11 of the Business Regulation Article of the Annotated Code of Maryland; or

(3) Gaming conducted under Title 12 or Title 13 of the Criminal Law Article of the Annotated Code of Maryland.

(b) In this article, “video lottery operation license” means a license issued to a person that allows players to operate video lottery terminals.

(c) (1) Except as provided in subsection (e) of this section, the State may issue up to five video lottery operation licenses throughout the State for the primary purpose of raising revenue for:

(i) Education for the children of the State in public schools, prekindergarten through grade 12;

(ii) Public school construction and public school capital improvements; and

(iii) Construction of capital projects at community colleges and public senior higher education institutions.

(2) Except as provided in subsection (e) of this section, the State may not authorize the operation of more than 15,000 video lottery terminals in the State.

(3) Except as provided in subsection (e) of this section, a video lottery operation license only may be awarded for a video lottery facility in the following locations:

- (i) Anne Arundel County, within 2 miles of MD Route 295;
- (ii) Cecil County, within 2 miles of Interstate 95;
- (iii) Worcester County, within 1 mile of the intersection of Route 50 and Route 589;
- (iv) On State property located within Rocky Gap State Park in Allegany County; or
- (v) Baltimore City, if the video lottery facility is:
 - 1. Located:
 - A. In a nonresidential area;
 - B. Within one-half mile of Interstate 95;
 - C. Within one-half mile of MD Route 295; and
 - D. On property that is owned by Baltimore City on the date on which the application for a video lottery operation license is submitted; and
 - 2. Not adjacent to or within one-quarter mile of property
that is:

A. Zoned for residential use; and

B. Used for a residential dwelling on the date the application for a video lottery operation license is submitted.

(4) Except as provided in subsection (e) of this section, the State may not award more than one video lottery operation license in a single county or Baltimore City.

(5) A video lottery facility shall comply with all applicable planning and zoning laws of the local jurisdiction.

(d) Except as provided in subsection (e) of this section, on or after November 15, 2008, the General Assembly may not authorize any additional forms or expansion of commercial gaming.

(e) The General Assembly may only authorize additional forms or expansion of commercial gaming if approval is granted through a referendum, authorized by an act of the General Assembly, in a general election by a majority of the qualified voters in the State.

(f) The General Assembly may, from time to time, enact such laws not inconsistent with this section, as may be necessary and proper to carry out its provisions.]

SECTION 3B. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – State Government

9-1A-02.

- (a) This subtitle is statewide and exclusive in its effect.
- (b) (1) The Commission shall regulate the operation of video lottery terminals in accordance with this subtitle.
- (2) The Maryland State Lottery Agency shall provide assistance to the Commission in the performance of the Commission's duties under this subtitle.
- (c) (1) This subtitle authorizes the operation of video lottery terminals that are connected to a central monitor and control system owned or leased by the State that allows the Commission to monitor a video lottery terminal.
- (2) The Commission shall provide and operate a single central monitor and control system into which all licensed video lottery terminals must be connected.
- (3) The central monitor and control system shall be capable of:
- (i) continuously monitoring, retrieving, and auditing the operations, financial data, and program information of all video lottery terminals;
- (ii) allowing the Commission to account for all money inserted in and payouts made from any video lottery terminal;
- (iii) disabling from operation or play any video lottery terminal as the Commission deems necessary to carry out the provisions of this subtitle;
- (iv) supporting and monitoring a progressive jackpot system capable of operating one or more progressive jackpots; and
- (v) providing any other function that the Commission considers necessary.

(4) The central monitor and control system shall employ a widely accepted gaming industry communications protocol to facilitate the ability of video lottery terminal manufacturers to communicate with the statewide system.

(5) (i) Except as provided in subparagraph (ii) of this paragraph, the Commission may not allow a video lottery operation licensee to have access to, or obtain information from, the central monitor and control system.

(ii) Only if the access does not in any way affect the integrity or security of the central monitor and control system, may the Commission allow a video lottery operation licensee to have access to the central monitor and control system that allows the licensee to obtain information pertinent to the legitimate operation of a video lottery facility.

(D) THE PRIMARY PURPOSE OF THE OPERATION OF VIDEO LOTTERY TERMINALS IS TO RAISE REVENUE FOR:

(1) EDUCATION FOR THE CHILDREN OF THE STATE IN PUBLIC SCHOOLS, PREKINDERGARTEN THROUGH GRADE 12;

(2) PUBLIC SCHOOL CONSTRUCTION AND PUBLIC SCHOOL CAPITAL IMPROVEMENTS; AND

(3) CONSTRUCTION OF CAPITAL PROJECTS AT COMMUNITY COLLEGES AND PUBLIC SENIOR HIGHER EDUCATION INSTITUTIONS.

[(d)] (E) Only a person with a video lottery operation license issued under this subtitle may offer a video lottery terminal for public use in the State under this subtitle.

9-1A-11.

(a) Any video lottery operation licenses not issued or awarded for a location authorized under this subtitle shall automatically revert to the State.

(b) (1) Except as provided in paragraph (2) of this subsection, a licensee shall commence operation of video lottery terminals in a permanent facility at the location for which the video lottery operation license has been awarded within 18 months after the license is awarded.

(2) (i) On a determination by the Commission that extenuating circumstances exist that are beyond the control of an awardee and have prevented the awardee from complying with the requirements of paragraph (1) of this subsection, the Commission may allow the awardee an extension of 6 months to comply with the requirements.

(ii) The Commission may not grant more than two extensions to an awardee under this paragraph.

(3) If a video lottery operation awardee fails to comply with the requirements of this subsection, the license awarded to the awardee shall be revoked and shall automatically revert to the State.

(c) (1) Nothing in this subtitle may be construed to prohibit a video lottery operation licensee that is issued a license from beginning video lottery terminal operations in a temporary facility that meets the minimum requirements established in regulations adopted by the State Lottery and Gaming Control Commission.

(2) Notwithstanding the provisions of paragraph (1) of this subsection, a video lottery operation licensee shall be operational in a permanent facility no later than 30 months after the award of the video lottery operation license.

(Over)

(D) A VIDEO LOTTERY FACILITY SHALL COMPLY WITH ALL APPLICABLE PLANNING AND ZONING LAWS OF THE LOCAL JURISDICTION.

[(d)] (E) (1) For a location in Allegany County, if video lottery terminals are permanently located in the Rocky Gap Lodge and Resort, the licensee shall restrict public access to the video lottery facility from the Rocky Gap Lodge and Resort.

(2) (i) Subject to subparagraph (ii) of this paragraph, for a location in Allegany County, if video lottery terminals are permanently located in the Rocky Gap Lodge and Resort and existing meeting space is eliminated as a result of the video lottery terminals, the licensee shall provide for meeting space that is accessible from the Rocky Gap Lodge and Resort within 36 months after issuance of the video lottery operation license, subject to the approval of the Video Lottery Facility Location Commission and the State Lottery and Gaming Control Commission.

(ii) The licensee shall restrict public access to the video lottery facility from any meeting space provided under subparagraph (i) of this paragraph.”.

AMENDMENT NO. 3

On page 61, after line 36, insert:

“SECTION 19A. AND BE IT FURTHER ENACTED, That the General Assembly determines that the amendment to the Maryland Constitution proposed by Section 3A of this Act affects multiple jurisdictions and that the provisions of Article XIV, § 1 of the Maryland Constitution concerning local approval of constitutional amendments do not apply.

SECTION 19B. AND BE IT FURTHER ENACTED, That the amendment to the Maryland Constitution proposed by Section 3A of this Act shall be submitted to the qualified voters of the State at the next general election to be held in November, 2012 for their adoption or rejection pursuant to Article XIV of the Maryland Constitution. At that general election, the vote on this proposed amendment to the Constitution

shall be by ballot, and upon each ballot there shall be printed the words “For the Constitutional Amendment” and “Against the Constitutional Amendment,” as now provided by law. Immediately after the election, all returns shall be made to the Governor of the vote for and against the proposed amendment, as directed by Article XIV of the Maryland Constitution, and further proceedings had in accordance with Article XIV.

SECTION 19C. AND BE IT FURTHER ENACTED, That Section 3B of this Act shall take effect October 1, 2012, contingent on the proclamation of the Governor that the Constitutional Amendment proposed in Section 3A of this Act, having received a majority of the votes cast at the general election, has been adopted by the people of Maryland. If a majority of votes cast are against the proposed Constitutional Amendment, the provisions of this Act are of no effect and null and void.”.