

SENATE BILL 764

C7

5lr2618

By: **Senator Muse**

Introduced and read first time: February 16, 2015

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Video Lottery Terminals – Changes Affecting Proceeds – Legislative Approval**

3 FOR the purpose of prohibiting the State Lottery and Gaming Control Commission from
4 taking any action on or after a certain date that would affect the amount of proceeds
5 from video lottery terminals paid to the State unless the General Assembly approves
6 the action through legislation enacted into law; and generally relating to video
7 lottery terminals and the State Lottery and Gaming Control Commission.

8 BY repealing and reenacting, with amendments,

9 Article – State Government

10 Section 9–1A–04(d)

11 Annotated Code of Maryland

12 (2014 Replacement Volume)

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

15 **Article – State Government**

16 9–1A–04.

17 (d) **(1)** **[The] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE**
18 Commission shall adopt regulations that include the following specific provisions in
19 accordance with this subtitle:

20 **[(1)] (I)** establishing the methods and forms of application that an
21 applicant for any license required under this subtitle shall follow and complete before
22 consideration of the application by the Commission;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **[(2)] (II)** establishing the methods, procedures, and form for delivery of
2 information from an applicant or licensee concerning any person's family, habits, character,
3 associates, criminal record, business activities, and financial affairs;

4 **[(3)] (III)** establishing the procedures for the fingerprinting of an applicant
5 for any license required under this subtitle or other methods of identification that may be
6 necessary in the judgment of the Commission to accomplish effective enforcement of the
7 provisions of this subtitle;

8 **[(4)] (IV)** establishing the manner and procedure of hearings conducted by
9 the Commission;

10 **[(5)] (V)** establishing the manner and method of collection of taxes, fees,
11 and civil penalties;

12 **[(6)] (VI)** defining and limiting the areas of operation for video lottery
13 terminals and table games, rules of video lottery terminals and table games, odds for video
14 lottery terminals and table games, the types and values of promotional items that may be
15 given away to encourage play of video lottery terminals and table games, the method of
16 operation of the video lottery terminals and table games, and the number and types of table
17 games;

18 **[(7)] (VII)** regulating the practice and procedures for negotiable
19 transactions involving players, including limitations on the circumstances and amounts of
20 negotiable transactions and the establishment of forms and procedures for negotiable
21 instrument transactions, redemptions, and consolidations;

22 **[(8)] (VIII)** prescribing the grounds and procedures for reprimands of
23 licensees or the revocation or suspension of licenses issued under this subtitle;

24 **[(9)] (IX)** governing the manufacture, distribution, sale, and servicing of
25 video lottery terminals and table games;

26 **[(10)] (X)** establishing the procedures, forms, and methods of management
27 controls;

28 **[(11)] (XI)** providing for minimum uniform standards of accountancy
29 methods, procedures, and forms as are necessary to assure consistency, comparability, and
30 effective disclosure of all financial information, including percentages of profit for video
31 lottery terminals and table games;

32 **[(12)] (XII)** establishing periodic financial reports and the form of the
33 reports, including an annual audit prepared by a certified public accountant licensed to do
34 business in the State, disclosing whether the accounts, records, and control procedures
35 examined are maintained by the video lottery operation licensee as required by this subtitle
36 and the regulations that shall be issued under this subtitle;

1 [(13)] (XIII) requiring licensees under this subtitle to demonstrate and
2 maintain financial viability;

3 [(14)] (XIV) ensuring that the operation of video lottery terminals, table
4 games, and video lottery facilities is conducted legally;

5 [(15)] (XV) establishing procedures for the removal of video lottery
6 terminals from a video lottery facility;

7 [(16)] (XVI) determining the suitability of:

8 [(i)] 1. the use of any variations or composites of the table games
9 authorized under this subtitle after an appropriate test or experimental period under terms
10 and conditions that the Commission may deem appropriate; and

11 [(ii)] 2. any other game that is compatible with the public interest
12 and suitable for casino use after an appropriate test or experimental period deemed
13 appropriate by the Commission;

14 [(17)] (XVII) establishing procedures for accounting for all money
15 exchanged at each table game;

16 [(18)] (XVIII) establishing the number of video lottery terminals that
17 may be removed from a video lottery facility to accommodate table games; and

18 [(19)] (XIX) otherwise carrying out the provisions of this subtitle.

19 **(2) ON OR AFTER JULY 1, 2015, THE COMMISSION MAY NOT TAKE ANY**
20 **ACTION THAT WOULD AFFECT THE AMOUNT OF PROCEEDS FROM VIDEO LOTTERY**
21 **TERMINALS PAID TO THE STATE UNLESS THE GENERAL ASSEMBLY APPROVES THE**
22 **ACTION THROUGH LEGISLATION THAT IS ENACTED INTO LAW.**

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
24 1, 2015.