

SENATE BILL 1004

C7, P1

6lr3667
CF HB 202

By: **Senators Klausmeier, DeGrange, Edwards, Jennings, King, Mathias, Middleton, and Peters**

Introduced and read first time: February 12, 2016

Assigned to: Rules

Re-referred to: Budget and Taxation, February 19, 2016

Committee Report: Favorable

Senate action: Adopted

Read second time: March 20, 2016

Returned to second reading: March 21, 2016

Senate action: Adopted with floor amendments

Read second time: March 21, 2016

CHAPTER _____

1 AN ACT concerning

2 ~~Gaming Payouts – Donation of Coins Pilot Program – Donation of Coins From~~
3 Gaming Payouts – Maryland Veterans Trust Fund

4 FOR the purpose of requiring the State Lottery and Gaming Control Commission to adopt
5 regulations requiring ~~certain~~ a video lottery facility ~~licensees~~ licensee to adopt
6 certain procedures ~~for~~ to offer certain players the opportunity to donate coins to the
7 Maryland Veterans Trust Fund under certain circumstances; requiring the
8 Commission to adopt regulations requiring ~~certain licensees~~ a licensee to attach
9 certain boxes near exits in ~~certain~~ a video lottery ~~facilities~~ facility for certain
10 purposes; specifying the source of certain revenues for the Fund; requiring the
11 Commission to report to certain committees of the General Assembly on or before a
12 certain date; and generally relating to gaming payouts and revenues for the
13 Maryland Veterans Trust Fund.

14 BY repealing and reenacting, with amendments,
15 Article – State Government
16 Section 9–1A–04(d) and 9–913(g)
17 Annotated Code of Maryland
18 (2014 Replacement Volume and 2015 Supplement)

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.



1 BY repealing and reenacting, without amendments,
2 Article – State Government
3 Section 9–913(e)(2)
4 Annotated Code of Maryland
5 (2014 Replacement Volume and 2015 Supplement)

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

8 **Article – State Government**

9 9–1A–04.

10 (d) The Commission shall adopt regulations that include the following specific
11 provisions in accordance with this subtitle:

12 (1) establishing the methods and forms of application that an applicant for
13 any license required under this subtitle shall follow and complete before consideration of
14 the application by the Commission;

15 (2) establishing the methods, procedures, and form for delivery of
16 information from an applicant or licensee concerning any person’s family, habits, character,
17 associates, criminal record, business activities, and financial affairs;

18 (3) establishing the procedures for the fingerprinting of an applicant for
19 any license required under this subtitle or other methods of identification that may be
20 necessary in the judgment of the Commission to accomplish effective enforcement of the
21 provisions of this subtitle;

22 (4) establishing the manner and procedure of hearings conducted by the
23 Commission;

24 (5) establishing the manner and method of collection of taxes, fees, and
25 civil penalties;

26 (6) defining and limiting the areas of operation for video lottery terminals
27 and table games, rules of video lottery terminals and table games, odds for video lottery
28 terminals and table games, the types and values of promotional items that may be given
29 away to encourage play of video lottery terminals and table games, the method of operation
30 of the video lottery terminals and table games, and the number and types of table games;

31 (7) regulating the practice and procedures for negotiable transactions
32 involving players, including limitations on the circumstances and amounts of negotiable
33 transactions and the establishment of forms and procedures for negotiable instrument
34 transactions, redemptions, and consolidations;

1 (8) prescribing the grounds and procedures for reprimands of licensees or
2 the revocation or suspension of licenses issued under this subtitle;

3 (9) governing the manufacture, distribution, sale, and servicing of video
4 lottery terminals and table games;

5 (10) establishing the procedures, forms, and methods of management
6 controls;

7 (11) providing for minimum uniform standards of accountancy methods,
8 procedures, and forms as are necessary to assure consistency, comparability, and effective
9 disclosure of all financial information, including percentages of profit for video lottery
10 terminals and table games;

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

16 (13) requiring licensees under this subtitle to demonstrate and maintain
17 financial viability;

18 (14) ensuring that the operation of video lottery terminals, table games, and
19 video lottery facilities is conducted legally;

20 (15) establishing procedures for the removal of video lottery terminals from
21 a video lottery facility;

22 (16) determining the suitability of:

23 (i) the use of any variations or composites of the table games
24 authorized under this subtitle after an appropriate test or experimental period under terms
25 and conditions that the Commission may deem appropriate; and

26 (ii) any other game that is compatible with the public interest and
27 suitable for casino use after an appropriate test or experimental period deemed appropriate
28 by the Commission;

29 (17) establishing procedures for accounting for all money exchanged at each
30 table game;

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

33 **(19) ~~REQUIRING LICENSEES~~ ONE LICENSEE UNDER THIS SUBTITLE TO:**

1 **(I) ESTABLISH PROCEDURES TO OFFER PLAYERS THE**
 2 **OPPORTUNITY TO DONATE COINS, WHEN RECEIVING CASH ON PAYOUT, TO THE**
 3 **MARYLAND VETERANS TRUST FUND ESTABLISHED UNDER § 9-913 OF THIS**
 4 **ARTICLE; AND**

5 **(II) ATTACH DONATION BOXES NEAR THE EXITS FROM ~~A~~ THE**
 6 **VIDEO LOTTERY FACILITY, WITH THE PROCEEDS DEDICATED TO THE MARYLAND**
 7 **VETERANS TRUST FUND; AND**

8 **[(19)] (20)** otherwise carrying out the provisions of this subtitle.

9 9-913.

10 (e) (2) There is a Maryland Veterans Trust Fund.

11 (g) The Fund consists of:

12 (1) gifts and grants that the Trust receives under § 9-914.2(a)(1) of this
 13 subtitle; and

14 (2) contributions to the Fund from:

15 **(I)** the sale of tickets from instant ticket lottery machines under §
 16 9-112(d) of this title; **AND**

17 **(II) THE DONATIONS FROM VIDEO LOTTERY FACILITY PLAYERS**
 18 **UNDER § 9-1A-04(D)(19) OF THIS ARTICLE.**

19 SECTION 2. AND BE IT FURTHER ENACTED, That, on or before January 1, 2019,
 20 the State Lottery and Gaming Control Commission shall report to the Senate Budget and
 21 Taxation Committee and the House Committee on Ways and Means, in accordance with §
 22 2-1246 of the State Government Article, on the implementation of the pilot program to
 23 allow players at a video lottery facility to donate coins, when receiving a cash payout, to the
 24 Maryland Veterans Trust Fund. The report shall include recommendations on the
 25 expansion, alteration, or repeal of the pilot program.

26 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
 27 October 1, 2016.