

SENATE BILL 495

C7

7lr2180
CF HB 91

By: **Chair, Budget and Taxation Committee (By Request – Departmental – Lottery and Gaming Control Agency)**

Introduced and read first time: January 30, 2017

Assigned to: Rules

Re-referred to: Budget and Taxation, January 30, 2017

A BILL ENTITLED

1 AN ACT concerning

2 **Gaming – Video Lottery Terminals – Transfer of Ownership**

3 FOR the purpose of requiring certain video lottery facilities to own or lease certain video
4 lottery terminals and associated equipment and software by a certain date; altering
5 the distribution of certain proceeds of video lottery terminals if certain conditions
6 are met; and generally relating to video lottery terminal ownership and leasing.

7 BY repealing and reenacting, with amendments,
8 Article – State Government
9 Section 9–1A–21(a)(2) and 9–1A–27(a)(7)
10 Annotated Code of Maryland
11 (2014 Replacement Volume and 2016 Supplement)

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

14 **Article – State Government**

15 9–1A–21.

16 (a) (2) (i) Except as provided in subparagraphs (ii) and (iii) of this
17 paragraph, each video lottery terminal device and the associated equipment and software
18 shall be owned or leased by the video lottery facility.

19 (ii) 1. Subject to subparagraph 2 of this subparagraph, for a
20 video lottery facility located in Allegany County or Worcester County, each video lottery
21 terminal device and the associated equipment and software shall be owned or leased by the
22 **[Commission] VIDEO LOTTERY FACILITY AFTER MARCH 31, 2020.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 2. A video lottery facility located in Allegany County or
2 Worcester County may apply to the Commission for permission to assume ownership or the
3 right to lease each video lottery terminal device used by the facility.

4 (iii) For a video lottery facility located in Anne Arundel County or
5 Cecil County, the Commission shall own each video lottery terminal device and the
6 associated equipment and software through March 31, 2015.

7 9-1A-27.

8 (a) Except as provided in subsections (b) and (c) of this section and §
9 9-1A-26(a)(3) of this subtitle, on a properly approved transmittal prepared by the
10 Commission, the Comptroller shall pay the following amounts from the proceeds of video
11 lottery terminals at each video lottery facility:

12 (7) (i) except as provided in [item] **ITEMS (ii) AND (III)** of this item, 6%
13 to the video lottery operation licensee if the video lottery operation licensee owns or leases
14 each video lottery terminal device and the associated equipment and software; [and]

15 (ii) 8% to the video lottery operation licensee in Anne Arundel
16 County; **AND**

17 **(III) 10% TO THE VIDEO LOTTERY OPERATION LICENSEE IN**
18 **ALLEGANY COUNTY OR WORCESTER COUNTY IF THE VIDEO LOTTERY OPERATION**
19 **LICENSEE ASSUMES OWNERSHIP OR THE RIGHT TO LEASE EACH VIDEO LOTTERY**
20 **TERMINAL DEVICE AND THE ASSOCIATED EQUIPMENT AND SOFTWARE USED BY THE**
21 **FACILITY BEFORE JANUARY 1, 2018;**

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
23 1, 2017.