

SENATE BILL 1125

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7lr3719
CF HB 1537

By: **Senator Klausmeier**

Introduced and read first time: February 21, 2017

Assigned to: Rules

Re-referred to: Budget and Taxation, March 1, 2017

Committee Report: Favorable

Senate action: Adopted

Read second time: March 27, 2017

CHAPTER _____

1 AN ACT concerning

2 **Video Lottery Facilities – Donation of Coins From Gaming Payouts – Expansion**

3 FOR the purpose of requiring the State Lottery and Gaming Control Commission to adopt
4 regulations that require each video lottery operator to adopt certain procedures to
5 offer certain players the opportunity to donate coins when receiving cash on payout
6 to the Maryland Veterans Trust Fund under certain circumstances; and generally
7 relating to gaming payouts and revenues for the Maryland Veterans Trust Fund.

8 BY repealing and reenacting, without amendments,

9 Article – State Government

10 Section 9–1A–01(a) and (cc)

11 Annotated Code of Maryland

12 (2014 Replacement Volume and 2016 Supplement)

13 BY repealing and reenacting, with amendments,

14 Article – State Government

15 Section 9–1A–04(d)

16 Annotated Code of Maryland

17 (2014 Replacement Volume and 2016 Supplement)

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

20 **Article – State Government**

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 9-1A-01.

2 (a) In this subtitle the following words have the meanings indicated.

3 (cc) "Video lottery operator" means a person licensed to operate a video lottery
4 facility under this subtitle.

5 9-1A-04.

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

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

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

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

18 (4) establishing the manner and procedure of hearings conducted by the
19 Commission;

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

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

27 (7) regulating the practice and procedures for negotiable transactions
28 involving players, including limitations on the circumstances and amounts of negotiable
29 transactions and the establishment of forms and procedures for negotiable instrument
30 transactions, redemptions, and consolidations;

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

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

3 (10) establishing the procedures, forms, and methods of management
4 controls;

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

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

14 (13) requiring licensees under this subtitle to demonstrate and maintain
15 financial viability;

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

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

20 (16) determining the suitability of:

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

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

27 (17) establishing procedures for accounting for all money exchanged at each
28 table game;

29 (18) establishing the number of video lottery terminals that may be removed
30 from a video lottery facility to accommodate table games;

31 (19) requiring [one licensee] **EACH VIDEO LOTTERY OPERATOR** under this
32 subtitle to:

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1 (i) establish procedures to offer players the opportunity to donate
2 coins, when receiving cash on payout, to the Maryland Veterans Trust Fund established
3 under § 9–913 of this article; and

4 (ii) attach donation boxes near the exits from [the] A video lottery
5 facility, with the proceeds dedicated to the Maryland Veterans Trust Fund; and

6 (20) otherwise carrying out the provisions of this subtitle.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
8 October 1, 2017.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.