

HOUSE BILL 678
CONSTITUTIONAL AMENDMENT

Unofficial Copy
P1

1998 Regular Session
8lr0152

By: **Delegates Rawlings, Hixson, Arnick, Curran, C. Davis, Dewberry,
Harrison, Vallario, Branch, Bonsack, DeCarlo, Franchot, Howard, B.
Hughes, Marriott, Malone, Minnick, Mohorovic, Nathan-Pulliam,
Palumbo, Proctor, Valderrama, Weir, and Wood**

Introduced and read first time: February 9, 1998

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **State Lottery Commission - Video Lottery Terminals - Revenues and**
3 **Funding**

4 FOR the purpose of prohibiting the General Assembly from enacting on or after a
5 certain date a statute that authorizes certain forms or expansion of commercial
6 gaming, such as casino-style gaming; authorizing the State Lottery Commission
7 to allow certain thoroughbred racing and harness racing licensees to offer video
8 lottery terminals for public use at certain tracks in the State; authorizing the
9 State Lottery Commission to allow video lottery terminals for public use at
10 certain tourist destination locations and certain satellite simulcast facilities
11 licensed by the Maryland Racing Commission; establishing certain eligibility
12 criteria and disqualifying criteria for a video lottery facility license; authorizing
13 the State Lottery Commission to conduct certain investigations and hearings;
14 specifying limits on the numbers of video lottery terminals allowed at certain
15 facilities; authorizing the State Lottery Commission to require video lottery
16 terminal manufacturers, video lottery operators, video lottery employees, and
17 service technicians to be licensed; providing for certain eligibility criteria and
18 disqualifying criteria for certain licenses; requiring the State Racing
19 Commission to issue certain satellite simulcast facility permits under certain
20 circumstances; authorizing the State Lottery Commission to reprimand a
21 licensee or deny, suspend, or revoke certain licenses under certain
22 circumstances; authorizing the State Lottery Commission to collect certain fees,
23 civil penalties, and taxes; providing for the issuance of certain regulations by the
24 State Lottery Commission; providing that the State Lottery Commission shall
25 buy or lease, and shall maintain control over, the video lottery terminals,
26 associated equipment, and central computer under this Act; requiring the State
27 Lottery Commission to distribute certain moneys in specified ways; providing
28 for certain local impact grants; providing for a certain distribution from video
29 lottery proceeds to the Purse Dedication Account for horse racing; creating an
30 Education Trust Fund administered by the Education Trust Fund Board;
31 providing for the membership and duties of the Board; requiring certain
32 distributions from video lottery proceeds to the Education Trust Fund; providing

1 for certain appropriations from the Education Trust Fund for certain education
2 programs; providing for certain distributions from the Purse Dedication Account
3 for horse racing; providing for a certain distribution from video lottery proceeds
4 to the Maryland Tourism Development Board Fund; requiring the State Lottery
5 Commission to make certain accounts to the Comptroller; creating a Compulsive
6 Gambling Fund in the Department of Health and Mental Hygiene; providing for
7 certain disbursements from the Compulsive Gambling Fund for certain
8 purposes; defining certain terms; generally relating to the operation of video
9 lottery terminals at certain tracks, tourist destination locations, and satellite
10 simulcast facilities; providing for a certain contingency regarding the
11 authorization of video lottery terminals at certain tourist destination locations
12 and satellite simulcast facilities; and submitting this amendment to the
13 qualified voters of the State of Maryland for their adoption or rejection.

14 BY proposing an addition to the Constitution of Maryland
15 New Article XIX - State Lottery Commission - Video Lottery Terminals
16 Section 1 through 14, inclusive

17 Preamble

18 WHEREAS, The question of whether to authorize video lottery terminals is a
19 public policy issue of paramount importance that shall be decided by the voters of the
20 State by their adoption or rejection of this amendment to the Constitution of
21 Maryland; and

22 WHEREAS, The authorization of any additional forms or expansion of
23 commercial gaming, such as casino-style gaming, in the State shall be prohibited by
24 this amendment to the Constitution of Maryland; and

25 WHEREAS, The General Assembly recognizes that an investment in
26 education is an investment in the State's economic future and in a workforce that can
27 meet the challenges of the 21st century and beyond; and

28 WHEREAS, The State should dedicate significant levels of funding from the
29 video lottery operations to reflect a commitment to prekindergarten through
30 secondary public education, public institutions of higher education in the State, and
31 educational opportunities for the students of the State; and

32 WHEREAS, Maryland's horse racing industry reaches across the State
33 affecting farm owners, breeders, horsemen, and track personnel from the Eastern
34 Shore to Western Maryland; and

35 WHEREAS, The General Assembly finds and declares that this amendment to
36 the Constitution of Maryland is necessary to preserve, restore, and revitalize the
37 horse racing and breeding industries and preserve in Maryland the economic impact
38 associated with these industries; and

39 WHEREAS, The General Assembly finds and declares that competition from
40 video lottery facilities in Delaware is resulting in increased purses and economic

1 activity in that state and the Delaware facilities, as well as the opening of a similar
2 facility in West Virginia adjacent to Frederick County, will have a substantial
3 negative impact on Maryland's historic racing and breeding industries and the related
4 economy of the State; and

5 WHEREAS, The tourist industry of the State constitutes a critical component
6 of its economic structure and, if properly developed, controlled, and fostered, is
7 capable of providing a substantial contribution to the general welfare, health, and
8 prosperity of the State and its inhabitants; and

9 WHEREAS, The introduction of a limited number of authorized video lottery
10 terminals in tourist destination locations will facilitate the development of the tourist
11 industry; and

12 WHEREAS, An integral and essential element of the regulation and control of
13 video lottery terminals rests in the credibility and integrity of the regulatory process
14 and of video lottery operations; and to further public confidence and trust, the
15 regulatory provisions of this Act are designed to extend strict regulation to all
16 persons, locations, practices, and associations related to the operation of licensed
17 video lottery operations as provided under this amendment to the Constitution of
18 Maryland; and

19 WHEREAS, The facilities in which video lottery operations are to be located
20 are of vital law enforcement and social interest to the public; and

21 WHEREAS, The General Assembly finds and declares that it is necessary and
22 in the best interest of the economic growth of the State to make commitments to
23 educational programs in the State and to allow Maryland's horse racing and breeding
24 industries and tourist industry to compete with those industries in surrounding
25 states by authorizing video lottery terminals at some of Maryland's racing facilities,
26 satellite simulcast facilities, and tourist destination locations; now, therefore,

27 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
28 MARYLAND, (Three-fifths of all the members elected to each of the two Houses
29 concurring), That it be proposed that the Constitution of Maryland read as follows:

30 **ARTICLE XIX - STATE LOTTERY COMMISSION - VIDEO LOTTERY TERMINALS**

31 1. DEFINITIONS.

32 (A) IN THIS ARTICLE THE FOLLOWING WORDS HAVE THE MEANINGS
33 INDICATED.

34 (B) "APPLICANT" MEANS A PERSON WHO APPLIES FOR ANY LICENSE
35 REQUIRED UNDER THIS ARTICLE.

36 (C) "ASSOCIATED EQUIPMENT" MEANS HARDWARE LOCATED ON THE
37 LICENSEE'S PREMISES THAT IS CONNECTED TO THE VIDEO LOTTERY SYSTEM FOR
38 THE PURPOSE OF PERFORMING COMMUNICATION, VALIDATION, OR OTHER

1 FUNCTIONS, BUT NOT INCLUDING THE COMMUNICATION FACILITIES OF A
2 REGULATED UTILITY OR THE VIDEO LOTTERY TERMINALS.

3 (D) "BACKGROUND INVESTIGATION" MEANS A SECURITY, CRIMINAL, AND
4 CREDIT INVESTIGATION OF A PERSON WHO APPLIES FOR OR WHO IS GRANTED A
5 LICENSE UNDER THIS ARTICLE.

6 (E) "CAREER OFFENDER" MEANS A PERSON WHOSE BEHAVIOR IS PURSUED IN
7 AN OCCUPATIONAL MANNER OR CONTEXT FOR THE PURPOSE OF ECONOMIC GAIN
8 THAT UTILIZES METHODS THAT ARE DEEMED BY THE COMMISSION AS CRIMINAL
9 VIOLATIONS OF THE PUBLIC POLICY OF THE STATE.

10 (F) "CAREER OFFENDER CARTEL" MEANS A GROUP OF PERSONS WHO
11 OPERATE TOGETHER AS CAREER OFFENDERS.

12 (G) "CENTRAL COMPUTER" MEANS A CENTRAL SITE COMPUTER PROVIDED TO
13 AND CONTROLLED BY THE COMMISSION TO WHICH VIDEO LOTTERY TERMINALS
14 COMMUNICATE FOR PURPOSES OF:

15 (1) INFORMATION RETRIEVAL; AND

16 (2) PROGRAMS TO ACTIVATE AND DISABLE VIDEO LOTTERY TERMINALS.

17 (H) "COMMISSION" MEANS THE STATE LOTTERY COMMISSION.

18 (I) "CONTROL" MEANS THE AUTHORITY TO DIRECT THE MANAGEMENT AND
19 POLICIES OF AN APPLICANT OR LICENSEE.

20 (J) "COSTS" MEANS, UNLESS THE CONTEXT OTHERWISE REQUIRES, THE
21 EXPENSES INCURRED BY THE COMMISSION IN THE ADMINISTRATION OF THIS
22 ARTICLE, INCLUDING THE TESTING AND EXAMINATION OF VIDEO LOTTERY
23 TERMINALS AND THE PERFORMANCE OF BACKGROUND INVESTIGATIONS AND
24 OTHER RELATED ACTIVITIES.

25 (K) "COUNTY" INCLUDES BALTIMORE CITY.

26 (L) "EASTERN SHORE OF MARYLAND" MEANS CAROLINE, CECIL, DORCHESTER,
27 KENT, QUEEN ANNE'S, SOMERSET, TALBOT, WICOMICO, AND WORCHESTER
28 COUNTIES.

29 (M) "FAMILY" MEANS SPOUSE, PARENTS, GRANDPARENTS, CHILDREN,
30 GRANDCHILDREN, SIBLINGS, UNCLES, AUNTS, NEPHEWS, NIECES, FATHERS-IN-LAW,
31 MOTHERS-IN-LAW, DAUGHTERS-IN-LAW, SONS-IN-LAW, BROTHERS-IN-LAW, AND
32 SISTERS-IN-LAW, WHETHER BY WHOLE OR HALF BLOOD, BY MARRIAGE, ADOPTION,
33 OR NATURAL RELATIONSHIP.

34 (N) (1) "LICENSEE" MEANS AN APPLICANT WHO HAS BEEN ISSUED A VIDEO
35 LOTTERY FACILITY LICENSE.

1 (2) "LICENSEE" INCLUDES, UNLESS THE CONTEXT OTHERWISE
2 REQUIRES, AN APPLICANT WHO HAS BEEN ISSUED ANY LICENSE REQUIRED UNDER
3 THIS ARTICLE.

4 (O) "MANUFACTURER" MEANS A PERSON WHO HOLDS A LICENSE ISSUED BY
5 THE COMMISSION TO ENGAGE IN THE BUSINESS OF DESIGNING, BUILDING,
6 CONSTRUCTING, ASSEMBLING, MANUFACTURING, OR DISTRIBUTING A CENTRAL
7 COMPUTER, VIDEO LOTTERY TERMINALS, ASSOCIATED EQUIPMENT, THE
8 ELECTRONIC COMPUTER COMPONENTS OF VIDEO LOTTERY TERMINALS, THE
9 RANDOM NUMBER GENERATOR OF VIDEO LOTTERY TERMINALS, OR THE CABINET IN
10 WHICH A VIDEO LOTTERY TERMINAL IS HOUSED, AND WHOSE PRODUCT IS
11 INTENDED FOR SALE, LEASE, OR OTHER ASSIGNMENT TO A LICENSEE OR THE
12 COMMISSION AND WHO CONTRACTS WITH THE LICENSEE OR THE COMMISSION FOR
13 THE SALE, LEASE, OR OTHER ASSIGNMENT.

14 (P) "OWN" MEANS HAVING A BENEFICIAL OR PROPRIETARY INTEREST, OF AT
15 LEAST A CERTAIN PERCENTAGE ESTABLISHED BY THE COMMISSION, IN THE
16 PROPERTY OR BUSINESS OF AN APPLICANT OR LICENSEE.

17 (Q) "PLAYER" MEANS A PERSON WHO PLAYS A VIDEO LOTTERY TERMINAL AT A
18 VIDEO LOTTERY FACILITY LICENSED BY THE COMMISSION.

19 (R) "PROCEEDS" MEANS THE PART OF THE AMOUNT OF MONEY BET THROUGH
20 VIDEO LOTTERY TERMINALS THAT IS NOT RETURNED TO SUCCESSFUL PLAYERS BUT
21 IS OTHERWISE ALLOCATED UNDER THIS ARTICLE.

22 (S) "SATELLITE SIMULCAST FACILITY" MEANS A FACILITY AUTHORIZED BY
23 THE STATE RACING COMMISSION TO CONDUCT SATELLITE SIMULCAST BETTING AT A
24 LOCATION OTHER THAN A TRACK.

25 (T) "SERVICE TECHNICIAN" MEANS A PERSON WHO IS LICENSED BY THE
26 COMMISSION AND PERFORMS SERVICE, MAINTENANCE, OR REPAIR ON LICENSED
27 VIDEO LOTTERY TERMINALS.

28 (U) "VIDEO LOTTERY" MEANS GAMING OR BETTING CONDUCTED USING A
29 VIDEO LOTTERY TERMINAL.

30 (V) "VIDEO LOTTERY EMPLOYEE" MEANS AN EMPLOYEE, OF A PERSON WHO
31 HOLDS A VIDEO LOTTERY FACILITY LICENSE, WHO PARTICIPATES IN THE VIDEO
32 LOTTERY OPERATIONS.

33 (W) (1) "VIDEO LOTTERY TERMINAL" MEANS ANY ELECTRONIC
34 CONTRIVANCE, MACHINE, OR OTHER DEVICE THAT, ON INSERTION OF A COIN,
35 TOKEN, OR SIMILAR OBJECT OR ON PAYMENT OF ANY CONSIDERATION, IS
36 AVAILABLE TO PLAY OR OPERATE, THE PLAY OR OPERATION OF WHICH, WHETHER
37 BY REASON OF THE SKILL OF THE OPERATOR OR APPLICATION OF THE ELEMENT OF
38 CHANCE, OR BOTH, MAY DELIVER OR ENTITLE THE PLAYER WHO OPERATES THE
39 DEVICE TO RECEIVE CASH, PREMIUMS, MERCHANDISE, TOKENS, OR ANYTHING OF
40 VALUE, WHETHER THE PAYOUT IS MADE AUTOMATICALLY FROM THE DEVICE OR IN
41 ANY OTHER MANNER.

1 (2) "VIDEO LOTTERY TERMINAL" DOES NOT INCLUDE AN AUTHORIZED
2 SLOT MACHINE OPERATED BY AN ELIGIBLE ORGANIZATION UNDER ARTICLE 27, §
3 264B OF THE ANNOTATED CODE OF MARYLAND.

4 (X) "WESTERN MARYLAND" MEANS ALLEGANY, GARRETT, AND WASHINGTON
5 COUNTIES.

6 2. ADDITIONAL FORMS OR EXPANSION OF COMMERCIAL GAMING PROHIBITED.

7 (A) ON OR AFTER THE EFFECTIVE DATE OF THIS ARTICLE, THE GENERAL
8 ASSEMBLY MAY NOT AUTHORIZE STATUTORILY ANY ADDITIONAL FORMS OR
9 EXPANSION OF COMMERCIAL GAMING, SUCH AS CASINO-STYLE GAMING,
10 INCLUDING:

11 (1) CARD GAMES;

12 (2) DICE GAMES;

13 (3) ROULETTE;

14 (4) SLOT MACHINES; AND

15 (5) VIDEO LOTTERY TERMINALS.

16 (B) THIS SECTION DOES NOT APPLY TO:

17 (1) EXCEPT AS PROVIDED IN ITEM (A)(5) OF THIS SECTION, LOTTERIES
18 CONDUCTED UNDER TITLE 9, SUBTITLE 1 OF THE STATE GOVERNMENT ARTICLE OF
19 THE ANNOTATED CODE OF MARYLAND;

20 (2) WAGERING ON HORSE RACING CONDUCTED UNDER TITLE 11 OF THE
21 BUSINESS REGULATION ARTICLE OF THE ANNOTATED CODE OF MARYLAND; OR

22 (3) GAMING CONDUCTED BY A BONA FIDE FRATERNAL, CIVIC, WAR
23 VETERANS', RELIGIOUS, OR CHARITABLE ORGANIZATION, VOLUNTEER FIRE
24 COMPANY, OR SUBSTANTIALLY SIMILAR ORGANIZATION DESCRIBED UNDER THE
25 GAMING SUBHEADING OF ARTICLE 27 OF THE ANNOTATED CODE OF MARYLAND.

26 3. VIDEO LOTTERY FACILITY LICENSE REQUIRED.

27 (A) THE COMMISSION SHALL REGULATE THE OPERATION OF VIDEO LOTTERY
28 TERMINALS IN ACCORDANCE WITH THIS ARTICLE.

29 (B) ONLY A PERSON WITH A VIDEO LOTTERY FACILITY LICENSE ISSUED BY
30 THE COMMISSION MAY OFFER A VIDEO LOTTERY TERMINAL FOR PUBLIC USE IN THE
31 STATE UNDER THIS ARTICLE.

32 (C) ANY OTHER LAW THAT PROHIBITS THE LOCATION, POSSESSION, KEEPING,
33 MAINTAINING, OR OPERATION OF VIDEO LOTTERY TERMINALS DOES NOT APPLY TO
34 VIDEO LOTTERY TERMINALS AUTHORIZED IN ACCORDANCE WITH THIS ARTICLE.

1 4. ELIGIBILITY REQUIREMENTS FOR VIDEO LOTTERY FACILITY LICENSE.

2 (A) IN ADDITION TO ANY OTHER REQUIREMENTS OF THIS ARTICLE, TO
3 QUALIFY FOR A VIDEO LOTTERY LICENSE, AN APPLICANT SHALL BE:

4 (1) A HOLDER OF A LICENSE FOR A TRACK FOR MILE THOROUGHBRED
5 RACING IN ANNE ARUNDEL COUNTY;

6 (2) A HOLDER OF A LICENSE FOR A TRACK FOR MILE THOROUGHBRED
7 RACING IN BALTIMORE CITY;

8 (3) A HOLDER OF A LICENSE FOR A RACETRACK FOR HARNESS RACING
9 IN PRINCE GEORGE'S COUNTY;

10 (4) IN THE EASTERN SHORE OF MARYLAND AND WESTERN MARYLAND, A
11 PERSON WHO MEETS THE ELIGIBILITY QUALIFICATIONS REQUIRED UNDER THIS
12 SECTION FOR THE ISSUANCE OF A VIDEO LOTTERY FACILITY LICENSE FOR A
13 TOURIST DESTINATION LOCATION IN THE STATE; OR

14 (5) A HOLDER OF A PERMIT IN EFFECT ON JANUARY 1, 1998, TO OPERATE
15 A SATELLITE SIMULCAST FACILITY UNDER TITLE 11, SUBTITLE 8 OF THE BUSINESS
16 REGULATION ARTICLE OF THE ANNOTATED CODE OF MARYLAND WHO MEETS THE
17 ELIGIBILITY QUALIFICATIONS REQUIRED UNDER THIS SECTION FOR THE ISSUANCE
18 OF A VIDEO LOTTERY FACILITY LICENSE FOR THE SATELLITE SIMULCAST FACILITY
19 LOCATION FOR WHICH THE APPLICANT HOLDS THE PERMIT TO CONDUCT SATELLITE
20 SIMULCAST BETTING.

21 (B) THE COMMISSION MAY NOT ISSUE:

22 (1) A VIDEO LOTTERY FACILITY LICENSE TO AN APPLICANT WHO IS THE
23 HOLDER OF A LICENSE FOR A TRACK DESCRIBED UNDER SUBSECTION (A) OF THIS
24 SECTION FOR A LOCATION OTHER THAN THE LOCATION OF THE TRACK FOR WHICH
25 THE APPLICANT HOLDS THE TRACK LICENSE;

26 (2) MORE THAN ONE VIDEO LOTTERY FACILITY LICENSE FOR EACH OF
27 THE FOLLOWING:

28 (I) A TOURIST DESTINATION LOCATION ON THE EASTERN SHORE
29 OF MARYLAND;

30 (II) A TOURIST DESTINATION LOCATION IN WESTERN MARYLAND;
31 AND

32 (III) EACH SATELLITE SIMULCAST FACILITY LOCATION;

33 (3) MORE THAN ONE VIDEO LOTTERY FACILITY LICENSE TO ANY
34 PERSON FOR THE OPERATION OF VIDEO LOTTERY TERMINALS AT A TOURIST
35 DESTINATION LOCATION, A SATELLITE SIMULCAST FACILITY LOCATION, OR BOTH;
36 AND

1 (4) A VIDEO LOTTERY FACILITY LICENSE FOR ANY LOCATION ON STATE
2 PROPERTY.

3 (C) AN APPLICANT FOR A VIDEO LOTTERY FACILITY LICENSE FOR A TRACK
4 LOCATION DESCRIBED UNDER SUBSECTION (A) OF THIS SECTION SHALL MEET THE
5 FOLLOWING ELIGIBILITY REQUIREMENTS:

6 (1) THE CONSTRUCTION PROJECT AT THE TRACK LOCATION FOR THE
7 APPLICANT'S VIDEO LOTTERY AND OTHER FACILITIES SHALL COST AT LEAST \$100
8 MILLION IN DIRECT INVESTMENT BY THE APPLICANT IN CONSTRUCTION AND
9 RELATED COSTS AT THE TRACK LOCATION;

10 (2) THE APPLICANT SHALL PROVIDE THE EQUIVALENT OF AT LEAST 500
11 ADDITIONAL FULL-TIME JOBS AT THE TRACK LOCATION FOR WHICH THE VIDEO
12 LOTTERY FACILITY LICENSE IS SOUGHT; AND

13 (3) FOR THE CONSTRUCTION OF FACILITIES AND PROCUREMENT
14 RELATED TO THE OPERATION OF VIDEO LOTTERY TERMINALS, THE APPLICANT
15 SHALL MEET THE SAME REQUIREMENTS OF A DESIGNATED UNIT FOR MINORITY
16 BUSINESS PARTICIPATION DESCRIBED UNDER TITLE 14, SUBTITLE 3 OF THE STATE
17 FINANCE AND PROCUREMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

18 (D) AN APPLICANT FOR A VIDEO LOTTERY FACILITY LICENSE FOR A TOURIST
19 DESTINATION LOCATION SHALL MEET THE FOLLOWING ELIGIBILITY
20 REQUIREMENTS:

21 (1) THE CONSTRUCTION PROJECT AT THE TOURIST DESTINATION
22 LOCATION FOR THE APPLICANT'S VIDEO LOTTERY AND OTHER FACILITIES SHALL
23 COST AT LEAST \$100 MILLION IN DIRECT INVESTMENT BY THE APPLICANT IN
24 CONSTRUCTION AND OTHER RELATED COSTS AT THE TOURIST DESTINATION
25 LOCATION;

26 (2) THE APPLICANT SHALL PROVIDE THE EQUIVALENT OF AT LEAST 800
27 FULL-TIME JOBS AT THE TOURIST DESTINATION LOCATION FOR WHICH THE VIDEO
28 LOTTERY FACILITY LICENSE IS SOUGHT; AND

29 (3) FOR THE CONSTRUCTION OF FACILITIES AND PROCUREMENT
30 RELATED TO THE OPERATION OF VIDEO LOTTERY TERMINALS, THE APPLICANT
31 SHALL MEET THE SAME REQUIREMENTS OF A DESIGNATED UNIT FOR MINORITY
32 BUSINESS PARTICIPATION DESCRIBED UNDER TITLE 14, SUBTITLE 3 OF THE STATE
33 FINANCE AND PROCUREMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

34 (E) SUBJECT TO SUBSECTION (C) OF THIS SECTION, AN APPLICANT FOR A
35 VIDEO LOTTERY FACILITY LICENSE FOR A SATELLITE SIMULCAST FACILITY
36 LOCATION SHALL MEET THE FOLLOWING ELIGIBILITY REQUIREMENTS:

37 (1) THE CONSTRUCTION PROJECT AT THE LOCATION OF THE SATELLITE
38 SIMULCAST FACILITY FOR THE APPLICANT'S VIDEO LOTTERY AND OTHER FACILITIES
39 SHALL COST AT LEAST \$10 MILLION IN DIRECT INVESTMENT BY THE APPLICANT IN

1 CONSTRUCTION AND OTHER RELATED COSTS AT THE LOCATION OF THE SATELLITE
2 SIMULCAST FACILITY;

3 (2) THE APPLICANT SHALL PROVIDE THE EQUIVALENT OF AT LEAST 200
4 ADDITIONAL FULL-TIME JOBS AT THE SATELLITE FACILITY LOCATION FOR WHICH
5 THE VIDEO LOTTERY FACILITY LICENSE IS SOUGHT; AND

6 (3) FOR THE CONSTRUCTION OF FACILITIES AND PROCUREMENT
7 RELATED TO THE OPERATION OF VIDEO LOTTERY TERMINALS, THE APPLICANT
8 SHALL MEET THE SAME REQUIREMENTS OF A DESIGNATED UNIT FOR MINORITY
9 BUSINESS PARTICIPATION DESCRIBED UNDER TITLE 14, SUBTITLE 3 OF THE STATE
10 FINANCE AND PROCUREMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

11 5. DUTIES OF APPLICANTS AND LICENSEES; DISQUALIFICATION CRITERIA; OTHER
12 REQUIREMENTS.

13 (A) AN APPLICANT FOR A LICENSE SHALL SUBMIT TO THE CHAIRMAN OF THE
14 COMMISSION AN APPLICATION:

15 (1) IN THE FORM THAT THE COMMISSION REQUIRES; AND

16 (2) ON OR BEFORE THE DATE SET BY THE COMMISSION.

17 (B) (1) AN APPLICANT OR LICENSEE SHALL HAVE THE AFFIRMATIVE
18 RESPONSIBILITY TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE
19 PERSON'S QUALIFICATIONS.

20 (2) AN APPLICANT OR LICENSEE SHALL PROVIDE INFORMATION
21 REQUIRED BY THIS ARTICLE AND SATISFY REQUESTS FOR INFORMATION RELATING
22 TO QUALIFICATIONS IN THE FORM SPECIFIED BY THE COMMISSION.

23 (3) AN APPLICANT OR LICENSEE SHALL CONSENT TO INSPECTIONS,
24 SEARCHES, AND SEIZURES AUTHORIZED BY THIS ARTICLE OR REGULATIONS ISSUED
25 UNDER THIS ARTICLE.

26 (4) (I) AN APPLICANT OR LICENSEE SHALL HAVE THE CONTINUING
27 DUTY TO:

28 1. PROVIDE ASSISTANCE OR INFORMATION REQUIRED BY
29 THE COMMISSION; AND

30 2. COOPERATE IN AN INQUIRY, INVESTIGATION, OR
31 HEARING CONDUCTED BY THE COMMISSION.

32 (II) ON ISSUANCE OF A FORMAL REQUEST TO ANSWER OR
33 PRODUCE INFORMATION, EVIDENCE, OR TESTIMONY, IF AN APPLICANT OR LICENSEE
34 REFUSES TO COMPLY, THE APPLICATION OR LICENSE OF THE PERSON MAY BE
35 DENIED, SUSPENDED, OR REVOKED BY THE COMMISSION.

1 (5) AN APPLICANT SHALL BE PHOTOGRAPHED AND FINGERPRINTED
2 FOR IDENTIFICATION AND INVESTIGATION PURPOSES UNDER PROCEDURES
3 ESTABLISHED IN REGULATIONS THAT SHALL BE ISSUED BY THE COMMISSION.

4 (6) (I) AN APPLICANT OR LICENSEE SHALL HAVE A DUTY TO INFORM
5 THE COMMISSION OF AN ACT OR OMISSION THAT THE PERSON BELIEVES
6 CONSTITUTES A VIOLATION OF THIS ARTICLE OR THE REGULATIONS ISSUED UNDER
7 THIS ARTICLE.

8 (II) AN APPLICANT OR LICENSEE MAY NOT DISCRIMINATE AGAINST
9 A PERSON WHO INFORMS THE COMMISSION OF AN ACT OR OMISSION THAT THE
10 PERSON BELIEVES CONSTITUTES A VIOLATION OF THIS ARTICLE OR THE
11 REGULATIONS ISSUED UNDER THIS ARTICLE.

12 (7) AN APPLICANT OR LICENSEE SHALL PRODUCE INFORMATION,
13 DOCUMENTATION, AND ASSURANCES TO ESTABLISH THE FOLLOWING
14 QUALIFICATION CRITERIA BY CLEAR AND CONVINCING EVIDENCE:

15 (I) THE FINANCIAL STABILITY, INTEGRITY, AND RESPONSIBILITY
16 OF THE APPLICANT OR LICENSEE;

17 (II) THE INTEGRITY OF THE FINANCIAL BACKERS, INVESTORS,
18 MORTGAGEES, BONDHOLDERS, AND HOLDERS OF OTHER EVIDENCES OF
19 INDEBTEDNESS THAT BEAR A RELATION TO THE APPLICATION;

20 (III) THE APPLICANT'S OR LICENSEE'S GOOD CHARACTER, HONESTY,
21 AND INTEGRITY;

22 (IV) SUFFICIENT BUSINESS ABILITY AND EXPERIENCE OF THE
23 APPLICANT OR LICENSEE;

24 (V) THE SUITABILITY OF THE VIDEO LOTTERY FACILITY AND ITS
25 LOCATION; AND

26 (VI) THE GOOD FAITH EFFORTS OF THE APPLICANT OR LICENSEE
27 TO PROVIDE FOR OWNERSHIP WITH INDICATION OF PERCENTAGE AND TYPE, SUCH
28 AS EQUITY PARTNER OR SPECIFIC PERCENTAGE SHAREHOLDER, BY MINORITY
29 INDIVIDUALS, WOMEN, AND BUSINESS ENTITIES OWNED BY MINORITY INDIVIDUALS
30 OR BY WOMEN.

31 (8) IN ADDITION TO OTHER INFORMATION REQUIRED BY THIS ARTICLE,
32 A CORPORATION APPLYING FOR A VIDEO LOTTERY FACILITY LICENSE SHALL
33 PROVIDE THE FOLLOWING INFORMATION:

34 (I) THE ORGANIZATION, FINANCIAL STRUCTURE, AND NATURE OF
35 ALL BUSINESSES OPERATED BY THE CORPORATION;

36 (II) THE NAMES, PERSONAL EMPLOYMENT, AND CRIMINAL
37 HISTORIES OF OFFICERS, DIRECTORS, AND PRINCIPAL EMPLOYEES OF THE
38 CORPORATION;

1 (III) THE NAMES OF ALL HOLDING, INTERMEDIARY, AND
2 SUBSIDIARY COMPANIES OF THE CORPORATION;

3 (IV) THE ORGANIZATION, FINANCIAL STRUCTURE, AND NATURE OF
4 ALL BUSINESSES OPERATED BY THE CORPORATION'S HOLDING, INTERMEDIARY, AND
5 SUBSIDIARY COMPANIES;

6 (V) THE RIGHTS AND PRIVILEGES ACQUIRED BY THE HOLDERS OF
7 DIFFERENT CLASSES OF AUTHORIZED SECURITIES OF THE CORPORATION AND ITS
8 HOLDING, INTERMEDIARY, AND SUBSIDIARY COMPANIES;

9 (VI) THE TERMS ON WHICH THE SECURITIES HAVE BEEN OR ARE TO
10 BE OFFERED;

11 (VII) THE TERMS AND CONDITIONS OF ALL OUTSTANDING LOANS,
12 MORTGAGES, TRUST DEEDS, PLEDGES, OR OTHER INDEBTEDNESS OR SECURITY
13 DEVICES UTILIZED BY THE CORPORATION;

14 (VIII) THE EXTENT OF THE EQUITY SECURITY HOLDING IN THE
15 CORPORATION OF THE OFFICERS, DIRECTORS, AND UNDERWRITERS AND THEIR
16 REMUNERATION IN THE FORM OF SALARY, WAGES, FEES, OR OTHERWISE;

17 (IX) THE NAMES OF PERSONS OTHER THAN DIRECTORS AND
18 OFFICERS WHO OCCUPY POSITIONS SPECIFIED BY THE COMMISSION OR WHOSE
19 COMPENSATION EXCEEDS AN AMOUNT DETERMINED BY THE COMMISSION;

20 (X) THE NAMES OF PERSONS WHO OWN OR CONTROL THE
21 CORPORATION;

22 (XI) A DESCRIPTION OF ALL BONUS AND PROFIT-SHARING
23 ARRANGEMENTS;

24 (XII) COPIES OF MANAGEMENT AND SERVICE CONTRACTS; AND

25 (XIII) A LISTING OF STOCK OPTIONS.

26 (9) IF A CORPORATION THAT APPLIES FOR A VIDEO LOTTERY FACILITY
27 LICENSE IS, OR IF A CORPORATION HOLDING A VIDEO LOTTERY FACILITY LICENSE IS
28 TO BECOME, A SUBSIDIARY, EACH HOLDING COMPANY AND EACH INTERMEDIARY
29 COMPANY WITH RESPECT TO THE CORPORATION SHALL, AS A CONDITION OF THE
30 SUBSIDIARY ACQUIRING OR RETAINING A VIDEO LOTTERY FACILITY LICENSE:

31 (I) QUALIFY TO DO BUSINESS IN THE STATE OF MARYLAND;

32 (II) IF IT IS A CORPORATION, FURNISH THE COMMISSION WITH THE
33 INFORMATION REQUIRED OF A CORPORATE APPLICANT SPECIFIED IN PARAGRAPH (8)
34 OF THIS SUBSECTION AND OTHER INFORMATION THAT THE COMMISSION MAY
35 REQUIRE; OR

1 (III) IF IT IS NOT A CORPORATION, FURNISH THE COMMISSION WITH
2 THE INFORMATION THE COMMISSION MAY REQUIRE.

3 (10) A NONCORPORATE APPLICANT FOR A VIDEO LOTTERY FACILITY
4 LICENSE SHALL PROVIDE THE INFORMATION REQUIRED UNDER PARAGRAPH (8) OF
5 THIS SUBSECTION IN THE FORM REQUIRED BY THE COMMISSION.

6 (11) THE COMMISSION SHALL DENY A VIDEO LOTTERY FACILITY LICENSE
7 TO AN APPLICANT WHO IS DISQUALIFIED ON THE BASIS OF ANY OF THE FOLLOWING
8 CRITERIA:

9 (I) FAILURE OF THE APPLICANT TO PROVE BY CLEAR AND
10 CONVINCING EVIDENCE THAT THE APPLICANT AND EACH PERSON WHO OWNS OR
11 CONTROLS THE APPLICANT ARE QUALIFIED UNDER THE PROVISIONS OF THIS
12 ARTICLE;

13 (II) FAILURE OF THE APPLICANT OR ANY PERSON REQUIRED TO BE
14 QUALIFIED UNDER THIS ARTICLE AS A CONDITION OF A LICENSE TO PROVIDE
15 INFORMATION, DOCUMENTATION, AND ASSURANCES REQUIRED BY THIS ARTICLE OR
16 REQUESTED BY THE COMMISSION;

17 (III) FAILURE OF THE APPLICANT OR ANY PERSON REQUIRED TO BE
18 QUALIFIED UNDER THIS ARTICLE AS A CONDITION OF A LICENSE TO REVEAL ANY
19 FACT MATERIAL TO QUALIFICATION;

20 (IV) SUPPLYING, BY THE APPLICANT OR ANY PERSON REQUIRED TO
21 BE QUALIFIED UNDER THIS ARTICLE AS A CONDITION OF A LICENSE, OF
22 INFORMATION THAT IS UNTRUE OR MISLEADING AS TO A MATERIAL FACT
23 CONCERNING THE QUALIFICATION CRITERIA;

24 (V) THE CONVICTION OF THE APPLICANT OR OF ANY PERSON
25 REQUIRED TO BE QUALIFIED UNDER THIS ARTICLE AS A CONDITION OF A LICENSE
26 OF AN OFFENSE UNDER THE LAWS OF THE UNITED STATES OR ANY JURISDICTION
27 WITHIN THE UNITED STATES THAT IS A CRIMINAL OFFENSE INVOLVING MORAL
28 TURPITUDE OR A GAMBLING OFFENSE;

29 (VI) CURRENT PROSECUTION OF THE APPLICANT OR A PERSON
30 WHO IS REQUIRED TO BE QUALIFIED UNDER THIS ARTICLE AS A CONDITION OF A
31 LICENSE FOR AN OFFENSE DESCRIBED UNDER ITEM (V) OF THIS PARAGRAPH;
32 HOWEVER, AT THE REQUEST OF THE APPLICANT, THE COMMISSION SHALL DEFER
33 DECISION ON THE APPLICATION DURING THE PENDENCY OF THE CHARGE;

34 (VII) THE PURSUIT BY THE APPLICANT OR A PERSON WHO IS
35 REQUIRED TO BE QUALIFIED UNDER THIS ARTICLE AS A CONDITION OF A LICENSE
36 OF ECONOMIC GAIN IN AN OCCUPATIONAL MANNER OR CONTEXT THAT IS IN
37 VIOLATION OF THE CRIMINAL OR CIVIL PUBLIC POLICIES OF THE STATE, IF THE
38 PURSUIT CREATES A REASONABLE BELIEF THAT PARTICIPATION OF THE APPLICANT
39 IN VIDEO LOTTERY OPERATIONS WOULD BE INIMICAL TO THE POLICIES OF THIS
40 ARTICLE;

1 (VIII) THE IDENTIFICATION OF THE APPLICANT OR A PERSON WHO
2 IS REQUIRED TO BE QUALIFIED UNDER THIS ARTICLE AS A CONDITION OF A LICENSE
3 AS A CAREER OFFENDER OR A MEMBER OF A CAREER OFFENDER CARTEL OR AN
4 ASSOCIATE OF A CAREER OFFENDER OR CAREER OFFENDER CARTEL IN A MANNER
5 THAT CREATES A REASONABLE BELIEF THAT THE ASSOCIATION IS OF A NATURE AS
6 TO BE INIMICAL TO THE POLICIES OF THIS ARTICLE;

7 (IX) THE COMMITTING OF AN ACT BY THE APPLICANT OR A PERSON
8 WHO IS REQUIRED TO BE QUALIFIED UNDER THIS ARTICLE AS A CONDITION OF A
9 LICENSE THAT WOULD CONSTITUTE AN OFFENSE DESCRIBED UNDER ITEM (V) OF
10 THIS PARAGRAPH, EVEN IF THE ACT HAS NOT OR MAY NOT BE PROSECUTED UNDER
11 THE CRIMINAL LAWS OF THE STATE; AND

12 (X) CONTUMACIOUS DEFIANCE BY THE APPLICANT OR A PERSON
13 WHO IS REQUIRED TO BE QUALIFIED UNDER THIS ARTICLE AS A CONDITION OF A
14 LICENSE OF A LEGISLATIVE INVESTIGATORY BODY OR OTHER OFFICIAL
15 INVESTIGATORY BODY OF THE UNITED STATES OR A JURISDICTION WITHIN THE
16 UNITED STATES WHEN THE BODY IS ENGAGED IN THE INVESTIGATION OF CRIMES
17 RELATING TO GAMBLING, OFFICIAL CORRUPTION, OR ORGANIZED CRIME ACTIVITY.

18 (C) (1) ON THE FILING OF AN APPLICATION FOR ANY LICENSE REQUIRED
19 UNDER THIS ARTICLE AND ANY SUPPLEMENTAL INFORMATION REQUIRED BY THE
20 COMMISSION, THE COMMISSION SHALL CONDUCT A BACKGROUND INVESTIGATION
21 AND A HEARING ON THE QUALIFICATIONS OF THE APPLICANT AND ANY PERSON
22 WHO IS REQUIRED TO BE QUALIFIED UNDER THIS ARTICLE AS A CONDITION OF A
23 LICENSE.

24 (2) AFTER THE INVESTIGATION AND HEARING, THE COMMISSION MAY
25 EITHER GRANT A LICENSE TO AN APPLICANT WHOM THE COMMISSION DETERMINES
26 TO BE QUALIFIED OR DENY THE APPLICATION TO AN APPLICANT WHOM THE
27 COMMISSION DETERMINES TO BE NOT QUALIFIED OR DISQUALIFIED.

28 (3) IF MORE THAN ONE APPLICANT IS QUALIFIED FOR A LICENSE, THE
29 COMMISSION SHALL:

30 (I) GRANT A LICENSE TO THE APPLICANT THAT THE COMMISSION
31 DETERMINES IS LIKELY TO PROVIDE THE GREATEST BENEFIT TO THE STATE AND
32 THE COUNTY IN WHICH THE LICENSEE IS TO BE LOCATED; AND

33 (II) DENY A LICENSE TO ANY OTHER APPLICANT FOR THAT
34 LICENSE.

35 (4) IF AN APPLICATION IS DENIED, THE COMMISSION SHALL PREPARE
36 AND FILE AN ORDER DENYING THE APPLICATION WITH A STATEMENT OF THE
37 REASONS FOR THE DENIAL, INCLUDING THE SPECIFIC FINDINGS OF FACT.

38 (5) IF SATISFIED THAT AN APPLICANT IS QUALIFIED TO RECEIVE A
39 LICENSE, AND ON TENDER OF ALL REQUIRED APPLICATION, LICENSE, AND OTHER
40 FEES AND TAXES, AND ANY BONDS AS THE COMMISSION MAY REQUIRE FOR THE
41 FAITHFUL PERFORMANCE OF THE REQUIREMENTS IMPOSED BY THIS ARTICLE, ANY

1 STATUTE, AND THE REGULATIONS ISSUED UNDER THIS ARTICLE, THE COMMISSION
2 SHALL ISSUE A LICENSE FOR A TERM OF 1 YEAR.

3 (6) (I) THE COMMISSION SHALL SET, BY REGULATION, THE AMOUNT
4 OF THE BOND OR BONDS TO BE REQUIRED UNDER THIS SUBSECTION IN THE
5 AMOUNTS THE COMMISSION MAY DEEM APPROPRIATE.

6 (II) THE BONDS FURNISHED MAY BE APPLIED BY THE COMMISSION
7 TO THE PAYMENT OF AN UNPAID LIABILITY OF THE LICENSEE.

8 (7) SUBJECT TO THE POWER OF THE COMMISSION TO DENY, REVOKE, OR
9 SUSPEND A LICENSE, A LICENSE IN FORCE SHALL BE RENEWED BY THE COMMISSION
10 FOR THE NEXT SUCCEEDING LICENSE PERIOD ON:

11 (I) PROPER APPLICATION FOR RENEWAL; AND

12 (II) PAYMENT OF ALL REQUIRED APPLICATION, LICENSE, AND
13 OTHER FEES AND TAXES.

14 (D) (1) ON THE REQUEST OF AN APPLICANT FOR A LICENSE, THE
15 COMMISSION MAY GRANT AN EXEMPTION OR WAIVER OF ANY REQUIREMENT UNDER
16 SUBSECTION (B) OR SUBSECTION (C) OF THIS SECTION IF THE COMMISSION
17 CONSIDERS THAT THE REQUIREMENT IS NOT NECESSARY IN ORDER TO PROTECT
18 THE PUBLIC INTEREST OR ACCOMPLISH THE POLICIES ESTABLISHED BY THIS
19 ARTICLE.

20 (2) ON GRANTING TO AN APPLICANT AN EXEMPTION OR WAIVER OF A
21 REQUIREMENT OF SUBSECTION (B) OR (C) OF THIS SECTION, OR AT ANY TIME AFTER
22 AN EXEMPTION OR WAIVER IS GRANTED, THE COMMISSION:

23 (I) MAY LIMIT OR PLACE RESTRICTIONS ON THE EXEMPTION OR
24 WAIVER AS THE COMMISSION DEEMS NECESSARY IN THE PUBLIC INTEREST; AND

25 (II) SHALL REQUIRE THE PERSON WHO IS GRANTED THE
26 EXEMPTION OR WAIVER TO COOPERATE WITH THE COMMISSION AND, ON REQUEST,
27 TO PROVIDE INFORMATION IN THE SAME MANNER AS REQUIRED OF A LICENSED
28 VIDEO LOTTERY FACILITY UNDER THIS ARTICLE.

29 (E) (1) BECAUSE THE PUBLIC HAS A VITAL INTEREST IN VIDEO LOTTERY
30 OPERATIONS AND HAS ESTABLISHED A LIMITED EXCEPTION TO THE POLICY OF THE
31 STATE CONCERNING GAMING FOR PRIVATE GAIN, PARTICIPATION IN VIDEO LOTTERY
32 OPERATIONS BY A LICENSEE UNDER THIS ARTICLE SHALL BE DEEMED A REVOCABLE
33 PRIVILEGE CONDITIONED ON THE PROPER AND CONTINUED QUALIFICATION OF THE
34 LICENSEE AND ON THE DISCHARGE OF THE AFFIRMATIVE RESPONSIBILITY OF EACH
35 LICENSEE TO PROVIDE TO THE REGULATORY AND INVESTIGATORY AUTHORITIES
36 UNDER THIS ARTICLE OR ANY OTHER PROVISION OF LAW, ANY ASSISTANCE AND
37 INFORMATION NECESSARY TO ASSURE THAT THE POLICIES DECLARED BY THIS
38 ARTICLE ARE ACHIEVED.

1 (2) CONSISTENT WITH THE POLICY DESCRIBED IN PARAGRAPH (1) OF
2 THIS SUBSECTION, IT IS THE INTENT OF THIS SUBSECTION TO:

3 (I) PRECLUDE:

4 1. THE CREATION OF ANY PROPERTY RIGHT IN ANY LICENSE
5 REQUIRED UNDER THIS ARTICLE;

6 2. THE ACCRUAL OF ANY VALUE TO THE PRIVILEGE OF
7 PARTICIPATION IN VIDEO LOTTERY OPERATIONS; AND

8 3. THE TRANSFER OF ANY LICENSE ISSUED UNDER THIS
9 ARTICLE; AND

10 (II) REQUIRE THAT PARTICIPATION IN VIDEO LOTTERY
11 OPERATIONS BE CONDITIONED SOLELY ON THE INDIVIDUAL QUALIFICATIONS OF
12 THE PERSON WHO SEEKS THE PRIVILEGE.

13 (F) IF THE COMMISSION ISSUES A VIDEO LOTTERY FACILITY LICENSE TO AN
14 APPLICANT FOR A TOURIST DESTINATION LOCATION, THE STATE RACING
15 COMMISSION SHALL ISSUE TO THE PERSON A PERMIT TO CONDUCT SATELLITE
16 SIMULCAST BETTING AT THE TOURIST DESTINATION LOCATION.

17 (G) (1) EACH VIDEO LOTTERY TERMINAL DEVICE, ASSOCIATED EQUIPMENT,
18 AND THE CENTRAL COMPUTER SHALL BE:

19 (I) OWNED OR LEASED BY THE COMMISSION; AND

20 (II) UNDER THE CONTROL OF THE COMMISSION.

21 (2) A VIDEO LOTTERY FACILITY LICENSEE AT A TRACK FACILITY
22 LOCATION OR A TOURIST DESTINATION LOCATION MAY NOT OPERATE MORE THAN
23 2,000 VIDEO LOTTERY TERMINALS.

24 (3) A VIDEO LOTTERY FACILITY LICENSEE AT A SATELLITE SIMULCAST
25 FACILITY THAT IS NOT A TOURIST DESTINATION LOCATION MAY NOT OPERATE MORE
26 THAN 250 VIDEO LOTTERY TERMINALS.

27 (H) (1) UNLESS A PERSON HOLDS A VALID VIDEO LOTTERY OPERATOR
28 LICENSE ISSUED BY THE COMMISSION, THE PERSON MAY NOT ENTER INTO A
29 MANAGEMENT AGREEMENT, OR ANY OTHER BUSINESS RELATIONSHIP, WITH A
30 VIDEO LOTTERY FACILITY LICENSEE OR APPLICANT FOR THE OPERATION OR THE
31 MANAGEMENT OF THE LICENSEE'S OR APPLICANT'S VIDEO LOTTERY FACILITY OR TO
32 SHARE IN THE PROCEEDS FROM THE LICENSEE'S OR APPLICANT'S VIDEO LOTTERY
33 FACILITY.

34 (2) EACH VIDEO LOTTERY OPERATOR AND EACH OTHER PERSON WHO
35 OWNS OR CONTROLS THE VIDEO LOTTERY OPERATOR, MANAGEMENT AND
36 SUPERVISORY PERSONNEL, AND OTHER PRINCIPAL EMPLOYEES SHALL QUALIFY

1 UNDER THE STANDARDS AND PROVISIONS SET FORTH IN SUBSECTIONS (B) AND (C)
2 OF THIS SECTION FOR LICENSEES.

3 (3) THE COMMISSION MAY NOT GRANT AN EXEMPTION OR WAIVER OF
4 ANY LICENSING REQUIREMENT TO AN APPLICANT FOR OR HOLDER OF A VIDEO
5 LOTTERY OPERATOR LICENSE.

6 (4) A VIDEO LOTTERY FACILITY LICENSEE OR APPLICANT SHALL FILE
7 WITH THE COMMISSION ANY CURRENT OR PROPOSED OPERATION OR MANAGEMENT
8 AGREEMENT WITH ANY PERSON, WHICH AGREEMENT SHALL BE SUBJECT TO
9 APPROVAL BY THE COMMISSION.

10 (5) A LICENSED VIDEO LOTTERY OPERATOR MAY NOT ENTER INTO AN
11 AGREEMENT DESCRIBED UNDER THIS SUBSECTION WITH MORE THAN ONE VIDEO
12 LOTTERY FACILITY LICENSEE.

13 (I) (1) UNLESS A PERSON HOLDS A VALID VIDEO LOTTERY EMPLOYEE
14 LICENSE ISSUED BY THE COMMISSION, THE PERSON MAY NOT BE EMPLOYED BY A
15 LICENSEE AS A VIDEO LOTTERY EMPLOYEE.

16 (2) UNLESS A PERSON HOLDS A VALID SERVICE TECHNICIAN LICENSE
17 ISSUED BY THE COMMISSION, THE PERSON MAY NOT PROVIDE SERVICE AS A
18 SERVICE TECHNICIAN.

19 (3) BEFORE ISSUANCE OF A LICENSE, AN APPLICANT FOR A VIDEO
20 LOTTERY EMPLOYEE LICENSE OR SERVICE TECHNICIAN LICENSE SHALL PROVIDE
21 SUFFICIENT INFORMATION, DOCUMENTATION, AND ASSURANCES TO MEET THE
22 QUALIFICATION CRITERIA CONTAINED IN REGULATIONS THAT SHALL BE ISSUED BY
23 THE COMMISSION.

24 (4) THE COMMISSION SHALL DENY A VIDEO LOTTERY EMPLOYEE
25 LICENSE OR SERVICE TECHNICIAN LICENSE TO AN APPLICANT WHO IS
26 DISQUALIFIED ON THE BASIS OF CRITERIA AND PROCEDURES CONTAINED IN
27 REGULATIONS THAT SHALL BE ISSUED BY THE COMMISSION.

28 (J) (1) UNLESS A MANUFACTURER HOLDS A VALID MANUFACTURER
29 LICENSE ISSUED BY THE COMMISSION BEFORE CONDUCTING BUSINESS WITH A
30 LICENSEE OR THE STATE, THE MANUFACTURER MAY NOT OFFER ANY VIDEO
31 LOTTERY TERMINAL, ASSOCIATED EQUIPMENT, CENTRAL COMPUTER, OR GOODS OR
32 SERVICES THAT DIRECTLY RELATE TO THE OPERATION OF VIDEO LOTTERY
33 TERMINALS.

34 (2) EACH MANUFACTURER, AND EACH PERSON WHO OWNS OR
35 CONTROLS THE MANUFACTURER, MANAGEMENT AND SUPERVISORY PERSONNEL,
36 AND OTHER PRINCIPAL EMPLOYEES SHALL QUALIFY UNDER THE STANDARDS AND
37 PROVISIONS SET FORTH IN SUBSECTIONS (B) AND (C) OF THIS SECTION FOR
38 LICENSEES.

1 (3) THE COMMISSION MAY NOT GRANT AN EXEMPTION OR WAIVER OF
2 ANY LICENSING REQUIREMENT TO AN APPLICANT FOR OR HOLDER OF A
3 MANUFACTURER LICENSE.

4 (4) A MANUFACTURER OF THE VIDEO LOTTERY TERMINALS,
5 ASSOCIATED EQUIPMENT, AND CENTRAL COMPUTER SHALL MANUFACTURE OR
6 DISTRIBUTE THE VIDEO LOTTERY TERMINALS, ASSOCIATED EQUIPMENT, AND
7 CENTRAL COMPUTER THAT MEET SPECIFICATIONS AND PROCEDURES CONTAINED
8 IN REGULATIONS THAT SHALL BE ISSUED BY THE COMMISSION.

9 (K) (1) THE COMMISSION SHALL CONTRACT WITH ONE OR MORE LICENSED
10 MANUFACTURERS FOR THE LEASE OR PURCHASE OF THE VIDEO LOTTERY
11 TERMINALS, ASSOCIATED EQUIPMENT, AND CENTRAL COMPUTER AUTHORIZED
12 UNDER THIS ARTICLE.

13 (2) THE COMMISSION SHALL COMPLY WITH THE REQUIREMENTS OF
14 THE STATE FINANCE AND PROCUREMENT ARTICLE OF THE ANNOTATED CODE OF
15 MARYLAND, INCLUDING REQUIREMENTS FOR COMPETITIVE BIDS FOR
16 PROCUREMENT CONTRACTS.

17 6. LICENSE SANCTIONS AND PENALTIES.

18 (A) THE COMMISSION MAY DENY A LICENSE TO AN APPLICANT, REPRIMAND
19 OR FINE A LICENSEE, OR SUSPEND OR REVOKE A LICENSE FOR A VIOLATION OF:

20 (1) THIS ARTICLE;

21 (2) A REGULATION ADOPTED UNDER THIS ARTICLE;

22 (3) A STATUTE ENACTED PURSUANT TO THIS ARTICLE; OR

23 (4) A CONDITION THAT THE COMMISSION SETS.

24 (B) (1) FOR EACH VIOLATION SPECIFIED IN SUBSECTION (A) OF THIS
25 SECTION, THE COMMISSION MAY IMPOSE A PENALTY NOT EXCEEDING \$5,000
26 PAYABLE TO THE EDUCATION TRUST FUND ESTABLISHED UNDER § 9 OF THIS
27 ARTICLE.

28 (2) EACH DAY THAT A PERSON IS IN VIOLATION UNDER THIS SECTION
29 SHALL BE CONSIDERED A SEPARATE VIOLATION.

30 (3) TO DETERMINE THE AMOUNT OF THE PENALTY IMPOSED UNDER
31 PARAGRAPH (1) OF THIS SUBSECTION, THE COMMISSION SHALL CONSIDER:

32 (I) THE SERIOUSNESS OF THE VIOLATION;

33 (II) THE HARM CAUSED BY THE VIOLATION; AND

34 (III) THE GOOD FAITH OR LACK OF GOOD FAITH OF THE PERSON
35 WHO COMMITTED THE VIOLATION.

1 (C) EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS ARTICLE,
2 NOTHING CONTAINED IN THIS ARTICLE ABROGATES OR LIMITS THE CRIMINAL LAWS
3 OF THIS STATE OR LIMITS THE AUTHORITY OF THE GENERAL ASSEMBLY TO ENACT
4 STATUTES ESTABLISHING CRIMINAL OFFENSES AND PENALTIES RELATING TO
5 VIDEO LOTTERY OPERATIONS.

6 7. POWERS AND DUTIES OF COMMISSION.

7 (A) THE COMMISSION SHALL:

8 (1) HEAR AND DECIDE PROMPTLY AND IN REASONABLE ORDER LICENSE
9 APPLICATIONS AND CAUSES AFFECTING THE GRANTING, SUSPENSION, REVOCATION,
10 OR RENEWAL OF LICENSES UNDER THIS ARTICLE;

11 (2) CONDUCT HEARINGS CONCERNING CIVIL VIOLATIONS OF THIS
12 ARTICLE OR REGULATIONS ISSUED UNDER THIS ARTICLE;

13 (3) ISSUE REGULATIONS AS IN ITS JUDGMENT MAY BE NECESSARY TO
14 FULFILL THE POLICIES OF THIS ARTICLE;

15 (4) ESTABLISH AND COLLECT APPLICATION, LICENSE, AND OTHER FEES
16 TO COVER THE COSTS OF ADMINISTERING THIS ARTICLE, EXCEPT THE COSTS
17 DESCRIBED UNDER § 8(B)(1)(I) AND (II) OF THIS ARTICLE;

18 (5) APPLY APPLICATION, LICENSE, AND OTHER FEES TO COVER THE
19 COSTS OF ADMINISTERING THIS ARTICLE, EXCEPT THE COSTS DESCRIBED UNDER §
20 8(B)(1)(I) AND (II) OF THIS ARTICLE;

21 (6) ESTABLISH AN ANNUAL FEE, TO BE PAID BY EACH VIDEO LOTTERY
22 LICENSEE AND DISTRIBUTED BY THE COMMISSION TO THE COMPULSIVE GAMBLING
23 FUND ESTABLISHED UNDER § 13 OF THIS ARTICLE, OF \$350 FOR EACH VIDEO
24 LOTTERY TERMINAL OPERATED BY THE LICENSEE DURING THE YEAR;

25 (7) LEVY AND COLLECT CIVIL PENALTIES THAT SHALL BE PAID TO THE
26 EDUCATION TRUST FUND ESTABLISHED UNDER § 9 OF THIS ARTICLE FOR CIVIL
27 VIOLATIONS OF THE PROVISIONS OF THIS ARTICLE, REGULATIONS ISSUED UNDER
28 THIS ARTICLE, OR ANY STATUTE ENACTED PURSUANT TO THIS ARTICLE;

29 (8) BE PRESENT AT A VIDEO LOTTERY FACILITY THROUGH ITS
30 EMPLOYEES AND AGENTS AT ANY TIME DURING THE OPERATION OF ANY VIDEO
31 LOTTERY TERMINAL FOR THE PURPOSE OF CERTIFYING REVENUE FROM THE VIDEO
32 LOTTERY TERMINALS, RECEIVING COMPLAINTS FROM THE PUBLIC, AND
33 CONDUCTING ANY OTHER INVESTIGATION INTO THE OPERATION OF THE VIDEO
34 LOTTERY TERMINALS AND THE MAINTENANCE OF THE VIDEO LOTTERY TERMINALS
35 AND ASSOCIATED EQUIPMENT AS THE COMMISSION MAY DEEM NECESSARY AND
36 PROPER; AND

37 (9) REVIEW AND RULE ON ANY COMPLAINT BY A LICENSEE REGARDING
38 ANY INVESTIGATIVE PROCEDURES OF THE COMMISSION THAT ARE UNNECESSARILY
39 DISRUPTIVE OF VIDEO LOTTERY OPERATIONS.

1 (B) (1) THE COMMISSION'S NEED TO INSPECT AND INVESTIGATE SHALL BE
2 PRESUMED AT ALL TIMES.

3 (2) THE DISRUPTION OF A LICENSEE'S VIDEO LOTTERY OPERATIONS
4 SHALL BE PROVED BY CLEAR AND CONVINCING EVIDENCE, AND ESTABLISH THAT:

5 (I) THE PROCEDURES HAD NO REASONABLE LAW ENFORCEMENT
6 PURPOSE; AND

7 (II) THE PROCEDURES WERE SO DISRUPTIVE AS TO INHIBIT THE
8 LICENSEE'S VIDEO LOTTERY OPERATIONS.

9 (C) THE COMMISSION SHALL HAVE THE AUTHORITY TO:

10 (1) ISSUE SUBPOENAS AND TO COMPEL THE ATTENDANCE OF
11 WITNESSES AT ANY PLACE WITHIN THE STATE;

12 (2) ADMINISTER OATHS AND TO REQUIRE TESTIMONY UNDER OATH
13 BEFORE THE COMMISSION IN THE COURSE OF ANY INVESTIGATION OR HEARING
14 CONDUCTED UNDER THIS ARTICLE;

15 (3) SERVE OR CAUSE TO BE SERVED ITS PROCESS OR NOTICES IN A
16 MANNER PROVIDED FOR SERVICE OF PROCESS IN CIVIL ACTIONS UNDER THE
17 MARYLAND RULES; AND

18 (4) PROPOUND WRITTEN INTERROGATORIES.

19 (D) EXCEPT AS OTHERWISE PROVIDED IN THIS ARTICLE, THE COMMISSION
20 SHALL CONDUCT A HEARING IN THE SAME MANNER AS SPECIFIED IN TITLE 10,
21 SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE OF THE ANNOTATED CODE OF
22 MARYLAND.

23 (E) THE COMMISSION SHALL ADOPT REGULATIONS THAT INCLUDE THE
24 FOLLOWING SPECIFIC PROVISIONS IN ACCORDANCE WITH THIS ARTICLE:

25 (1) REQUIRING THE METHODS AND FORMS OF APPLICATION THAT AN
26 APPLICANT FOR ANY LICENSE REQUIRED UNDER THIS ARTICLE SHALL FOLLOW AND
27 COMPLETE BEFORE CONSIDERATION OF THE APPLICATION BY THE COMMISSION;

28 (2) REQUIRING THE METHODS, PROCEDURES, AND FORM FOR DELIVERY
29 OF INFORMATION FROM AN APPLICANT OR LICENSEE CONCERNING ANY PERSON'S
30 FAMILY, HABITS, CHARACTER, ASSOCIATES, CRIMINAL RECORD, BUSINESS
31 ACTIVITIES, AND FINANCIAL AFFAIRS;

32 (3) REQUIRING THE PROCEDURES FOR THE FINGERPRINTING OF AN
33 APPLICANT FOR ANY LICENSE REQUIRED UNDER THIS ARTICLE OR OTHER METHODS
34 OF IDENTIFICATION THAT MAY BE NECESSARY IN THE JUDGMENT OF THE
35 COMMISSION TO ACCOMPLISH EFFECTIVE ENFORCEMENT OF THE PROVISIONS OF
36 THIS ARTICLE;

- 1 (4) REQUIRING THE MANNER AND PROCEDURE OF HEARINGS
2 CONDUCTED BY THE COMMISSION;
- 3 (5) REQUIRING THE MANNER AND METHOD OF COLLECTION OF TAXES,
4 FEES, AND CIVIL PENALTIES;
- 5 (6) DEFINING AND LIMITING THE AREAS OF OPERATION FOR VIDEO
6 LOTTERY TERMINALS, RULES OF VIDEO LOTTERY TERMINALS, ODDS FOR VIDEO
7 LOTTERY TERMINALS, AND THE METHOD OF OPERATION OF THE VIDEO LOTTERY
8 TERMINALS;
- 9 (7) REGULATING THE PRACTICE AND PROCEDURES FOR NEGOTIABLE
10 TRANSACTIONS INVOLVING PLAYERS, INCLUDING LIMITATIONS ON THE
11 CIRCUMSTANCES AND AMOUNTS OF NEGOTIABLE TRANSACTIONS, AND THE
12 ESTABLISHMENT OF FORMS AND PROCEDURES FOR NEGOTIABLE INSTRUMENT
13 TRANSACTIONS, REDEMPTIONS, AND CONSOLIDATIONS;
- 14 (8) PRESCRIBING THE GROUNDS AND PROCEDURES FOR REPRIMANDS
15 OR THE REVOCATION OR SUSPENSION OF LICENSES ISSUED UNDER THIS ARTICLE;
- 16 (9) GOVERNING THE MANUFACTURE, DISTRIBUTION, SALE, AND
17 SERVICING OF VIDEO LOTTERY TERMINALS;
- 18 (10) REQUIRING THE PROCEDURES, FORMS, AND METHODS OF
19 MANAGEMENT CONTROLS;
- 20 (11) PROVIDING FOR MINIMUM UNIFORM STANDARDS OF ACCOUNTANCY
21 METHODS, PROCEDURES, AND FORMS AS ARE NECESSARY TO ASSURE CONSISTENCY,
22 COMPARABILITY, AND EFFECTIVE DISCLOSURE OF ALL FINANCIAL INFORMATION,
23 INCLUDING PERCENTAGES OF PROFIT FOR VIDEO LOTTERY TERMINALS;
- 24 (12) REQUIRING PERIODIC FINANCIAL REPORTS AND THE FORM OF THE
25 REPORTS, INCLUDING AN ANNUAL AUDIT PREPARED BY A CERTIFIED PUBLIC
26 ACCOUNTANT LICENSED TO DO BUSINESS IN THE STATE, DISCLOSING WHETHER
27 THE ACCOUNTS, RECORDS, AND CONTROL PROCEDURES EXAMINED ARE
28 MAINTAINED BY THE VIDEO LOTTERY FACILITY LICENSEE AS REQUIRED BY THIS
29 ARTICLE, THE REGULATIONS THAT SHALL BE ISSUED UNDER THIS ARTICLE, AND
30 ANY STATUTE ENACTED PURSUANT TO THIS ARTICLE;
- 31 (13) LIMITING SIGNS AND OTHER ON-SITE ADVERTISING WITH A VIEW
32 TOWARD MINIMIZING SOLICITATION FOR VIDEO LOTTERY PURPOSES FROM THE
33 PUBLIC THOROUGHFARES OR OTHERWISE DOMINATING OR DESPOILING THE
34 ENVIRONMENT;
- 35 (14) PROHIBITING A LICENSEE FROM ALLOWING A MINOR TO PLAY A
36 VIDEO LOTTERY TERMINAL; AND
- 37 (15) ESTABLISHING PAYOUT PERCENTAGE FOR VIDEO LOTTERY
38 TERMINALS OF NOT LESS THAN 83% ON AN AVERAGE ANNUAL BASIS.

1 (F) (1) THE COMMISSION, BY REGULATION, SHALL PROVIDE FOR THE
2 ESTABLISHMENT OF A LIST OF PERSONS WHO ARE TO BE EXCLUDED OR EJECTED
3 FROM ANY VIDEO LOTTERY FACILITY LICENSED UNDER THIS ARTICLE.

4 (2) THE REGULATIONS UNDER THIS SUBSECTION SHALL DEFINE THE
5 STANDARDS FOR EXCLUSION OR EJECTION AND SHALL INCLUDE STANDARDS
6 RELATING TO PERSONS:

7 (I) WHO ARE CAREER OFFENDERS AS DEFINED BY REGULATIONS
8 THAT SHALL BE ISSUED BY THE COMMISSION;

9 (II) WHO HAVE BEEN CONVICTED OF A CRIMINAL OFFENSE UNDER
10 THE LAWS OF THE UNITED STATES OR ANY JURISDICTION WITHIN THE UNITED
11 STATES THAT IS A CRIMINAL OFFENSE INVOLVING MORAL TURPITUDE OR A
12 GAMBLING OFFENSE; OR

13 (III) WHOSE PRESENCE IN THE ESTABLISHMENT OF A LICENSEE
14 WOULD BE, IN THE OPINION OF THE COMMISSION, INIMICAL TO THE INTEREST OF
15 THE STATE, THE LICENSEE, OR THE PERSON.

16 (3) THE COMMISSION MAY IMPOSE SANCTIONS ON A LICENSEE IN
17 ACCORDANCE WITH THIS ARTICLE IF THE LICENSEE KNOWINGLY FAILS TO EXCLUDE
18 OR EJECT FROM THE PREMISES OF THE LICENSEE A PERSON PLACED BY THE
19 COMMISSION ON THE LIST OF PERSONS TO BE EXCLUDED OR EJECTED.

20 (4) AN ORDER UNDER THIS SUBSECTION SHALL BE SUBJECT TO
21 JUDICIAL REVIEW.

22 (5) RACE, COLOR, CREED, NATIONAL ORIGIN OR ANCESTRY, OR SEX MAY
23 NOT BE A REASON FOR PLACING THE NAME OF A PERSON ON THE LIST OF PERSONS
24 TO BE EXCLUDED OR EJECTED.

25 (G) (1) THE COMMISSION SHALL PROMPTLY AND IN REASONABLE ORDER
26 INVESTIGATE ALL APPLICATIONS AND ENFORCE THE PROVISIONS OF THIS ARTICLE,
27 REGULATIONS THAT SHALL BE ISSUED UNDER THIS ARTICLE, AND ANY STATUTE
28 ENACTED PURSUANT TO THIS ARTICLE.

29 (2) THE COMMISSION AND ITS EMPLOYEES AND AGENTS SHALL HAVE
30 THE AUTHORITY, WITHOUT NOTICE AND WITHOUT WARRANT, TO:

31 (I) INSPECT AND EXAMINE ALL PREMISES IN WHICH VIDEO
32 LOTTERY OPERATIONS UNDER THIS ARTICLE ARE CONDUCTED OR ANY AUTHORIZED
33 VIDEO LOTTERY TERMINALS, ASSOCIATED EQUIPMENT, OR CENTRAL COMPUTER
34 ARE DESIGNED, BUILT, CONSTRUCTED, ASSEMBLED, MANUFACTURED, SOLD,
35 DISTRIBUTED, OR SERVICED, OR IN WHICH RECORDS OF THOSE ACTIVITIES ARE
36 PREPARED OR MAINTAINED;

37 (II) INSPECT ANY VIDEO LOTTERY TERMINALS, ASSOCIATED
38 EQUIPMENT, OR CENTRAL COMPUTER IN, ABOUT, ON, OR AROUND THOSE PREMISES;

1 (III) SEIZE SUMMARILY AND REMOVE FROM THOSE PREMISES AND
2 IMPOUND, OR ASSUME PHYSICAL CONTROL OF, ANY VIDEO LOTTERY TERMINALS,
3 ASSOCIATED EQUIPMENT, OR CENTRAL COMPUTER FOR THE PURPOSES OF
4 EXAMINATION AND INSPECTION;

5 (IV) INSPECT, EXAMINE, AND AUDIT BOOKS, RECORDS, AND
6 DOCUMENTS CONCERNING A LICENSEE'S VIDEO LOTTERY OPERATIONS; AND

7 (V) SEIZE, IMPOUND, OR ASSUME PHYSICAL CONTROL OF BOOKS,
8 RECORDS, LEDGERS, CASH BOXES AND THEIR CONTENTS, A COUNTING ROOM OR ITS
9 EQUIPMENT, OR OTHER PHYSICAL OBJECTS RELATING TO VIDEO LOTTERY
10 OPERATIONS.

11 8. DISTRIBUTION OF PROCEEDS.

12 (A) THE PROCEEDS FROM VIDEO LOTTERY TERMINALS SHALL BE UNDER THE
13 CONTROL OF THE COMMISSION AND SHALL BE DISTRIBUTED AS PROVIDED IN THIS
14 SECTION.

15 (B) (1) FROM THE PROCEEDS FROM VIDEO LOTTERY TERMINALS, THE
16 COMMISSION SHALL INITIALLY PAY, BASED ON A SCHEDULE DETERMINED BY THE
17 COMMISSION:

18 (I) THE COSTS OF LEASING, OR THE CAPITALIZED COST OF
19 PURCHASING, THE VIDEO LOTTERY TERMINALS, ASSOCIATED EQUIPMENT, AND
20 CENTRAL COMPUTER;

21 (II) THE COSTS TO REPAIR AND MAINTAIN THE VIDEO LOTTERY
22 TERMINALS, ASSOCIATED EQUIPMENT, AND CENTRAL COMPUTER TO THE EXTENT
23 THESE COSTS ARE NOT INCLUDED IN THE COSTS OF LEASING OR PURCHASING THE
24 VIDEO LOTTERY TERMINALS, ASSOCIATED EQUIPMENT, AND CENTRAL COMPUTER;
25 AND

26 (III) SUBJECT TO THE PROVISIONS OF PARAGRAPH (2) OF THIS
27 SUBSECTION, AN AMOUNT TO THE GENERAL FUND SUBJECT TO APPROVAL BY THE
28 GENERAL ASSEMBLY FOR LOCAL IMPACT GRANTS TO COUNTIES FOR
29 INFRASTRUCTURE, FACILITIES, SERVICES, REDEVELOPMENT, AND OTHER
30 IMPROVEMENTS IN COUNTIES WHERE PIMLICO RACE COURSE, LAUREL RACE
31 COURSE, ROSECROFT RACEWAY, AND VIDEO LOTTERY FACILITIES AT TOURIST
32 DESTINATION LOCATIONS AND SATELLITE SIMULCAST FACILITIES ARE LOCATED
33 THAT SHALL BE:

34 1. AT LEAST \$27,400 PER DAY FOR EACH DAY OF OPERATION
35 BY A VIDEO LOTTERY FACILITY LICENSEE LOCATED AT A TRACK IN A COUNTY WITH
36 A POPULATION DENSITY OF MORE THAN 2,500 PER SQUARE MILE;

37 2. AT LEAST \$21,925 PER DAY FOR EACH DAY OF OPERATION
38 BY A VIDEO LOTTERY FACILITY LICENSEE LOCATED AT A TRACK IN A COUNTY WITH
39 A POPULATION DENSITY OF MORE THAN 1,500 PER SQUARE MILE;

1 3. AT LEAST \$16,450 PER DAY FOR EACH DAY OF OPERATION
2 BY A VIDEO LOTTERY FACILITY LICENSEE LOCATED AT A TRACK IN A COUNTY WITH
3 A POPULATION DENSITY OF MORE THAN 1,000 PER SQUARE MILE;

4 4. AT LEAST \$2,750 PER DAY FOR EACH DAY OF OPERATION
5 BY A VIDEO LOTTERY FACILITY LICENSEE LOCATED AT A TOURIST DESTINATION
6 LOCATION; AND

7 5. AT LEAST \$1,400 PER DAY FOR EACH DAY OF OPERATION
8 BY A VIDEO LOTTERY FACILITY LICENSEE LOCATED AT A SATELLITE SIMULCAST
9 FACILITY THAT IS NOT A TOURIST DESTINATION LOCATION.

10 (2) IF A VIDEO LOTTERY FACILITY LICENSE IS ISSUED FOR THE LAUREL
11 RACE COURSE LOCATION, THE LOCAL IMPACT GRANT FOR THAT LOCATION SHALL BE
12 DISTRIBUTED AS FOLLOWS:

13 (I) 60% TO ANNE ARUNDEL COUNTY;

14 (II) 20% TO HOWARD COUNTY; AND

15 (III) 20% TO THE CITY OF LAUREL.

16 (3) POPULATION DENSITY UNDER ITEM (1)(III) OF THIS SUBSECTION
17 SHALL BE DETERMINED BY THE MARYLAND OFFICE OF PLANNING BASED ON THE
18 OFFICIAL 1997 POPULATION ESTIMATE FOR THE YEAR 2000.

19 (4) THE LOCAL IMPACT GRANTS IN ITEM (1)(III) OF THIS SUBSECTION
20 SHALL INCREASE 2% EACH YEAR IN WHICH THE PROCEEDS IN THE CURRENT FISCAL
21 YEAR EXCEED THE PROCEEDS IN THE PRIOR FISCAL YEAR.

22 (C) FROM THE PROCEEDS FROM THE VIDEO LOTTERY TERMINALS FOR ALL
23 VIDEO LOTTERY FACILITIES THAT DO NOT EXCEED AN AVERAGE OF \$250 PER VIDEO
24 LOTTERY TERMINAL PER DAY AS DETERMINED EACH FISCAL YEAR, AFTER THE
25 DEDUCTIONS FROM THE PROCEEDS OF THE AMOUNTS DESCRIBED UNDER
26 SUBSECTION (B) OF THIS SECTION, THE COMMISSION SHALL PAY, BASED ON A
27 SCHEDULE DETERMINED BY THE COMMISSION:

28 (1) AS APPROVED BY THE COMMISSION, AN AMOUNT NOT TO EXCEED
29 47% OF THE REMAINDER OF THE PROCEEDS FOR THE OPERATING COSTS AND
30 RELATED CAPITAL COSTS OF, AND A REASONABLE RETURN FOR, THE VIDEO LOTTERY
31 FACILITY LICENSEE;

32 (2) 9% OF THE REMAINDER OF THE PROCEEDS TO THE PURSE
33 DEDICATION ACCOUNT ESTABLISHED UNDER § 10 OF THIS ARTICLE;

34 (3) 1% OF THE REMAINDER OF THE PROCEEDS TO THE MARYLAND
35 TOURISM DEVELOPMENT BOARD FUND ESTABLISHED UNDER ARTICLE 83A, TITLE 4,
36 SUBTITLE 2 OF THE ANNOTATED CODE OF MARYLAND FOR THE PURPOSES
37 SPECIFIED IN § 11 OF THIS ARTICLE; AND

1 (4) 0.5% OF THE REMAINDER OF THE PROCEEDS TO BE ALLOCATED
2 AMONG ALL OF THE HOLDERS OF TRACK LICENSES IN THE STATE, EXCLUDING
3 HOLDERS OF TRACK LICENSES WHO HAVE A VIDEO LOTTERY FACILITY LICENSE, IN A
4 MANNER DETERMINED BY THE COMMISSION.

5 (D) FROM THE PROCEEDS FROM THE VIDEO LOTTERY TERMINALS FOR ALL
6 VIDEO LOTTERY FACILITIES THAT EXCEED AN AVERAGE OF \$250 PER VIDEO LOTTERY
7 TERMINAL PER DAY AS DETERMINED EACH FISCAL YEAR, THE COMMISSION SHALL
8 PAY BASED ON A SCHEDULE DETERMINED BY THE COMMISSION:

9 (1) AS APPROVED BY THE COMMISSION, AN AMOUNT NOT TO EXCEED
10 50% OF THE REMAINDER OF THE PROCEEDS DESCRIBED BY THIS SUBSECTION FOR
11 THE OPERATING AND RELATED CAPITAL COSTS, AND A REASONABLE RETURN FOR,
12 THE VIDEO LOTTERY FACILITY LICENSEE; AND

13 (2) THE BALANCE OF THE PROCEEDS TO THE EDUCATION TRUST FUND
14 ESTABLISHED UNDER § 9 OF THIS ARTICLE.

15 (E) FROM THE PROCEEDS REMAINING AFTER PAYMENTS UNDER
16 SUBSECTIONS (B), (C), AND (D) OF THIS SECTION, THE COMMISSION SHALL PAY THE
17 BALANCE TO THE EDUCATION TRUST FUND ESTABLISHED UNDER § 9 OF THIS
18 ARTICLE.

19 9. EDUCATION TRUST FUND.

20 (A) THERE IS AN EDUCATION TRUST FUND WHICH IS A SPECIAL CONTINUING,
21 NONLAPSING FUND.

22 (B) THERE SHALL BE CREDITED TO THE EDUCATION TRUST FUND ALL TAXES,
23 FEES, CHARGES, AND REVENUES COLLECTED OR RECEIVED BY OR PAID,
24 APPROPRIATED, OR CREDITED, UNDER THIS ARTICLE OR ANY OTHER PROVISION OF
25 LAW, TO THE ACCOUNT OF THE EDUCATION TRUST FUND.

26 (C) THERE IS A BOARD OF THE EDUCATION TRUST FUND THAT SHALL
27 OVERSEE THE ALLOCATION AND EXPENDITURE OF FUNDS FROM THE EDUCATION
28 TRUST FUND.

29 (D) THE BOARD SHALL CONSIST OF THE FOLLOWING NINE MEMBERS:

30 (1) THE SECRETARY OF BUDGET AND MANAGEMENT;

31 (2) THE SECRETARY OF THE MARYLAND HIGHER EDUCATION
32 COMMISSION;

33 (3) THE STATE SUPERINTENDENT OF SCHOOLS;

34 (4) THE CHANCELLOR OF THE UNIVERSITY SYSTEM OF MARYLAND;

35 (5) THE PRESIDENT OF MORGAN STATE UNIVERSITY;

1 (6) A MEMBER OF THE HOUSE OF DELEGATES APPOINTED BY THE
2 SPEAKER OF THE HOUSE OF DELEGATES;

3 (7) A MEMBER OF THE SENATE APPOINTED BY THE PRESIDENT OF THE
4 SENATE; AND

5 (8) TWO MEMBERS OF THE PUBLIC APPOINTED BY THE GOVERNOR TO A
6 TERM OF 4 YEARS BEGINNING JANUARY 1, 1999, WHO ARE ELIGIBLE FOR
7 REAPPOINTMENT.

8 (E) THE STATE SUPERINTENDENT OF SCHOOLS SHALL SERVE AS THE
9 CHAIRMAN OF THE BOARD.

10 (F) (1) THE BOARD SHALL PERIODICALLY REVIEW THE ALLOCATION AND
11 EXPENDITURE OF FUNDS FROM THE EDUCATION TRUST FUND.

12 (2) THE BOARD SHALL SUBMIT A REPORT ANNUALLY TO THE GOVERNOR
13 AND THE GENERAL ASSEMBLY BY NOVEMBER 1 OF EACH YEAR.

14 (3) THE REPORT SHALL INCLUDE THE EDUCATION TRUST FUND'S:

15 (I) BEGINNING BALANCE;

16 (II) PROJECTED REVENUES;

17 (III) PROPOSED OVERALL BUDGET AND ALLOCATION OF FUNDS IN
18 THE UPCOMING FISCAL YEAR; AND

19 (IV) IDENTIFICATION OF MULTIYEAR COMMITMENTS FOR
20 OPERATING OR CAPITAL PURPOSES.

21 (4) (I) THE GOVERNOR SHALL CONSIDER THE BOARD'S
22 RECOMMENDATIONS WHEN DEVELOPING THE BUDGET FOR THE UPCOMING FISCAL
23 YEAR.

24 (II) THE GOVERNOR MAY ADJUST THE BOARD'S PROPOSED
25 ALLOCATION OF FUNDS WITHIN THE EDUCATION TRUST FUND'S OVERALL BUDGET
26 AND EDUCATION PURPOSES RECOMMENDED BY THE BOARD.

27 (5) EXPENDITURES FROM THE EDUCATION TRUST FUND SHALL BE
28 MADE IN ACCORDANCE WITH ANY APPLICABLE BUDGET BILL.

29 (G) (1) FOR EACH FISCAL YEAR BEGINNING ON OR AFTER THE EFFECTIVE
30 DATE OF THIS ARTICLE, THE BOARD OF THE EDUCATION TRUST FUND SHALL USE
31 THE FUNDS IN THE EDUCATION TRUST FUND FOR ANY LAWFUL OPERATING OR
32 PAY-AS-YOU-GO CAPITAL PURPOSE RELATED TO:

33 (I) THE EXTENDED ELEMENTARY EDUCATION PROGRAM;

1 (II) FULL-DAY KINDERGARTEN WITH BEFORE- AND
2 AFTER-KINDERGARTEN CARE FOR "AT RISK" CHILDREN ELIGIBLE FOR FREE AND
3 REDUCED PRICE MEALS;

4 (III) TECHNOLOGY IN EDUCATION, WHICH FUNDING SHOULD BE
5 USED TO IMPLEMENT AND ADMINISTER THE MARYLAND PLAN FOR TECHNOLOGY IN
6 EDUCATION DEVELOPED FOR THE STATE BOARD OF EDUCATION WITH A GOAL TO
7 PROVIDE ACCESS AND USE OF INFORMATION AND COMMUNICATION RESOURCES
8 FOR EVERY CLASSROOM IN THE STATE;

9 (IV) THE STATE LIBRARY RESOURCE CENTER AND REGIONAL
10 RESOURCE CENTERS IN SOUTHERN MARYLAND, WESTERN MARYLAND, AND THE
11 EASTERN SHORE FOR IMPROVED LIBRARY SERVICES AND TECHNOLOGY
12 ENHANCEMENTS;

13 (V) THE OPPORTUNITIES SCHOLARSHIP FUND THROUGH WHICH
14 SCHOLARSHIPS:

15 1. ARE PROVIDED TO MARYLAND HIGH SCHOOL GRADUATES
16 WITH A CUMULATIVE HIGH SCHOOL GRADE POINT AVERAGE OF B OR HIGHER IN
17 COLLEGE PREPARATORY COURSES AND A FAMILY INCOME OF NOT MORE THAN
18 \$85,000;

19 2. MAY BE USED TO ATTEND ANY COMMUNITY COLLEGE OR
20 4-YEAR COLLEGE IN THIS STATE THAT HAS RECEIVED A CERTIFICATE OF APPROVAL
21 FROM THE MARYLAND HIGHER EDUCATION COMMISSION;

22 3. MAY PAY UP TO THE FULL COST OF TUITION CHARGED AT
23 THE UNIVERSITY OF MARYLAND, COLLEGE PARK FOR 1 YEAR; AND

24 4. THAT MAY BE RENEWED FOR A MAXIMUM OF THREE
25 ADDITIONAL YEARS FOR STUDENTS WHO CONTINUE TO MAINTAIN A B AVERAGE IN
26 EACH COLLEGE ACADEMIC YEAR;

27 (VI) THE STATE'S STUDENT FINANCIAL ASSISTANCE PROGRAMS,
28 UNDER TITLE 18 OF THE EDUCATION ARTICLE OF THE ANNOTATED CODE OF
29 MARYLAND, TO REDUCE WAITING LISTS FOR FINANCIAL ASSISTANCE WITH THE
30 GOAL OF MEETING 40% OF THE DEMONSTRATED FINANCIAL NEED OF ELIGIBLE
31 STUDENTS IN THE EDUCATIONAL ASSISTANCE GRANT PROGRAM;

32 (VII) FUNDING FOR THE PUBLIC SENIOR HIGHER EDUCATION
33 INSTITUTIONS IN THE STATE TO:

34 1. CREATE AN EMINENT SCHOLAR FUND PROGRAM THAT
35 INCREASES THE NUMBER OF EMINENT FACULTY PROFESSORSHIPS IN ORDER TO BE
36 COMPETITIVE IN RECRUITING AND RETAINING WORLD CLASS FACULTIES AND THAT
37 PROVIDES FOR:

1 A. THE CREATION OF ENDOWMENTS THROUGH PRIVATE
2 DONATIONS TO SUPPORT THE SALARIES AND WORK OF EMINENT FACULTY
3 POSITIONS MATCHED ON A DOLLAR FOR DOLLAR BASIS; AND

4 B. DISTRIBUTION OF FUNDS TO AN INSTITUTION UPON ITS
5 CERTIFICATION OF PRIVATE DONATIONS OF AT LEAST \$500,000 TO CREATE A
6 SPECIFIC EMINENT FACULTY PROFESSORSHIP;

7 2. RECRUIT AND RETAIN DISTINGUISHED FACULTY
8 THROUGH ENHANCED FACULTY SALARIES BY PROVIDING FUNDS TO INSTITUTIONS
9 TO ACHIEVE AVERAGE FACULTY SALARIES IN THE 90TH PERCENTILE OF ITS PEER
10 INSTITUTIONS, AS CERTIFIED BY THE MARYLAND HIGHER EDUCATION COMMISSION;
11 AND

12 3. PROVIDE AND MAINTAIN INFORMATION TECHNOLOGY
13 INFRASTRUCTURE, INCLUDING:

14 A. BUILDING MODERN TELECOMMUNICATIONS SYSTEMS,
15 CLASSROOMS, AND LABORATORIES;

16 B. CREATING DIGITAL LIBRARIES;

17 C. PROVIDING AMPLE COMPUTER WORKSTATIONS FOR
18 STUDENTS; AND

19 D. ENHANCING DISTANCE LEARNING TECHNOLOGIES;

20 (VIII) THE PUBLIC SCHOOL CONSTRUCTION PROGRAM
21 ESTABLISHED UNDER § 5-301 OF THE EDUCATION ARTICLE OF THE ANNOTATED
22 CODE OF MARYLAND AND ADMINISTERED BY THE INTERAGENCY COMMITTEE ON
23 SCHOOL CONSTRUCTION; AND

24 (IX) ANY OTHER EDUCATION RELATED PURPOSE APPROVED BY THE
25 EDUCATION TRUST FUND BOARD.

26 (2) FOR EACH FISCAL YEAR, IN ADDITION TO THE FUNDS DEDICATED
27 UNDER THIS SECTION TO THE EDUCATION TRUST FUND, THE GOVERNOR SHALL
28 INCLUDE IN THE ANNUAL BUDGET BILL SUBMITTED TO THE GENERAL ASSEMBLY A
29 GENERAL FUND APPROPRIATION FOR THE PURPOSES DESCRIBED UNDER
30 PARAGRAPH (1) OF THIS SUBSECTION IN AN AMOUNT NOT LESS THAN THE AMOUNT
31 OF FUNDS APPROPRIATED IN THE PRIOR FISCAL YEAR FOR THOSE PURPOSES.

32 (3) AN APPROPRIATION FROM THE EDUCATION TRUST FUND PROPOSED
33 TO BE MADE TO ANY UNIT IN THE DEPARTMENT OR PROPOSED TO BE MADE FOR ANY
34 DESIGNATED EDUCATION ACTIVITY, FUNCTION, OR UNDERTAKING THAT HAS BEEN
35 REDUCED BY THE GENERAL ASSEMBLY MAY NOT BE RESTORED, FOR THE SAME
36 PURPOSE AS ORIGINALLY PROPOSED, EXCEPT IN AN EMERGENCY, BY THE BUDGET
37 AMENDMENT PROCEDURE OF § 7-209 OF THE STATE FINANCE AND PROCUREMENT
38 ARTICLE OF THE ANNOTATED CODE OF MARYLAND OR OTHERWISE IF THE GENERAL

1 ASSEMBLY IN STRIKING OR REDUCING THE APPROPRIATION, PROHIBITED ITS
2 RESTORATION.

3 (4) EXCEPT FOR AN EMERGENCY CAPITAL PROJECT FOR EDUCATION, IF
4 THE GENERAL ASSEMBLY EXPLICITLY REDUCES IN THE BUDGET BILL AN
5 APPROPRIATION FROM THE EDUCATION TRUST FUND PROPOSED FOR A MAJOR
6 CAPITAL PROJECT OR CAPITAL GRANT FOR EDUCATION, THE APPROPRIATION MAY
7 NOT BE RESTORED FOR THE SAME PURPOSE AS ORIGINALLY PROPOSED BY THE
8 BUDGET AMENDMENT PROCEDURE OF § 7-209 OF THE STATE FINANCE AND
9 PROCUREMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND OR OTHERWISE
10 UNLESS THE GENERAL ASSEMBLY, IN STRIKING OR REDUCING THE APPROPRIATION,
11 EXPRESSLY AUTHORIZED ITS RESTORATION.

12 10. PURSE DEDICATION ACCOUNT.

13 (A) THERE IS A PURSE DEDICATION ACCOUNT UNDER THE AUTHORITY OF
14 THE COMMISSION.

15 (B) (1) THE ACCOUNT SHALL RECEIVE MONEYS AS REQUIRED UNDER §
16 8(C)(2) OF THIS ARTICLE.

17 (2) MONEYS IN THE ACCOUNT SHALL BE INVESTED AND REINVESTED BY
18 THE TREASURER AND INTEREST AND EARNINGS SHALL ACCRUE TO THE ACCOUNT.

19 (3) THE ACCOUNT IS A SPECIAL CONTINUING, NONLAPSING FUND THAT
20 IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE OF
21 THE ANNOTATED CODE OF MARYLAND.

22 (4) EXPENDITURES FROM THE ACCOUNT SHALL ONLY BE MADE:

23 (I) AS PROVIDED UNDER SUBSECTION (C) OF THIS SECTION; AND

24 (II) IN ACCORDANCE WITH AN APPROPRIATION APPROVED BY THE
25 GENERAL ASSEMBLY IN THE ANNUAL STATE BUDGET OR BY THE BUDGET
26 AMENDMENT PROCEDURE PROVIDED FOR IN § 7-209 OF THE STATE FINANCE AND
27 PROCUREMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

28 (C) FUNDS CREDITED TO THE PURSE DEDICATION ACCOUNT UNDER § 8(C)(2)
29 OF THIS ARTICLE SHALL BE ALLOCATED BY THE COMMISSION AND PAID FROM THE
30 ACCOUNT IN THE FOLLOWING MANNER:

31 (1) 62.3% TO MILE THOROUGHBRED PURSES;

32 (2) 7.7% TO THE MARYLAND-BRED RACE FUND;

33 (3) 26.67% TO STANDARD BRED PURSES; AND

34 (4) 3.33% TO THE STANDARD BRED RACE FUND.

35 (D) (1) THE ORGANIZATION REPRESENTING A MAJORITY OF THE
36 THOROUGHBRED BREEDERS LICENSED IN THE STATE MAY USE UP TO 5% OF THE

1 MONEY ALLOCATED TO THE MARYLAND-BRED RACE FUND UNDER SUBSECTION
2 (C)(2) OF THIS SECTION FOR ACTIVITIES RELATED TO THE MARKETING, PROMOTION,
3 AND ENHANCEMENT OF THE THOROUGHBRED RACING AND BREEDING INDUSTRY IN
4 THE STATE.

5 (2) THE STATE RACING COMMISSION SHALL USE THE REMAINING 95%
6 OF THE MONEY ALLOCATED TO THE MARYLAND-BRED RACE FUND UNDER
7 SUBSECTION (C)(2) OF THIS SECTION FOR MARYLAND-BRED FUND RACES AS
8 DESCRIBED UNDER TITLE 11, SUBTITLE 5 OF THE BUSINESS REGULATION ARTICLE
9 OF THE ANNOTATED CODE OF MARYLAND.

10 (E) THE GROUP THAT REPRESENTS A MAJORITY OF THE APPLICABLE OWNERS
11 AND TRAINERS LICENSED IN THE STATE MAY ALLOCATE REVENUES OUT OF THE
12 APPLICABLE PURSE SHARE.

13 (F) THE GROUP THAT REPRESENTS A MAJORITY OF THE APPLICABLE
14 BREEDERS IN THE STATE MAY ALLOCATE REVENUES OUT OF THE APPLICABLE BRED
15 FUND SHARE.

16 11. MARYLAND TOURISM DEVELOPMENT.

17 (A) THE MARYLAND TOURISM DEVELOPMENT BOARD SHALL RECEIVE
18 MONEYS AS REQUIRED UNDER § 8(C)(3) OF THIS ARTICLE.

19 (B) IN ACCORDANCE WITH AN APPROPRIATION APPROVED BY THE GENERAL
20 ASSEMBLY IN THE ANNUAL STATE BUDGET OR BY THE BUDGET AMENDMENT
21 PROCEDURE PROVIDED FOR IN § 7-209 OF THE STATE FINANCE AND PROCUREMENT
22 ARTICLE OF THE ANNOTATED CODE OF MARYLAND, THE MARYLAND TOURISM
23 DEVELOPMENT BOARD SHALL EXPEND MONEYS DESCRIBED UNDER § 8(C)(3) OF THIS
24 ARTICLE FOR STATEWIDE TOURISM PROMOTION, INCLUDING HERITAGE AND OTHER
25 TOURISM AREAS.

26 12. COMPULSIVE GAMBLING FUND.

27 (A) THERE IS A COMPULSIVE GAMBLING FUND IN THE DEPARTMENT OF
28 HEALTH AND MENTAL HYGIENE.

29 (B) (1) THERE SHALL BE CREDITED TO THE COMPULSIVE GAMBLING FUND
30 ALL FEES COLLECTED BY THE COMMISSION UNDER § 7(A)(6) OF THIS ARTICLE.

31 (2) MONEYS IN THE COMPULSIVE GAMBLING FUND SHALL BE INVESTED
32 AND REINVESTED BY THE TREASURER, AND INTEREST AND EARNINGS SHALL
33 ACCRUE TO THE FUND.

34 (3) THE COMPULSIVE GAMBLING FUND IS A SPECIAL CONTINUING,
35 NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND
36 PROCUREMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

37 (C) EXPENDITURES FROM THE COMPULSIVE GAMBLING FUND SHALL ONLY
38 BE MADE:

1 (1) BY THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE TO
2 ESTABLISH A 24-HOUR HOTLINE FOR COMPULSIVE GAMBLERS AND TO PROVIDE
3 COUNSELING AND OTHER SUPPORT SERVICES FOR COMPULSIVE GAMBLERS; AND

4 (2) IN ACCORDANCE WITH AN APPROPRIATION APPROVED BY THE
5 GENERAL ASSEMBLY IN THE ANNUAL STATE BUDGET OR BY THE BUDGET
6 AMENDMENT PROCEDURE PROVIDED FOR IN § 7-209 OF THE STATE FINANCE AND
7 PROCUREMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

8 13. COMPTROLLER OF THE TREASURY.

9 (A) THE COMMISSION SHALL ESTABLISH AN ELECTRONIC PAYMENT SYSTEM
10 FOR THE PAYMENT OF THE AMOUNTS REQUIRED UNDER § 8 OF THIS ARTICLE.

11 (B) THE COMMISSION SHALL ACCOUNT TO THE COMPTROLLER FOR ALL OF
12 THE REVENUE AND EXPENDITURES UNDER THIS ARTICLE.

13 (C) THE COMPTROLLER SHALL CREDIT THE REVENUES AS REQUIRED BY § 8
14 OF THIS ARTICLE.

15 14. LOCAL APPROVAL.

16 NOTWITHSTANDING ANY OTHER PROVISION OF THE CONSTITUTION OF
17 MARYLAND, ANY PROVISION OF THIS ARTICLE THAT AUTHORIZES VIDEO LOTTERY
18 OPERATIONS:

19 (1) AT A TOURIST DESTINATION LOCATION SHALL BE CONTINGENT,
20 WITH RESPECT TO THE COUNTY WITHIN WHICH THE TOURIST DESTINATION
21 LOCATION'S VIDEO LOTTERY OPERATION IS TO BE AUTHORIZED, ON A MAJORITY OF
22 THE REGISTERED VOTERS IN THAT COUNTY WHO VOTE ON THIS ARTICLE VOTING
23 FOR ADOPTION OF THIS ARTICLE; AND

24 (2) AT A SATELLITE SIMULCAST FACILITY LOCATION SHALL BE
25 CONTINGENT, WITH RESPECT TO THE COUNTY WITHIN WHICH THE SATELLITE
26 SIMULCAST FACILITY'S VIDEO LOTTERY OPERATION IS TO BE AUTHORIZED, ON A
27 MAJORITY OF THE REGISTERED VOTERS IN THAT COUNTY WHO VOTE ON THIS
28 ARTICLE VOTING FOR ADOPTION OF THIS ARTICLE.

29 SECTION 2. AND BE IT FURTHER ENACTED, That the General Assembly
30 determines that the amendment to the Constitution of Maryland proposed by this Act
31 affects multiple jurisdictions and that the provisions of Article XIV, Section 1 of the
32 Constitution concerning local approval of constitutional amendments do not apply.

33 SECTION 3. AND BE IT FURTHER ENACTED, That the foregoing section
34 proposed as an amendment to the Constitution of Maryland shall be submitted to the
35 legal and qualified voters of this State at the next general election to be held in
36 November, 1998 for their adoption or rejection in pursuance of directions contained in
37 Article XIV of the Constitution of this State. At that general election, the vote on this
38 proposed amendment to the Constitution shall be by ballot and upon each ballot there
39 shall be printed the words "For the Constitutional Amendments" and "Against the

1 Constitutional Amendments," as now provided by law. Immediately after the election,
2 all returns shall be made to the Governor of the vote for and against the proposed
3 amendment, as directed by Article XIV of the Constitution, and further proceedings
4 had in accordance with Article XIV.