
By: **Delegates Oaks, Rosenberg, Carter, Marriott, and Fulton**

Introduced and read first time: February 5, 2003

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development - Host Community Gaming Benefits Authority**

3 FOR the purpose of requiring that before a licensee makes a capital expenditure at a
4 track, the licensee shall submit a master plan to the Legislative Policy
5 Committee of the General Assembly and the Host Community Gaming Benefits
6 Authority for the Gaming Benefits District in which the track is located;
7 requiring that the Legislative Policy Committee and the Host Community
8 Gaming Benefits Authority make recommendations within a certain time to the
9 State Racing Commission; requiring the State Racing Commission to approve or
10 disapprove the master plan; requiring the licensee to consult with
11 representatives from affected neighborhood community groups and the Host
12 Community Gaming Benefits Authority in developing the master plan;
13 requiring that the master plan contain certain items; requiring that a licensee
14 and the State Racing Commission take certain actions; establishing the Host
15 Community Gaming Benefits Authorities; providing for the membership of each
16 Authority; providing for the designation of the Chairman of each Authority;
17 specifying the terms of the initial members of each Authority; providing for
18 meeting and voting requirements and for reimbursement of expenses for
19 members of each Authority; providing for the appointment of the Executive
20 Director of each Authority; providing for the duties of the Executive Director of
21 an Authority; specifying the powers of each Authority; requiring each Authority
22 to use the revenues in its respective Host Community Gaming Benefits Fund for
23 certain purposes; requiring each Authority to work in collaboration with certain
24 county planning and renewal efforts in dispersing certain revenues; requiring
25 the hiring and employment practices and construction and procurements of each
26 Authority to meet certain requirements; requiring each Authority to make
27 certain recommendations to the State Racing Commission; authorizing each
28 Authority to negotiate with certain persons for certain purposes; providing that
29 certain expenses shall be payable from certain funds; authorizing each
30 Authority to acquire certain property; creating the Host Community Gaming
31 Benefits Funds; requiring the State to pay a certain percentage of certain
32 revenues received by the State into each Host Community Gaming Benefits
33 Fund; providing that each Authority is exempt from State and local taxation;
34 defining certain terms; providing for a certain contingency; and generally
35 relating to the Host Community Gaming Benefits Authorities.

1 BY repealing and reenacting, without amendments,
2 Article - Business Regulation
3 Section 11-101(a), (d), and (v)
4 Annotated Code of Maryland
5 (1998 Replacement Volume and 2002 Supplement)

6 BY adding to
7 Article - Business Regulation
8 Section 11-522; and 11-10A-01 through 11-10A-14, inclusive, to be under the
9 new subtitle "Subtitle 10A. Host Community Gaming Benefits Authority"
10 Annotated Code of Maryland
11 (1998 Replacement Volume and 2002 Supplement)

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

14 **Article - Business Regulation**

15 11-101.

16 (a) In this title the following words have the meanings indicated.

17 (d) "Commission" means the State Racing Commission.

18 (v) "Track" means a place where racing is held.

19 11-522.

20 (A) IN THIS SECTION, "AUTHORITY" MEANS THE HOST COMMUNITY GAMING
21 BENEFITS AUTHORITY ESTABLISHED IN SUBTITLE 10A OF THIS TITLE, FOR THE
22 GAMING BENEFITS DISTRICT, AS DEFINED IN § 11-10A-01 OF THIS TITLE, IN WHICH
23 THE TRACK IS LOCATED.

24 (B) BEFORE A LICENSEE MAY MAKE A CAPITAL EXPENDITURE AT A TRACK,
25 THE LICENSEE SHALL SUBMIT TO THE LEGISLATIVE POLICY COMMITTEE OF THE
26 GENERAL ASSEMBLY AND THE AUTHORITY A DETAILED MASTER PLAN FOR
27 SUBSTANTIAL IMPROVEMENTS IN TRACK FACILITIES, MANAGEMENT, AND
28 MARKETING.

29 (C) (1) WITHIN 30 DAYS AFTER RECEIVING THE MASTER PLAN, THE
30 LEGISLATIVE POLICY COMMITTEE AND THE AUTHORITY SHALL MAKE
31 RECOMMENDATIONS ABOUT THE MASTER PLAN TO THE COMMISSION.

32 (2) THE COMMISSION SHALL APPROVE OR DISAPPROVE THE MASTER
33 PLAN.

34 (D) IN DEVELOPING A MASTER PLAN, A LICENSEE SHALL:

1 (1) CONSULT WITH:

2 (I) REPRESENTATIVES FROM AFFECTED NEIGHBORHOOD OR
3 COMMUNITY GROUPS; AND

4 (II) THE AUTHORITY; AND

5 (2) ENSURE THAT ANY IMPROVEMENTS TO FACILITIES PROPOSED IN
6 THE MASTER PLAN ARE COMPATIBLE WITH EXISTING LOCAL ORDINANCES.

7 (E) A MASTER PLAN SHALL CONTAIN:

8 (1) A FEASIBILITY STUDY OF THE PROPOSED IMPROVEMENTS AND
9 RELATED EXPENDITURES, INCLUDING IMPACT ON BETTING AND REVENUES AT THE
10 TRACK;

11 (2) INFORMATION ON THE AMOUNT OF EXPENDITURES RELATED TO
12 THE IMPROVEMENTS THAT WILL BE PAID TO MINORITY BUSINESS ENTERPRISES AND
13 COMMITTED TO A MINORITY PARTICIPATION GOAL OF AT LEAST 14% OF THE AMOUNT
14 OF THE CONTRACTS;

15 (3) EVIDENCE THAT THE LICENSEE WILL HAVE SUFFICIENT FUNDS TO
16 ENABLE IT TO MEET THE LICENSEE'S APPROVED PAYMENT SCHEDULE FOR
17 IMPROVEMENTS;

18 (4) AN AUDIT REPORT TO VERIFY THE AMOUNT THAT IS SPENT AND
19 CONTRACTUALLY OBLIGATED TO BE SPENT ON IMPROVEMENTS; AND

20 (5) EVIDENCE THAT THE IMPROVEMENTS TO RACING FACILITIES
21 UNDER THE MASTER PLAN WILL LIKELY BE COMPLETED WITHIN 5 YEARS AFTER THE
22 MASTER PLAN IS REVIEWED BY THE LEGISLATIVE POLICY COMMITTEE.

23 (F) IF THE MASTER PLAN IS APPROVED BY THE COMMISSION, THE LICENSEE
24 SHALL:

25 (1) IMPLEMENT THE MASTER PLAN, UNLESS THE LICENSEE IS
26 PREVENTED FROM DOING SO BY CIRCUMSTANCES BEYOND ITS REASONABLE
27 CONTROL; AND

28 (2) SUBMIT TO THE COMMISSION AN INDEPENDENT AUDITED ANNUAL
29 REPORT BY AN AUDITOR APPROVED BY THE COMMISSION OF THE EXPENDITURES
30 MADE IN ACCORDANCE WITH THE MASTER PLAN.

31 (G) IF THE COMMISSION DISAPPROVES A MASTER PLAN, THE COMMISSION
32 SHALL STATE FINDINGS OF FACT FOR THE DISAPPROVAL.

33 (H) IF A MASTER PLAN IS DISAPPROVED, THE LICENSEE MAY ADDRESS THE
34 COMMISSION'S STATED REASONS FOR DISAPPROVAL AND RESUBMIT THE MASTER
35 PLAN.

1 (I) ON APPLICATION BY THE LICENSEE, THE COMMISSION MAY APPROVE
2 AMENDMENTS TO THE MASTER PLAN.

3 (J) (1) IF THE COMMISSION FINDS, AT ANY TIME, THAT THE LICENSEE IS
4 NOT IN COMPLIANCE WITH THE MASTER PLAN, THE COMMISSION MAY REDUCE, IN
5 AN AMOUNT PROPORTIONATE TO THE LICENSEE'S DEGREE OF NONCOMPLIANCE
6 WITH THE LICENSEE'S FINANCIAL OBLIGATIONS, THE AMOUNT OF ASSISTANCE
7 AVAILABLE TO THE LICENSEE THAT IS ATTRIBUTABLE TO THE LICENSEE'S TAKEOUT
8 ALLOCATION UNDER § 11-515 OF THIS TITLE AND THE LICENSEE'S SHARE OF
9 UNCASHED PARI-MUTUEL TICKETS CREDITED TO THE SPECIAL FUND UNDER §
10 11-803 OF THIS TITLE.

11 (2) IF THE COMMISSION FINDS THAT THE LICENSEE HAS FAILED TO
12 COMPLY UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE COMMISSION SHALL
13 NOTIFY THE LICENSEE, STATE FINDINGS OF FACT, AND PROVIDE THE LICENSEE AN
14 OPPORTUNITY TO CURE THE DEFICIENCY WITHIN A REASONABLE TIME.

15 SUBTITLE 10A. HOST COMMUNITY GAMING BENEFITS AUTHORITY.
16 11-10A-01.

17 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
18 INDICATED.

19 (B) "AUTHORITY" MEANS A HOST COMMUNITY GAMING BENEFITS AUTHORITY.

20 (C) "GAMING BENEFITS DISTRICT" MEANS THE AREA WITHIN 1 MILE OF A
21 GAMING VENUE.

22 (D) "GAMING VENUE" MEANS A LOCATION WHERE SLOT MACHINES ARE
23 OPERATED.

24 (E) "HOST COMMUNITY GAMING BENEFITS FUND" MEANS A HOST
25 COMMUNITY GAMING BENEFITS FUND ESTABLISHED UNDER § 11-10A-11 OF THIS
26 SUBTITLE.

27 (F) "PRIORITY SCHOOLS" MEANS SCHOOLS WITHIN A GAMING BENEFITS
28 DISTRICT IN WHICH 75% OF THE STUDENTS QUALIFY FOR A FREE OR REDUCED PRICE
29 LUNCH.

30 (G) "PRIORITY ZONES" MEANS THOSE AREAS WITHIN A GAMING BENEFITS
31 DISTRICT THAT:

32 (1) HAVE A MEAN HOUSEHOLD INCOME THAT IS LESS THAN 130% OF
33 THE CENSUS TRACT POVERTY LEVEL; OR

34 (2) HAVE BEEN DESIGNATED URBAN RENEWAL AREAS BY A UNIT OF
35 STATE OR LOCAL GOVERNMENT.

1 (H) "SLOT MACHINE" HAS THE MEANING STATED IN § 12-301 OF THE CRIMINAL
2 LAW ARTICLE.

3 11-10A-02.

4 (A) THERE IS A BODY CORPORATE AND POLITIC KNOWN AS THE HOST
5 COMMUNITY GAMING BENEFITS AUTHORITY FOR EACH GAMING BENEFITS
6 DISTRICT.

7 (B) EACH AUTHORITY IS AN INSTRUMENTALITY OF THE STATE AND A PUBLIC
8 CORPORATION BY THAT NAME, STYLE, AND TITLE.

9 (C) THE EXERCISE BY AN AUTHORITY OF THE POWERS CONFERRED BY THIS
10 SUBTITLE IS THE PERFORMANCE OF AN ESSENTIAL PUBLIC FUNCTION.

11 11-10A-03.

12 (A) EACH AUTHORITY CONSISTS OF THE FOLLOWING MEMBERS:

13 (1) ONE MEMBER APPOINTED BY THE GOVERNOR, WITH THE ADVICE
14 AND CONSENT OF THE SENATE;

15 (2) ONE MEMBER OF THE HOUSE OF DELEGATES WHO IS AN EX OFFICIO
16 NONVOTING MEMBER, APPOINTED BY THE SPEAKER OF THE HOUSE;

17 (3) ONE MEMBER OF THE SENATE WHO IS AN EX OFFICIO NONVOTING
18 MEMBER, APPOINTED BY THE PRESIDENT OF THE SENATE; AND

19 (4) THE FOLLOWING MEMBERS APPOINTED BY THE GOVERNOR WITH
20 THE ADVICE AND CONSENT OF THE SENATE:

21 (I) A REPRESENTATIVE OF THE OWNER OF THE RESPECTIVE
22 GAMING VENUE;

23 (II) A REPRESENTATIVE OF THE ENTITY THAT OPERATES THE SLOT
24 MACHINES AT THE RESPECTIVE GAMING VENUE;

25 (III) FOUR OWNERS OF BUSINESSES THAT SERVE RESIDENTS OF
26 THE RESPECTIVE GAMING BENEFITS DISTRICT;

27 (IV) FIVE RESIDENTS OF THE RESPECTIVE GAMING BENEFITS
28 DISTRICT; AND

29 (V) TWO EMPLOYEES OF SCHOOLS LOCATED IN THE RESPECTIVE
30 GAMING BENEFITS DISTRICT.

31 (B) EACH AUTHORITY SHALL ELECT ONE OF ITS MEMBERS AS CHAIRMAN.

32 (C) (1) THE TERM OF A MEMBER IS 3 YEARS.

1 (2) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE
2 TERMS PROVIDED FOR MEMBERS ON OCTOBER 1, 2003.

3 (3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A
4 SUCCESSOR IS APPOINTED AND QUALIFIES.

5 (4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES
6 ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND
7 QUALIFIES.

8 (5) UPON THE END OF A TERM, RESIGNATION, OR REMOVAL OF A
9 MEMBER, THE GOVERNOR SHALL APPOINT A NEW MEMBER TO THE AUTHORITY WITH
10 THE ADVICE AND CONSENT OF THE SENATE.

11 (D) THE GOVERNOR MAY REMOVE A MEMBER FOR INCOMPETENCE,
12 MISCONDUCT, OR FAILURE TO PERFORM THE DUTIES OF THE POSITION.

13 11-10A-04.

14 (A) EIGHT MEMBERS OF AN AUTHORITY CONSTITUTE A QUORUM FOR THE
15 PURPOSE OF CONDUCTING BUSINESS.

16 (B) ACTIONS OF AN AUTHORITY MUST RECEIVE THE AFFIRMATIVE VOTE OF
17 AT LEAST EIGHT MEMBERS.

18 (C) EACH AUTHORITY SHALL DETERMINE THE TIMES AND PLACES OF ITS
19 MEETINGS.

20 (D) A MEMBER OF AN AUTHORITY:

21 (1) MAY NOT RECEIVE COMPENSATION; BUT

22 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE
23 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

24 11-10A-05.

25 (A) EACH AUTHORITY SHALL APPOINT AN EXECUTIVE DIRECTOR, WHO IS THE
26 CHIEF ADMINISTRATIVE OFFICER AND SECRETARY OF THE AUTHORITY.

27 (B) AN EXECUTIVE DIRECTOR SERVES AT THE PLEASURE OF THE AUTHORITY.

28 (C) IN ADDITION TO ANY OTHER DUTIES SET FORTH IN THIS SUBTITLE, AN
29 EXECUTIVE DIRECTOR SHALL:

30 (1) DIRECT AND SUPERVISE THE ADMINISTRATIVE AFFAIRS AND
31 ACTIVITIES OF THE AUTHORITY, IN ACCORDANCE WITH ITS RULES, REGULATIONS,
32 AND POLICIES;

33 (2) ATTEND ALL MEETINGS OF THE AUTHORITY;

1 (3) KEEP A RECORD OF THE PROCEEDINGS OF THE AUTHORITY AND BE
2 CUSTODIAN OF ALL BOOKS, DOCUMENTS, AND PAPER FILED WITH THE AUTHORITY
3 AND OF THE MINUTE BOOK OR JOURNAL OF THE AUTHORITY AND OF ITS OFFICIAL
4 SEAL;

5 (4) APPROVE ALL ACCOUNTS FOR SALARIES, PER DIEM PAYMENTS, AND
6 ALLOWABLE EXPENSES OF THE AUTHORITY AND ITS EMPLOYEES AND
7 CONSULTANTS AND APPROVE ALL EXPENSES INCIDENTAL TO THE OPERATION OF
8 THE AUTHORITY; AND

9 (5) PERFORM ANY OTHER DUTY THAT THE AUTHORITY REQUIRES FOR
10 CARRYING OUT THE PROVISIONS OF THIS SUBTITLE.

11 11-10A-06.

12 IN ADDITION TO THE POWERS SET FORTH ELSEWHERE IN THIS SUBTITLE, EACH
13 AUTHORITY MAY:

14 (1) ADOPT AND ALTER AN OFFICIAL SEAL;

15 (2) ADOPT A NAME THAT IS REFLECTIVE OF ITS RESPECTIVE GAMING
16 BENEFITS DISTRICT;

17 (3) SUE AND BE SUED, PLEAD AND BE IMPEADED;

18 (4) ADOPT BYLAWS, RULES, AND REGULATIONS TO CARRY OUT THE
19 PROVISIONS OF THIS SUBTITLE, IN ACCORDANCE WITH THE PROVISIONS OF TITLE 10,
20 SUBTITLE 1 OF THE STATE GOVERNMENT ARTICLE;

21 (5) MAINTAIN AN OFFICE AT SUCH PLACE AS THE AUTHORITY MAY
22 DESIGNATE;

23 (6) SUBJECT TO THE PROVISIONS OF § 11-10A-10 OF THIS SUBTITLE,
24 ACQUIRE, HOLD, LEASE (AS LESSOR OR LESSEE), USE, ENCUMBER, TRANSFER, OR
25 DISPOSE OF REAL AND PERSONAL PROPERTY;

26 (7) ENTER INTO CONTRACTS OF ANY KIND, AND EXECUTE ALL
27 INSTRUMENTS NECESSARY OR CONVENIENT WITH RESPECT TO ITS CARRYING OUT
28 THE POWERS IN THIS SUBTITLE TO ACCOMPLISH THE PURPOSES OF THE AUTHORITY;

29 (8) EXERCISE ALL THE CORPORATE POWERS GRANTED MARYLAND
30 CORPORATIONS UNDER THE MARYLAND GENERAL CORPORATION LAW; AND

31 (9) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT THE
32 POWERS GRANTED BY THIS SUBTITLE.

33 11-10A-07.

34 (A) IN ADDITION TO THE POWERS SET FORTH ELSEWHERE IN THIS SUBTITLE,
35 EACH AUTHORITY SHALL DISPERSE THE REVENUES PLACED IN THE AUTHORITY'S
36 HOST COMMUNITY GAMING BENEFITS FUND FOR:

1 (1) PUBLIC SAFETY, HEALTH, EDUCATION, HOUSING, AND ECONOMIC
2 DEVELOPMENT PURPOSES; AND

3 (2) ANY OTHER PURPOSES THAT THE AUTHORITY CONSIDERS
4 NECESSARY AND PROPER TO IMPROVE THE PRIORITY SCHOOLS AND THE QUALITY
5 OF LIFE IN THE COMMUNITIES WITHIN THE PRIORITY ZONES.

6 (B) TO THE GREATEST EXTENT POSSIBLE EACH AUTHORITY SHALL DISPERSE
7 THE REVENUES PLACED IN THE AUTHORITY'S HOST COMMUNITY GAMING BENEFITS
8 FUND EVENLY AMONG THE NEIGHBORHOODS THAT COMPRISE THE AUTHORITY'S
9 GAMING BENEFITS DISTRICT.

10 (C) IN DISPERSING THE REVENUES PLACED IN THE HOST COMMUNITY
11 GAMING BENEFITS FUND, EACH AUTHORITY SHALL WORK IN COLLABORATION WITH
12 THE COUNTY PLANNING AND RENEWAL EFFORTS IN THE RESPECTIVE GAMING
13 BENEFITS DISTRICT.

14 (D) (1) THE HIRING AND EMPLOYMENT PRACTICES OF EACH AUTHORITY
15 SHALL REFLECT THE DEMOGRAPHICS OF THE AUTHORITY'S RESPECTIVE GAMING
16 BENEFITS DISTRICT.

17 (2) CONSTRUCTION AND PROCUREMENTS OF EACH AUTHORITY SHALL
18 ADHERE TO THE HIGHER OF STATE OR COUNTY MINORITY BUSINESS ENTERPRISE
19 PROGRAMS.

20 (E) EACH AUTHORITY SHALL MAKE RECOMMENDATIONS TO THE STATE
21 RACING COMMISSION IN ACCORDANCE WITH § 11-522 OF THIS TITLE.

22 11-10A-08.

23 AN AUTHORITY MAY NEGOTIATE WITH THE PERSONS AUTHORIZED TO OPERATE
24 THE SLOT MACHINES AND THE PERSONS PERFORMING SERVICES IN CONNECTION
25 WITH THE OPERATION OF THE SLOT MACHINES AT THE GAMING VENUE IN THE
26 AUTHORITY'S GAMING BENEFITS DISTRICT IN AN EFFORT TO ASSESS FEES IN
27 EXCESS OF ANY FEES ASSESSED BY THE STATE. ANY FEES OBTAINED BY AN
28 AUTHORITY AS A RESULT OF SUCH NEGOTIATIONS SHALL BE PLACED IN THE
29 AUTHORITY'S HOST COMMUNITY GAMING BENEFITS FUND.

30 11-10A-09.

31 (A) ALL EXPENSES INCURRED IN CARRYING OUT THE PROVISIONS OF THIS
32 SUBTITLE SHALL BE PAYABLE SOLELY FROM FUNDS PROVIDED UNDER THE
33 AUTHORITY OF THIS SUBTITLE.

34 (B) NO LIABILITY OR OBLIGATION SHALL BE INCURRED BY AN AUTHORITY
35 UNDER SUBSECTION (A) OF THIS SECTION BEYOND THE EXTENT TO WHICH MONEYS
36 SHALL HAVE BEEN PROVIDED UNDER THE PROVISIONS OF THIS SUBTITLE.

1 11-10A-10.

2 AN AUTHORITY MAY ACQUIRE, BY PURCHASE OR BY GIFT OR DEVISE, ANY REAL
3 OR PERSONAL PROPERTY, OR INTERESTS IN PROPERTY, NECESSARY OR CONVENIENT
4 TO CARRY OUT THE PURPOSES OF THIS SUBTITLE.

5 11-10A-11.

6 (A) THERE IS A HOST COMMUNITY GAMING BENEFITS FUND FOR EACH
7 AUTHORITY.

8 (B) THE PURPOSE OF EACH FUND IS TO IMPROVE THE COMMUNITIES WITHIN
9 THE HOST COMMUNITY GAMING BENEFITS DISTRICT THAT HAVE BEEN IMPACTED
10 BY THE OPERATION OF SLOT MACHINES AT THE GAMING VENUE.

11 (C) EACH AUTHORITY SHALL ADMINISTER ITS FUND.

12 (D) (1) EACH FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT
13 TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

14 (2) THE TREASURER SHALL HOLD EACH FUND SEPARATELY AND THE
15 COMPTROLLER SHALL ACCOUNT FOR EACH FUND.

16 (E) EACH FUND CONSISTS OF:

17 (1) REVENUE DISTRIBUTED TO THE FUND UNDER §§ 11-10A-08 AND
18 11-10A-12 OF THIS SUBTITLE; AND

19 (2) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE
20 BENEFIT OF THE FUND.

21 (F) A FUND MAY BE USED ONLY FOR CARRYING OUT THE PURPOSES OF THIS
22 SUBTITLE.

23 (G) EACH FUND IS SUBJECT TO AUDIT BY THE OFFICE OF LEGISLATIVE
24 AUDITS UNDER § 2-1220 OF THE STATE GOVERNMENT ARTICLE.

25 (H) (1) THE TREASURER SHALL INVEST THE MONEY OF EACH FUND IN THE
26 SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

27 (2) NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION, THE
28 TREASURER SHALL INVEST THE MONEY OF EACH FUND IN MINORITY BUSINESS
29 ENTERPRISE CERTIFIED BANKING INSTITUTIONS.

30 (3) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE CREDITED TO
31 THE FUND.

32 11-10A-12.

33 THE STATE SHALL PAY INTO EACH HOST COMMUNITY GAMING BENEFITS FUND
34 5% OF THE REVENUES THAT THE STATE RECEIVES FROM, IN CONNECTION WITH, OR

1 AS A RESULT OF, THE OPERATION OF THE SLOT MACHINES AT THE AUTHORITY'S
2 RESPECTIVE GAMING VENUE.

3 11-10A-13.

4 EACH AUTHORITY IS EXEMPT FROM TAXATION BY THE STATE AND LOCAL
5 GOVERNMENT.

6 11-10A-14.

7 IN ADDITION TO THE DUTIES SET FORTH ELSEWHERE IN THIS SUBTITLE, EACH
8 AUTHORITY SHALL:

9 (1) KEEP RECORDS AS ARE CONSISTENT WITH SOUND BUSINESS
10 PRACTICES AND ACCOUNTING RECORDS USING GENERALLY ACCEPTED
11 ACCOUNTING PRINCIPLES;

12 (2) CAUSE AN AUDIT BY AN INDEPENDENT CERTIFIED PUBLIC
13 ACCOUNTANT TO BE MADE OF THE ACCOUNTS AND TRANSACTIONS OF THE
14 AUTHORITY AT THE CONCLUSION OF EACH FISCAL YEAR; AND

15 (3) WITHIN THE FIRST 90 DAYS OF EACH FISCAL YEAR, SUBMIT A
16 DETAILED ANNUAL REPORT OF THE ACTIVITIES AND FINANCIAL STANDING OF THE
17 AUTHORITY TO THE GOVERNOR, AND SUBJECT TO § 2-1246 OF THE STATE
18 GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY.

19 SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the initial
20 members of each Host Community Gaming Benefits Authority shall expire as follows:

21 (1) four members in 2004;

22 (2) four members in 2005;

23 (3) four members in 2006; and

24 (4) four members in 2007.

25 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 October 1, 2003, contingent on the taking effect of legislation that makes the location,
27 possession, keeping, or operation of slot machines in the State legal, and if such
28 legislation does not become effective, this Act shall be null and void without the
29 necessity of further action by the General Assembly.