
By: **Senator Klausmeier**

Introduced and read first time: February 3, 2006

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Vessel Gaming Act**

3 FOR the purpose of authorizing video lottery gaming on certain vessels at dock or
4 underway in State waterways under certain conditions; establishing a State
5 Commission on Vessel Gaming; providing for the membership and chair of the
6 Commission; specifying the terms of the initial members of the Commission;
7 providing for appointment, compensation, powers, and duties of an executive
8 director for the Commission; providing for the staff of the Commission;
9 providing for the powers and duties of the Commission; providing for the
10 licensing of gaming vessel operators, gaming vessel suppliers, and video
11 terminal operators; authorizing the Commission to issue a certain number of
12 certain licenses; authorizing the Commission to award a maximum number of
13 video lottery terminals to licensed gaming vessel operators; imposing a certain
14 tax on vessel gaming receipts; requiring the Commission to distribute certain
15 revenues in a certain way; requiring that certain revenues be used for certain
16 purposes; prohibiting certain acts in connection with vessel gaming; providing
17 for certain civil and criminal penalties; requiring the Commission to conduct a
18 certain study and make certain recommendations in connection with vessel
19 gaming; defining certain terms; making certain conforming changes; declaring
20 the intent of this Act; and generally relating to vessel gaming in the State.

21 BY adding to

22 Article - Business Regulation
23 Section 20-101 through 20-701 to be under the new title "Title 20. Maryland
24 Vessel Gaming Act"
25 Annotated Code of Maryland
26 (2004 Replacement Volume and 2005 Supplement)

27 BY repealing and reenacting, with amendments,

28 Article - Criminal Law
29 Section 12-102(a), 12-104(a), and 12-105(b) and (c)
30 Annotated Code of Maryland
31 (2002 Volume and 2005 Supplement)

1 BY repealing and reenacting, with amendments,
2 Article - Environment
3 Section 9-1605.2(g)
4 Annotated Code of Maryland
5 (1996 Replacement Volume and 2005 Supplement)

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

8 **Article - Business Regulation**

9 TITLE 20. MARYLAND VESSEL GAMING ACT.

10 SUBTITLE 1. DEFINITIONS; GENERAL PROVISIONS.

11 20-101.

12 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
13 INDICATED.

14 (B) "COMMISSION" MEANS THE STATE COMMISSION ON VIDEO LOTTERY
15 GAMING VESSELS.

16 (C) "CONTROLLING INTEREST" MEANS:

17 (1) FOR A PARTNERSHIP, AN INTEREST AS A GENERAL OR LIMITED
18 PARTNER;

19 (2) FOR A CORPORATION, AN INTEREST OF AT LEAST 51% OF THE STOCK
20 IN THE CORPORATION; AND

21 (3) FOR ANY OTHER ENTITY, AN OWNERSHIP INTEREST IN THE ENTITY.

22 (D) "ENGAGE IN THE BUSINESS OF OPERATING A GAMING VESSEL" MEANS TO
23 ENGAGE IN THE BUSINESS OF OPERATING A GAMING VESSEL FOR THE PURPOSE OF
24 CONDUCTING VIDEO LOTTERY GAMING ON THE VESSEL.

25 (E) "ENGAGE IN THE BUSINESS OF OPERATING A VIDEO LOTTERY TERMINAL"
26 MEANS TO ENGAGE IN THE BUSINESS OF OPERATING A VIDEO LOTTERY TERMINAL
27 ON A VIDEO LOTTERY GAMING VESSEL OWNED BY A LICENSED VIDEO LOTTERY
28 GAMING VESSEL OPERATOR.

29 (F) "ENGAGE IN THE BUSINESS OF SUPPLYING A GAMING VESSEL" MEANS TO
30 ENGAGE IN THE BUSINESS OF SUPPLYING VIDEO LOTTERY GAMING EQUIPMENT AND
31 SUPPLIES TO A GAMING VESSEL OPERATED BY A LICENSED GAMING VESSEL
32 OPERATOR.

33 (G) "GAMING VESSEL" MEANS A VESSEL THAT IS USED FOR VIDEO LOTTERY
34 GAMING.

1 (H) "LICENSE TO OPERATE A GAMING VESSEL" MEANS A LICENSE ISSUED BY
2 THE COMMISSION TO ENGAGE IN THE BUSINESS OF OPERATING A GAMING VESSEL.

3 (I) "LICENSE TO OPERATE A VIDEO LOTTERY TERMINAL" MEANS A LICENSE
4 ISSUED BY THE COMMISSION TO ENGAGE IN THE BUSINESS OF OPERATING A VIDEO
5 LOTTERY TERMINAL.

6 (J) "LICENSE TO SUPPLY A GAMING VESSEL" MEANS A LICENSE ISSUED BY
7 THE COMMISSION TO ENGAGE IN THE BUSINESS OF SELLING OR LEASING TO A
8 GAMING VESSEL ANY SUPPLIES, EQUIPMENT, OR DEVICES USED TO OPERATE A
9 VIDEO LOTTERY TERMINAL OR A GAMING VESSEL.

10 (K) "LICENSED GAMING VESSEL OPERATOR" MEANS AN INDIVIDUAL WHO IS
11 LICENSED BY THE COMMISSION TO ENGAGE IN THE BUSINESS OF OPERATING A
12 GAMING VESSEL.

13 (L) "LICENSED GAMING VESSEL SUPPLIER" MEANS A PERSON WHO IS
14 LICENSED BY THE COMMISSION TO ENGAGE IN THE BUSINESS OF SELLING OR
15 LEASING TO A GAMING VESSEL ANY SUPPLIES, EQUIPMENT, OR DEVICES USED TO
16 OPERATE A VIDEO LOTTERY TERMINAL OR A GAMING VESSEL.

17 (M) "VESSEL GAMING" MEANS VIDEO LOTTERY GAMING ON A GAMING VESSEL
18 OPERATED BY A LICENSED GAMING VESSEL OPERATOR.

19 (N) "VIDEO LOTTERY GAMING" MEANS THE OPERATION OF PLAYING A VIDEO
20 LOTTERY GAMING TERMINAL FOR WHICH A PRIZE IS AWARDED.

21 (O) (1) "VIDEO LOTTERY TERMINAL" MEANS ANY MACHINE OR OTHER
22 DEVICE THAT, ON INSERTION OF A BILL, COIN, TOKEN, VOUCHER, TICKET, COUPON,
23 OR SIMILAR ITEM, OR ON PAYMENT OF ANY CONSIDERATION:

24 (I) IS AVAILABLE TO PLAY OR SIMULATE THE PLAY OF ANY GAME
25 OF CHANCE IN WHICH THE RESULTS, INCLUDING THE OPTIONS AVAILABLE TO THE
26 PLAYER, ARE RANDOMLY AND IMMEDIATELY DETERMINED BY THE MACHINE OR
27 OTHER DEVICE; AND

28 (II) BY THE ELEMENT OF CHANCE, MAY DELIVER OR ENTITLE THE
29 PLAYER WHO OPERATES THE MACHINE OR DEVICE TO RECEIVE CASH, PREMIUMS,
30 MERCHANDISE, TOKENS, OR ANYTHING OF VALUE, WHETHER THE PAYOUT IS MADE
31 AUTOMATICALLY FROM THE DEVICE OR IN ANY OTHER MANNER.

32 (2) "VIDEO LOTTERY TERMINAL" INCLUDES A MACHINE OR DEVICE:

33 (I) THAT DOES NOT DIRECTLY DISPENSE MONEY, TOKENS, OR
34 ANYTHING OF VALUE TO WINNING PLAYERS; AND

35 (II) DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION THAT
36 USES AN ELECTRONIC CREDIT SYSTEM MAKING THE DEPOSIT OF BILLS, COINS, OR
37 TOKENS UNNECESSARY.

1 (3) "VIDEO LOTTERY TERMINAL" DOES NOT INCLUDE AN AUTHORIZED
2 SLOT MACHINE OPERATED BY AN ELIGIBLE ORGANIZATION UNDER TITLE 12,
3 SUBTITLE 3 OF THE CRIMINAL LAW ARTICLE.

4 20-102.

5 (A) IT IS THE INTENT OF THE GENERAL ASSEMBLY TO ASSIST IN THE
6 ECONOMIC DEVELOPMENT OF THE STATE AND TO ENCOURAGE TOURISM BY
7 AUTHORIZING VESSEL GAMING.

8 (B) IT IS RECOGNIZED THAT IT IS NECESSARY FOR THESE PURPOSES TO
9 MAINTAIN PUBLIC CONFIDENCE AND TRUST IN THE CREDIBILITY AND INTEGRITY OF
10 THE VESSEL GAMING OPERATIONS AND REGULATORY PROCESS.

11 (C) THE REGULATORY PROVISIONS OF THIS TITLE ARE DESIGNED TO
12 STRICTLY REGULATE THE FACILITIES, PERSONS, ASSOCIATIONS, AND PRACTICES
13 RELATED TO GAMING IN ACCORDANCE WITH POLICE POWERS OF THE STATE,
14 INCLUDING COMPREHENSIVE LAW ENFORCEMENT SUPERVISION.

15 20-103.

16 ANOTHER PROVISION OF LAW THAT PROHIBITS GAMING DOES NOT APPLY TO
17 GAMING AUTHORIZED UNDER THIS TITLE.

18 SUBTITLE 2. STATE COMMISSION ON VESSEL GAMING.

19 20-201.

20 THERE IS A STATE COMMISSION ON VESSEL GAMING IN THE DEPARTMENT OF
21 LICENSING AND REGULATION.

22 20-202.

23 (A) (1) THE COMMISSION CONSISTS OF SEVEN MEMBERS.

24 (2) OF THE SEVEN COMMISSION MEMBERS:

25 (I) ONE SHALL BE EXPERIENCED IN LAW ENFORCEMENT AND
26 CRIMINAL INVESTIGATION;

27 (II) ONE SHALL BE A CERTIFIED PUBLIC ACCOUNTANT
28 EXPERIENCED IN TAXATION, ACCOUNTING, AND AUDITING;

29 (III) ONE SHALL BE A LAWYER LICENSED TO PRACTICE LAW IN THE
30 STATE;

31 (IV) ONE SHALL BE A TOURISM AND HOSPITALITY INDUSTRY
32 REPRESENTATIVE;

33 (V) ONE SHALL BE A COMMERCIAL PASSENGER VESSEL
34 REPRESENTATIVE;

1 (VI) ONE SHALL BE A PROFESSIONAL WHO COUNSELS INDIVIDUALS
2 WHO GAMBLE EXCESSIVELY; AND

3 (VII) ONE SHALL BE A MEMBER OF THE PUBLIC WHO IS AT LEAST 21
4 YEARS OLD.

5 (3) THE GOVERNOR SHALL APPOINT THE MEMBERS WITH THE ADVICE
6 OF THE SECRETARY AND WITH THE ADVICE AND CONSENT OF THE SENATE.

7 (B) EACH MEMBER:

8 (1) SHALL BE A RESIDENT OF THE STATE;

9 (2) SHALL HAVE GENERAL KNOWLEDGE OF THE PRACTICE,
10 PROCEDURE, AND PRINCIPLES OF GAMING OPERATIONS;

11 (3) SHALL BE OF GOOD MORAL CHARACTER;

12 (4) MAY NOT BE A LICENSEE OR OTHERWISE BE SUBJECT TO THE
13 REGULATION OF THE COMMISSION;

14 (5) MAY NOT HAVE A FINANCIAL INTEREST IN OR RECEIVE
15 COMPENSATION DIRECTLY OR INDIRECTLY FROM A PERSON REGULATED BY THE
16 COMMISSION;

17 (6) MAY NOT BE A STAFF MEMBER OF THE COMMISSION NOR RECEIVE
18 COMPENSATION FROM A PERSON WHO WAS OR IS A MEMBER OF THE COMMISSION;
19 AND

20 (7) MAY NOT HAVE BEEN CONVICTED OF, OR UNDER INDICTMENT FOR, A
21 FELONY UNDER THE LAWS OF THIS STATE, ANOTHER STATE, A TERRITORY OF THE
22 UNITED STATES, OR THE UNITED STATES.

23 (C) BEFORE TAKING OFFICE, EACH APPOINTEE TO THE COMMISSION SHALL
24 TAKE THE OATH REQUIRED BY ARTICLE I, § 9 OF THE MARYLAND CONSTITUTION.

25 (D) (1) THE TERM OF A MEMBER IS 3 YEARS.

26 (2) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE
27 TERMS PROVIDED FOR MEMBERS OF THE COMMISSION ON OCTOBER 1, 2006.

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

30 (4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES
31 ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND
32 QUALIFIES.

33 (E) THE GOVERNOR MAY REMOVE A MEMBER FOR CAUSE, INCOMPETENCE,
34 OR MISCONDUCT.

1 20-203.

2 (A) THE GOVERNOR SHALL DESIGNATE A CHAIR FROM AMONG THE MEMBERS
3 OF THE COMMISSION.

4 (B) (1) THE TERM OF THE CHAIR IS 2 YEARS.

5 (2) THE CHAIR MAY NOT SERVE MORE THAN TWO CONSECUTIVE TERMS
6 AS CHAIR.

7 20-204.

8 (A) FOUR MEMBERS OF THE COMMISSION ARE A QUORUM.

9 (B) (1) THE COMMISSION SHALL MEET WITHIN THE STATE AT LEAST ONCE
10 EVERY 3 MONTHS.

11 (2) THE COMMISSION SHALL PUBLISH A TRANSCRIPT OF THE MEETING
12 WITHIN 30 DAYS AFTER THE MEETING.

13 (C) EACH MEMBER OF THE COMMISSION IS ENTITLED TO REIMBURSEMENT
14 FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED
15 IN THE STATE BUDGET.

16 (D) WHILE IN OFFICE, EACH MEMBER OF THE COMMISSION SHALL BE
17 COVERED BY A SURETY BOND PROVIDED BY THE COMMISSION IN THE FORM AND
18 AMOUNT REQUIRED BY LAW.

19 20-205.

20 (A) (1) WITH THE APPROVAL OF THE GOVERNOR, THE SECRETARY SHALL
21 APPOINT AN EXECUTIVE DIRECTOR FOR THE COMMISSION FROM A LIST OF AT LEAST
22 THREE NOMINEES SUBMITTED BY THE COMMISSION.

23 (2) THE EXECUTIVE DIRECTOR SERVES AT THE PLEASURE OF THE
24 COMMISSION.

25 (B) THE EXECUTIVE DIRECTOR SHALL:

26 (1) COLLECT THE TAXES AND FEES IMPOSED UNDER THIS TITLE OR
27 REGULATIONS ADOPTED BY THE COMMISSION;

28 (2) KEEP THE RECORDS AND PAPERS OF THE COMMISSION, INCLUDING
29 A RECORD OF EACH PROCEEDING;

30 (3) ADMINISTER THE LICENSING OF INDIVIDUALS WHO WORK IN
31 CONNECTION WITH VESSEL GAMING;

32 (4) PREPARE, ISSUE, AND SUBMIT REPORTS OF THE COMMISSION;

1 (5) ADMINISTER THE DAILY OPERATION OF THE OFFICE OF THE
2 COMMISSION; AND

3 (6) PERFORM ANY OTHER DUTY THAT THE COMMISSION DIRECTS.

4 (C) THE EXECUTIVE DIRECTOR MAY CONDUCT INVESTIGATIONS INTO AND,
5 SUBJECT TO THE STATE BUDGET, MAY EMPLOY AN INVESTIGATIVE STAFF TO
6 INVESTIGATE ANY COMPLAINT THAT ALLEGES FACTS THAT CONSTITUTE A GROUND
7 FOR:

8 (1) DISCIPLINARY ACTION UNDER THIS TITLE; OR

9 (2) A VIOLATION OF THIS TITLE.

10 (D) THE EXECUTIVE DIRECTOR IS ENTITLED TO:

11 (1) COMPENSATION IN ACCORDANCE WITH THE STATE BUDGET; AND

12 (2) REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE
13 TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

14 20-206.

15 (A) WITH THE APPROVAL OF THE COMMISSION AND SUBJECT TO THE MERIT
16 SYSTEM, THE EXECUTIVE DIRECTOR SHALL APPOINT A STAFF IN ACCORDANCE WITH
17 THE STATE BUDGET.

18 (B) AN INDIVIDUAL WHO HOLDS A POSITION UNDER THE COMMISSION MAY
19 NOT HOLD AN OFFICIAL RELATION TO OR HOLD ANY FINANCIAL INTEREST IN
20 CONNECTION WITH A PERSON LICENSED UNDER THIS TITLE OR ANY OTHER GAMING
21 ENTERPRISE OR BUSINESS.

22 (C) (1) AS A CONDITION OF MEMBERSHIP ON THE COMMISSION OR
23 EMPLOYMENT, EACH MEMBER AND EMPLOYEE OF THE COMMISSION SHALL
24 PROVIDE THE COMMISSION WITH THE INDIVIDUAL'S FINGERPRINTS.

25 (2) THE FINGERPRINTS SHALL BE TAKEN BY A REPRESENTATIVE OF A
26 STATE OR FEDERAL LAW ENFORCEMENT AGENCY OR A QUALIFIED PRIVATE
27 SECURITY AGENCY THAT THE COMMISSION DESIGNATES.

28 20-207.

29 (A) IN ADDITION TO THE POWERS SET FORTH ELSEWHERE IN THIS TITLE, THE
30 COMMISSION MAY:

31 (1) ADOPT REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS
32 TITLE; AND

33 (2) SUE TO ENFORCE ANY PROVISION OF THIS TITLE BY INJUNCTION.

1 (B) IN ADDITION TO THE DUTIES SET FORTH ELSEWHERE IN THIS TITLE, THE
2 COMMISSION SHALL:

3 (1) KEEP A LIST OF ALL GAMING DEVICE OPERATORS, GAMING VESSEL
4 OPERATORS, AND GAMING VESSEL SUPPLIERS WHO ARE CURRENTLY LICENSED;

5 (2) KEEP A RECORD OF ALL COMMISSION PROCEEDINGS AVAILABLE
6 FOR PUBLIC INSPECTION;

7 (3) ON OR BEFORE MARCH 1 OF EACH YEAR, SUBMIT A REPORT TO THE
8 GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO
9 THE GENERAL ASSEMBLY ON THE RECEIPTS AND DISBURSEMENTS OF THE
10 COMMISSION, ACTIONS TAKEN BY THE COMMISSION, AND ANY ADDITIONAL
11 INFORMATION REQUESTED BY THE GOVERNOR OR THE GENERAL ASSEMBLY;

12 (4) PROVIDE STAFF TO SUPERVISE AND INSPECT THE OPERATION OF
13 VESSEL GAMING;

14 (5) PROVIDE FOR THE INVESTIGATION OF ANY COMPLAINTS RELATING
15 TO VESSEL GAMING;

16 (6) PROVIDE FOR THE INSPECTION OF EQUIPMENT AND SUPPLIES USED
17 IN VESSEL GAMING; AND

18 (7) REVIEW COMPLAINTS FROM LICENSEES RELATING TO
19 INVESTIGATIVE PROCEDURES OR INSPECTIONS OF THE COMMISSION OR ITS STAFF.

20 20-208.

21 (A) THE COMMISSION MAY REQUIRE THAT A LICENSED GAMING VESSEL
22 OPERATOR OR LICENSED GAMING VESSEL SUPPLIER KEEP FINANCIAL RECORDS IN
23 ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND
24 GUIDELINES.

25 (B) THE COMMISSION OR THE EXECUTIVE DIRECTOR MAY ADMINISTER
26 OATHS.

27 (C) THE COMMISSION MAY ISSUE A SUBPOENA FOR THE ATTENDANCE OF A
28 WITNESS TO TESTIFY AND TO PRODUCE EVIDENCE.

29 (D) THE COMMISSION MAY ENTER OR INVESTIGATE THE GAMING VESSEL OF
30 A LICENSED GAMING VESSEL OPERATOR TO ENSURE THAT THE REGULATIONS OF
31 THE COMMISSION ARE STRICTLY COMPLIED WITH.

32 (E) SUBJECT TO A SUBSEQUENT HEARING UNDER TITLE 10, SUBTITLE 2 OF
33 THE STATE GOVERNMENT ARTICLE, THE COMMISSION MAY:

34 (1) REQUIRE THAT AN EMPLOYEE OR OFFICIAL OF A LICENSED GAMING
35 VESSEL OPERATOR BE REMOVED FROM THE JOB; OR

1 (2) EJECT OR EXCLUDE ANY PERSON FROM A GAMING VESSEL IF THE
2 PERSON IS IN VIOLATION OF THIS TITLE OR ANY REGULATION ADOPTED UNDER THIS
3 TITLE OR INTERFERES WITH THE ORDERLY CONDUCT OF VESSEL GAMING.

4 20-209.

5 (A) THE FEES FOR ISSUANCE AND RENEWAL OF LICENSES SHALL BE THOSE
6 SPECIFICALLY SET BY THIS TITLE.

7 (B) THE COMMISSION SHALL PAY ALL FEES COLLECTED UNDER THIS TITLE
8 INTO THE GENERAL FUND OF THE STATE.

9 20-210.

10 (A) (1) THE COMMISSION SHALL REQUIRE LICENSED GAMING VESSEL
11 OPERATORS TO USE A CASHLESS WAGERING SYSTEM FOR THE VESSEL GAMING
12 AUTHORIZED UNDER THIS TITLE.

13 (2) A CASHLESS WAGERING SYSTEM USED BY A LICENSED GAMING
14 VESSEL OPERATOR SHALL REQUIRE THAT CASH OF A WAGERER BE CONVERTED TO
15 TOKENS, ELECTRONIC CARDS, OR CHIPS BEFORE ANY WAGERING IS DONE ON THE
16 GAMING VESSEL.

17 (3) A LICENSED GAMING VESSEL OPERATOR OR LICENSED GAMING
18 DEVICE OPERATOR MAY NOT LEND MONEY OR GRANT CREDIT TO ANY PERSON IN
19 CONNECTION WITH VESSEL GAMING.

20 (B) THE COMMISSION SHALL ADOPT REGULATIONS BY APRIL 1, 2007, THAT:

21 (1) ESTABLISH MINIMUM LEVELS OF INSURANCE TO BE MAINTAINED BY
22 A LICENSEE OF THE COMMISSION;

23 (2) SET STANDARDS FOR VIDEO LOTTERY TERMINALS;

24 (3) SET STANDARDS FOR GAMING VESSELS AND FACILITIES FOR VESSEL
25 GAMING; AND

26 (4) PROVIDE FOR ENFORCEMENT OF THE PROVISIONS OF THIS
27 SUBTITLE.

28 20-211.

29 (A) THE COMMISSION SHALL COORDINATE WITH THE LAW ENFORCEMENT
30 OFFICERS OF THE STATE AND THE LAW ENFORCEMENT OFFICERS OF APPROPRIATE
31 POLITICAL SUBDIVISIONS OF THE STATE TO ENFORCE THE PROVISIONS OF THIS
32 TITLE.

33 (B) THE LAW ENFORCEMENT OFFICERS OF THE STATE AND POLITICAL
34 SUBDIVISIONS OF THE STATE SHALL COOPERATE WITH THE COMMISSION TO
35 ENFORCE THE PROVISIONS OF THIS TITLE.

1 (C) THE COSTS OF SERVICES PROVIDED BY LAW ENFORCEMENT OFFICERS OF
2 THE STATE OR A POLITICAL SUBDIVISION OF THE STATE IN CONNECTION WITH
3 ENFORCEMENT OF PROVISIONS OF THIS TITLE SHALL BE PAID BY THE COMMISSION
4 AS PROVIDED IN THE STATE BUDGET.

5 SUBTITLE 3. LICENSING.

6 20-301.

7 (A) IN THIS SUBTITLE, "LICENSE" MEANS A LICENSE ISSUED BY THE
8 COMMISSION.

9 (B) IN THIS SUBTITLE, "LICENSE" INCLUDES:

10 (1) A LICENSE TO OPERATE A VIDEO LOTTERY TERMINAL;

11 (2) A LICENSE TO OPERATE A GAMING VESSEL; OR

12 (3) A LICENSE TO SUPPLY A GAMING VESSEL.

13 20-302.

14 (A) AN INDIVIDUAL MUST HAVE A LICENSE TO OPERATE A VIDEO LOTTERY
15 TERMINAL WHENEVER THE INDIVIDUAL ENGAGES IN THE BUSINESS OF OPERATING
16 A VIDEO LOTTERY TERMINAL IN THE STATE.

17 (B) A PERSON MUST HAVE A LICENSE TO OPERATE A GAMING VESSEL
18 WHENEVER THE PERSON ENGAGES IN THE BUSINESS OF OPERATING A GAMING
19 VESSEL IN THE STATE.

20 (C) A PERSON MUST HAVE A LICENSE TO SUPPLY A GAMING VESSEL
21 WHENEVER THE PERSON ENGAGES IN THE BUSINESS OF SUPPLYING GAMING
22 SUPPLIES TO A GAMING VESSEL IN THE STATE.

23 20-303.

24 (A) TO QUALIFY FOR A LICENSE, AN APPLICANT SHALL BE A PERSON WHO
25 MEETS THE REQUIREMENTS OF THIS SECTION.

26 (B) THE APPLICANT, IF THE APPLICANT IS AN INDIVIDUAL, OR EACH
27 INDIVIDUAL HOLDING A CONTROLLING INTEREST IN AN APPLICANT, SHALL:

28 (1) BE OF GOOD CHARACTER AND REPUTATION;

29 (2) BE AT LEAST 21 YEARS OLD; AND

30 (3) MEET ANY OTHER QUALIFICATIONS OR REQUIREMENTS THAT THE
31 COMMISSION ESTABLISHES BY REGULATION FOR LICENSE APPLICANTS.

1 (C) IN ADDITION TO THE QUALIFICATIONS SPECIFIED IN SUBSECTION (B) OF
2 THIS SECTION, AN APPLICANT FOR A LICENSE TO OPERATE A GAMING VESSEL MUST
3 OPERATE A GAMING VESSEL THAT:

4 (1) HAS A CAPACITY OF AT LEAST 400 INDIVIDUALS;

5 (2) IS LICENSED BY THE U.S. COAST GUARD TO OPERATE ON LAKES,
6 BAYS, SOUNDS, AND THE CHESAPEAKE BAY AND ITS TRIBUTARIES;

7 (3) IS ACCESSIBLE TO DISABLED INDIVIDUALS;

8 (4) IS FULLY REGISTERED AND LICENSED IN ACCORDANCE WITH ANY
9 OTHER APPLICABLE LAWS; AND

10 (5) MEETS ANY OTHER QUALIFICATIONS SPECIFIED BY REGULATIONS
11 ADOPTED BY THE COMMISSION.

12 (D) IN ADDITION TO THE QUALIFICATIONS SPECIFIED IN SUBSECTION (B) OF
13 THIS SECTION, AN APPLICANT FOR A LICENSE TO SUPPLY GAMING SUPPLIES TO A
14 GAMING VESSEL SHALL DEMONSTRATE THAT THE GAMING EQUIPMENT AND
15 SUPPLIES THAT THE APPLICANT PLANS TO SELL OR LEASE TO A LICENSED GAMING
16 VESSEL OPERATOR CONFORMS TO STANDARDS ESTABLISHED BY REGULATIONS OF
17 THE COMMISSION AND STATE LAW.

18 (E) IN ADDITION TO THE QUALIFICATIONS SPECIFIED IN SUBSECTION (B) OF
19 THIS SECTION, AN APPLICANT FOR A LICENSE TO OPERATE A GAMING VESSEL MUST
20 RECEIVE A STATEMENT FROM THE COUNTY WHERE THE GAMING VESSEL IS TO HAVE
21 ITS HOME DOCK DECLARING:

22 (1) THAT THE COUNTY APPROVES OF THE APPLICANT'S INTENT TO HAVE
23 A GAMING VESSEL DOCK IN THE COUNTY;

24 (2) THE TIMES VIDEO LOTTERY GAMING MAY BE CONDUCTED ON THE
25 GAMING VESSEL; AND

26 (3) WHETHER THE GAMING VESSEL MAY CONDUCT VIDEO LOTTERY
27 GAMING WHILE DOCKED OR ONLY WHEN UNDERWAY ON A WATERWAY WITHIN THE
28 STATE ON WHICH A GAMING VESSEL CAN BE SAFELY OPERATED.

29 20-304.

30 (A) AN APPLICANT FOR A LICENSE SHALL:

31 (1) SUBMIT AN APPLICATION TO THE COMMISSION ON THE FORM THAT
32 THE COMMISSION REQUIRES; AND

33 (2) PAY TO THE COMMISSION AN APPLICATION FEE:

34 (I) IN THE AMOUNT SET BY REGULATION BY THE COMMISSION
35 FOR A LICENSE TO OPERATE A VIDEO LOTTERY TERMINAL;

1 (II) \$ 5,000 FOR A LICENSE TO SUPPLY A GAMING VESSEL; AND

2 (III) \$ 25,000 FOR A LICENSE TO OPERATE A GAMING VESSEL.

3 (B) AN APPLICATION FOR A LICENSE TO OPERATE A GAMING VESSEL SHALL
4 CONTAIN:

5 (1) THE IDENTITY OF ANY PERSON WHO HAS A LEGAL INTEREST IN THE
6 GAMING VESSEL ON WHICH GAMING IS TO BE CONDUCTED BY THE APPLICANT;

7 (2) THE LOCATION WHERE THE GAMING VESSEL IS TO BE DOCKED;

8 (3) THE IDENTITY AND ADDRESS OF EACH INDIVIDUAL WHO HAS A
9 CONTROLLING INTEREST IN THE APPLICANT, IF THE APPLICANT IS NOT AN
10 INDIVIDUAL;

11 (4) PERSONAL INFORMATION ON THE APPLICANT, IF THE APPLICANT IS
12 AN INDIVIDUAL, OR ON ANY INDIVIDUAL OWNING A CONTROLLING INTEREST IN THE
13 APPLICANT; AND

14 (5) ANY OTHER INFORMATION REQUIRED BY THE COMMISSION.

15 (C) AN INCOMPLETE APPLICATION IS CAUSE FOR DENIAL OF A LICENSE BY
16 THE COMMISSION.

17 20-305.

18 (A) EACH APPLICANT, IF THE APPLICANT IS AN INDIVIDUAL, OR EACH
19 INDIVIDUAL HOLDING A LEGAL INTEREST IN THE APPLICANT, SHALL SUBMIT TWO
20 SETS OF FINGERPRINTS.

21 (B) THE FINGERPRINTS SHALL BE TAKEN BY A REPRESENTATIVE OF A STATE
22 OR FEDERAL LAW ENFORCEMENT AGENCY OR A QUALIFIED PRIVATE SECURITY
23 AGENCY THAT THE COMMISSION DESIGNATES.

24 20-306.

25 (A) WHEN AN APPLICANT FOR A LICENSE TO OPERATE A GAMING VESSEL
26 SUBMITS AN APPLICATION, THE APPLICANT SHALL PAY AN INVESTIGATION FEE OF
27 \$50,000.

28 (B) (1) THE INVESTIGATION FEE REQUIRED UNDER THIS SECTION SHALL
29 BE APPLIED TO THE COSTS OF ANY INVESTIGATION OF THE APPLICANT REQUIRED
30 UNDER THIS TITLE.

31 (2) (I) IF THE COSTS OF THE INVESTIGATION OF AN APPLICANT ARE
32 GREATER THAN \$50,000, THE INVESTIGATIVE AGENCY SHALL SHOW CAUSE FOR THE
33 ADDITIONAL COST.

34 (II) IF THE COMMISSION APPROVES, THE APPLICANT SHALL PAY
35 THE ADDITIONAL COSTS AS REQUIRED BY THE COMMISSION.

1 (3) IF THE COSTS OF THE INVESTIGATION OF AN APPLICANT ARE LESS
2 THAN ANY AMOUNTS PAID TO THE COMMISSION FOR INVESTIGATION, THE
3 COMMISSION SHALL REFUND THE DIFFERENCE.

4 (C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE
5 INFORMATION OBTAINED BY THE COMMISSION IN CONNECTION WITH APPLICATION
6 FOR A LICENSE TO OPERATE A GAMING VESSEL OR IN THE COURSE OF EVALUATING
7 OR INVESTIGATING AN APPLICANT SHALL BE PRIVILEGED, STRICTLY CONFIDENTIAL,
8 AND USED ONLY FOR THE PURPOSE OF EVALUATING THE APPLICATION.

9 (2) EXCEPT FOR ANY ACTION DEEMED NECESSARY BY THE
10 COMMISSION, THE INFORMATION OBTAINED BY THE COMMISSION IN CONNECTION
11 WITH APPLICATION FOR A LICENSE TO OPERATE A GAMING VESSEL OR IN THE
12 COURSE OF EVALUATING OR INVESTIGATING AN APPLICANT MAY NOT BE
13 ADMISSIBLE AS EVIDENCE NOR DISCOVERABLE IN ANY ADMINISTRATIVE HEARING
14 OR COURT ACTION.

15 20-307.

16 (A) AN APPLICANT FOR A LICENSE TO OPERATE A GAMING VESSEL SHALL
17 EXECUTE A SURETY BOND TO BE GIVEN TO THE STATE TO GUARANTEE THE
18 LICENSEE FAITHFULLY MAKES THE PAYMENTS, KEEPS BOOKS AND RECORDS,
19 MAKES REPORTS, AND CONDUCTS GAMING ON THE LICENSEE'S GAMING VESSEL IN
20 ACCORDANCE WITH THIS TITLE AND REGULATIONS ADOPTED BY THE COMMISSION.

21 (B) THE SURETY BOND SHALL BE:

22 (1) IN THE AMOUNT OF \$200,000;

23 (2) IN A FORM THAT THE COMMISSION APPROVES; AND

24 (3) WITH A SURETY THAT THE COMMISSION APPROVES.

25 20-308.

26 THE COMMISSION SHALL ISSUE A LICENSE TO EACH APPLICANT FOR A LICENSE
27 TO OPERATE A GAMING DEVICE OR A LICENSE TO SUPPLY A GAMING VESSEL WHO
28 MEETS THE REQUIREMENTS OF THIS SUBTITLE.

29 20-309.

30 (A) (1) THE COMMISSION MAY NOT ISSUE MORE THAN:

31 (I) 16 LICENSES TO OPERATE A GAMING VESSEL;

32 (II) ONE LICENSE TO OPERATE THE SAME GAMING VESSEL; OR

33 (III) ONE LICENSE TO THE SAME GAMING VESSEL OPERATOR.

34 (2) THE PERSON LICENSED TO OPERATE A GAMING VESSEL IS
35 PRIMARILY RESPONSIBLE FOR THAT GAMING VESSEL.

1 (3) THE COMMISSION MAY AWARD TO LICENSED GAMING VESSEL
2 OPERATORS UP TO 15,500 VIDEO LOTTERY TERMINALS FOR OPERATION ON GAMING
3 VESSELS.

4 (B) IN DETERMINING WHETHER TO GRANT A LICENSE TO OPERATE A GAMING
5 VESSEL TO AN APPLICANT, THE COMMISSION SHALL CONSIDER:

6 (1) THE CHARACTER, REPUTATION, EXPERIENCE, AND FINANCIAL
7 INTEGRITY OF THE APPLICANT AND ANY INDIVIDUAL WHO HOLDS A CONTROLLING
8 INTEREST IN THE APPLICANT;

9 (2) THE HIGHEST PROSPECTIVE TOTAL REVENUE TO BE DERIVED BY
10 THE STATE FROM THE CONDUCT OF VESSEL GAMING;

11 (3) THE GOOD FAITH AFFIRMATIVE ACTION PLAN OF EACH APPLICANT
12 TO RECRUIT, TRAIN, AND UPGRADE MINORITIES, WOMEN, AND THE UNEMPLOYED IN
13 ALL EMPLOYMENT CLASSIFICATIONS;

14 (4) THE FINANCIAL ABILITY OF THE APPLICANT TO PURCHASE AND
15 MAINTAIN ADEQUATE LIABILITY AND CASUALTY INSURANCE;

16 (5) WHETHER THE APPLICANT HAS ADEQUATE CAPITALIZATION TO
17 PROVIDE AND MAINTAIN A GAMING VESSEL FOR THE DURATION OF A LICENSE; AND

18 (6) THE EXTENT TO WHICH THE APPLICANT MEETS OR EXCEEDS OTHER
19 STANDARDS FOR THE ISSUANCE OF A LICENSE TO OPERATE A GAMING VESSEL THAT
20 THE COMMISSION ADOPTS BY REGULATION.

21 (C) THE COMMISSION SHALL INCLUDE ON EACH LICENSE TO OPERATE A
22 GAMING VESSEL THAT THE COMMISSION ISSUES:

23 (1) THE IDENTITY AND ADDRESS OF THE LICENSEE;

24 (2) THE EFFECTIVE DATES OF THE LICENSE;

25 (3) THE NUMBER OF GAMING VESSELS THAT THE LICENSEE MAY
26 OPERATE UNDER THIS TITLE; AND

27 (4) ANY OTHER INFORMATION THE COMMISSION DEEMS APPROPRIATE.

28 20-310.

29 (A) A LICENSE TO OPERATE A VIDEO LOTTERY TERMINAL AUTHORIZES THE
30 LICENSEE TO ENGAGE IN THE BUSINESS OF OPERATING A VIDEO LOTTERY
31 TERMINAL WHILE THE LICENSE IS EFFECTIVE.

32 (B) A LICENSE TO OPERATE A GAMING VESSEL AUTHORIZES THE LICENSEE
33 TO ENGAGE IN THE BUSINESS OF OPERATING A GAMING VESSEL WHILE THE
34 LICENSE IS EFFECTIVE.

1 (C) A LICENSE TO SUPPLY A GAMING VESSEL AUTHORIZES THE LICENSEE TO
2 ENGAGE IN THE BUSINESS OF SUPPLYING A GAMING VESSEL WHILE THE LICENSE IS
3 EFFECTIVE.

4 20-311.

5 (A) A LICENSE EXPIRES ON THE FIFTH ANNIVERSARY OF ITS EFFECTIVE
6 DATE, UNLESS THE LICENSE IS RENEWED FOR A 5-YEAR TERM AS PROVIDED IN THIS
7 SECTION.

8 (B) AT LEAST 2 MONTHS BEFORE THE LICENSE EXPIRES, THE COMMISSION
9 SHALL SEND TO THE LICENSEE, BY MAIL TO THE LAST KNOWN ADDRESS OF THE
10 LICENSEE, A RENEWAL APPLICATION FORM AND A NOTICE THAT STATES:

11 (1) THE DATE ON WHICH THE CURRENT LICENSE EXPIRES;

12 (2) THE DATE BY WHICH THE COMMISSION MUST RECEIVE THE
13 RENEWAL APPLICATION FOR THE RENEWAL TO BE ISSUED AND MAILED BEFORE THE
14 LICENSE EXPIRES; AND

15 (3) THE AMOUNT OF THE RENEWAL FEE.

16 (C) BEFORE THE LICENSE EXPIRES, THE LICENSEE PERIODICALLY MAY
17 RENEW IT FOR AN ADDITIONAL 5-YEAR TERM, IF THE LICENSEE:

18 (1) OTHERWISE IS ENTITLED TO BE LICENSED;

19 (2) PAYS TO THE COMMISSION A RENEWAL FEE:

20 (I) AS SET BY THE COMMISSION FOR A LICENSE TO OPERATE A
21 VIDEO LOTTERY TERMINAL;

22 (II) OF \$5,000 FOR A LICENSE TO OPERATE A GAMING VESSEL; AND

23 (III) OF \$5,000 FOR A LICENSE TO SUPPLY A GAMING VESSEL; AND

24 (3) SUBMITS TO THE COMMISSION:

25 (I) A RENEWAL APPLICATION ON THE FORM THAT THE
26 COMMISSION REQUIRES; AND

27 (II) SATISFACTORY EVIDENCE OF COMPLIANCE WITH ANY
28 ADDITIONAL REQUIREMENTS SET BY REGULATIONS OF THE COMMISSION FOR
29 LICENSE RENEWAL.

30 (D) IN ADDITION TO OTHER REQUIREMENTS OF THE COMMISSION:

31 (1) A LICENSED GAMING VESSEL OPERATOR SHALL SUBMIT AN AUDIT
32 BY A CERTIFIED PUBLIC ACCOUNTANT OF THE FINANCIAL TRANSACTIONS AND
33 CONDITION OF THE LICENSEE'S TOTAL OPERATIONS; AND

1 (2) A LICENSED GAMING VESSEL SUPPLIER SHALL SUBMIT:

2 (I) A LIST OF ALL EQUIPMENT, VIDEO LOTTERY TERMINALS, AND
3 SUPPLIES OFFERED FOR SALE OR LEASE IN CONNECTION WITH VESSEL GAMING
4 UNDER THIS TITLE; AND

5 (II) AN INVENTORY OF ITS EQUIPMENT, VIDEO LOTTERY
6 TERMINALS, AND SUPPLIES FOR SALE OR LEASE IN CONNECTION WITH VESSEL
7 GAMING UNDER THIS TITLE.

8 (E) THE COMMISSION SHALL RENEW THE LICENSE AND ISSUE A RENEWAL
9 CERTIFICATE TO EACH LICENSEE WHO MEETS THE REQUIREMENTS OF THIS
10 SECTION.

11 20-312.

12 (A) EACH LICENSEE SHALL DISPLAY THE LICENSE CONSPICUOUSLY IN THE
13 OFFICE OR PLACE OF BUSINESS OF THE LICENSEE.

14 (B) EACH LICENSED GAMING VESSEL OPERATOR SHALL KEEP A CERTIFICATE
15 OF INSPECTION ON THE GAMING VESSEL AT ALL TIMES.

16 (C) EACH LICENSEE SHALL GIVE THE COMMISSION WRITTEN NOTICE OF ANY
17 CHANGE OF ADDRESS.

18 20-313.

19 (A) SUBJECT TO THE HEARING PROVISIONS OF § 20-314 OF THIS SUBTITLE,
20 THE COMMISSION, ON THE AFFIRMATIVE VOTE OF A MAJORITY OF ITS MEMBERS
21 THEN SERVING, MAY DENY A LICENSE TO ANY APPLICANT, REPRIMAND ANY
22 LICENSEE, OR SUSPEND OR REVOKE A LICENSE IF THE APPLICANT OR LICENSEE OR
23 AN INDIVIDUAL HOLDING A CONTROLLING INTEREST IN THE APPLICANT OR
24 LICENSEE:

25 (1) FRAUDULENTLY OR DECEPTIVELY OBTAINS OR ATTEMPTS TO
26 OBTAIN A LICENSE FOR THE APPLICANT OR LICENSEE OR FOR ANOTHER;

27 (2) FRAUDULENTLY OR DECEPTIVELY USES A LICENSE; OR

28 (3) HAS BEEN CONVICTED OF A FELONY UNDER THE LAWS OF THIS
29 STATE, ANOTHER STATE, A TERRITORY OF THE UNITED STATES, OR THE UNITED
30 STATES.

31 (B) INSTEAD OF OR IN ADDITION TO REPRIMANDING A LICENSEE OR
32 SUSPENDING OR REVOKING A LICENSE, THE COMMISSION MAY IMPOSE A CIVIL
33 PENALTY UNDER § 20-601 OF THIS TITLE.

34 (C) (1) THIS SUBSECTION APPLIES TO AN APPLICANT FOR OR LICENSEE OF
35 A LICENSE TO OPERATE A GAMING VESSEL.

1 (2) IN ADDITION TO THE GROUNDS SPECIFIED IN SUBSECTION (A) OF
2 THIS SECTION, AND SUBJECT TO THE HEARING PROVISIONS OF § 20-314 OF THIS
3 SUBTITLE, THE COMMISSION, ON THE AFFIRMATIVE VOTE OF A MAJORITY OF ITS
4 MEMBERS THEN SERVING, MAY DENY A LICENSE TO ANY APPLICANT, REPRIMAND
5 ANY LICENSEE, OR SUSPEND OR REVOKE A LICENSE IF THE APPLICANT OR LICENSEE
6 OR AN INDIVIDUAL HOLDING A CONTROLLING INTEREST IN THE APPLICANT OR
7 LICENSEE:

8 (I) EMPLOYS AN INDIVIDUAL IN A MANAGEMENT POSITION WHO
9 HAS BEEN CONVICTED OF A FELONY UNDER THE LAWS OF THIS STATE, ANOTHER
10 STATE, A TERRITORY OF THE UNITED STATES, OR THE UNITED STATES;

11 (II) OWNS MORE THAN 50% OF A PERSON HOLDING A LICENSE TO
12 OPERATE A GAMING VESSEL; OR

13 (III) HAS HAD A LICENSE UNDER THIS TITLE, OR A LICENSE TO OWN
14 OR OPERATE A GAMING FACILITY IN THIS STATE OR ANY OTHER JURISDICTION,
15 REVOKED.

16 20-314.

17 (A) EXCEPT AS OTHERWISE PROVIDED IN TITLE 10, SUBTITLE 4 OF THE STATE
18 GOVERNMENT ARTICLE, BEFORE THE COMMISSION TAKES ANY ACTION UNDER §
19 20-313 OF THIS SUBTITLE, IT SHALL GIVE THE INDIVIDUAL AGAINST WHOM THE
20 ACTION IS CONTEMPLATED AN OPPORTUNITY FOR A HEARING BEFORE THE
21 COMMISSION.

22 (B) THE COMMISSION SHALL GIVE NOTICE AND HOLD THE HEARING IN
23 ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.

24 (C) THE COMMISSION MAY ADMINISTER OATHS IN CONNECTION WITH ANY
25 PROCEEDING UNDER THIS SECTION.

26 (D) THE HEARING NOTICE TO BE GIVEN TO THE PERSON SHALL BE SENT BY
27 CERTIFIED MAIL TO THE LAST KNOWN ADDRESS OF THE PERSON AT LEAST 30 DAYS
28 BEFORE THE HEARING.

29 (E) THE INDIVIDUAL MAY BE REPRESENTED AT THE HEARING BY COUNSEL.

30 (F) (1) THE COMMISSION MAY ISSUE SUBPOENAS IN CONNECTION WITH
31 ANY PROCEEDING UNDER THIS SECTION.

32 (2) IF A PERSON FAILS TO COMPLY WITH A SUBPOENA ISSUED UNDER
33 THIS SUBSECTION, ON PETITION OF THE COMMISSION, THE CIRCUIT COURT MAY
34 COMPEL OBEDIENCE TO THE SUBPOENA.

35 (G) IF AFTER DUE NOTICE THE INDIVIDUAL AGAINST WHOM THE ACTION IS
36 CONTEMPLATED FAILS OR REFUSES TO APPEAR, THE COMMISSION MAY HEAR AND
37 DETERMINE THE MATTER.

1 (H) ANY PERSON AGGRIEVED BY A FINAL DECISION OF THE COMMISSION IN A
2 CONTESTED CASE, AS DEFINED IN § 10-201 OF THE STATE GOVERNMENT ARTICLE,
3 MAY TAKE AN APPEAL AS ALLOWED IN §§ 10-215 AND 10-216 OF THE STATE
4 GOVERNMENT ARTICLE.

5 SUBTITLE 4. VESSEL GAMING.

6 20-401.

7 VESSEL GAMING AND THE SYSTEM OF WAGERING INCORPORATED IN VESSEL
8 GAMING IS AUTHORIZED TO THE EXTENT IT IS CONDUCTED AS PROVIDED IN THIS
9 TITLE.

10 20-402.

11 THE COUNTY IN WHICH A GAMING VESSEL HAS ITS HOME DOCK SHALL
12 DETERMINE WHETHER VESSEL GAMING AS AUTHORIZED UNDER THIS TITLE MAY BE
13 CONDUCTED ON:

14 (1) A GAMING VESSEL UNDERWAY ON ANY WATERWAY WITHIN THE
15 STATE ON WHICH A GAMING VESSEL CAN BE SAFELY OPERATED; OR

16 (2) A GAMING VESSEL AT DOCK:

17 (I) DURING PERIODS OF ADVERSE NAVIGABLE OR WEATHER
18 CONDITIONS;

19 (II) DURING THE PERIOD FROM NOVEMBER 1 THROUGH MARCH 31
20 EACH YEAR; AND

21 (III) AT ANY OTHER TIME, DURING THE 45-MINUTE PERIOD BEFORE
22 AND AFTER A CRUISE.

23 20-403.

24 (A) LICENSED GAMING VESSEL OPERATORS MAY SET MINIMUM AND
25 MAXIMUM WAGERS USED FOR A VIDEO LOTTERY TERMINAL ON A GAMING VESSEL.

26 (B) VESSEL GAMING MAY ONLY BE CONDUCTED WITH EQUIPMENT, VIDEO
27 LOTTERY TERMINALS, AND SUPPLIES FROM A LICENSED GAMING VESSEL SUPPLIER.

28 (C) A TOKEN, CHIP, OR ELECTRONIC CARD USED TO MAKE A WAGER:

29 (1) SHALL BE PURCHASED FROM A LICENSED GAMING VESSEL
30 OPERATOR FOR USE ON THE OWNER'S GAMING VESSEL; AND

31 (2) MAY ONLY BE USED ON THE GAMING VESSEL OWNED BY THE
32 LICENSED GAMING VESSEL OPERATOR FROM WHICH IT WAS PURCHASED.

SUBTITLE 5. TAX ON VESSEL GAMING.

1
2 20-501.

3 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
4 INDICATED.

5 (B) "ADJUSTED GROSS RECEIPTS" MEANS THE GROSS RECEIPTS LESS
6 WINNINGS PAID TO WAGERERS.

7 (C) "GROSS RECEIPTS" MEANS THE TOTAL AMOUNT OF MONEY EXCHANGED
8 FOR THE PURCHASE OF CHIPS, TOKENS, OR ELECTRONIC CARDS BY PATRONS OF A
9 GAMING VESSEL OWNED BY A LICENSED GAMING VESSEL OPERATOR.

10 20-502.

11 A TAX IS IMPOSED ON THE ADJUSTED GROSS RECEIPTS RECEIVED BY A
12 LICENSED GAMING VESSEL OPERATOR.

13 20-503.

14 THE VESSEL GAMING TAX RATE IS 20% OF THE ADJUSTED GROSS RECEIPTS
15 RECEIVED BY A LICENSED GAMING VESSEL OPERATOR.

16 20-504.

17 A LICENSED GAMING VESSEL OPERATOR SHALL FILE WITH THE STATE
18 COMPTROLLER A VESSEL GAMING TAX RETURN ON OR BEFORE THE 21ST DAY
19 FOLLOWING THE MONTH IN WHICH THE LICENSED GAMING VESSEL OPERATOR
20 RECEIVES ANY GROSS RECEIPTS.

21 20-505.

22 A LICENSED GAMING VESSEL OPERATOR SHALL PAY THE VESSEL GAMING TAX
23 WITH THE RETURN THAT COVERS THE MONTH THAT THE LICENSED GAMING VESSEL
24 OPERATOR RECEIVED THE GROSS RECEIPTS SPECIFIED IN THE RETURN.

25 20-506.

26 (A) FROM THE VESSEL GAMING TAX, THE STATE COMPTROLLER SHALL
27 DISTRIBUTE EACH QUARTER THE AMOUNT NECESSARY TO ADMINISTER THE VESSEL
28 GAMING TAX LAWS IN THE PREVIOUS QUARTER TO AN ADMINISTRATIVE COST
29 ACCOUNT.

30 (B) ANY PAYMENTS FOR SERVICES OF LAW ENFORCEMENT OFFICERS MADE
31 UNDER § 20-211 OF THIS TITLE SHALL BE PAID FROM THE ADMINISTRATIVE COST
32 ACCOUNT BY THE 5TH DAY AFTER THE END OF EACH QUARTER.

1 20-507.

2 (A) AFTER MAKING THE DISTRIBUTION REQUIRED UNDER § 20-506 OF THIS
3 SUBTITLE, THE COMMISSION SHALL DISTRIBUTE 50% OF THE VESSEL GAMING TAX
4 REVENUE TO THE COUNTIES THAT ARE DESIGNATED AS THE HOME DOCKS OF ANY
5 GAMING VESSELS.

6 (B) THE DISTRIBUTION MADE UNDER SUBSECTION (A) OF THIS SECTION
7 SHALL BE MADE IN THE PROPORTION OF THE VESSEL GAMING TAX REVENUE
8 RECEIVED FROM LICENSED GAMING VESSEL OPERATORS THAT HAVE THEIR HOME
9 DOCK IN THAT COUNTY.

10 (C) THE MONEY DISTRIBUTED TO A COUNTY UNDER THIS SECTION SHALL BE
11 USED TO HELP PROVIDE AN ADEQUATE EDUCATION FOR CHILDREN ATTENDING
12 PUBLIC SCHOOLS IN THE COUNTY IN PREKINDERGARTEN THROUGH GRADE 12.

13 20-508.

14 AFTER MAKING THE DISTRIBUTIONS REQUIRED UNDER §§ 20-506 AND 20-507 OF
15 THIS SUBTITLE, THE COMMISSION SHALL DISTRIBUTE THE REMAINING VESSEL
16 GAMING TAX REVENUE TO THE BAY RESTORATION FUND UNDER § 9-1605.2 OF THE
17 ENVIRONMENT ARTICLE.

18 SUBTITLE 6. PROHIBITED ACTS; PENALTIES.

19 20-601.

20 A PERSON MAY NOT ENGAGE IN THE BUSINESS OF, ATTEMPT TO ENGAGE IN
21 THE BUSINESS OF, OR OFFER TO ENGAGE IN THE BUSINESS OF OPERATING A VIDEO
22 LOTTERY TERMINAL, OPERATING A GAMING VESSEL, OR SUPPLYING A GAMING
23 VESSEL IN THE STATE UNLESS LICENSED BY THE COMMISSION.

24 20-602.

25 A PERSON ON A LICENSED GAMING VESSEL MAY NOT USE, NOR POSSESS WITH
26 THE INTENT TO USE, ANY DEVICE TO ASSIST IN DEFRAUDING, CHEATING, OR
27 OTHERWISE BRINGING INTO RISK THE LEGITIMATE OPERATION, INTEGRITY, OR
28 OUTCOME OF THE VESSEL GAMING OPERATIONS.

29 20-603.

30 UNLESS AUTHORIZED TO ENGAGE IN THE BUSINESS OF OPERATING A VIDEO
31 LOTTERY TERMINAL, OPERATING A GAMING VESSEL, OR SUPPLYING A GAMING
32 VESSEL UNDER THIS TITLE, A PERSON MAY NOT REPRESENT TO THE PUBLIC BY USE
33 OF THE TITLE "LICENSED VIDEO LOTTERY TERMINAL OPERATOR", "LICENSED
34 GAMING VESSEL OPERATOR", OR "LICENSED GAMING VESSEL SUPPLIER", BY OTHER
35 TITLE, BY DESCRIPTION OF SERVICES OR OTHERWISE, THAT THE PERSON IS
36 AUTHORIZED TO ENGAGE IN THE BUSINESS OF OPERATING A VIDEO LOTTERY
37 TERMINAL, OPERATING A GAMING VESSEL, OR SUPPLYING A GAMING VESSEL.

1 20-604.

2 AN INDIVIDUAL UNDER THE AGE OF 21 YEARS MAY NOT:

3 (1) BOARD A GAMING VESSEL ON WHICH GAMING IS BEING
4 CONDUCTED; OR

5 (2) PARTICIPATE IN ANY GAMING ON A GAMING VESSEL.

6 20-605.

7 EQUIPMENT, VIDEO LOTTERY TERMINAL, OR SUPPLIES FOR VESSEL GAMING
8 MAY NOT BE USED UNLESS PURCHASED FROM A LICENSED GAMING VESSEL
9 SUPPLIER.

10 20-606.

11 A PERSON LICENSED UNDER THIS TITLE MAY NOT PERMIT ANY FORM OF
12 WAGERING EXCEPT AS AUTHORIZED UNDER THIS TITLE.

13 20-607.

14 A PERSON MAY NOT PARTICIPATE IN VESSEL GAMING UNLESS THE PERSON IS
15 PRESENT ON A GAMING VESSEL THAT IS OWNED BY A LICENSED GAMING VESSEL
16 OPERATOR.

17 20-608.

18 AN INTOXICATED INDIVIDUAL MAY NOT BOARD A GAMING VESSEL OR
19 PARTICIPATE IN VESSEL GAMING.

20 20-609.

21 THE COMMISSION MAY IMPOSE ON A PERSON WHO VIOLATES A POSITION OF
22 THIS SUBTITLE A CIVIL PENALTY NOT EXCEEDING \$5,000 FOR EACH VIOLATION,
23 WHETHER OR NOT THE PERSON IS LICENSED UNDER THIS TITLE.

24 20-610.

25 A PERSON WHO VIOLATES ANY PROVISION OF THIS SUBTITLE IS GUILTY OF A
26 MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$1,000
27 OR IMPRISONMENT NOT EXCEEDING 1 YEAR OR BOTH.

28 SUBTITLE 7. SHORT TITLE.

29 20-701.

30 THIS TITLE MAY BE CITED AS THE "MARYLAND VESSEL GAMING ACT".

1 **Article - Criminal Law**

2 12-102.

3 (a) [A] EXCEPT AS PROVIDED IN TITLE 20 OF THE BUSINESS REGULATION
4 ARTICLE, A person may not:

5 (1) bet, wager, or gamble;

6 (2) make or sell a book or pool on the result of a race, contest, or
7 contingency;8 (3) establish, keep, rent, use, or occupy, or knowingly allow to be
9 established, kept, rented, used, or occupied, all or a part of a building, vessel, or place,
10 on land or water, within the State, for the purpose of:

11 (i) betting, wagering, or gambling; or

12 (ii) making, selling, or buying books or pools on the result of a race,
13 contest, or contingency; or14 (4) receive, become the depository of, record, register, or forward, or
15 propose, agree, or pretend to forward, money or any other thing or consideration of
16 value, to be bet, wagered, or gambled on the result of a race, contest, or contingency.
17 12-104.18 (a) [A] EXCEPT AS PROVIDED IN TITLE 20 OF THE BUSINESS REGULATION
19 ARTICLE, A person may not:20 (1) keep a gaming device, or all or a part of a building, vessel, or place, on
21 land or water within the State for the purpose of gambling;22 (2) own, rent, or occupy all or a part of a building, vessel, or place and
23 knowingly allow a gaming device to be kept in the building, vessel, or place;24 (3) lease or rent all or a part of a building, vessel, or place to be used for
25 the purpose of gambling;

26 (4) deal at a gaming device or in a building, vessel, or place for gambling;

27 (5) manage a gaming device or a building, vessel, or place for gambling;
28 or29 (6) have an interest in a gaming device or the profits of a gaming device.
30 12-105.31 (b) [A] EXCEPT AS PROVIDED IN TITLE 20 OF THE BUSINESS REGULATION
32 ARTICLE, A person may not bet, wager, or gamble or keep, conduct, maintain, or
33 operate a gaming device on:

1 (1) a vessel or a part of a vessel on water within the State, except as
2 provided in § 6-209 of the Transportation Article; or

3 (2) all or a part of a building or other structure that is built on or over
4 water within the State, if the building or other structure cannot be entered from the
5 shore of the State by a person on foot.

6 (c) [To] EXCEPT AS PROVIDED IN TITLE 20 OF THE BUSINESS REGULATION
7 ARTICLE, TO conduct, maintain, or operate a gaming device, a person may not
8 establish, keep, rent, use, or occupy, or knowingly allow to be established, kept,
9 rented, used, or occupied:

10 (1) a vessel on water within the State; or

11 (2) a building or other structure that is built on or over water within the
12 State, if the building or other structure cannot be entered from the shore of the State
13 by a person on foot.

14 **Article - Environment**

15 9-1605.2.

16 (g) There shall be deposited in the Bay Restoration Fund:

17 (1) Funds received from the restoration fee;

18 (2) Net proceeds of bonds issued by the Administration;

19 (3) Interest or other income earned on the investment of money in the
20 Bay Restoration Fund; [and]

21 (4) DISTRIBUTION OF VESSEL GAMING TAX REVENUE UNDER § 20-508 OF
22 THE BUSINESS REGULATION ARTICLE; AND

23 [(4)] (5) Any additional money made available from any sources, public
24 or private, for the purposes for which the Bay Restoration Fund has been established.

25 SECTION 2. AND BE IT FURTHER ENACTED, That the State Commission
26 on Vessel Gaming shall study the patterns of wagering and wins and losses by
27 individuals participating in vessel gaming authorized under this Act and, on or before
28 December 31, 2006, shall make recommendations to the Governor and, subject to §
29 2-1246 of the State Government Article, to the General Assembly, as to whether
30 limits on wagering losses should be imposed.

31 SECTION 3. AND BE IT FURTHER ENACTED, That the terms of the initial
32 members of the State Commission on Vessel Gaming shall expire as follows:

33 (1) two members in 2007;

34 (2) two members in 2008; and

1 (3) three members in 2009.

2 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take
3 effect October 1, 2006.