HB0004/693521/1

BY: Delegate Simmons

AMENDMENTS TO HOUSE BILL 4

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 10, before "defining" insert "prohibiting certain persons engaged in, or who are affiliated with certain persons who are engaged in, the operation of video lottery terminals for commercial purposes as authorized under this Act from making contributions to certain persons; providing for certain criminal and civil penalties;"; in the same line, strike "a certain term" and substitute "certain terms"; and

after line 15, insert:

"BY proposing an addition to the Maryland Constitution

<u>Article III – Legislative Department</u> Section 49A".

AMENDMENT NO. 2

On page 3, before line 13, insert:

"Article III – Legislative Department

49A.

- (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- (2) "GAMING ACTIVITY" MEANS THE OPERATION OF VIDEO LOTTERY TERMINALS FOR COMMERCIAL PURPOSES AS AUTHORIZED UNDER ARTICLE XIX OF THIS CONSTITUTION.

(Over)

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- (3) "KEY EMPLOYEE" MEANS AN INDIVIDUAL WHO, ACTING AS AN AGENT OR EMPLOYEE OF A PERSON OR LICENSEE, SUPERVISES MORE THAN TWO AGENTS OR EMPLOYEES OF THE PERSON OR LICENSEE AUTHORIZED TO ENGAGE IN GAMING ACTIVITY IN THE STATE.
- (4) "VIDEO LOTTERY TERMINAL" MEANS AN ELECTRONIC CONTRIVANCE, MACHINE, OR OTHER DEVICE THAT, ON INSERTION OF A COIN, TOKEN, OR SIMILAR OBJECT OR ON PAYMENT OF ANY CONSIDERATION, IS AVAILABLE TO PLAY OR OPERATE, THE PLAY OR OPERATION OF WHICH, ONLY BY APPLICATION OF THE ELEMENT OF CHANCE, MAY DELIVER OR ENTITLE THE PLAYER WHO OPERATES THE DEVICE TO RECEIVE CASH, PREMIUMS, MERCHANDISE, TOKENS, OR ANYTHING OF VALUE, WHETHER THE PAYOUT IS MADE AUTOMATICALLY FROM THE DEVICE OR IN ANY OTHER MANNER.

(B) THIS SECTION APPLIES TO THE FOLLOWING PERSONS:

- (1) AN APPLICANT FOR A LICENSE TO ENGAGE IN GAMING ACTIVITY IN THE STATE;
- (2) A PERSON AUTHORIZED TO ENGAGE IN GAMING ACTIVITY IN THE STATE;
- (3) A HOLDING COMPANY, INTERMEDIARY COMPANY, OR SUBSIDIARY COMPANY OF:
- (I) AN APPLICANT FOR A LICENSE TO ENGAGE IN GAMING ACTIVITY IN THE STATE; OR

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- (II) A PERSON AUTHORIZED TO ENGAGE IN GAMING ACTIVITY IN THE STATE;
 - (4) A KEY EMPLOYEE OF, OR A PERSON OR AGENT ON BEHALF OF:
- (I) AN APPLICANT FOR A LICENSE TO ENGAGE IN GAMING ACTIVITY IN THE STATE; OR
- (II) A PERSON AUTHORIZED TO ENGAGE IN GAMING ACTIVITY IN THE STATE; OR
- (5) A PERSON ENTITLED BY CONTRACT TO RECEIVE ANY PROCEEDS FROM THE GAMING ACTIVITY OF AN APPLICANT OR A PERSON AUTHORIZED TO ENGAGE IN GAMING ACTIVITY IN THE STATE.
- (C) THIS SECTION DOES NOT APPLY TO GAMING ACTIVITY THAT AN ELIGIBLE ORGANIZATION IS AUTHORIZED TO CONDUCT UNDER THE CRIMINAL LAW ARTICLE OF THE ANNOTATED CODE OF MARYLAND.
- (D) A PERSON SUBJECT TO THIS SECTION MAY NOT, DIRECTLY OR INDIRECTLY, MAKE A CONTRIBUTION TO:
- (1) THE CAMPAIGN FINANCE ENTITY OF A CANDIDATE FOR ANY PUBLIC OFFICE IN THE STATE;
 - (2) THE CAMPAIGN FINANCE ENTITY OF A POLITICAL PARTY; OR
- (3) ANY OTHER CAMPAIGN FINANCE ENTITY ORGANIZED IN SUPPORT OF:

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(I) A CANDIDATE FOR ANY PUBLIC OFFICE IN THE STATE;
OR

(II) A POLITICAL PARTY.

- (E) A PERSON THAT KNOWINGLY AND WILLFULLY VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND, ON CONVICTION, IS SUBJECT TO A FINE OF NOT LESS THAN \$10,000 OR MORE THAN \$50,000 OR A TERM OF IMPRISONMENT OF NOT LESS THAN 1 YEAR OR MORE THAN 3 YEARS OR BOTH.
- (F) A PERSON DESCRIBED IN SUBSECTION (B)(2), (3), OR (5) OF THIS SECTION THAT KNOWINGLY OR WILLFULLY VIOLATES THE PROVISIONS OF THIS SECTION IS SUBJECT TO THE FOLLOWING CIVIL PENALTIES:
- (1) FOR A FIRST VIOLATION, A FINE OF NOT LESS THAN AN AVERAGE SINGLE DAY'S GROSS VIDEO LOTTERY TERMINAL REVENUE DERIVED FROM THE OPERATION OF VIDEO LOTTERY TERMINALS AUTHORIZED UNDER ARTICLE XIX OF THIS CONSTITUTION; AND
- (2) FOR A SECOND VIOLATION WITHIN 5 YEARS OF THE FIRST VIOLATION:
- (I) SUSPENSION BY THE STATE LOTTERY COMMISSION FOR AT LEAST 1 DAY OF THE VIDEO LOTTERY OPERATION LICENSE AUTHORIZED UNDER ARTICLE XIX OF THIS CONSTITUTION; AND
- (II) A FINE OF NOT LESS THAN AN AVERAGE 2 DAYS' GROSS VIDEO LOTTERY TERMINAL REVENUE DERIVED FROM THE OPERATION OF VIDEO LOTTERY TERMINALS AUTHORIZED UNDER ARTICLE XIX OF THIS CONSTITUTION.

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- (G) A PERSON DESCRIBED IN SUBSECTION (B)(4) OF THIS SECTION THAT KNOWINGLY AND WILLFULLY VIOLATES THE PROVISIONS OF THIS SECTION SUBJECT TO A CIVIL FINE OF NOT LESS THAN \$10,000 OR MORE THAN \$50,000.
- (H) A PERSON DESCRIBED IN SUBSECTION (B)(1) OF THIS SECTION THAT KNOWINGLY AND WILLFULLY VIOLATES THE PROVISIONS OF THIS SECTION IS SUBJECT TO A CIVIL FINE OF NOT LESS THAN \$50,000 OR MORE THAN \$200,000."