

SENATE BILL 20

C7, C6, C8

8lr4545

By: **Senators Kelley, Della, Pugh, and Stone**

Introduced and read first time: October 29, 2007

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Casino Gaming in Maryland**

3 FOR the purpose of requiring the State Lottery Commission to regulate the operation
4 of casinos; authorizing the Commission to issue licenses for a certain number of
5 casinos in certain locations; authorizing the Commission to consider an
6 application for a casino license under certain circumstances; specifying certain
7 requirements for applications; requiring the Department of State Police to
8 conduct a background investigation of each applicant for a casino license;
9 specifying certain factors that the Commission shall weigh in awarding a casino
10 license; requiring the Commission to conduct a hearing on the qualifications of
11 an applicant; authorizing the Commission, after a hearing, to grant or deny a
12 license; requiring a certain licensee to submit the site plan for a casino to the
13 Mayor and City Council of Baltimore; specifying the term of a license; specifying
14 the procedure for renewing a license; requiring the Commission to establish
15 average annual payout percentages for successful players of casino games;
16 authorizing the Commission to deny a license to an applicant, reprimand or fine
17 a licensee, or suspend or revoke a license under certain circumstances;
18 specifying that all proceeds from the operation of casinos be transferred
19 electronically into the State Lottery Fund and be distributed in a certain
20 manner; providing for certain distributions from casino gaming proceeds to
21 certain funds and entities for certain purposes; requiring that the Board of
22 Public Works select for a certain purpose one or more fund managers who meet
23 certain qualifications; establishing a Compulsive Gambling Fund in the
24 Department of Health and Mental Hygiene; providing for a certain distribution
25 from casino gaming proceeds to the Compulsive Gambling Fund; providing for
26 certain disbursements from the Compulsive Gambling Fund for certain
27 purposes; establishing an Education Trust Fund; requiring certain distributions
28 from casino gaming proceeds to the Education Trust Fund to be used for certain
29 purposes; requiring the Governor to provide certain funding for public school
30 construction from the Education Trust Fund for certain fiscal years;
31 establishing a Purse Dedication Account under the authority of the State

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Racing Commission; providing for the distribution from casino gaming proceeds
2 to the Purse Dedication Account for horse racing; providing for certain
3 distributions from the Purse Dedication Account for horse racing in a certain
4 manner; requiring the Commission to make a certain annual report by a certain
5 date; requiring the Commission to adopt certain regulations; defining certain
6 terms; and generally relating to the operation of casinos at certain locations in
7 the State.

8 BY adding to
9 Article – State Government
10 Section 9–1A–01 through 9–1A–20 to be under the new subtitle “Subtitle 1A.
11 Casino Gaming”
12 Annotated Code of Maryland
13 (2004 Replacement Volume and 2007 Supplement)

14 Preamble

15 WHEREAS, Thousands of Marylanders perceive the availability of enhanced
16 slot venues as one of the necessary means of addressing Maryland’s rapidly escalating
17 budget deficit; and

18 WHEREAS, Several neighboring states with licensed slot venues are
19 disappointed with their slot revenues, therefore leading to consideration of the need to
20 add table games; and

21 WHEREAS, Maryland’s capacity to be competitive would be less than
22 spectacular if Maryland tries to establish market power at this late date with adjacent
23 states that already have comparable gaming offerings; and

24 WHEREAS, Destination casinos marketed to tourists have significantly higher
25 revenue potential than do facilities with only video lottery terminals (slots); now,
26 therefore,

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

29 **Article – State Government**

30 **SUBTITLE 1A. CASINO GAMING.**

31 **9–1A–01.**

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

34 (B) “CASINO” MEANS A FACILITY IN WHICH CASINO GAMES ARE
35 PLAYED.

1 (C) (1) **“CASINO GAME” MEANS A GAME OF SKILL OR OF CHANCE**
2 **PLAYED WITH CARDS, DICE, OR WITH ANY MACHINE OR OTHER DEVICE FOR**
3 **MONEY, PROPERTY, CHECKS, CREDIT, OR ANYTHING OF VALUE, WHETHER THE**
4 **PAYOUT IS MADE AUTOMATICALLY FROM A MACHINE OR DEVICE OR IN ANY**
5 **OTHER MANNER.**

6 (2) **“CASINO GAME” INCLUDES ROULETTE, KENO, BINGO,**
7 **FAN-TAN, BLACKJACK, CRAPS, POKER, WHEEL OF FORTUNE, BACCARAT, SLOT**
8 **MACHINE, VIDEO LOTTERY TERMINAL, OR ANY OTHER GAME OR DEVICE**
9 **APPROVED BY THE COMMISSION.**

10 (D) **“CASINO LICENSE” MEANS A LICENSE TO OPERATE A CASINO UNDER**
11 **THIS SUBTITLE.**

12 (E) **“COMMISSION” MEANS THE STATE LOTTERY COMMISSION.**

13 **9-1A-02.**

14 **THE COMMISSION SHALL REGULATE THE OPERATION OF CASINOS IN**
15 **ACCORDANCE WITH THIS SUBTITLE.**

16 **9-1A-03.**

17 **THE COMMISSION MAY ISSUE CASINO LICENSES FOR ONE CASINO TO BE**
18 **LOCATED NEAR THE INNER HARBOR IN BALTIMORE CITY AND ONE CASINO TO**
19 **BE LOCATED AT THE ROCKY GAP LODGE AND GOLF RESORT IN ALLEGANY**
20 **COUNTY.**

21 **9-1A-04.**

22 (A) **THE COMMISSION MAY CONSIDER AN APPLICATION FOR A CASINO**
23 **LICENSE ONLY IF:**

24 (1) **THE GOVERNING BODY OF THE COUNTY IN WHICH THE CASINO**
25 **IS TO BE LOCATED PASSES A RESOLUTION IN SUPPORT OF A CASINO IN THE**
26 **COUNTY ON OR BEFORE MARCH 1, 2008; AND**

27 (2) (I) **THE QUALIFIED VOTERS OF THE COUNTY DO NOT**
28 **PETITION THE LOCAL RESOLUTION TO REFERENDUM AT A SPECIAL ELECTION;**
29 **OR**

1 (II) A MAJORITY OF THE QUALIFIED VOTERS OF THE
2 COUNTY VOTE IN FAVOR OF THE LOCATION RESOLUTION IF IT IS PETITIONED TO
3 REFERENDUM.

4 (B) TO PETITION A LOCAL RESOLUTION TO REFERENDUM, THE
5 SIGNATURES OF 3% OF THE COUNTY'S QUALIFIED VOTERS SHALL BE
6 COLLECTED AND CERTIFIED WITHIN 30 DAYS AFTER PASSAGE OF THE LOCAL
7 RESOLUTION.

8 (C) IF THE REQUIREMENTS UNDER SUBSECTION (B) OF THIS SECTION
9 ARE MET, A SPECIAL ELECTION SHALL BE HELD IN THE COUNTY WITHIN 30 DAYS
10 AFTER THE PETITION IS CERTIFIED.

11 (D) THE STATE SHALL PAY THE COSTS OF A SPECIAL ELECTION HELD
12 UNDER THIS SECTION.

13 **9-1A-05.**

14 (A) AN APPLICANT FOR A CASINO LICENSE SHALL SUBMIT TO THE
15 COMMISSION AN APPLICATION:

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

17 (2) ON OR BEFORE THE DATE THAT THE COMMISSION SETS.

18 (B) (1) EACH APPLICANT HAS THE AFFIRMATIVE RESPONSIBILITY TO
19 ESTABLISH THE APPLICANT'S QUALIFICATIONS BY CLEAR AND CONVINCING
20 EVIDENCE.

21 (2) EACH APPLICANT SHALL PROVIDE INFORMATION REQUIRED
22 BY THIS SUBTITLE AND SATISFY REQUESTS FOR INFORMATION RELATING TO
23 QUALIFICATIONS IN THE FORM THAT THE COMMISSION SPECIFIES.

24 (C) ON THE FILING OF AN APPLICATION FOR A CASINO LICENSE, THE
25 COMMISSION SHALL REFER THE APPLICATION TO THE DEPARTMENT OF STATE
26 POLICE TO CONDUCT A BACKGROUND INVESTIGATION UNDER § 9-1A-06 OF
27 THIS SUBTITLE ON THE QUALIFICATIONS OF THE APPLICANT.

28 (D) THE COMMISSION SHALL SET AN APPLICATION FEE TO BE
29 SUBMITTED BY APPLICANTS FOR A CASINO LICENSE THAT IS SUFFICIENT TO
30 COVER THE COSTS ASSOCIATED WITH CONSIDERATION OF THE APPLICATION.

31 **9-1A-06.**

1 **(A) THE DEPARTMENT OF STATE POLICE SHALL:**

2 **(1) CONDUCT A BACKGROUND INVESTIGATION OF EACH**
3 **APPLICANT IN A TIMELY MANNER; AND**

4 **(2) COOPERATE WITH THE COMMISSION IN OBTAINING AND**
5 **PROVIDING THE NECESSARY BACKGROUND INVESTIGATION INFORMATION.**

6 **(B) (1) AN APPLICANT SHALL PROVIDE THE DEPARTMENT OF STATE**
7 **POLICE WITH ALL INFORMATION THE DEPARTMENT REQUIRES TO CONDUCT A**
8 **BACKGROUND INVESTIGATION.**

9 **(2) FAILURE TO PROVIDE TIMELY OR ACCURATE INFORMATION IS**
10 **GROUNDS FOR THE COMMISSION TO DENY AN APPLICATION.**

11 **9-1A-07.**

12 **(A) THE COMMISSION SHALL SELECT ON A COMPETITIVE BASIS THE**
13 **APPLICANTS TO BE ISSUED CASINO LICENSES.**

14 **(B) AMONG THE FACTORS THE COMMISSION SHALL WEIGH IN**
15 **AWARDING A CASINO LICENSE ARE THE FOLLOWING:**

16 **(1) THE POTENTIAL BENEFIT AND PROSPECTIVE TOTAL REVENUE**
17 **TO BE DERIVED BY THE STATE;**

18 **(2) THE ABILITY TO ATTRACT OUT-OF-STATE GAMING**
19 **PARTICIPANTS;**

20 **(3) THE EXTENT TO WHICH THE PROPOSED CASINO WILL BE A**
21 **SUBSTANTIAL REGIONAL AND NATIONAL TOURIST DESTINATION;**

22 **(4) THE PROPOSED CASINO CAPITAL CONSTRUCTION PLANS,**
23 **WHICH SHALL ENTAIL AT LEAST \$50,000,000 IN CONSTRUCTION AND RELATED**
24 **COSTS;**

25 **(5) THE AMOUNT OF GROSS REVENUES TO BE ALLOCATED TO THE**
26 **LICENSEE OVER THE TERM OF THE CASINO LICENSE, WHICH MAY NOT EXCEED**
27 **30%;**

28 **(6) PERCENT OF OWNERSHIP BY ENTITIES MEETING THE**
29 **DEFINITION OF MINORITY BUSINESS ENTERPRISE UNDER TITLE 14, SUBTITLE 3**
30 **OF THE STATE FINANCE AND PROCUREMENT ARTICLE OR, IF THE COUNTY IN**
31 **WHICH A CASINO WILL BE LOCATED HAS HIGHER MINORITY BUSINESS**

1 PARTICIPATION REQUIREMENTS, THE PERCENT OF OWNERSHIP BY ENTITIES
2 MEETING THE COUNTY'S MINORITY BUSINESS PARTICIPATION REQUIREMENTS;

3 (7) THE GOOD-FAITH EFFORTS OF THE APPLICANT TO
4 ENCOURAGE MINORITIES AND WOMEN TO PARTICIPATE IN OWNERSHIP;

5 (8) THE NUMBER OF NEW FULL-TIME JOBS TO BE CREATED,
6 WHICH SHALL TOTAL AT LEAST 150; AND

7 (9) ANY ADDITIONAL ECONOMIC DEVELOPMENT PLANNED IN THE
8 AREA OF THE PROPOSED CASINO.

9 **9-1A-08.**

10 (A) THE COMMISSION SHALL CONDUCT A HEARING ON THE
11 QUALIFICATIONS OF AN APPLICANT.

12 (B) (1) AFTER THE HEARING, THE COMMISSION MAY GRANT A
13 CASINO LICENSE TO AN APPLICANT WHOM THE COMMISSION DETERMINES TO
14 BE QUALIFIED OR DENY THE CASINO LICENSE TO AN APPLICANT WHOM THE
15 COMMISSION DETERMINES TO BE NOT QUALIFIED OR DISQUALIFIED.

16 (2) IF AN APPLICATION FOR A CASINO LICENSE IS DENIED, THE
17 COMMISSION SHALL PREPARE AND FILE AN ORDER DENYING THE CASINO
18 LICENSE WITH A STATEMENT OF THE REASONS FOR THE DENIAL, INCLUDING
19 THE SPECIFIC FINDINGS OF FACT.

20 **9-1A-09.**

21 (A) WITHIN 3 MONTHS AFTER A CASINO LICENSE IS ISSUED FOR A
22 CASINO IN THE INNER HARBOR AREA, THE LICENSEE SHALL SUBMIT THE SITE
23 PLAN FOR THE CASINO TO THE MAYOR AND CITY COUNCIL OF BALTIMORE.

24 (B) THE LICENSEE MAY PROCEED WITH THE CONSTRUCTION OF THE
25 CASINO ONLY IF THE MAYOR AND CITY COUNCIL OF BALTIMORE APPROVE THE
26 SITE PLAN.

27 **9-1A-10.**

28 (A) THE INITIAL TERM OF A CASINO LICENSE IS 15 YEARS.

29 (B) DURING THE INITIAL TERM OF A CASINO LICENSE, THE LICENSEE
30 SHALL PROVIDE THE COMMISSION WITH AN ANNUAL UPDATE OF THE
31 INFORMATION REQUIRED UNDER THIS SUBTITLE FOR THE ISSUANCE OF A

1 CASINO LICENSE BY THE DATE SET BY THE COMMISSION IN REGULATIONS AND
2 ON THE FORM THAT THE COMMISSION REQUIRES.

3 (C) ONE YEAR BEFORE THE EXPIRATION OF THE TERM OF A CASINO
4 LICENSE, THE LICENSEE SHALL FILE WITH THE COMMISSION A NOTICE OF
5 INTENT TO REAPPLY FOR THE CASINO LICENSE UNDER THIS SUBTITLE.

6 (D) AT THE END OF THE INITIAL 15-YEAR LICENSE TERM, A LICENSEE
7 MAY REAPPLY FOR A CASINO LICENSE THAT HAS A TERM OF 10 YEARS AND
8 SUBMIT A LICENSE FEE TO BE ESTABLISHED BY STATUTE.

9 (E) IF A LICENSEE HAS ITS CASINO LICENSE REVOKED OR OTHERWISE
10 SURRENDERS THE CASINO LICENSE, THE CASINO LICENSE REVERTS TO THE
11 STATE.

12 **9-1A-11.**

13 THE COMMISSION BY REGULATION SHALL ESTABLISH AVERAGE ANNUAL
14 PAYOUT PERCENTS FOR SUCCESSFUL PLAYERS OF CASINO GAMES.

15 **9-1A-12.**

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

19 (1) THIS SUBTITLE;

20 (2) A REGULATION ADOPTED UNDER THIS SUBTITLE; OR

21 (3) A CONDITION THAT THE COMMISSION SETS.

22 (B) (1) FOR EACH VIOLATION SPECIFIED IN SUBSECTION (A) OF THIS
23 SECTION, THE COMMISSION MAY IMPOSE A PENALTY NOT EXCEEDING \$5,000.

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

26 **9-1A-13.**

27 (A) ALL PROCEEDS FROM THE OPERATION OF CASINOS SHALL BE
28 TRANSFERRED ELECTRONICALLY DAILY INTO THE STATE LOTTERY FUND
29 ESTABLISHED UNDER SUBTITLE 3 OF THIS TITLE AND DISTRIBUTED AS
30 PROVIDED IN THIS SUBTITLE.

1 **(B) (1) THE COMMISSION SHALL ACCOUNT TO THE COMPTROLLER**
2 **FOR ALL OF THE REVENUES UNDER THIS SUBTITLE.**

3 **(2) THE PROCEEDS FROM CASINO GAMING SHALL BE UNDER THE**
4 **CONTROL OF THE COMPTROLLER AND SHALL BE DISTRIBUTED AS PROVIDED IN**
5 **THIS SUBTITLE.**

6 **9-1A-14.**

7 **AFTER THE COMMISSION PAYS THE PERCENTAGE OF PROCEEDS FROM**
8 **CASINO GAMES THAT THE COMMISSION DETERMINES IS NEEDED TO COVER THE**
9 **EXPENSES THAT THE COMMISSION INCURS IN THE ADMINISTRATION OF THIS**
10 **SUBTITLE AND THE PAYOUT TO SUCCESSFUL CASINO PLAYERS, THE**
11 **COMMISSION SHALL PAY:**

12 **(1) ON A PROPERLY APPROVED TRANSMITTAL PREPARED BY THE**
13 **COMMISSION, THE PERCENTAGE STATED IN THE ACCEPTED APPLICATION OF**
14 **THE LICENSEE;**

15 **(2) ON A PROPERLY APPROVED TRANSMITTAL PREPARED BY THE**
16 **COMMISSION, 5% OF THE PROCEEDS IN A LOCAL DEVELOPMENT GRANT TO THE**
17 **COUNTY IN WHICH THE CASINO IS LOCATED;**

18 **(3) 1% OF THE PROCEEDS TO THE COMPULSIVE GAMBLING FUND**
19 **ESTABLISHED UNDER § 9-1A-16 OF THIS SUBTITLE;**

20 **(4) 40% OF THE PROCEEDS TO THE EDUCATION TRUST FUND**
21 **ESTABLISHED UNDER § 9-1A-17 OF THIS SUBTITLE;**

22 **(5) 2% OF THE PROCEEDS TO THE PURSE DEDICATION ACCOUNT**
23 **ESTABLISHED UNDER § 9-1A-18 OF THIS SUBTITLE;**

24 **(6) 2% OF THE PROCEEDS TO THE BOARD OF PUBLIC WORKS TO:**

25 **(I) PROVIDE DEBT AND EQUITY FINANCING TO SMALL,**
26 **MINORITY- AND WOMEN-OWNED BUSINESSES FOR:**

27 **1. GOVERNMENT PROCUREMENT ACTIVITY,**
28 **INCLUDING BUILDING AND HIGHWAY CONSTRUCTION, INFORMATION**
29 **TECHNOLOGY SERVICES, AND COMMODITY PURCHASES;**

1 **2. BUSINESS DEVELOPMENT OPPORTUNITIES**
2 **RELATED TO THE BASE REALIGNMENT AND CLOSURE PROCESS (BRAC)**
3 **ANNOUNCED BY THE UNITED STATES DEPARTMENT OF DEFENSE;**

4 **3. BUSINESS DEVELOPMENT OPPORTUNITIES**
5 **ARISING FROM COMMUNITY DEVELOPMENT INITIATIVES; AND**

6 **4. OTHER BUSINESS DEVELOPMENT THROUGHOUT**
7 **THE STATE;**

8 **(II) IMPLEMENT A “BUSINESS ACQUISITION” STRATEGY TO**
9 **ACCELERATE THE GROWTH AND SCALABILITY OF BUSINESSES OWNED BY**
10 **WOMEN AND MINORITIES THROUGH MERGERS AND ACQUISITIONS OF**
11 **SUCCESSFUL ENTITIES, INCLUDING INDUSTRIES THAT HISTORICALLY HAVE**
12 **BEEN RESTRICTED TO MINORITIES AND WOMEN ENTREPRENEURS; AND**

13 **(III) SUPPORT SELECT ADULT AND YOUTH**
14 **ENTREPRENEURIAL TRAINING AND INITIATIVES; AND**

15 **(7) THE BALANCE OF THE PROCEEDS TO THE GENERAL FUND.**

16 **9-1A-15.**

17 **IN CARRYING OUT THE REQUIREMENTS UNDER § 9-1A-14(6) OF THIS**
18 **SUBTITLE, THE BOARD OF PUBLIC WORKS SHALL SELECT ONE OR MORE FUND**
19 **MANAGERS WHO HAVE AT LEAST 10 YEARS’ EXPERIENCE OF ACTIVELY**
20 **INVESTING IN SMALL BUSINESSES IN THE STATE OWNED BY MINORITIES AND**
21 **WOMEN.**

22 **9-1A-16.**

23 **(A) THERE IS A COMPULSIVE GAMBLING FUND IN THE DEPARTMENT**
24 **OF HEALTH AND MENTAL HYGIENE.**

25 **(B) THE COMPULSIVE GAMBLING FUND IS A SPECIAL, CONTINUING,**
26 **NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE**
27 **AND PROCUREMENT ARTICLE.**

28 **(C) (1) THERE SHALL BE CREDITED TO THE COMPULSIVE GAMBLING**
29 **FUND ALL PROCEEDS ALLOCATED TO THE FUND UNDER § 9-1A-14(3) OF THIS**
30 **SUBTITLE.**

1 **(D) MONEY IN THE COMPULSIVE GAMBLING FUND SHALL BE INVESTED**
2 **AND REINVESTED BY THE STATE TREASURER, AND INTEREST AND EARNINGS**
3 **SHALL ACCRUE TO THE FUND.**

4 **(E) EXPENDITURES FROM THE COMPULSIVE GAMBLING FUND SHALL**
5 **BE MADE ONLY:**

6 **(1) BY THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE TO:**

7 **(I) ESTABLISH A 24-HOUR HOTLINE FOR COMPULSIVE AND**
8 **PROBLEM GAMBLERS AND TO PROVIDE COUNSELING AND OTHER SUPPORT**
9 **SERVICES FOR COMPULSIVE AND PROBLEM GAMBLERS; AND**

10 **(II) DEVELOP AND IMPLEMENT PROBLEM GAMBLING**
11 **PREVENTION PROGRAMS, INCLUDING THE PROGRAMS ESTABLISHED UNDER**
12 **TITLE 19, SUBTITLE 8 OF THE HEALTH – GENERAL ARTICLE; AND**

13 **(2) IN ACCORDANCE WITH AN APPROPRIATION APPROVED BY THE**
14 **GENERAL ASSEMBLY IN THE ANNUAL STATE BUDGET OR BY THE BUDGET**
15 **AMENDMENT PROCEDURE PROVIDED FOR IN § 7-209 OF THE STATE FINANCE**
16 **AND PROCUREMENT ARTICLE.**

17 **9-1A-17.**

18 **(A) THERE IS AN EDUCATION TRUST FUND WHICH IS A SPECIAL,**
19 **CONTINUING, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE**
20 **STATE FINANCE AND PROCUREMENT ARTICLE.**

21 **(B) (1) THERE SHALL BE CREDITED TO THE EDUCATION TRUST**
22 **FUND ALL PROCEEDS ALLOCATED TO THE FUND UNDER § 9-1A-14(4) OF THIS**
23 **SUBTITLE.**

24 **(2) MONEY IN THE EDUCATION TRUST FUND SHALL BE INVESTED**
25 **AND REINVESTED BY THE STATE TREASURER, AND INTEREST AND EARNINGS**
26 **SHALL ACCRUE TO THE FUND.**

27 **(C) MONEY IN THE EDUCATION TRUST FUND SHALL BE USED TO:**

28 **(1) OFFSET THE TOTAL FUNDING REQUIRED TO PROVIDE AN**
29 **ADEQUATE EDUCATION FOR CHILDREN ATTENDING PUBLIC SCHOOLS IN THE**
30 **STATE IN PREKINDERGARTEN THROUGH GRADE 12, THROUGH CONTINUATION**
31 **OF THE FUNDING AND FORMULAS ESTABLISHED UNDER THE PROGRAMS**
32 **COMMONLY KNOWN AS THE BRIDGE TO EXCELLENCE IN PUBLIC SCHOOLS ACT,**
33 **FIRST ENACTED BY CHAPTER 288 OF THE ACTS OF THE GENERAL ASSEMBLY OF**

1 **2002, INCLUDING THE FUNDING FOR REGIONAL DIFFERENCES IN THE COST OF**
2 **EDUCATION UNDER § 5-202(F) OF THE EDUCATION ARTICLE;**

3 (2) **PROVIDE FUNDS TO IMPLEMENT THE COLLEGE READINESS**
4 **FOR DISADVANTAGED AND CAPABLE STUDENTS ACT OF 2002, FIRST ENACTED**
5 **BY CHAPTERS 315 AND 429 OF THE ACTS OF THE GENERAL ASSEMBLY OF 2002;**

6 (3) **PROVIDE FUNDS TO CONSTRUCT K-16 PUBLIC SCHOOL**
7 **BUILDINGS AND PUBLIC SCHOOL CAPITAL IMPROVEMENTS IN ACCORDANCE**
8 **WITH §§ 5-301 THROUGH 5-303 OF THE EDUCATION ARTICLE AND FOR PUBLIC**
9 **INSTITUTIONS OF HIGHER EDUCATION THAT INCLUDE 4-YEAR INSTITUTIONS**
10 **AND COMMUNITY COLLEGES; AND**

11 (4) **PROVIDE FUNDS TO INCREASE STATE UNDERGRADUATE**
12 **STUDENT FINANCIAL AID.**

13 (D) **THE GOVERNOR SHALL INCLUDE IN THE STATE BUDGET FOR**
14 **FISCAL YEAR 2010 AND EACH FISCAL YEAR THEREAFTER THROUGH FISCAL**
15 **YEAR 2020, \$150,000,000 FROM THE EDUCATION TRUST FUND FOR THE**
16 **FUNDING OF K-16 PUBLIC SCHOOL CONSTRUCTION AND CAPITAL**
17 **IMPROVEMENTS ON A PAY-AS-YOU-GO BASIS.**

18 (E) **EXPENDITURES FROM THE EDUCATION TRUST FUND SHALL BE**
19 **MADE EACH FISCAL YEAR IN ACCORDANCE WITH THE STATE BUDGET.**

20 **9-1A-18.**

21 (A) **THERE IS A PURSE DEDICATION ACCOUNT UNDER THE AUTHORITY**
22 **OF THE STATE RACING COMMISSION.**

23 (B) (1) **THE ACCOUNT SHALL RECEIVE MONEY AS REQUIRED UNDER**
24 **§ 9-1A-14(5) OF THIS SUBTITLE.**

25 (2) **MONEY IN THE ACCOUNT SHALL BE INVESTED AND**
26 **REINVESTED BY THE STATE TREASURER AND INTEREST AND EARNINGS SHALL**
27 **ACCRUE TO THE ACCOUNT.**

28 (3) **THE COMPTROLLER SHALL:**

29 (I) **ACCOUNT FOR THE ACCOUNT; AND**

30 (II) **ON A PROPERLY APPROVED TRANSMITTAL PREPARED**
31 **BY THE STATE RACING COMMISSION, ISSUE A WARRANT TO PAY OUT MONEY**
32 **FROM THE ACCOUNT IN THE MANNER PROVIDED UNDER THIS SECTION.**

1 **(4) THE ACCOUNT IS A SPECIAL, CONTINUING, NONLAPSING**
2 **FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND**
3 **PROCUREMENT ARTICLE.**

4 **(5) EXPENDITURES FROM THE ACCOUNT SHALL BE MADE ONLY**
5 **ON A PROPERLY APPROVED TRANSMITTAL PREPARED BY THE STATE RACING**
6 **COMMISSION, AS PROVIDED UNDER PARAGRAPH (3)(II) OF THIS SUBSECTION.**

7 **(C) SUBJECT TO THE PROVISIONS OF SUBSECTIONS (D) AND (E) OF THIS**
8 **SECTION, THE STATE RACING COMMISSION SHALL ALLOCATE A PERCENT OF**
9 **THE FUNDS IN THE ACCOUNT EACH YEAR TO THE THOROUGHBRED INDUSTRY**
10 **AND TO THE STANDARDBRED INDUSTRY BASED ON THE PERCENT OF THE TOTAL**
11 **WAGERING ON LIVE RACING AT RACETRACKS IN THE STATE THAT CAN BE**
12 **ATTRIBUTED TO EACH INDUSTRY DURING THE PRIOR CALENDAR YEAR.**

13 **(D) THE AMOUNT OF FUNDS ALLOCATED TO THOROUGHBRED PURSES**
14 **AND THE MARYLAND-BRED RACE FUND SHALL BE ALLOCATED AS FOLLOWS:**

15 **(1) 89% TO THOROUGHBRED PURSES AT THE PIMLICO RACE**
16 **COURSE, LAUREL PARK, A RACECOURSE IN ALLEGANY COUNTY; AND**

17 **(2) 11% TO THE STANDARDBRED RACE FUND.**

18 **(E) THE AMOUNT OF FUNDS ALLOCATED TO STANDARDBRED PURSES**
19 **AND THE STANDARDBRED RACE FUND SHALL BE ALLOCATED AS FOLLOWS:**

20 **(1) 89% TO STANDARDBRED PURSES AT THE ROSECROFT**
21 **RACEWAY, OCEAN DOWNS RACE COURSE, AND THE RACECOURSE IN ALLEGANY**
22 **COUNTY; AND**

23 **(2) 11% TO THE STANDARDBRED RACE FUND.**

24 **(F) THE PROVISIONS OF THIS SECTION MAY NOT BE CONSTRUED TO**
25 **APPLY TO THE RACECOURSE IN ALLEGANY COUNTY UNTIL HORSE RACING**
26 **BEGINS AT THAT RACECOURSE.**

27 **(G) (1) AS DIRECTED BY THE STATE RACING COMMISSION, \$125,000**
28 **FROM THE FUNDS UNDER SUBSECTION (D)(1) OF THIS SECTION SHALL GO TO**
29 **THE MARYLAND HORSEMEN'S ASSISTANCE FUND, INC., ESTABLISHED UNDER §**
30 **11-909 OF THE BUSINESS REGULATION ARTICLE, AND \$125,000 FROM THE**
31 **FUNDS UNDER SUBSECTION (E)(1) OF THIS SECTION SHALL GO TO THE**
32 **MARYLAND STANDARDBRED HORSEMEN'S ASSISTANCE FUND, INC.,**
33 **ESTABLISHED UNDER § 11-909 OF THE BUSINESS REGULATION ARTICLE.**

1 **(2) THE AMOUNTS ALLOCATED UNDER PARAGRAPH (1) OF THIS**
2 **SUBSECTION SHALL BE USED TO PROVIDE HEALTH BENEFITS FOR JOCKEYS AND**
3 **HARNESS RACING DRIVERS IN THE STATE.**

4 **(3) WITH THE ADVICE OF THE STATE RACING COMMISSION,**
5 **FUNDS FOR HEALTH BENEFITS FOR JOCKEYS AND HARNESS RACING DRIVERS**
6 **SHALL BE DISTRIBUTED BY THE HORSEMEN'S ASSISTANCE FUND BASED ON:**

7 **(I) NEED;**

8 **(II) DOCUMENTED STATE RESIDENCY; AND**

9 **(III) NUMBER OF RACES RIDDEN OR DRIVEN PER YEAR ON**
10 **STATE TRACKS.**

11 **9-1A-19.**

12 **THE COMMISSION SHALL SUBMIT AN ANNUAL REPORT TO THE**
13 **GOVERNOR AND, SUBJECT TO § 2-1246 OF THIS ARTICLE, TO THE GENERAL**
14 **ASSEMBLY:**

15 **(1) ON THE OPERATION AND FINANCES OF CASINO OPERATIONS**
16 **UNDER THIS SUBTITLE; AND**

17 **(2) WITH THE ASSISTANCE OF LOCAL POLICE DEPARTMENTS AND**
18 **THE DEPARTMENT OF STATE POLICE, DETAILING THE CRIMES THAT OCCUR**
19 **WITHIN THE COMMUNITIES SURROUNDING A CASINO.**

20 **9-1A-20.**

21 **THE COMMISSION SHALL ADOPT REGULATIONS TO CARRY OUT THIS**
22 **SUBTITLE.**

23 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect**
24 **January 1, 2008.**