

HOUSE BILL 1464

C7

2lr3434

By: **Delegate Conway**

Rules suspended

Introduced and read first time: March 9, 2012

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Video Lottery Terminals – Licensees – Operations**

3 FOR the purpose of altering the amount from proceeds of video lottery terminals from
4 the video lottery facility in Worcester County that the Comptroller is required to
5 pay to the video lottery operation licensee for the facility; repealing the
6 prohibition on the licensee engaging in certain activities; and generally relating
7 to video lottery terminals in Worcester County.

8 BY repealing and reenacting, with amendments,
9 Article – State Government
10 Section 9–1A–27(a) and 9–1A–36(h)
11 Annotated Code of Maryland
12 (2009 Replacement Volume and 2011 Supplement)

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

15 **Article – State Government**

16 9–1A–27.

17 (a) Except as provided in **ITEM (2) OF THIS SUBSECTION AND** subsection
18 (b) of this section, on a properly approved transmittal prepared by the Commission,
19 the Comptroller shall pay the following amounts from the proceeds of video lottery
20 terminals at each video lottery facility:

21 (1) 2% to the State Lottery Agency for costs as defined in § 9–1A–01 of
22 this subtitle;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) to the video lottery operation licensee[.]:

2 (I) FOR EACH FACILITY EXCEPT FOR THE FACILITY IN
3 WORCESTER COUNTY, the percentage stated in the accepted application for the
4 location, not to exceed 33%; AND

5 (II) FOR THE FACILITY IN WORCESTER COUNTY, 43%;

6 (3) 5.5% in local impact grants, in accordance with § 9–1A–31 of this
7 subtitle;

8 (4) 7% to the Purse Dedication Account established under § 9–1A–28
9 of this subtitle, not to exceed a total of \$100,000,000 to the Account annually;

10 (5) for the first 8 years of operations at a video lottery facility, 2.5% to
11 the Racetrack Facility Renewal Account established under § 9–1A–29 of this subtitle,
12 not to exceed a total of \$40,000,000 to the Account annually;

13 (6) 1.5% to the Small, Minority, and Women–Owned Businesses
14 Account established under § 9–1A–35 of this subtitle; and

15 (7) the remainder to the Education Trust Fund established under §
16 9–1A–30 of this subtitle.

17 9–1A–36.

18 (h) (1) In order to qualify for a video lottery operation license under this
19 section, a proposed video lottery facility shall be located in one of the following
20 counties:

21 (i) a location in Anne Arundel County, within 2 miles of MD
22 Route 295;

23 (ii) a location in Cecil County, within 2 miles of Interstate 95;

24 (iii) a location on State property associated with the Rocky Gap
25 State Park in Allegany County;

26 (iv) a location in Worcester County, within 1 mile of the
27 intersection of Route 50 and Route 589; or

28 (v) a location in Baltimore City that is:

29 1. located:

30 A. in a nonresidential area;

- 1 B. within one-half mile of Interstate 95;
- 2 C. within one-half mile of MD Route 295; and
- 3 D. on property that is owned by Baltimore City on the
4 date on which the application for a video lottery operation license is submitted; and
- 5 2. not adjacent to or within one-quarter mile of property
6 that is:
- 7 A. zoned for residential use; and
- 8 B. used for a residential dwelling on the date the
9 application for a video lottery operation license is submitted.

10 (2) Nothing in this subtitle may be construed to preempt the exclusive
11 authority of the Video Lottery Facility Location Commission to award video lottery
12 operation licenses in accordance with this subtitle.

13 (3) (i) With respect to a video lottery operation license awarded to
14 a location under paragraph (1)(iv) of this subsection, the holder of the video lottery
15 operation license or any other person with a direct or indirect legal or financial
16 interest in the Ocean Downs racetrack or video lottery facility may not:

17 1. build any type of hotel, motel, or other public lodging
18 accommodation on or within 10 miles of the property owned by the holder of the
19 license on which a video lottery facility is operated; **OR**

20 2. convert an existing facility on or within 10 miles of
21 the property described in item 1 of this subparagraph into any type of hotel, motel, or
22 other public lodging accommodation[];

23 3. build or operate a conference center or convention
24 center, amusement park, amusement rides, arcade, or miniature golf course on or
25 within 10 miles of the property described in item 1 of this subparagraph; or

26 4. offer to patrons of the video lottery facility the playing
27 of live music, floor shows, dancing, dancing exhibitions, performances, or any other
28 form of live entertainment in or near the video lottery facility, provided that the holder
29 of the video lottery operation license for the location under paragraph (1)(iv) of this
30 subsection or another person with a direct or indirect legal or financial interest in the
31 Ocean Downs racetrack or the video lottery facility may allow:

32 A. live fireworks displays to be conducted on the
33 property; and

1 B. a single piano that is played by an individual].

2 (ii) The prohibitions under subparagraph (i) of this paragraph
3 apply to any subsequent holder of a video lottery operation license awarded under
4 paragraph (1)(iv) of this subsection.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 October 1, 2012.