

# HOUSE BILL 1136

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

Introduced and read first time: February 7, 2014

Assigned to: Ways and Means

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Committee Report: Favorable

House action: Adopted

Read second time: March 25, 2014

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Video Lottery Terminals – Local Impact Grants – Schedule and Reporting**  
3 **Requirements for Baltimore City**

4 FOR the purpose of requiring that Baltimore City establish a certain schedule for the  
5 distribution and expenditure of certain local impact grants from video lottery  
6 terminal proceeds; altering a certain reporting requirement; and generally  
7 relating to the distribution of proceeds from video lottery terminals for local  
8 impact grants to Baltimore City.

9 BY repealing and reenacting, without amendments,  
10 Article – State Government  
11 Section 9–1A–27(a)(3)  
12 Annotated Code of Maryland  
13 (2009 Replacement Volume and 2013 Supplement)

14 BY repealing and reenacting, with amendments,  
15 Article – State Government  
16 Section 9–1A–31  
17 Annotated Code of Maryland  
18 (2009 Replacement Volume and 2013 Supplement)

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

21 **Article – State Government**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 9-1A-27.

2 (a) Except as provided in subsections (b) and (c) of this section and  
3 § 9-1A-26(a)(3) of this subtitle, on a properly approved transmittal prepared by the  
4 Commission, the Comptroller shall pay the following amounts from the proceeds of  
5 video lottery terminals at each video lottery facility:

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

8 9-1A-31.

9 (a) (1) Except as provided in paragraph (4) of this subsection, the local  
10 impact grants provided under § 9-1A-27 of this subtitle shall be distributed in the  
11 following manner:

12 (i) 82% to the local jurisdictions with video lottery facilities,  
13 based on each jurisdiction's percentage of overall gross revenues from video lottery  
14 terminals; and

15 (ii) except as provided in paragraph (2) of this subsection, for  
16 operations at a video lottery facility starting in fiscal year 2012 and ending in fiscal  
17 year 2032, 18% to Baltimore City with the Pimlico Community Development Authority  
18 acting as the local development council in accordance with subsection (d) of this  
19 section, to be distributed primarily for capital projects benefiting economic and  
20 community development in the following manner:

21 1. at least 75% in a manner that is consistent with the  
22 Park Heights Master Plan; and

23 2. the remainder dedicated to the needs of:

24 A. any census blockgroup that Baltimore City identifies  
25 as being located partly or entirely within 1 mile of Pimlico Race Course but not within  
26 the boundaries of the Park Heights Master Plan in a manner that is consistent with  
27 adopted neighborhood priorities;

28 B. any neighborhood included in the Northwest  
29 Community Planning Forum Strategic Neighborhood Action Plan in a manner that is  
30 consistent with the adopted Northwest Community Planning Forum Strategic  
31 Neighborhood Action Plan priorities; and

32 C. beginning after a video lottery operation license is  
33 issued to a video lottery facility in Baltimore City, any neighborhood within an area  
34 bounded by Liberty Heights Avenue, Northern Parkway, Druid Park Drive, and  
35 Wabash Avenue in a manner that is consistent with adopted neighborhood priorities.

1           (2) (i) Of the amount specified under paragraph (1)(ii) of this  
 2 subsection, \$1,000,000 shall be provided annually to Prince George's County to be used  
 3 for public safety projects in the community within 5 miles surrounding Rosecroft  
 4 Raceway.

5           (ii) The Legislative Policy Committee shall report its findings  
 6 and recommendations concerning the advisability of the continuation of the  
 7 distribution of funds after fiscal year 2032 to the Comptroller and, in accordance with  
 8 § 2-1246 of this article, the General Assembly, on or before November 1, 2030.

9           (3) [Baltimore City and] Prince George's County shall report to the  
 10 Legislative Policy Committee by December 31 of each year as to the distribution of the  
 11 funds provided under this section.

12           **(4) BALTIMORE CITY SHALL:**

13           **(I) ESTABLISH A SCHEDULE FOR THE DISTRIBUTION AND**  
 14 **EXPENDITURE OF FUNDS PROVIDED UNDER THIS SECTION; AND**

15           **(II) PROVIDE A QUARTERLY REPORT TO THE LEGISLATIVE**  
 16 **POLICY COMMITTEE ON THE DISTRIBUTION OF THE FUNDS PROVIDED UNDER**  
 17 **THIS SECTION.**

18           **[(4) (5)]** Beginning after a video lottery operation license is issued to  
 19 a video lottery facility in Baltimore City, 100% of the local impact grants provided  
 20 under § 9-1A-27 of this subtitle from the proceeds of the video lottery facilities located  
 21 in Allegany, Cecil, and Worcester counties shall be distributed to the local jurisdictions  
 22 in which those video lottery facilities are located.

23           (b) (1) Except as otherwise provided in paragraphs (2) and (3) of this  
 24 subsection, local impact grants provided under subsection (a)(1)(i) of this section shall  
 25 be used for improvements primarily in the communities in immediate proximity to the  
 26 video lottery facilities and may be used for the following purposes:

27           (i) infrastructure improvements;

28           (ii) facilities;

29           (iii) public safety;

30           (iv) sanitation;

31           (v) economic and community development, including housing;

32 and

1 (vi) other public services and improvements.

2 (2) In Allegany County, local impact grants provided under subsection  
3 (a)(1)(i) of this section may be used:

4 (i) for purposes listed in paragraph (1) of this subsection  
5 throughout the county; and

6 (ii) to pay down the debt incurred by the county in the  
7 construction and related costs for the golf course, lodge, and other improvements in  
8 Rocky Gap State Park.

9 (3) In Baltimore City, local impact grants provided under subsection  
10 (a)(1)(i) of this section shall be used for improvements in the communities in  
11 immediate proximity to the video lottery facility and may be used for the following  
12 purposes:

13 (i) infrastructure improvements;

14 (ii) facilities;

15 (iii) public safety;

16 (iv) sanitation;

17 (v) economic and community development, including housing;  
18 and

19 (vi) other public services and improvements.

20 (c) (1) A local development council shall be established in each geographic  
21 area where a video lottery facility is located.

22 (2) Subject to paragraph (3) of this subsection, a local development  
23 council shall consist of the following 15 members appointed by the chief executive of  
24 the county in which the local development council is located, in consultation with the  
25 Senators and Delegates who represent the communities surrounding the facility and  
26 the respective county councils, city councils, or county commissioners:

27 (i) one Senator who represents the district where the facility is  
28 located;

29 (ii) two Delegates who represent the districts where the  
30 communities surrounding the facility are located;

31 (iii) one representative of the video lottery operation licensee;

1 (iv) seven residents of the communities in immediate proximity  
2 to the facility; and

3 (v) four representatives of businesses or institutions located in  
4 immediate proximity to the facility.

5 (3) (i) If the video lottery facility is at a racetrack location at  
6 Laurel Park, the County Executive of Anne Arundel County, the County Executive of  
7 Prince George's County, and the County Executive of Howard County shall jointly  
8 appoint the local development council.

9 (ii) If the video lottery facility is at a racetrack location at the  
10 Ocean Downs Race Course:

11 1. the County Commissioners of Worcester County shall  
12 appoint the local development council;

13 2. the Senator or the Senator's designee shall serve as a  
14 member of the local development council; and

15 3. the Delegates or the Delegates' designees shall serve  
16 as members of the local development council.

17 (d) (1) Prior to any expenditure of local impact grant funds provided  
18 under § 9-1A-27 of this subtitle, a county or municipality shall develop, in  
19 consultation with the local development council, a multiyear plan for the expenditure  
20 of the local impact grant funds for services and improvements consistent with  
21 subsection (b) of this section.

22 (2) A county or municipality shall submit the plan to the local  
23 development council for review and comment before adopting the plan or expending  
24 any grant funds.

25 (3) The local development council shall advise the county or  
26 municipality on the impact of the facility on the communities and the needs and  
27 priorities of the communities in immediate proximity to the facility.

28 (4) (i) A local development council shall have 45 days to review,  
29 comment, and make recommendations on the plan required under this subsection.

30 (ii) Except as provided in subparagraph (iii) of this paragraph,  
31 on the request of a local development council, the county or municipality shall hold a  
32 public hearing on the plan.

33 (iii) Baltimore City shall hold a public hearing on the plan for  
34 the expenditure of funds allocated under subsection (a)(1)(ii) of this section.

1                   (5)    A county or municipality shall make best efforts to accommodate  
2 the recommendations of the local development council and any testimony presented at  
3 the hearing before adopting the plan required under this subsection.

4                   (e)    A video lottery operation licensee shall provide to the local development  
5 council a master plan for the development of the site on which the video lottery facility  
6 will be located.

7                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 June 1, 2014.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.