

SB0004/489239/1

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL 4
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “Senator Zucker” and substitute “Senators Zucker, Guzzone, Miller, King, McCray, Beidle, and West”; in line 4, after “methods” insert “at certain locations; altering the authorized uses of the Problem Gambling Fund”; strike beginning with “requiring” in line 8 down through “licenses” in line 10 and substitute “requiring certain fees for the issuance and renewal of certain licenses; providing for the terms of certain licenses; providing that certain applicants and licensees are subject to certain minority business participation goals”; strike beginning with “requiring” in line 13 down through “years;” in line 15; in line 16, strike “requiring” and substitute “providing that certain applicants and licensees have a certain responsibility; requiring certain applicants and licensees to provide certain information, assistance, and cooperation; requiring applicants and licensees to establish certain qualification criteria, including the existence of a certain labor peace agreement; establishing certain procedures and requirements for the issuance of certain licenses; authorizing the Commission to grant or deny certain licenses; authorizing”; strike beginning with “establishing” in line 19 down through “licenses;” in line 20; in line 28, after “wagers;” insert “requiring the Commission, under certain circumstances, to terminate and revoke the sports wagering license of the owner of a sports facility; altering the purposes for which expenditures from a certain fund may be made;”; and in line 30, after “date;” insert “requiring a certain certification agency, in consultation with the Office of the Attorney General and the Governor’s Office of Small, Minority, and Women Business Affairs, to initiate certain analyses; requiring a certain certification agency to submit certain reports to the Legislative Policy Committee on or before certain dates;”.

On page 2, in line 10, strike “and 9-1A-30(b)(1)” and substitute “9-1A-30(b)(1), and 9-1A-33(b)”; and in line 15, strike “9-1E-13” and substitute “9-1E-14”.

AMENDMENT NO. 2

On page 3, after line 9, insert:

(Over)

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“9-1A-33.

(b) (1) (i) There is a Problem Gambling Fund in the Maryland Department of Health.

(ii) The purpose of the Fund is primarily to provide funding for problem gambling treatment and prevention programs, including:

1. inpatient and residential services;
2. outpatient services;
3. intensive outpatient services;
4. continuing care services;
5. educational services;
6. services for victims of domestic violence; and
7. other preventive or rehabilitative services or treatment.

(2) The Problem Gambling Fund is a special, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.

(3) Money in the Problem Gambling Fund shall be invested and reinvested by the Treasurer, and interest and earnings shall accrue to the Fund.

(4) Except as provided in paragraph (5) of this subsection, expenditures from the Problem Gambling Fund shall be made only by the Maryland Department of Health to:

(i) establish a 24-hour hotline for compulsive and problem gamblers and to provide counseling and other support services for compulsive and problem gamblers;

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(ii) establish an outreach program for compulsive and problem gamblers, including individuals who requested placement on the voluntary exclusion list established by the Commission under § 9–1A–24 of this subtitle, for the purpose of participating in problem gambling treatment and prevention programs; [and]

(iii) develop and implement free or reduced cost problem gambling treatment and prevention programs, including the programs established under Title 19, Subtitle 8 of the Health – General Article; AND

(IV) DEVELOP AND IMPLEMENT FREE OR REDUCED COST PROBLEM GAMBLING TREATMENT AND PREVENTION PROGRAMS TARGETED AT INDIVIDUALS WITH PROBLEM GAMBLING ISSUES RELATED TO SPORTS WAGERING.

(5) After satisfying the requirements of paragraph (4) of this subsection, any unspent funds in the Problem Gambling Fund may be expended by the Maryland Department of Health on drug and other addiction treatment services.

(6) Expenditures from the Problem Gambling Fund shall be made in accordance with an appropriation approved by the General Assembly in the annual State budget or by the budget amendment procedure provided for in § 7–209 of the State Finance and Procurement Article.”;

after line 14, insert:

“(C) (1) “HORSE RACING LICENSEE” MEANS THE HOLDER OF A LICENSE ISSUED BY THE STATE RACING COMMISSION UNDER TITLE 11, SUBTITLE 5 OF THE BUSINESS REGULATION ARTICLE.

(2) “HORSE RACING LICENSEE” DOES NOT INCLUDE THE HOLDER OF A LICENSE ISSUED UNDER § 11–526 OF THE BUSINESS REGULATION ARTICLE.”;

(Over)

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and in lines 15, 21, 24, and 27, strike “(C)”, “(D)”, “(E)”, and “(F)”, respectively, and substitute “(D)”, “(E)”, “(F)”, and “(G)”, respectively.

AMENDMENT NO. 3

On page 4, strike beginning with “IN” in line 3 down through “OLD” in line 4; strike beginning with the colon in line 5 down through “2.” in line 8; in line 16, strike the second “OR”; in line 18, after “TITLE” insert “; OR”

(III) A HORSE RACE AUTHORIZED UNDER TITLE 11 OF THE BUSINESS REGULATION ARTICLE.

(H) (1) “SPORTS FACILITY” MEANS:

(I) A STADIUM LOCATED IN PRINCE GEORGE’S COUNTY THAT IS USED PRIMARILY FOR PROFESSIONAL FOOTBALL; AND

(II) PRACTICE FIELDS OR OTHER AREAS WHERE A PROFESSIONAL FOOTBALL TEAM PRACTICES OR PERFORMS.

(2) “SPORTS FACILITY” INCLUDES PARKING LOTS, GARAGES, AND ANY OTHER PROPERTY ADJACENT AND DIRECTLY RELATED TO A STADIUM OR PRACTICE FIELDS”;

in lines 19, 24, and 27, strike “(G)”, “(H)”, and “(I)”, respectively, and substitute “(I)”, “(J)”, and “(K)”, respectively; and strike in their entirety lines 29 and 30.

AMENDMENT NO. 4

On page 5, in lines 1, 5, and 7, strike “(K)”, “(L)”, and “(M)”, respectively, and substitute “(L)”, “(M)”, and “(N)”, respectively; in line 1, strike “(1)”; strike in their entirety lines 3 and 4; strike in their entirety lines 10 through 14, inclusive, and substitute:

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“(A) UNLESS THE CONTEXT REQUIRES OTHERWISE, THE REQUIREMENTS UNDER §§ 9-1A-04, 9-1A-06, 9-1A-07, 9-1A-08, 9-1A-12, 9-1A-14, 9-1A-18, 9-1A-19, 9-1A-20, AND 9-1A-25 OF THIS TITLE APPLY TO THE AUTHORITY, DUTIES, AND RESPONSIBILITIES OF THE COMMISSION, A SPORTS WAGERING LICENSEE, AND AN EMPLOYEE OR A CONTRACTOR OF A SPORTS WAGERING LICENSEE UNDER THIS SUBTITLE.”;

and in line 25, strike “AND THE DEADLINE TO SUBMIT”.

AMENDMENT NO. 5

On page 6, strike in their entirety lines 5 and 6; in lines 7, 10, and 12, strike “**(5)**”, “**(6)**”, and “**(7)**”, respectively, and substitute “**(4)**”, “**(5)**”, and “**(6)**”, respectively; strike in their entirety lines 14 through 18, inclusive; and in lines 19, 24, 26, 28, and 30, strike “**(II)**”, “**(III)**”, “**(IV)**”, “**(V)**”, and “**(VI)**”, respectively, and substitute “**(I)**”, “**(II)**”, “**(III)**”, “**(IV)**”, and “**(V)**”, respectively.

AMENDMENT NO. 6

On page 7, in lines 1, 3, 5, 9, 15, 17, and 19, strike “**(VII)**”, “**(VIII)**”, “**(IX)**”, “**(X)**”, “**(XI)**”, “**(XII)**”, and “**(8)**”, respectively, and substitute “**(VI)**”, “**(VII)**”, “**(VIII)**”, “**(IX)**”, “**(X)**”, “**(XI)**”, and “**(7)**”, respectively; strike beginning with the comma in line 11 down through “SUBTITLE” in line 14 and substitute “**IN ACCORDANCE WITH THE STATEMENT ON STANDARDS FOR ATTESTATION ENGAGEMENTS AND GENERALLY ACCEPTED ACCOUNTING PRINCIPLES**”; and in line 23, after “OPERATOR” insert “**, A HORSE RACING LICENSEE, OR THE OWNER OF A SPORTS FACILITY**”.

AMENDMENT NO. 7

On page 8, after line 3, insert:

(Over)

“(B) SUBJECT TO THE REQUIREMENTS OF THIS SUBTITLE, THE COMMISSION MAY ISSUE A SPORTS WAGERING LICENSE TO:

- (1) A VIDEO LOTTERY OPERATOR;
- (2) A HORSE RACING LICENSEE; AND
- (3) THE OWNER OF A SPORTS FACILITY.”;

and in lines 4, 9, and 17, strike “(B)”, “(C)”, and “(D)”, respectively, and substitute “(C)”, “(D)”, and “(E)”, respectively.

AMENDMENT NO. 8

On page 9, in line 1, after “OPERATOR” insert “, HORSE RACING LICENSEE, OR THE OWNER OF A SPORTS FACILITY”; in line 3, after “SUBMITTED” insert “BY AN APPLICANT”; in line 4, strike “AN APPLICATION FEE OF \$2,500,000” and substitute “:

(1) AN INITIAL LICENSE FEE OF \$2,500,000 IF THE APPLICANT IS A VIDEO LOTTERY FACILITY WITH AT LEAST 1,000 VIDEO LOTTERY TERMINALS, A HORSE RACING LICENSEE WITH A LICENSE ISSUED UNDER § 11-510 OF THE BUSINESS REGULATION ARTICLE, OR THE OWNER OF A SPORTS FACILITY; OR

(2) AN INITIAL LICENSE FEE OF \$1,500,000 IF THE APPLICANT IS A VIDEO LOTTERY FACILITY WITH FEWER THAN 1,000 VIDEO LOTTERY TERMINALS OR A HORSE RACING LICENSEE WITH A LICENSE ISSUED UNDER § 11-524 OF THE BUSINESS REGULATION ARTICLE”;

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in lines 8 and 9, strike “1 YEAR” and substitute “5 YEARS”; in line 10, after “(E)” insert “(1)”; in line 11, strike “\$250,000”; in line 12, strike “1 YEAR” and substitute “5 YEARS”; after line 12, insert:

“(2) THE LICENSE RENEWAL FEE IS 25% OF THE INITIAL LICENSE FEE PAID BY THE SPORTS WAGERING LICENSEE.”;

strike beginning with the colon in line 15 down through “(1)” in line 16; strike beginning with the semicolon in line 16 down through “COMMISSION” in line 17; and strike in their entirety lines 18 through 23, inclusive, and substitute:

“(B) (1) AN APPLICANT OR A LICENSEE IS SUBJECT TO:

(I) THE MINORITY BUSINESS PARTICIPATION GOAL ESTABLISHED FOR A UNIT BY THE SPECIAL SECRETARY FOR THE OFFICE OF SMALL, MINORITY, AND WOMEN BUSINESS AFFAIRS UNDER § 14-302(A)(1)(II) OF THE STATE FINANCE AND PROCUREMENT ARTICLE; AND

(II) ANY OTHER CORRESPONDING PROVISIONS OF LAW UNDER TITLE 14, SUBTITLE 3 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(2) THE MINORITY BUSINESS PARTICIPATION GOAL APPLIES TO:

(I) CONSTRUCTION RELATED TO SPORTS WAGERING; AND

(II) PROCUREMENT RELATED TO THE OPERATION OF SPORTS WAGERING, INCLUDING PROCUREMENT OF EQUIPMENT AND ONGOING SERVICES.

(Over)

(3) ON OR AFTER JULY 1, 2023, THE PROVISIONS OF THIS SUBSECTION AND ANY REGULATIONS ADOPTED UNDER THIS SUBSECTION SHALL BE OF NO EFFECT AND MAY NOT BE ENFORCED.

AMENDMENT NO. 9

On page 10, in line 4, strike “1 YEAR” and substitute “5 YEARS”; strike beginning with “APPLICATION” in line 6 down through “FEES” in line 7 and substitute “INITIAL LICENSE FEES AND LICENSE RENEWAL FEES”; and in line 7, strike “THIS SECTION AND”.

AMENDMENT NO. 10

On page 11, in line 18, strike the second “AND”; and in line 20, after “LICENSEE” insert “; AND”

(V) THAT:

1. THE APPLICANT OR LICENSEE HAS ENTERED INTO A LABOR PEACE AGREEMENT WITH EACH LABOR ORGANIZATION THAT IS ACTIVELY ENGAGED IN REPRESENTING OR ATTEMPTING TO REPRESENT SPORTS WAGERING INDUSTRY WORKERS IN THE STATE;

2. THE LABOR PEACE AGREEMENT IS VALID AND ENFORCEABLE UNDER 29 U.S.C. § 158;

3. THE LABOR PEACE AGREEMENT PROTECTS THE STATE’S REVENUES BY PROHIBITING THE LABOR ORGANIZATION AND ITS MEMBERS FROM ENGAGING IN PICKETING, WORK STOPPAGES, BOYCOTTS, AND ANY OTHER ECONOMIC INTERFERENCE WITH THE OPERATION OF SPORTS WAGERING WITHIN THE FIRST 5 YEARS OF THE EFFECTIVE DATE OF A SPORTS WAGERING LICENSE; AND

4. THE LABOR PEACE AGREEMENT APPLIES TO ALL OPERATIONS AT A FACILITY OR LOCATION WHERE SPORTS WAGERING IS CONDUCTED’.

AMENDMENT NO. 11

On page 13, strike beginning with “(1)” in line 5 down through “(B)” in line 18; strike beginning with “THAT” in line 18 down through “SECTION” in line 19; strike beginning with “IN” in line 21 down through “SECTION” in line 23 and substitute “:

(I) IN A VIDEO LOTTERY FACILITY, IF THE SPORTS WAGERING LICENSEE IS A VIDEO LOTTERY OPERATOR;

(II) AT PIMLICO RACE COURSE OR A RACE TRACK LOCATED AT LAUREL PARK OR IN TIMONIUM, IF THE SPORTS WAGERING LICENSEE IS A HORSE RACING LICENSEE;

(III) IN A SPORTS FACILITY, IF THE SPORTS WAGERING LICENSEE IS THE OWNER OF A SPORTS FACILITY; OR

(IV) SUBJECT TO SUBSECTION (C) OF THIS SECTION, AT A LOCATION IDENTIFIED IN A SATELLITE SIMULCAST FACILITY PERMIT GRANTED UNDER § 11-820 OF THE BUSINESS REGULATION ARTICLE”;

strike beginning with “BY” in line 25 down through “FACILITY” in line 26 and substitute “**LOCATED IN A FACILITY OR AT A LOCATION IDENTIFIED UNDER PARAGRAPH (1) OF THIS SUBSECTION**”; in line 29, strike “(C)” and substitute “(B)”; and strike beginning with “THE” in line 31 down through “FACILITY” in line 32 and substitute “**A FACILITY OR LOCATION IDENTIFIED UNDER SUBSECTION (A)(1) OF THIS SECTION**”.

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AMENDMENT NO. 12

On page 14, after line 2, insert:

“(C) A SPORTS WAGERING LICENSEE THAT ACCEPTS WAGERS AT A LOCATION IDENTIFIED IN A SATELLITE SIMULCAST FACILITY PERMIT GRANTED UNDER § 11-820 OF THE BUSINESS REGULATION ARTICLE SHALL OWN OR LEASE THE SPORTS WAGERING EQUIPMENT AT A SATELLITE SIMULCAST FACILITY AND SHALL, WITH ITS EMPLOYEES, OPERATE THE EQUIPMENT.”;

strike in their entirety lines 21 through 27, inclusive; and in line 28, strike “**(3)** **(I)**” and substitute “**(B)** **(1)**”.

AMENDMENT NO. 13

On page 15, in line 1, strike “**(II)**” and substitute “**(2)**”; after line 2, insert:

“(C) AN ONLINE SPORTS WAGERING OPERATOR MAY CONDUCT ONLINE SPORTS WAGERING ON BEHALF OF MORE THAN ONE SPORTS WAGERING LICENSEE.”;

in line 21, strike “**ANY**” and substitute “**A**”; and in the same line, after “**VOLUNTARY**” insert “**SPORTS WAGERING**”.

AMENDMENT NO. 14

On page 16, in line 7, strike “**GEOFENCING**” and substitute “**GEOLOCATION**”; strike in their entirety lines 16 through 18, inclusive; and in line 19, strike “**(2)**” and substitute “**(1)**”.

AMENDMENT NO. 15

On page 17, in line 1, strike “**(3)**” and substitute “**(2)**”; in line 13, after “**(B)**” insert:

“(1) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, ALL PROCEEDS FROM SPORTS WAGERING SHALL BE ELECTRONICALLY TRANSFERRED DAILY INTO THE STATE LOTTERY FUND ESTABLISHED UNDER SUBTITLE 1 OF THIS TITLE.

(II) A SPORTS WAGERING LICENSEE SHALL RETAIN:

1. EXCEPT AS PROVIDED IN ITEM 2 OF THIS SUBPARAGRAPH, 80% OF THE PROCEEDS FROM SPORTS WAGERING; OR

2. 75% OF THE PROCEEDS FROM SPORTS WAGERING IF THE PROCEEDS ARE FROM SPORTS WAGERING AT A SATELLITE SIMULCAST FACILITY.

(2)”;

strike beginning with “SHALL” in line 13 down through “INTO” in line 14 and substitute “IN”; in line 15, strike “AND DISTRIBUTED” and substitute “SHALL BE DISTRIBUTED ON A MONTHLY BASIS”; in lines 17 and 19, strike “(1)” and “(2)”, respectively, and substitute “(I)” and “(II)”, respectively; strike beginning with “SPORTS” in line 17 down through “WAGERING” in line 18 and substitute “SMALL, MINORITY, AND WOMEN-OWNED BUSINESS ACCOUNT ESTABLISHED UNDER § 5-1501 OF THE ECONOMIC DEVELOPMENT ARTICLE, 1% OF THE PROCEEDS FROM SPORTS WAGERING”; and after line 25, insert:

“(D) IF A SPORTS WAGERING LICENSEE RETURNS TO SUCCESSFUL PLAYERS MORE THAN THE AMOUNT OF MONEY WAGERED ON ANY DAY, THE LICENSEE MAY SUBTRACT THAT AMOUNT FROM THE PROCEEDS OF UP TO 90 FOLLOWING DAYS.”.

(Over)

AMENDMENT NO. 16

On page 18, in line 16, strike “SUBJECT TO” and substitute “IN ACCORDANCE WITH”; in line 18, after the semicolon insert “AND”; strike beginning with the first “TYPE” in line 21 down through the semicolon in line 22 and substitute “CATEGORIES DEFINED BY THE COMMISSION.”; and strike in their entirety lines 23 through 32, inclusive, and substitute:

“9-1E-14.

(A) THIS SECTION APPLIES TO THE OWNER OF A SPORTS FACILITY.

(B) THE OWNER OF A SPORTS FACILITY MAY NOT APPLY FOR A SPORTS WAGERING LICENSE UNTIL THE OWNER ENTERS INTO AN AGREEMENT WITH THE GOVERNING BODY OF PRINCE GEORGE’S COUNTY FOR THE CONSTRUCTION OF A MIXED USE DEVELOPMENT AND THE CONSTRUCTION OR RECONSTRUCTION OF A SPORTS FACILITY IN PRINCE GEORGE’S COUNTY WITHIN A 1.5-MILE RADIUS OF THE INTERSECTION OF ARENA DRIVE AND I-495.

(C) THE COMMISSION SHALL TERMINATE AND REVOKE THE SPORTS WAGERING LICENSE OF THE OWNER OF A SPORTS FACILITY IF:

(1) ON OR BEFORE JULY 1, 2022, THE OWNER HAS NOT SUBMITTED ARCHITECTURAL DRAWINGS OF THE SPORTS FACILITY TO THE GOVERNING BODY OF PRINCE GEORGE’S COUNTY; AND

(2) ON OR BEFORE JULY 1, 2024, THE OWNER HAS NOT:

(I) RECEIVED ALL REQUIRED ZONING APPROVALS IN ACCORDANCE WITH THE COUNTY ZONING LAWS FOR A SPORTS FACILITY AND

MIXED USE DEVELOPMENT PROJECT LOCATED IN PRINCE GEORGE’S COUNTY
WITH CONSTRUCTION OR RENOVATION COSTS THAT ARE AT LEAST \$500,000,000;
AND

(II) ENTERED INTO A COMMUNITY BENEFITS AGREEMENT
WITH THE GOVERNING BODY OF PRINCE GEORGE’S COUNTY REGARDING
BENEFITS TO THE COMMUNITY FROM THE DEVELOPMENT, CONSTRUCTION, AND
OPERATION OF THE SPORTS FACILITY.”.

AMENDMENT NO. 17

On page 19, after line 8, insert:

“SECTION 3. AND BE IT FURTHER ENACTED, That the certification agency designated by the Board of Public Works under § 14–303(b) of the State Finance and Procurement Article to certify and decertify minority business enterprises, in consultation with the Office of the Attorney General and the Governor’s Office of Small, Minority, and Women Business Affairs, shall initiate an analysis of the Minority Business Enterprise Program requirements of § 10A–404 of the State Finance and Procurement Article, as enacted by Section 1 of this Act, and the disparity study entitled “Business Disparities in the Maryland Market Area” published on February 8, 2017, to evaluate compliance with the requirements of any federal and constitutional requirements and submit a report on the analysis to the Legislative Policy Committee of the General Assembly, in accordance with § 2–1257 of the State Government Article, on or before September 30, 2020.

SECTION 4. AND BE IT FURTHER ENACTED, That the certification agency designated by the Board of Public Works under § 14–303(b) of the State Finance and Procurement Article to certify and decertify minority business enterprises, in consultation with the Office of the Attorney General and the Governor’s Office of Small, Minority, and Women Business Affairs, shall initiate an analysis of the Minority Business Enterprise Program requirements of § 10A–404 of the State Finance and Procurement Article, as enacted by Section 1 of this Act, and the disparity study submitted pursuant to Chapter 340 of the Acts of the General Assembly of 2017 to evaluate compliance with the requirements of any federal and constitutional requirements and submit a report on the analysis to the Legislative Policy Committee

(Over)

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of the General Assembly, in accordance with § 2–1257 of the State Government Article, on or before December 1, 2022.”;

and in lines 9, 19, 20, and 21, strike “3.”, “4.”, “3”, and “3”, respectively, and substitute “5.”, “6.”, “5”, and “5”, respectively.