

SENATE BILL 797

C7

11r2538
CF HB 859

By: **Senators Gallion and Hershey**

Introduced and read first time: February 9, 2021

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Cecil County – Video Lottery Terminals – Distribution of Proceeds**

3 FOR the purpose of altering the percentage of the proceeds from video lottery terminals at
4 the video lottery facility in Cecil County that are paid to the video lottery operation
5 licensee of the facility; requiring that a certain percentage of the proceeds from video
6 lottery terminals at the facility be spent on certain activities and improvements; and
7 generally relating to the percentage of the proceeds from video lottery terminals that
8 are paid to video lottery operation licensees.

9 BY repealing and reenacting, without amendments,
10 Article – State Government
11 Section 9–1A–27(a)(2)
12 Annotated Code of Maryland
13 (2014 Replacement Volume and 2020 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – State Government
16 Section 9–1A–27(b)
17 Annotated Code of Maryland
18 (2014 Replacement Volume and 2020 Supplement)

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

21 **Article – State Government**

22 9–1A–27.

23 (a) Except as provided in subsections (b) and (c) of this section and §
24 9–1A–26(a)(3) of this subtitle, on a properly approved transmittal prepared by the
25 Commission, the Comptroller shall pay the following amounts from the proceeds of video

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 lottery terminals at each video lottery facility:

2 (2) to the video lottery operation licensee, the percentage stated in the
3 accepted application for the location, not to exceed, except as provided in subsection (b) of
4 this section, 33%;

5 (b) (1) Beginning July 1, 2013, for a video lottery facility in Worcester County
6 with less than 1,000 video lottery terminals, the percentage in subsection (a)(2) of this
7 section is equal to 43% provided that each year an amount equivalent to 2.5% of the
8 proceeds from video lottery terminals at the video lottery facility is spent on capital
9 improvements at the video lottery facility.

10 (2) After the first 10 years of operations at a video lottery facility in
11 Allegany County, the percentage:

12 (i) in subsection (a)(2) of this section is equal to 43% provided that
13 each year an amount equivalent to 2.5% of the proceeds from video lottery terminals at the
14 video lottery facility is spent on capital improvements at the video lottery facility; and

15 (ii) in subsection (a)(1) of this section is equal to 2%.

16 (3) For a video lottery facility in Prince George's County, the percentage in
17 subsection (a)(2) of this section stated in the accepted application for the location may not
18 exceed 38%.

19 **(4) BEGINNING JULY 1, 2021, FOR A VIDEO LOTTERY FACILITY IN**
20 **CECIL COUNTY, THE PERCENTAGE IN SUBSECTION (A)(2) OF THIS SECTION IS**
21 **EQUAL TO 40% PROVIDED THAT EACH YEAR AN AMOUNT EQUIVALENT TO 7% OF THE**
22 **PROCEEDS FROM VIDEO LOTTERY TERMINALS AT THE VIDEO LOTTERY FACILITY IS**
23 **SPENT ON:**

24 **(I) MARKETING, ADVERTISING, AND PROMOTIONAL COSTS**
25 **REQUIRED UNDER § 9-1A-23 OF THIS SUBTITLE; AND**

26 **(II) CAPITAL IMPROVEMENTS AT THE VIDEO LOTTERY**
27 **FACILITY.**

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
29 1, 2021.