

SB0537/543327/1

BY: Ways and Means Committee

AMENDMENTS TO SENATE BILL 537
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “**Gaming** –”; strike beginning with “requiring” in line 3 down through “with” in line 4 and substitute “altering the number of years before the end of the term of a video lottery operation license that a licensee is required to provide certain notice of intent to renew the license and is authorized to apply for renewal; providing for the term of a renewed license; requiring”; strike beginning with the semicolon in line 5 down through “Commission” in line 8; in line 9, after “finding;” insert “requiring the Commission, under certain circumstances, to provide a licensee a certain hearing; requiring a licensee to pay a certain fee over the course of the renewal license term under certain circumstances; altering the distribution of certain video lottery terminal proceeds beginning in a certain fiscal year;”; in line 13, after “9–1A–13” insert “, 9–1A–17, 9–1A–27(a)(8) and (9).”; and after line 15, insert:

“BY adding to

Article – State Government

Section 9–1A–27(a)(9)

Annotated Code of Maryland

(2021 Replacement Volume and 2022 Supplement)”.

AMENDMENT NO. 2

On page 2, in line 7, strike “Two years” and substitute “**AT LEAST 2 YEARS BUT NOT MORE THAN 5 YEARS**”; in line 15, strike “**10**” and substitute “**15**”; in line 16, strike “Within 1 year [of” and substitute “**AT LEAST 1 YEAR BUT NOT MORE THAN 5 YEARS BEFORE**”; strike beginning with “[**AFTER**” in line 16 down through “**SECTION**” in line 17 and substitute “**OR A RENEWAL TERM**”; in line 18, strike the first bracket; in the same line, strike “reapply for a] **SHALL**”; strike beginning with the first bracket in line 19 down through “**REGULATION**” in line 21; in line 29, after “**(6)**” insert “**(1) FOR**

EACH 5-YEAR PERIOD OF THE 15-YEAR TERM, THE VIDEO LOTTERY OPERATION LICENSEE SHALL PAY A FEE EQUAL TO 1% OF THE AVERAGE ANNUAL PROCEEDS FROM THE OPERATION OF VIDEO LOTTERY TERMINALS AND TABLE GAMES AT THE VIDEO LOTTERY FACILITY FOR THE PRECEDING 3-YEAR PERIOD, TO BE PAID IN EQUAL ANNUAL INSTALLMENTS.

(II) THE VIDEO LOTTERY OPERATION LICENSEE SHALL PAY EACH INSTALLMENT:

1. FOR THE FIRST YEAR OF THE 15-YEAR TERM, ON THE EFFECTIVE DATE OF THE RENEWED LICENSE; AND

2. FOR THE REMAINING 14 YEARS OF THE 15-YEAR TERM, IF THE LICENSEE REMAINS QUALIFIED TO HOLD A LICENSE UNDER THIS SUBTITLE, ON THE DATE OF THE ANNIVERSARY OF THE EFFECTIVE DATE OF THE RENEWED LICENSE.

(III)";

and in line 30, strike "PARAGRAPH (3) OF THIS SUBSECTION" and substitute "THIS PARAGRAPH".

On pages 2 and 3, strike in their entirety the lines beginning with line 32 on page 2 through line 2 on page 3, inclusive.

On page 3, after line 4, insert:

"9-1A-17.

(A) THIS SECTION DOES NOT APPLY TO THE RENEWAL OF A VIDEO LOTTERY OPERATION LICENSE.

(B) Subject to the power of the Commission to deny, revoke, or suspend a license, a license in force may be renewed by the Commission for the next succeeding license period on:

(1) proper application for renewal; and

(2) payment of all required application, license, and other fees and taxes.

9-1A-27.

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

(8) beginning after the issuance of a video lottery operation license for a video lottery facility in Prince George's County, 8% to the video lottery operation licensee in Anne Arundel County and 7% to the licensee in Baltimore City for:

(i) marketing, advertising, and promotional costs required under § 9-1A-23 of this subtitle; and

(ii) capital improvements at the video lottery facilities; [and]

(9) BEGINNING IN FISCAL YEAR 2032, TO THE VIDEO LOTTERY OPERATION LICENSEE IN PRINCE GEORGE'S COUNTY, \$300,000 FOR MARKETING, ADVERTISING, AND PROMOTIONAL COSTS REQUIRED UNDER § 9-

(Over)

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**1A-23 OF THIS SUBTITLE FOR MARKETING, ADVERTISING, AND PROMOTIONS
THAT EXCLUSIVELY TARGET OUT-OF-STATE AUDIENCES; AND**

[(9) (10) the remainder to the Education Trust Fund established under
§ 9-1A-30 of this subtitle.".