

SENATE BILL 537

C7

3lr2444

By: **Senator King**

Introduced and read first time: February 3, 2023

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Gaming – Video Lottery Operation License – Renewal**

3 FOR the purpose of requiring that a certain number of years before the expiration of a
4 certain term of a video lottery operation license the licensee file a certain notice with
5 the State Lottery and Gaming Control Commission; requiring a video lottery
6 operation licensee, within a certain number of years after filing a certain notice, to
7 file an application to renew a certain license that includes a certain payment;
8 requiring the Commission to renew a certain license unless the Commission makes
9 a certain finding; and generally relating to the renewal of video lottery operation
10 licenses.

11 BY repealing and reenacting, with amendments,
12 Article – State Government
13 Section 9–1A–13
14 Annotated Code of Maryland
15 (2021 Replacement Volume and 2022 Supplement)

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

18 **Article – State Government**

19 9–1A–13.

20 (a) The initial term of a video lottery operation license is 15 years from the date
21 on which the video lottery facility is issued the license by the Commission.

22 (b) During the initial term of a video lottery operation license, the licensee shall
23 provide the Commission with an annual update of the information required under this
24 subtitle for the issuance of a license by the date set by the Commission in regulations and
25 on the form required by the Commission.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (c) Two years before the expiration of the **INITIAL 15-YEAR LICENSE** term **OR**
2 **A RENEWAL TERM** of a video lottery operation license, the licensee shall file with the
3 Commission a notice of intent to [reapply for] **APPLY FOR RENEWAL OF** the license under
4 this subtitle.

5 (d) **(1) THIS SUBSECTION APPLIES TO THE FIRST RENEWAL OF A VIDEO**
6 **LOTTERY OPERATION LICENSE FOLLOWING THE INITIAL 15-YEAR TERM AND EACH**
7 **SUBSEQUENT RENEWAL OF THE LICENSE.**

8 **(2) A RENEWAL OF A VIDEO LOTTERY OPERATION LICENSE IS FOR A**
9 **TERM OF 10 YEARS.**

10 **(3) Within 1 year [of the end of the initial 15-year license term] AFTER**
11 **FILING A NOTICE OF INTENT UNDER SUBSECTION (C) OF THIS SECTION,** a video lottery
12 operation licensee [may reapply for a] **SHALL FILE AN APPLICATION TO RENEW A VIDEO**
13 **LOTTERY OPERATION** license [that has a license term of 10 years and a] **THAT INCLUDES**
14 **THE PAYMENT OF THE** license **RENEWAL** fee to be established by [statute] **THE**
15 **COMMISSION BY REGULATION.**

16 **(4) ON PROPER APPLICATION FOR RENEWAL OF A VIDEO LOTTERY**
17 **OPERATION LICENSE, THE COMMISSION SHALL RENEW THE LICENSE UNLESS THE**
18 **COMMISSION FINDS THAT THE LICENSEE IS NO LONGER QUALIFIED UNDER THIS**
19 **SUBTITLE TO HOLD A LICENSE.**

20 **(5) BEFORE DENYING AN APPLICATION UNDER THIS SUBSECTION,**
21 **THE COMMISSION SHALL PROVIDE THE VIDEO LOTTERY OPERATION LICENSEE AN**
22 **OPPORTUNITY FOR A HEARING.**

23 **(6) THE COMMISSION, BY REGULATION, SHALL:**

24 **(I) ESTABLISH AN APPLICATION PROCESS TO RENEW A VIDEO**
25 **LOTTERY OPERATION LICENSE; AND**

26 **(II) SET THE LICENSE FEE FOR RENEWAL OF A VIDEO LOTTERY**
27 **OPERATION LICENSE, AS PROVIDED UNDER PARAGRAPH (3) OF THIS SUBSECTION.**

28 (e) If a licensee has its license revoked or otherwise surrenders the license, the
29 video lottery operation license reverts to the State.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
31 1, 2023.