HB1319/863321/1

BY: Ways and Means Committee

AMENDMENTS TO HOUSE BILL 1319

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, after line 10, insert:

"BY repealing and reenacting, without amendments,

<u>Article – Economic Development</u>

Section 5–1501(a)

Annotated Code of Maryland

(2018 Replacement Volume and 2023 Supplement)

BY repealing and reenacting, with amendments,

Article – Economic Development

Section 5-1501(b)(1)(i)

Annotated Code of Maryland

(2018 Replacement Volume and 2023 Supplement)";

in line 18, after "5–206(f)" insert "and 5–235(a)"; after line 20, insert:

"BY repealing and reenacting, without amendments,

Article – State Government

Section 9–1A–28(a) and 9–1A–29(a)

Annotated Code of Maryland

(2021 Replacement Volume and 2023 Supplement)

BY repealing and reenacting, with amendments,

<u>Article – State Government</u>

Section 9-1A-28(b)(1) and 9-1A-29(b)(1)

Annotated Code of Maryland

(2021 Replacement Volume and 2023 Supplement)";

and in line 23, strike "9–1F–11" and substitute "9–1F–12".

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AMENDMENT NO. 2

On page 2, after line 1, insert:

"Article - Economic Development

5-1501.

- (a) There is a Small, Minority, and Women–Owned Businesses Account under the authority of the Department.
- (b) (1) (i) The Account shall receive money as required under [§ 9–1A–27] §§ 9–1A–27 AND 9–1F–05 of the State Government Article.";

after line 11, insert:

"5–235.

- (a) (1) Subject to PARAGRAPH (3) OF THIS SUBSECTION AND subsection (o) of this section and beginning in fiscal year 2023, the county governing body shall levy and appropriate an annual tax sufficient to provide an amount of revenue for elementary and secondary public education purposes equal to the local share of major education aid as adjusted under § 5–239 of this subtitle.
- (ii) For the purposes of calculating the local share of major education aid and regardless of the source of the funds, all funds that a county board, including the Baltimore City Board of School Commissioners, is authorized to expend for schools may be considered as levied by the county council, board of county commissioners, or the Mayor and City Council of Baltimore except for:
 - 1. State appropriations;
 - 2. Federal education aid payments; and

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- 3. The amount of the expenditure authorized for debt service and capital outlay.
- (a) Subject to PARAGRAPH (3) OF THIS SUBSECTION AND subsection (b) of this section and except as provided in subsection (a-1) of this section, the county governing body shall appropriate local funds to the school operating budget in an amount no less than the product of the county's enrollment count for the current fiscal year and the local appropriation on a per pupil basis for the prior fiscal year using enrollment count.
- (3) BEGINNING IN FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER, THE COUNTY GOVERNING BODY SHALL:
- (I) SUBTRACT THE AMOUNT OF INTERNET GAMING PROCEEDS DISTRIBUTED TO LOCAL JURISDICTIONS FOR EDUCATION FUNDING UNDER § 9–1F–05(B)(2)(VII) OF THE STATE GOVERNMENT ARTICLE FROM THE TOTAL AMOUNTS CALCULATED UNDER PARAGRAPHS (1) AND (2) OF THIS SUBSECTION; AND
- (II) APPROPRIATE TO THE SCHOOL OPERATING BUDGET THE AMOUNT OF INTERNET GAMING PROCEEDS THAT THE COUNTY GOVERNING BODY RECEIVED.";

and after line 12, insert:

"9–1A–28.

- (a) There is a Purse Dedication Account under the authority of the State Racing Commission.
- (b) (1) The Account shall receive money as required under [§ 9–1A–27] §§ 9–1A–27 AND 9–1F–05 of this subtitle.

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9-1A-29.

- (a) There is a Racetrack Facility Renewal Account under the authority of the State Racing Commission.
- (b) (1) The Account shall receive money as required under [§ 9–1A–27] §§ 9–1A–27 AND 9–1F–05 of this subtitle for the first 16 years of operations at each video lottery facility.".

On page 2 in lines 23, 25, and 27, and on page 3 in lines 2 and 4, in each instance, strike "STATE" and substitute "STATE WITHIN WHICH THE GEOGRAPHIC AREA IS LOCATED".

On page 3, after line 16, insert:

"(G) "INTERNET GAMING OPERATOR" MEANS AN ENTITY THAT HOLDS A LICENSE ISSUED BY THE COMMISSION UNDER THIS SUBTITLE TO CONDUCT AND OPERATE INTERNET GAMING ON BEHALF OF AN INTERNET GAMING LICENSEE.";

and in lines 17 and 30, strike "(G)" and "(H)", respectively, and substitute "(H)" and "(I)", respectively.

On page 4, strike in their entirety lines 5 through 10, inclusive, and substitute:

- "(3) THROUGH THE FIRST 5 YEARS OF OPERATION OF AN INTERNET GAMING LICENSEE:
- (I) IF THE INTERNET GAMING LICENSEE'S PROCEEDS DO NOT EXCEED \$4,000,000 DURING THE IMMEDIATELY PRECEDING YEAR OF OPERATION, 35% OF FREE PLAY AND PROMOTIONAL CREDITS REDEEMED BY PLAYERS;

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- (II) IF THE INTERNET GAMING LICENSEE'S PROCEEDS ARE
 AT LEAST \$4,000,000 BUT DO NOT EXCEED \$8,000,000 DURING THE
 IMMEDIATELY PRECEDING YEAR OF OPERATION, 31.25% OF FREE PLAY AND
 PROMOTIONAL CREDITS REDEEMED BY PLAYERS;
- (III) IF THE INTERNET GAMING LICENSEE'S PROCEEDS ARE AT LEAST \$8,000,000 BUT DO NOT EXCEED \$10,000,000 DURING THE IMMEDIATELY PRECEDING YEAR OF OPERATION, 27.5% OF FREE PLAY AND PROMOTIONAL CREDITS REDEEMED BY PLAYERS;
- (IV) IF THE INTERNET GAMING LICENSEE'S PROCEEDS ARE AT LEAST \$10,000,000 BUT DO NOT EXCEED \$12,000,000 DURING THE IMMEDIATELY PRECEDING YEAR OF OPERATION, 23.75% OF FREE PLAY AND PROMOTIONAL CREDITS REDEEMED BY PLAYERS; OR
- (V) IF THE INTERNET GAMING LICENSEE'S PROCEEDS EXCEEDED \$12,000,000 DURING THE IMMEDIATELY PRECEDING YEAR OF OPERATION, 20% OF FREE PLAY AND PROMOTIONAL CREDITS REDEEMED BY PLAYERS.
- (J) "SOCIAL EQUITY APPLICANT" MEANS AN APPLICANT FOR AN INTERNET GAMING LICENSE WHO SATISFIES AT LEAST TWO OF THE FOLLOWING CRITERIA:
- (1) LIVED IN AN ECONOMICALLY DISADVANTAGED AREA FOR AT LEAST 5 OF THE 10 YEARS IMMEDIATELY PRECEDING THE SUBMISSION OF THE APPLICATION;

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- (2) ATTENDED A PUBLIC SCHOOL IN AN ECONOMICALLY DISADVANTAGED AREA FOR AT LEAST 5 YEARS;
- (3) FOR AT LEAST 2 YEARS, ATTENDED A 4-YEAR INSTITUTION OF HIGHER EDUCATION IN THE STATE WHERE AT LEAST 40% OF THE INDIVIDUALS WHO ATTEND THE INSTITUTION OF HIGHER EDUCATION ARE ELIGIBLE FOR A PELL GRANT; AND
- (4) HAS A PERSONAL NET WORTH THAT DOES NOT EXCEED AN AMOUNT DETERMINED BY THE COMMISSION TO ENCOURAGE DIVERSITY, EQUITY, AND INCLUSION IN THE INTERNET GAMING INDUSTRY.
- (K) "VIDEO LOTTERY FACILITY" HAS THE MEANING STATED IN § 9–1A–01 OF THIS TITLE.
- (L) "VIDEO LOTTERY OPERATOR" HAS THE MEANING STATED IN § 9–1A–01 OF THIS TITLE.";

strike beginning with "OPERATOR" in line 16 down through "LICENSEE" in line 17 and substitute "INTERNET GAMING OPERATOR"; after line 28, insert:

- "(D) (1) THE FOLLOWING PERSONS SHALL BE LICENSED UNDER THIS SUBTITLE:
 - (I) A PERSON THAT CONDUCTS INTERNET GAMING;
- (II) <u>A PERSON THAT CONDUCTS INTERNET GAMING ON</u>
 BEHALF OF AN INTERNET GAMING LICENSEE, INCLUDING AN INTERNET GAMING
 OPERATOR;

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- (III) A LIVE STUDIO DEALER, AS DEFINED UNDER § 9–1F–10 OF THIS SUBTITLE;
- (IV) A PERSON NOT LICENSED UNDER ITEM (I), (II), OR (III)
 OF THIS PARAGRAPH THAT MANAGES, OPERATES, SUPPLIES, PROVIDES
 SECURITY FOR, OR PROVIDES SERVICE, MAINTENANCE, OR REPAIRS FOR AN
 INTERNET GAMING LICENSEE; AND
- (V) AN INDIVIDUAL DIRECTLY EMPLOYED IN THE OPERATION OF INTERNET GAMING BY AN INTERNET GAMING LICENSEE IF THE INDIVIDUAL DOES NOT OTHERWISE HOLD A VALID LICENSE UNDER SUBTITLE 1A OF THIS TITLE.
- (2) THE COMMISSION MAY BY REGULATION REQUIRE A PERSON THAT CONTRACTS WITH A LICENSEE AND THE PERSON'S EMPLOYEES TO OBTAIN A LICENSE UNDER THIS SUBTITLE IF THE COMMISSION DETERMINES THAT THE LICENSING REQUIREMENTS ARE NECESSARY IN ORDER TO PROTECT THE PUBLIC INTEREST AND ACCOMPLISH THE POLICIES ESTABLISHED BY THIS SUBTITLE.
- (3) SUBJECT TO THE LIMITATIONS OF THIS SUBTITLE, THE COMMISSION MAY CHARGE A FEE FOR A LICENSE ISSUED UNDER THIS SUBTITLE.
- (E) (1) THE COMMISSION MAY NOT ISSUE A LICENSE TO A PERSON DESCRIBED UNDER SUBSECTION (D)(1)(II) OR (IV) OF THIS SECTION IF THE APPLICANT OR ANY OF THE APPLICANT'S AFFILIATES, INCLUDING AN ENTITY UNDER COMMON CONTROL, IS KNOWINGLY ACCEPTING REVENUE THAT IS DIRECTLY OR INDIRECTLY DERIVED FROM:

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- (I) A JURISDICTION ON THE BLACK LIST OF MONEY LAUNDERING COUNTRIES ESTABLISHED BY THE FINANCIAL ACTION TASK FORCE;
- (II) A JURISDICTION DESIGNATED AS A STATE SPONSOR OF TERRORISM BY THE UNITED STATES; OR
- (III) A JURISDICTION IN WHICH ONLINE CASINO GAMING IS PROHIBITED AND THE REVENUE IS DERIVED FROM ONLINE CASINO GAMING IN THAT JURISDICTION.
- DESCRIBED UNDER SUBSECTION (D)(1)(II) OR (IV) OF THIS SECTION THE COMMISSION DETERMINES THAT THE LICENSE HOLDER OR ANY OF THE LICENSE HOLDER'S AFFILIATES, INCLUDING AN ENTITY UNDER COMMON CONTROL, IS KNOWINGLY ACCEPTING REVENUE THAT IS DIRECTLY OR INDIRECTLY DERIVED FROM A JURISDICTION DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE COMMISSION MAY REVOKE THE LICENSE OF THE LICENSE HOLDER IF THE COMMISSION DETERMINES THAT, AFTER NOTICE AND OPPORTUNITY FOR A HEARING, IT WOULD FURTHER THE PUBLIC INTEREST TO DISCONTINUE THE OPERATIONS OF THE LICENSE HOLDER WITHIN THE STATE.
- (3) (I) 1. IN THIS PARAGRAPH THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.
- 2. "ILLEGAL INTERACTIVE GAMING MARKET" MEANS
 A JURISDICTION IN WHICH INTERACTIVE GAMING IS PROHIBITED BY THE LAWS
 OF THAT JURISDICTION.

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- 3. "Interactive game content" means HARDWARE, SOFTWARE, APPLICATIONS, AND SERVERS USED TO OPERATE, CONDUCT, OR OFFER INTERACTIVE GAMBLING GAMES.
- (II) THE COMMISSION SHALL REQUIRE A PERSON DESCRIBED UNDER SUBSECTION (D)(1)(II) AND (IV) OF THIS SUBSECTION, ON APPLICATION FOR A LICENSE AND ANNUALLY FOLLOWING THE ISSUANCE OF A LICENSE, TO SUBMIT A DISCLOSURE STATING THE JURISDICTIONS IN WHICH THE APPLICANT OR LICENSE HOLDER OR ANY AFFILIATE OF THE APPLICANT OR LICENSE HOLDER, DURING THE IMMEDIATELY PRECEDING 12-MONTH PERIOD, DIRECTLY OR INDIRECTLY ACCEPTED REVENUE FROM THE SUPPLY OF INTERACTIVE GAME CONTENT IN AN ILLEGAL INTERACTIVE GAMING MARKET.
- (III) A MATERIAL MISREPRESENTATION OR OMISSION ON THE DISCLOSURE REQUIRED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH MAY, IN THE DISCRETION OF THE COMMISSION, RESULT IN THE DENIAL OF AN APPLICATION FOR A LICENSE UNDER THIS SUBTITLE OR, IN THE CASE OF A LICENSE HOLDER, DISCIPLINARY ACTION, INCLUDING A SUSPENSION OR REVOCATION OF THE LICENSE AND PENALTIES FOR OFFICERS OR BOARD MEMBERS OF THE LICENSE HOLDER.";

and in line 29, strike "(D)" and substitute "(F)".

On page 5, in line 12, strike "THE LIMITATIONS" and substitute "SUBPARAGRAPH (IV)"; in the same line, strike "SUBSECTION" and substitute "PARAGRAPH"; in line 13, after "ISSUE" insert "AN INTERNET GAMING LICENSE TO:

<u>1.</u> <u>A VIDEO LOTTERY OPERATOR;</u>

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2. THE HOLDER OF A SPORTS WAGERING FACILITY LICENSE DESCRIBED UNDER § 9–1E–06(A)(2)(I)2 OR 3; AND

3. APPLICANTS THAT:

A. HAVE MAINTAINED THE APPLICANTS' HEADQUARTERS IN THE STATE FOR AT LEAST 10 YEARS;

B. EMPLOYED ON DECEMBER 31, 2023, AND CONTINUE TO EMPLOY, AT LEAST 250 EMPLOYEES IN THE STATE ON A FULL-TIME OR FULL-TIME EQUIVALENT BASIS;

C. DURING THE PERIOD BEGINNING JANUARY 1, 2018, AND ENDING DECEMBER 31, 2023, FILED AN APPLICATION OR RENEWAL APPLICATION TO OWN AN EQUITY INTEREST OF AT LEAST 5% IN A VIDEO LOTTERY OPERATOR AND WERE FOUND BY THE COMMISSION TO BE QUALIFIED;

D. AGREE TO OPERATE THE INTERNET GAMING BUSINESS USING A BRAND ASSOCIATED WITH A MARYLAND-BASED APPLICANT, SUBJECT TO WAIVER BY THE COMMISSION AFTER 1 FULL YEAR OF OPERATION; AND

E. COMMIT TO SPEND AT LEAST \$5,000,000 DURING THE INITIAL TERM OF THE INTERNET GAMING LICENSE TO BUILD AND OPERATE A LIVE GAMING STUDIO, AS DEFINED UNDER \$ 9–1F–10 OF THIS SUBTITLE, OR A STUDIO FOR TELEVISION AND FILM PRODUCTIONS UNDER THE AUSPICES OF THE MARYLAND FILM OFFICE WITHIN THE MARYLAND DEPARTMENT OF COMMERCE DIVISION OF TOURISM, FILM, AND THE ARTS.

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- (II) 1. THE COMMISSION MAY ISSUE A VIDEO LOTTERY OPERATOR AN ADDITIONAL INTERNET GAMING LICENSE IF, AT THE TIME OF APPLICATION FOR A LICENSE UNDER PARAGRAPH (1)(I)1 OF THIS SUBSECTION, THE VIDEO LOTTERY OPERATOR CONCURRENTLY APPLIES FOR A LICENSE THAT THE VIDEO LOTTERY OPERATOR AGREES TO OPERATE IN PARTNERSHIP WITH SOCIAL EQUITY APPLICANTS WHO DEMONSTRATE DIRECT OR INDIRECT OWNERSHIP OF AT LEAST 33% IN A JOINT VENTURE.
- 2. If a video lottery operator applies for a License in accordance with subsubparagraph 1 of this subparagraph, the Commission may issue the video lottery operator an additional License that the video lottery operator may operate subject to subparagraph (iv) of this paragraph.
- 3. IF THE SOCIAL EQUITY APPLICANT WITH WHOM THE VIDEO LOTTERY OPERATOR AGREES TO PARTNER IN ACCORDANCE WITH SUBSUBPARAGRAPH 1 OR 2 OF THIS SUBPARAGRAPH IS THE HOLDER OF A SPORTS WAGERING FACILITY LICENSE DESCRIBED UNDER § 9–1E–06(A)(2)(I)2 OR 3, THE HOLDER OF THE SPORTS WAGERING FACILITY LICENSE DESCRIBED UNDER § 9–1E–06(A)(2)(I)2 OR 3 MAY NOT APPLY FOR A LICENSE IN ACCORDANCE WITH SUBPARAGRAPH (I)2 OF THIS PARAGRAPH.
- (III) 1. IF A VIDEO LOTTERY OPERATOR THAT IS ELIGIBLE TO RECEIVE AN INTERNET GAMING LICENSE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH FAILS TO APPLY FOR A LICENSE FOR WHICH THE ENTITY IS POTENTIALLY ELIGIBLE, INCLUDING THE ADDITIONAL LICENSES DESCRIBED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE COMMISSION MAY ISSUE THE OTHERWISE AVAILABLE INTERNET GAMING LICENSES THROUGH TWO COMPETITIVE LICENSING ROUNDS";

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in the same line, strike "NOT MORE THAN 12 INTERNET GAMING LICENSES"; after line 15, insert:

- "2. IN ADDITION TO THE LICENSES DESCRIBED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, THE COMMISSION MAY ISSUE FIVE INTERNET GAMING LICENSES THROUGH TWO COMPETITIVE LICENSING ROUNDS TO APPLICANTS THAT MEET THE REQUIREMENTS FOR AN INTERNET GAMING LICENSE UNDER THIS SUBTITLE.
- 3. THE FIRST ROUND OF APPLICATIONS FOR LICENSES DESCRIBED UNDER SUBSUBPARAGRAPHS 1 AND 2 OF THIS SUBPARAGRAPH SHALL BE AVAILABLE TO APPLICANTS THAT DEMONSTRATE DIRECT OR INDIRECT OWNERSHIP OF AT LEAST 33% BY SOCIAL EQUITY APPLICANTS.
- 4. IF ANY LICENSES DESCRIBED UNDER SUBSUBPARAGRAPHS 1 AND 2 OF THIS SUBPARAGRAPH REMAIN AVAILABLE AFTER THE FIRST ROUND OF APPLICATIONS DESCRIBED UNDER SUBSUBPARAGRAPH 3 OF THIS SUBPARAGRAPH, THE REMAINING LICENSES SHALL BE AVAILABLE TO APPLICANTS WHO SATISFY THE REQUIREMENTS UNDER SUBPARAGRAPH (IV) OF THIS PARAGRAPH.";

in lines 16 and 29, strike "(II)", "(III)", respectively, and substitute "(IV)" and "(VI)", respectively; in lines 17 and 22, in each instance, strike "AWARD" and substitute "ISSUE"; strike beginning with "WHOSE" in line 19 down through "INDUSTRY" in line 21 and substitute "WHO ARE SOCIAL EQUITY APPLICANTS"; strike beginning with "WHOSE" in line 25 down through "INDUSTRY" in line 28 and substitute "WHO WOULD OTHERWISE QUALIFY AS SOCIAL EQUITY APPLICANTS"; after line 28, insert:

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"(V) THE COMMISSION SHALL REVIEW EACH APPLICATION FOR AN INTERNET GAMING LICENSE UNDER THIS SECTION TO ENSURE THAT APPLICANTS SATISFY THE SOCIAL EQUITY APPLICANT OWNERSHIP REQUIREMENTS UNDER THIS SUBSECTION.";

in line 31, after "LICENSES" insert "<u>UNDER SUBPARAGRAPH</u> (III) OF THIS <u>PARAGRAPH</u>"; and strike beginning with "WHOSE" in line 34 down through "PARAGRAPH" in line 35 and substitute "WHO ARE SOCIAL EQUITY APPLICANTS".

On page 6, strike in their entirety lines 1 through 6, inclusive; and in lines 7, 9, 11, and 14, strike "3.", "4.", "5.", and "6.", respectively, and substitute "2.", "3.", "4.", and "5.", respectively.

On page 7, in line 17, strike "(1)"; in lines 17 and 24, in each instance, strike "SUBTITLE" and substitute "SECTION"; in line 18, after "VALID" insert "GAMING OR GAMING OPERATION"; in line 18, strike "ANOTHER STATE" and substitute "AT LEAST THREE OTHER STATES"; and in lines 23 and 25, strike "(I)" and "(II)", respectively, and substitute "(1)" and "(2)", respectively.

On pages 7 and 8, strike in their entirety the lines beginning with line 26 on page 7 through line 14 on page 8, inclusive.

On page 8, in line 15, strike "AWARD" and substitute "ISSUANCE".

On page 9, in line 4, after "DATA" insert "PRIVACY AND"; in line 5, strike "AND"; and in line 7, after "YEARS;" insert:

"(III) ONLY AUTHORIZE INDIVIDUALS WHO ARE AT LEAST 21
YEARS OF AGE TO ENGAGE IN INTERNET GAMING; AND

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(IV) VERIFY AN INDIVIDUAL'S AGE AND IDENTITY AT THE TIME THE INDIVIDUAL ESTABLISHES AN INTERNET GAMING ACCOUNT AND PERIODICALLY REVERIFY THE INDIVIDUAL'S IDENTITY;".

On page 10, in line 6, strike "OR" and substitute a comma; in line 7, after "LICENSEE" insert ", OR AN ENTITY THAT OPERATES A LIVE DEALER STUDIO ON BEHALF OF AN INTERNET GAMING LICENSEE"; in lines 9 and 10, in each instance, strike "OR LICENSEE" and substitute ", LICENSEE, OR LIVE DEALER STUDIO OPERATOR"; and in line 31, strike "MONTHLY" and substitute "DAILY".

On pages 10 and 11, strike in their entirety the lines beginning with line 33 on page 10 through line 1 on page 11, inclusive, and substitute:

"(II) A LICENSEE SHALL RETAIN:

- 1. 80% OF THE PROCEEDS FROM LIVE DEALER GAMES
 CONDUCTED BY THE LICENSEE IN ACCORDANCE WITH § 9–1F–10 OF THIS
 SUBTITLE; AND
- 2. 45% OF THE PROCEEDS RECEIVED BY THE LICENSEE FROM ALL OTHER INTERNET GAMING.".

On page 11, after line 5, insert:

"(I) TO JURISDICTIONS WITH VIDEO LOTTERY FACILITIES
BASED ON EACH JURISDICTION'S PERCENTAGE OF OVERALL GROSS REVENUES
FROM VIDEO LOTTERY TERMINALS FOR THE PURPOSES DESCRIBED UNDER § 9–
1A–27(B) OF THIS TITLE:

1. \$6,500,000 IN FISCAL YEAR 2026;

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- 2. \$8,300,000 IN FISCAL YEAR 2027;
- 3. \$10,000,000 IN FISCAL YEAR 2028;
- 4. \$11,300,000 IN FISCAL YEAR 2029; AND
- 5. \$11,400,000 IN FISCAL YEAR 2030;
- (II) TO THE PURSE DEDICATION ACCOUNT ESTABLISHED UNDER § 9–1A–28 OF THIS TITLE:
 - 1. \$4,900,000 IN FISCAL YEAR 2026;
 - 2. \$6,300,000 IN FISCAL YEAR 2027;
 - 3. \$7,600,000 IN FISCAL YEAR 2028;
 - 4. \$8,600,000 IN FISCAL YEAR 2029; AND
 - 5. \$8,700,000 IN FISCAL YEAR 2030;
- (III) TO THE RACETRACK FACILITY RENEWAL ACCOUNT ESTABLISHED UNDER § 9–1A–29 OF THIS TITLE:
 - 1. \$900,000 IN FISCAL YEAR 2026;
 - 2. \$1,000,000 IN FISCAL YEAR 2027;

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- 3. \$1,200,000 IN FISCAL YEAR 2028; AND
- 4. \$700,000 IN EACH OF FISCAL YEARS 2029 AND

2030;

(IV) TO THE SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES ACCOUNT ESTABLISHED UNDER § 5–1501 OF THE ECONOMIC DEVELOPMENT ARTICLE:

- 1. \$1,300,000 IN FISCAL YEAR 2026;
- 2. \$1,600,000 IN FISCAL YEAR 2027;
- 3. \$1,900,000 IN FISCAL YEAR 2028; AND
- 4. \$2,200,000 IN EACH OF FISCAL YEARS 2029 AND

2030;";

in lines 6, 9, 11, and 14, strike "(I)", "(III)", and "(IV)", respectively, and substitute "(V)", "(VI)", "(VII)", and "(VIII)", respectively; in lines 6, 9, and 11, in each instance, after "1%" insert "OF ALL PROCEEDS"; in line 11, strike "LOCAL JURISDICTIONS" and substitute "COUNTY GOVERNING BODIES"; in line 12, strike "SCHOOL—AGE POPULATION" and substitute "CURRENT FISCAL YEAR ENROLLMENT COUNT, AS DEFINED IN § 5–201 OF THE EDUCATION ARTICLE"; in lines 12 and 13, strike "FOR FUNDING EDUCATION" and substitute "TO ASSIST COUNTIES IN MEETING THEIR EDUCATION FUNDING REQUIREMENTS UNDER § 5–235(A) OF THE EDUCATION ARTICLE"; strike beginning with "PROVIDE" in line 24 down through "(I)" in line 27 and substitute "REQUIRE AN INTERNET GAMING ACCOUNT HOLDER TO ESTABLISH"; in line 29, after "GAMING" insert "AND MAKE ADDITIONAL DEPOSITS"; in line 30, strike "AND"; and in line 31, strike "(II)" and substitute "(3) PROVIDE A

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MECHANISM BY WHICH AN INTERNET GAMING ACCOUNT HOLDER MAY ESTABLISH".

On page 12, in lines 1 and 3, strike "(3)" and "(4)", respectively, and substitute "(4)" and "(5)", respectively; in line 1, strike "DEFINE THE PERMISSIBLE" and substitute "PROHIBIT THE"; in lines 13, 21, and 24, in each instance, strike "(A)(2)(II)" and substitute "(A)(3)"; in line 18, after "MAY" insert "PERIODICALLY"; after line 22, insert:

"(3) IF AN INDIVIDUAL SEEKS TO INCREASE THE LIMIT ON THE AMOUNT OF MONEY THAT THE INDIVIDUAL MAY DEPOSIT WITHIN A PERIOD OF TIME SPECIFIED UNDER SUBSECTION (A)(2) OF THIS SUBSECTION, THE INTERNET GAMING LICENSEE MAY NOT REFLECT THE INCREASED LIMIT FOR AT LEAST 24 HOURS.";

and after line 27, insert:

"(E) (1) THE COMMISSION SHALL ADOPT REGULATIONS THAT ARE INTENDED TO REDUCE OR MITIGATE THE EFFECTS OF PROBLEM GAMBLING.

(2) THE REGULATIONS SHALL:

- (I) INCLUDE ESTABLISHMENT OF A VOLUNTARY EXCLUSION
 LIST OF INDIVIDUALS WITH GAMBLING PROBLEMS WHO HAVE REQUESTED TO BE
 EXCLUDED FROM ANY INTERNET GAMING LICENSED UNDER THIS SUBTITLE; AND
- (II) PROVIDE A SIMPLE MECHANISM FOR AN INDIVIDUAL WHO IS SOBER AND INFORMED TO REQUEST PLACEMENT ON THE VOLUNTARY EXCLUSION LIST FOR A SPECIFIED PERIOD OF TIME.

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(3) UNLESS AN INDIVIDUAL REQUESTING PLACEMENT ON THE VOLUNTARY EXCLUSION LIST AFFIRMATIVELY DECLINES THE PROVISION OF THE INDIVIDUAL'S CONTACT INFORMATION TO THE MARYLAND CENTER FOR EXCELLENCE ON PROBLEM GAMBLING, THE COMMISSION SHALL PROVIDE THE INDIVIDUAL'S CONTACT INFORMATION TO THE CENTER FOR THE PURPOSE OF PROVIDING THE INDIVIDUAL INFORMATION ABOUT FREE AND CONFIDENTIAL RESPONSIBLE GAMBLING ASSISTANCE.

(4) AN INTERNET GAMING LICENSEE:

- (I) MAY NOT PERMIT AN INDIVIDUAL ON THE VOLUNTARY
 EXCLUSION LIST TO ESTABLISH AN INTERNET GAMING ACCOUNT OR ENGAGE IN
 INTERNET GAMING; AND
- (II) MAY ONLY PERMIT AN INDIVIDUAL ON THE VOLUNTARY EXCLUSION LIST WHO PREVIOUSLY ESTABLISHED AN INTERNET GAMING ACCOUNT TO ACCESS THE ACCOUNT FOR THE PURPOSE OF VIEWING AND DOWNLOADING THE INDIVIDUAL'S TRANSACTION HISTORY.
- (5) THE COMMISSION MAY IMPOSE SANCTIONS ON A LICENSEE IN ACCORDANCE WITH THIS SUBTITLE IF THE LICENSEE KNOWINGLY FAILS TO EXCLUDE AN INDIVIDUAL ON THE VOLUNTARY EXCLUSION LIST FROM ENGAGING IN INTERNET GAMING.
- (F) AT LEAST ONCE EACH YEAR, EACH INTERNET GAMING LICENSEE SHALL REPORT TO THE COMMISSION ON:

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- (1) THE NUMBER OF PLAYERS THAT THE INTERNET GAMING LICENSEE HAS IDENTIFIED AS ENGAGING IN ERRATIC OR INCREASED GAMBLING BEHAVIOR; AND
- (2) THE NUMBER AND LENGTH OF ANY BANS OR SUSPENSIONS IN RESPONSE TO THE BEHAVIOR DESCRIBED UNDER ITEM (1) OF THIS SUBSECTION.".

On page 13, strike beginning with "INTEGRITY" in line 19 down through "OPERATIONS" in line 20 and substitute "EFFECTIVENESS OF MEASURES TO PROTECT VULNERABLE AND PROBLEM GAMBLERS".

On page 15, in line 5, strike "AND" and substitute "OR"; and strike in their entirety lines 6 and 7 and substitute:

"(2) IF THE INTERNET GAMING LICENSEE IS A VIDEO LOTTERY OPERATOR, SHALL BE LOCATED WITHIN THE COUNTY WITHIN WHICH THE VIDEO LOTTERY FACILITY IS LOCATED.".

On page 17, after line 8, insert:

"9–1F–12.

- (A) ON OR BEFORE DECEMBER 1 EACH YEAR, THE COMMISSION SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 OF THIS ARTICLE, TO THE GENERAL ASSEMBLY ON:
 - (1) THE OPERATION OF INTERNET GAMING IN THE STATE; AND

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(2) THE IMPACT OF INTERNET GAMING ON VIDEO LOTTERY FACILITIES, OTHER GAMING VENUES, AND ANCILLARY BUSINESSES THAT SURROUND THOSE VIDEO LOTTERY FACILITIES AND GAMING VENUES.

(B) THE COMMISSION SHALL:

- (1) STUDY THE IMPACTS OF OTHER ONLINE FORMS OF UNAUTHORIZED GAMING CONTENT THAT IS SIMILAR TO INTERNET GAMING, SUCH AS PLATFORMS THAT USE MICROTRANSACTIONS OR ONLINE SWEEPSTAKES; AND
- (2) ON OR BEFORE DECEMBER 1, 2027, REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1257 OF THIS ARTICLE, TO THE GENERAL ASSEMBLY ON ITS FINDINGS AND ANY RECOMMENDATIONS.

SECTION 2. AND BE IT FURTHER ENACTED, That § 5–235(a) of the Education Article, as enacted by Section 1 of this Act, may not be construed to reduce overall funding appropriated by a county governing body based on that section of law as it existed before the enactment of this Act.";

and in lines 9, 23, 24, and 25, strike "2.", "3.", "2", and "2", respectively, and substitute " $\underline{3}$.", " $\underline{4}$.", " $\underline{3}$ ", and " $\underline{3}$ ", respectively.