

# HOUSE BILL 1537

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By: **Delegate Bromwell**

Introduced and read first time: February 15, 2017

Assigned to: Rules and Executive Nominations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Video Lottery Facilities – Donation of Coins From Gaming Payouts – Expansion**

3 FOR the purpose of requiring the State Lottery and Gaming Control Commission to adopt  
4 regulations that require each video lottery operator to adopt certain procedures to  
5 offer certain players the opportunity to donate coins when receiving cash on payout  
6 to the Maryland Veterans Trust Fund under certain circumstances; and generally  
7 relating to gaming payouts and revenues for the Maryland Veterans Trust Fund.

8 BY repealing and reenacting, without amendments,

9 Article – State Government

10 Section 9–1A–01(a) and (cc)

11 Annotated Code of Maryland

12 (2014 Replacement Volume and 2016 Supplement)

13 BY repealing and reenacting, with amendments,

14 Article – State Government

15 Section 9–1A–04(d)

16 Annotated Code of Maryland

17 (2014 Replacement Volume and 2016 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

19 That the Laws of Maryland read as follows:

20 **Article – State Government**

21 9–1A–01.

22 (a) In this subtitle the following words have the meanings indicated.

23 (cc) “Video lottery operator” means a person licensed to operate a video lottery  
24 facility under this subtitle.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 9-1A-04.

2 (d) The Commission shall adopt regulations that include the following specific  
3 provisions in accordance with this subtitle:

4 (1) establishing the methods and forms of application that an applicant for  
5 any license required under this subtitle shall follow and complete before consideration of  
6 the application by the Commission;

7 (2) establishing the methods, procedures, and form for delivery of  
8 information from an applicant or licensee concerning any person's family, habits, character,  
9 associates, criminal record, business activities, and financial affairs;

10 (3) establishing the procedures for the fingerprinting of an applicant for  
11 any license required under this subtitle or other methods of identification that may be  
12 necessary in the judgment of the Commission to accomplish effective enforcement of the  
13 provisions of this subtitle;

14 (4) establishing the manner and procedure of hearings conducted by the  
15 Commission;

16 (5) establishing the manner and method of collection of taxes, fees, and  
17 civil penalties;

18 (6) defining and limiting the areas of operation for video lottery terminals  
19 and table games, rules of video lottery terminals and table games, odds for video lottery  
20 terminals and table games, the types and values of promotional items that may be given  
21 away to encourage play of video lottery terminals and table games, the method of operation  
22 of the video lottery terminals and table games, and the number and types of table games;

23 (7) regulating the practice and procedures for negotiable transactions  
24 involving players, including limitations on the circumstances and amounts of negotiable  
25 transactions and the establishment of forms and procedures for negotiable instrument  
26 transactions, redemptions, and consolidations;

27 (8) prescribing the grounds and procedures for reprimands of licensees or  
28 the revocation or suspension of licenses issued under this subtitle;

29 (9) governing the manufacture, distribution, sale, and servicing of video  
30 lottery terminals and table games;

31 (10) establishing the procedures, forms, and methods of management  
32 controls;

33 (11) providing for minimum uniform standards of accountancy methods,  
34 procedures, and forms as are necessary to assure consistency, comparability, and effective

1 disclosure of all financial information, including percentages of profit for video lottery  
2 terminals and table games;

3 (12) establishing periodic financial reports and the form of the reports,  
4 including an annual audit prepared by a certified public accountant licensed to do business  
5 in the State, disclosing whether the accounts, records, and control procedures examined are  
6 maintained by the video lottery operation licensee as required by this subtitle and the  
7 regulations that shall be issued under this subtitle;

8 (13) requiring licensees under this subtitle to demonstrate and maintain  
9 financial viability;

10 (14) ensuring that the operation of video lottery terminals, table games, and  
11 video lottery facilities is conducted legally;

12 (15) establishing procedures for the removal of video lottery terminals from  
13 a video lottery facility;

14 (16) determining the suitability of:

15 (i) the use of any variations or composites of the table games  
16 authorized under this subtitle after an appropriate test or experimental period under terms  
17 and conditions that the Commission may deem appropriate; and

18 (ii) any other game that is compatible with the public interest and  
19 suitable for casino use after an appropriate test or experimental period deemed appropriate  
20 by the Commission;

21 (17) establishing procedures for accounting for all money exchanged at each  
22 table game;

23 (18) establishing the number of video lottery terminals that may be removed  
24 from a video lottery facility to accommodate table games;

25 (19) requiring [one licensee] **EACH VIDEO LOTTERY OPERATOR** under this  
26 subtitle to:

27 (i) establish procedures to offer players the opportunity to donate  
28 coins, when receiving cash on payout, to the Maryland Veterans Trust Fund established  
29 under § 9–913 of this article; and

30 (ii) attach donation boxes near the exits from [the] A video lottery  
31 facility, with the proceeds dedicated to the Maryland Veterans Trust Fund; and

32 (20) otherwise carrying out the provisions of this subtitle.

1           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2   October 1, 2017.