

HOUSE BILL 673

C7

3lr1746

By: **Delegates Fisher, Afzali, Boteler, Cluster, Dwyer, Elliott, Frank, George, Jacobs, Kach, McComas, McMillan, Myers, O'Donnell, Ready, Schulz, Serafini, Stocksedale, and Vitale**

Introduced and read first time: February 1, 2013

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County – Video Lottery Operation License – Awarded to**
3 **Highest Bidder**

4 FOR the purpose of requiring the Video Lottery Facility Location Commission to
5 award a video lottery operation license in Prince George's County to the
6 applicant whose application represents the highest prospective total revenues to
7 be derived by the State; and generally relating to video lottery operation
8 licenses.

9 BY repealing and reenacting, with amendments,
10 Article – State Government
11 Section 9–1A–36(k)
12 Annotated Code of Maryland
13 (2009 Replacement Volume and 2012 Supplement)

14 BY adding to
15 Article – State Government
16 Section 9–1A–36(k–1)
17 Annotated Code of Maryland
18 (2009 Replacement Volume and 2012 Supplement)

19 Preamble

20 WHEREAS, On November 6, 2012, the voters of Maryland approved a measure
21 to expand gambling in the State by allowing video lottery operation licensees to
22 operate table games and allowing a video lottery facility to operate in Prince George's
23 County; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 WHEREAS, The primary purpose of video lottery terminals and table games is
2 to raise revenue for education, public school construction, and construction of capital
3 projects at community colleges and public senior higher education institutions; and

4 WHEREAS, Revenues to the State should be maximized by awarding the video
5 lottery operation license for the facility in Prince George's County to the highest bidder
6 without taking into consideration any other factors; now, therefore,

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

9 **Article – State Government**

10 9–1A–36.

11 (k) (1) **[In] EXCEPT AS PROVIDED IN SUBSECTION (K–1) OF THIS**
12 **SECTION, IN** awarding a video lottery operation license, the Video Lottery Facility
13 Location Commission shall evaluate the factors under this subsection in the manner
14 specified.

15 (2) The decision by the Video Lottery Facility Location Commission to
16 award a license shall be weighted by 70% based on business and market factors
17 including:

18 (i) the highest potential benefit and highest prospective total
19 revenues to be derived by the State;

20 (ii) the potential revenues from a proposed location based on a
21 market analysis;

22 (iii) the extent to which the proposed location encourages
23 Maryland gaming participants to remain in the State;

24 (iv) the extent to which the proposed location demonstrates that
25 the facility will be a substantial regional and national tourist destination;

26 (v) the proposed facility capital construction plans and
27 competitiveness of the proposed facility;

28 (vi) the amount of gross revenues to be allocated to the video
29 lottery operator over the term of the license;

30 (vii) the percent of ownership by entities meeting the definition
31 of minority business enterprise under Title 14, Subtitle 3 of the State Finance and
32 Procurement Article;

1 (viii) the extent to which the proposed location will preserve
2 existing Maryland jobs and the number of net new jobs to be created; and

3 (ix) the contents of the licensee's plan to achieve minority
4 business participation goals in accordance with the requirements described under §
5 9-1A-10(a)(1) and (2) of this subtitle.

6 (3) The decision by the Video Lottery Facility Location Commission to
7 award a license shall be weighted by 15% based on economic development factors,
8 including:

9 (i) the anticipated wages and benefits for new jobs to be
10 created; and

11 (ii) any additional economic development planned in the area of
12 the proposed facility.

13 (4) The decision by the Video Lottery Facility Location Commission to
14 award a license shall be weighted by 15% based on location siting factors, including:

15 (i) the existing transportation infrastructure surrounding the
16 proposed facility location;

17 (ii) the negative impact, if any, of a proposed facility location on
18 the surrounding residential community; and

19 (iii) the need for additional public infrastructure expenditures at
20 the proposed facility.

21 **(K-1) THE VIDEO LOTTERY FACILITY LOCATION COMMISSION SHALL**
22 **AWARD A VIDEO LOTTERY OPERATION LICENSE IN PRINCE GEORGE'S COUNTY**
23 **TO THE APPLICANT WHOSE APPLICATION REPRESENTS THE HIGHEST**
24 **PROSPECTIVE TOTAL REVENUES TO BE DERIVED BY THE STATE.**

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 July 1, 2013.