

# HOUSE BILL 1171

C7

8lr3269

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By: **Delegates Kaiser and Walker**

Introduced and read first time: February 8, 2018

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Gaming – State Lottery and Gaming Control Commission – Regulation of**  
3 **Reconciliation of Proceeds**

4 FOR the purpose of repealing a requirement that the State Lottery and Gaming Control  
5 Commission adopt regulations establishing the length of time a video lottery  
6 operation licensee may reduce the amount of proceeds received from video lottery  
7 terminals and table games on a given day; and generally relating to the proceeds  
8 from certain video lottery terminals and table games.

9 BY repealing and reenacting, without amendments,  
10 Article – State Government  
11 Section 9–1A–01(a) and (u) and 9–1A–26(a)  
12 Annotated Code of Maryland  
13 (2014 Replacement Volume and 2017 Supplement)

14 BY repealing and reenacting, with amendments,  
15 Article – State Government  
16 Section 9–1A–26(e)  
17 Annotated Code of Maryland  
18 (2014 Replacement Volume and 2017 Supplement)

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

21 **Article – State Government**

22 9–1A–01.

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

24 (u) (1) “Proceeds” means the part of the amount of money bet through video

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 lottery terminals and table games that is not returned to successful players but is otherwise  
2 allocated under this subtitle.

3 (2) (i) "Proceeds" may be reduced consistent with regulations adopted  
4 by the Commission in accordance with subparagraph (ii) of this paragraph.

5 (ii) If a video lottery operation licensee returns to successful players  
6 more than the amount of money bet through video lottery terminals or table games on a  
7 given day, the video lottery licensee may subtract that amount from the proceeds of a  
8 following day.

9 (3) (i) Subject to subparagraph (ii) of this paragraph, "proceeds" does  
10 not include money given away by a video lottery operation licensee as free promotional play  
11 and used by players to bet in a video lottery terminal or at a table game.

12 (ii) After the first fiscal year of operations, the exclusion specified in  
13 subparagraph (i) of this paragraph may not exceed a percentage established by the  
14 Commission by regulation of the proceeds received from video lottery terminals and table  
15 games in the prior fiscal year by the video lottery operation licensee under § 9-1A-27(a)(2),  
16 (c)(1)(ii), and (d)(1) of this subtitle.

17 9-1A-26.

18 (a) (1) Except as provided in paragraphs (2) and (3) of this subsection, all  
19 proceeds from the operation of video lottery terminals and table games shall be  
20 electronically transferred daily into the State Lottery Fund established under Subtitle 1 of  
21 this title and distributed as provided under § 9-1A-27 of this subtitle.

22 (2) The requirement under paragraph (1) of this subsection does not apply  
23 on a day when State government is closed.

24 (3) The amount from the proceeds of video lottery terminals to be paid to  
25 video lottery operation licensees under § 9-1A-27(a)(2), (7), and (8), (b), and (c)(1)(ii) and  
26 (2) of this subtitle shall be retained by the licensee.

27 (e) The Commission shall adopt regulations that[:

28 (1)] allow a video lottery operation licensee to reduce the amount of proceeds  
29 when a video lottery operation licensee returns to successful players more than the amount  
30 of money bet through video lottery terminals or table games on a given day[; and

31 (2) establish the length of time for which a reduction under item (1) of this  
32 subsection may continue].

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
34 1, 2018.