

# 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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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 10, 2018

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

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

4 FOR the purpose of altering a certain limitation on the number of days for which a  
5 reduction may be taken in the amount of proceeds received from video lottery  
6 terminals and table games on a given day; repealing a requirement that the State  
7 Lottery and Gaming Control Commission adopt regulations establishing the length  
8 of time a video lottery operation licensee may reduce the amount of proceeds received  
9 from video lottery terminals and table games on a given day; and generally relating  
10 to the proceeds from certain video lottery terminals and table games.

11 BY repealing and reenacting, without amendments,  
12 Article – State Government  
13 Section ~~9–1A–01(a) and (u)~~ and 9–1A–26(a)  
14 Annotated Code of Maryland  
15 (2014 Replacement Volume and 2017 Supplement)

16 BY repealing and reenacting, with amendments,  
17 Article – State Government  
18 Section ~~9–1A–01(u)~~ and 9–1A–26(e)  
19 Annotated Code of Maryland  
20 (2014 Replacement Volume and 2017 Supplement)

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



## Article – State Government

1  
2 9–1A–01.

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

4 (u) (1) “Proceeds” means the part of the amount of money bet through video  
5 lottery terminals and table games that is not returned to successful players but is otherwise  
6 allocated under this subtitle.

7 (2) (i) “Proceeds” may be reduced consistent with regulations adopted  
8 by the Commission in accordance with subparagraph (ii) of this paragraph.

9 (ii) If a video lottery operation licensee returns to successful players  
10 more than the amount of money bet through video lottery terminals or table games on a  
11 given day, the video lottery licensee may subtract that amount from the proceeds of ~~a~~  
12 ~~following day~~ **UP TO 7 FOLLOWING DAYS.**

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

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

21 9–1A–26.

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

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

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

31 (e) The Commission shall adopt regulations that[

32 (1)] allow a video lottery operation licensee to reduce the amount of proceeds  
33 when a video lottery operation licensee returns to successful players more than the amount

1 of money bet through video lottery terminals or table games on a given day THAT ARE  
2 CONSISTENT WITH § 9-1A-01(U) OF THIS SUBTITLE]; and

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

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
6 1, 2018.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.