

HOUSE BILL 1587

C7

(6lr3639)

ENROLLED BILL

— Ways and Means/Budget and Taxation —

Introduced by **Delegate Patterson**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Gaming – Operation of Electronic Instant Bingo Machines – ~~Operation and~~**
3 **~~Maximum Number of Machines~~ and Report by State Lottery and Gaming**
4 **Control Agency**

5 FOR the purpose of altering the definition of “slot machine” to ~~repeal a limitation on~~
6 increase the number of bingo cards certain handheld devices may allow a user to
7 play at the same time; ~~increasing the number of electronic instant bingo machines~~
8 ~~that certain entities may operate~~; providing that an electronic instant bingo machine
9 is not required to print a paper ticket for each instant bingo game played except
10 under certain circumstances; requiring the State Lottery and Gaming Control
11 Agency, on or before a certain date, to report to the Governor and the General
12 Assembly regarding certain matters concerning certain electronic instant bingo and
13 satellite simulcast facilities; and generally relating to ~~electronic instant bingo~~
14 ~~machines~~ gaming.

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.

Italics indicate opposite chamber/conference committee amendments.



1 BY repealing and reenacting, with amendments,
2 Article – Criminal Law
3 Section 12–301, 12–301.1(e), and 12–308
4 Annotated Code of Maryland
5 (2021 Replacement Volume and 2025 Supplement)

6 ~~BY repealing and reenacting, with amendments,~~
7 ~~Chapter 603 of the Acts of the General Assembly of 2012~~
8 ~~Section 3~~

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

11 **Article – Criminal Law**

12 12–301.

13 In this subtitle:

14 (1) “slot machine” means a machine, apparatus, or device that:

15 (i) operates or can be made to operate by inserting, depositing, or
16 placing with another person money, a token, or another object; and

17 (ii) through the element of chance, the reading of a game of chance,
18 the delivery of a game of chance, or any other outcome unpredictable by the user, awards
19 the user:

20 1. money, a token, or other object that represents or that can
21 be converted into money; or

22 2. the right to receive money, a token, or another object that
23 represents and can be converted into money;

24 (2) “slot machine” includes:

25 (i) a machine, apparatus, or device described in item (1) of this
26 section that also sells, delivers, or awards merchandise, money, or some other tangible
27 thing of value;

28 (ii) a pinball machine or console machine that pays off in
29 merchandise; and

30 (iii) a machine, apparatus, or device described in item (1) of this
31 section, regardless of whether the machine, apparatus, or device delivers a game through
32 the Internet or offers Internet or other services; and

- 1 (3) “slot machine” does not include a machine, apparatus, or device that:
- 2 (i) awards the user only free additional games or plays;
- 3 (ii) awards the user only noncash merchandise or noncash prizes of
4 minimal value;
- 5 (iii) dispenses paper pull tab tip jar tickets or paper pull tab instant
6 bingo tickets that must be opened manually by the user provided that the machine,
7 apparatus, or device does not:
- 8 1. read the tickets electronically;
- 9 2. alert the user to a winning or losing ticket; or
- 10 3. tabulate a player’s winnings and losses;
- 11 (iv) 1. is a handheld device that displays only facsimiles of bingo
12 cards that an individual uses to mark and monitor contemporaneously to a live call of bingo
13 numbers called on the premises by an individual where the user is operating the machine;
- 14 2. ~~‡~~does not permit a user to play more than ~~54~~ 100 bingo
15 cards at the same time;
- 16 3.‡ does not randomly generate any numbers; and
- 17 ~~‡4.‡~~ ~~‡~~is not part of an integrated system;
- 18 (v) is used by the State Lottery and Gaming Control Commission
19 under Title 9 of the State Government Article;
- 20 (vi) if legislation takes effect authorizing the operation of video
21 lottery terminals, is a video lottery terminal as defined in and licensed under that
22 legislation;
- 23 (vii) is a skills-based amusement device that awards prizes,
24 merchandise, tickets, tokens, or other objects that:
- 25 1. per play, do not exceed minimal value approved by the
26 State Lottery and Gaming Control Commission through regulation; and
- 27 2. may be accumulated and exchanged for noncash
28 merchandise or prizes of value that:
- 29 A. is similar to the cumulated value of the objects exchanged;
30 and

B. does not exceed a minimal wholesale value of \$599; or

(viii) is a skills-based device that awards noncash merchandise and is located at a family entertainment center in Worcester County licensed under § 9-1B-02 of the State Government Article.

12-301.1.

(e) **(1) THIS SUBSECTION DOES NOT APPLY TO AN ELECTRONIC INSTANT BINGO MACHINE AUTHORIZED UNDER § 12-308 OF THIS SUBTITLE.**

(2) An electronic gaming device that is not licensed or otherwise operated in compliance with the provisions of this section as of January 1, 2013, is an illegal gaming device that may not legally operate in the State.

12-308.

(A) Notwithstanding any other provisions of this subtitle, an entity licensed to offer instant bingo under a commercial bingo license on July 1, 2007, or by a qualified organization as defined in § 13-201 of this article on the premises of the qualified organization may continue to operate a game of instant bingo in the same manner using electronic machines, provided that:

(1) ~~[(i)]~~ the machines were in operation for a 1-year period ending December 31, 2007; or

(ii) the machines were in operation under a commercial bingo license on December 31, 2007;

~~[(2)]~~ the entity does not operate more than ~~TWICE~~ the number of electronic machines in operation on February 28, 2008; and

~~[(3)]~~ ~~(2)~~ the conduct of the gaming and operation of the machines are consistent with all other provisions of this article.

(B) AN ELECTRONIC MACHINE ALLOWED UNDER SUBSECTION (A) OF THIS SECTION IS NOT REQUIRED TO PRINT A PAPER TICKET FOR EACH GAME OF INSTANT BINGO PLAYED UNLESS THE PLAYER ELECTS TO PRINT THE TICKET.

(C) THE STATE LOTTERY AND GAMING CONTROL COMMISSION SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

~~SECTION 3. AND BE IT FURTHER ENACTED, That, a licensee or organization that is authorized under State law to own or operate electronic bingo machines for use after July 1, 2012, may repair and replace the authorized electronic bingo machines provided that the machines operate in the same manner as those in operation by the same organization as of February 28, 2008[, and that the organization does not operate more than the number of electronic bingo machines in operation as of February 28, 2008].~~

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) On or before December 1, 2026, the State Lottery and Gaming Control Agency shall report to the Governor and, in accordance with § 2-1257 of the State Government Article, the General Assembly on:

(1) subject to subsection (c) of this section, impacts of the potential expansion of electronic instant bingo machines at commercial electronic instant bingo machine facilities; and

(2) subject to subsection (d) of this section, impacts of the potential expansion of electronic instant bingo machines, historical horse racing machines, or underutilized video lottery terminals relative to the limitations under § 9-1A-05(a) of the State Government Article at satellite simulcast facilities that are not located at video lottery facilities or horse racing facilities.

(b) (1) ~~The~~ Subject to paragraph (2) of this subsection, the State Lottery and Gaming Control Agency shall retain an independent third-party vendor to prepare the reports required under subsection (a) of this section.

(2) When studying the issues to be addressed in the report and developing the report described under paragraph (1) of this subsection, the third-party vendor shall include in its deliberations the State Lottery and Gaming Control Agency and representatives of the following stakeholders:

(i) the electronic instant bingo industry;

(ii) satellite simulcast facilities that are not located at video lottery facilities;

(iii) satellite simulcast facilities that are located at video lottery facilities;

and

(iv) labor unions in the gaming industry.

(c) The report required under subsection (a)(1) of this section shall include the following information:

(1) the current State revenues and economic impact generated by commercial electronic instant bingo machine operators;

1 (2) the operational challenges faced by commercial electronic instant bingo
2 machine operators;

3 (3) the impact of expansions of gaming on commercial instant bingo
4 machine operators over the years;

5 (4) the estimated amount of gaming revenue lost to neighboring
6 jurisdictions by individuals who travel from Maryland to those jurisdictions to engage in
7 gaming at brick-and-mortar facilities;

8 (5) the potential revenue from authorizing additional electronic instant
9 bingo machines at locations currently authorized to offer electronic instant bingo under a
10 commercial license, including calculations based on varying numbers of additional
11 machines and the potential revenue for both the operator and the State;

12 (6) the degree to which the estimated revenue described under paragraph
13 (5) of this subsection may be attributable to capturing revenue otherwise lost to neighboring
14 states that offer similar gaming opportunities;

15 (7) methods to maximize State revenues while balancing the interests of
16 commercial instant bingo machine operators;

17 (8) the estimated impact of an expansion of electronic instant bingo
18 machines at locations currently authorized to offer electronic instant bingo under a
19 commercial license on the revenue generated by the State's video lottery facilities; and

20 (9) any other relevant policy considerations and impacts associated with
21 an expansion of electronic instant bingo machines.

22 (d) The report required under subsection (a)(2) of this section shall include the
23 following information:

24 (1) the current State revenues and economic impact generated by satellite
25 simulcast facilities that are not located at video lottery facilities or horse racing facilities;

26 (2) the role, function, and contributions of satellite simulcast facilities that
27 are not located at video lottery facilities or horse racing facilities in Maryland's horse racing
28 industry and gaming environment;

29 (3) the operational challenges faced by satellite simulcast facilities that are
30 not located at video lottery facilities or horse racing facilities;

31 (4) the impact of sports wagering and other expansions of gaming on
32 satellite simulcast facilities that are not located at video lottery facilities or horse racing
33 facilities over the years;

1 (5) the estimated amount of gaming revenue lost to neighboring
2 jurisdictions by individuals who travel from Maryland to those jurisdictions to engage in
3 gaming at brick-and-mortar facilities;

4 (6) the operational differences between and potential revenue from
5 authorizing electronic instant bingo machines, historical horse racing machines, or video
6 lottery terminals at satellite simulcast facilities that are not located at video lottery
7 facilities or horse racing facilities, including the potential revenue for both the operator and
8 the State based on the type and number of machines authorized;

9 (7) the degree to which the estimated revenue described under paragraph
10 (6) of this subsection may be attributable to capturing revenue otherwise lost to neighboring
11 states that offer similar gaming opportunities;

12 (8) methods to maximize State revenues while balancing the interests of
13 satellite simulcast facilities that are not located at video lottery facilities or horse racing
14 facilities;

15 (9) the estimated impact of an expansion of electronic instant bingo
16 machines, historical horse racing machines, or *underutilized* video lottery terminals at
17 satellite simulcast facilities that are not located at video lottery facilities or horse racing
18 facilities on the revenue generated by the State's video lottery facilities; and

19 (10) any other relevant policy considerations and impacts associated with
20 an expansion of electronic instant bingo machines, historical horse racing machines, or
21 *underutilized* video lottery terminals.

22 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 July 1, 2026.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.