



SPONSOR: Rep. Viola

HOUSE OF REPRESENTATIVES
146th GENERAL ASSEMBLY

HOUSE AMENDMENT NO. 2

TO

HOUSE BILL NO. 333

1 AMEND House Bill No. 333 by deleting lines 448 through 454 and substituting in lieu thereof the following:

2 (2) All proceeds, net of proceeds returned to players, from the operation of the sports lottery at sports
3 lottery agents other than video lottery agents shall be held by the State Lottery Fund and such sports lottery agents shall be
4 compensated pursuant to rules adopted under § 4805(a) of this title. Purses shall be paid from the proceeds from the sports
5 lottery conducted at such sports lottery agents, less amounts returned to winning players and fees for sports lottery agents
6 and vendors, to video lottery agents as follows:

7 a. For video lottery agents licensed only to conduct horse racing meets under Chapter 101 of
8 Title 3 or Chapter 4 of Title 28, such agents shall be paid and shall pay additional purses at the rate of 9.6% of the
9 proportion of all sports lottery proceeds in the prior fiscal year generated by video lottery agents that is generated by that
10 video lottery agent.

11 b. For video lottery agents licensed only to conduct harness racing meets under Chapter 100 of
12 Title 3, such agents shall be paid and shall pay additional purses at the rate of 10.2% of the proportion of all sports lottery
13 proceeds in the prior fiscal year generated by video lottery agents that is generated by that video lottery agent.

14 c. For video lottery agents licensed to conduct both horse racing meets under Chapter 101 of
15 Title 3 or Chapter 4 of Title 28 and Chapter 100 of Title 3, such agents shall be paid and shall pay additional purses at a rate
16 between 9.6% and 10.2% determined by the Office to reflect the ratio of live horse racing days to live harness racing days.

17 FURTHER AMEND House Bill No. 333 by deleting lines 658 through 661 and substituting in lieu thereof the
18 following:

19 to § 4835 of this title;

20 (7) procedures for the security and reliability of Internet lottery games and Internet lottery accounts,
21 protection of the software, computers and other equipment used in the Internet lottery, and mechanisms to prevent
22 tampering or utilization by unauthorized persons; and

23 (8) mechanisms by which the Office shall require that accounts for Internet ticket game purchases be
24 funded by purchase of a pre-paid card or other mechanism obtained from a lottery agent through which players can transfer
25 money or credits for internet ticket game play.

26 FURTHER AMEND House Bill No. 333 by striking lines 753 and 754 and substituting in lieu thereof:
27 time, the General Assembly shall reconsider the division of revenues from the operation of internet table games in light of
28 the overall revenues, the costs of operating those games, and the payment in support of horse racing and harness racing.

29 FURTHER AMEND House Bill No. 333 by striking Section 23 in its entirety.

SYNOPSIS

This amendment provides that a proportion of revenue from the sports lottery conducted at sites other than the three video lottery agents will support purses for both horse racing and harness racing, with purses to be paid as a percentage of the proportionate sports lottery revenues generated by horse racing and harness racing facilities in the prior year.

This amendment also eliminates the study of purse revenue planned for January 2013 and ensures that the study of internet table game revenues to be released in 2016 considers support for the horse racing and harness racing industries.

Finally, this amendment supports current lottery retailers by requiring that the Lottery mandate the sale of pre-paid cards or other mechanisms from lottery agents in order for players to access internet ticket games.