

1 S.318

2 Introduced by Senator Mattos

3 Referred to Committee on

4 Date:

5 Subject: Recreation and sports; State Lottery; casino gaming

6 Statement of purpose of bill as introduced: This bill proposes to require the  
7 Board of Liquor and Lottery to issue licenses for the operation of up to two  
8 casinos in Vermont.

9 An act relating to casino gaming

10 It is hereby enacted by the General Assembly of the State of Vermont:

11 Sec. 1. 31 V.S.A. chapter 14, subchapter 3 is added to read:

12 Subchapter 3. Casino Gaming

13 § 681. CASINO GAMING AUTHORIZED

14 (a) Casino gaming is authorized to the extent that it is conducted in  
15 accordance with this subchapter.

16 (b) The Board of Liquor and Lottery may adopt rules as necessary to  
17 implement this subchapter.

18 § 682. DEFINITIONS

19 As used in this subchapter:

1           (1) “Adjusted gross receipts” means the gross receipts less voided  
2           wagers and winnings paid to wagerers.

3           (2) “Applicant” means any person who applies for a license under  
4           this subchapter.

5           (3) “Board” means the Board of Liquor and Lottery.

6           (4) “Casino” means a building in which gaming is conducted.

7           (5) “Casino enterprise” means the buildings, facilities, or rooms  
8           functionally or physically connected to a casino, including any bar, restaurant,  
9           hotel, cocktail lounge, retail establishment, or any other premises under the  
10          control of a licensee.

11          (6) “Casino gaming license” means the license that permits the holder to  
12          conduct a gambling operation pursuant to the provisions of this subchapter.

13          (7) “Gambling game” means any game played with cards, dice,  
14          equipment, or a machine, including any mechanical, electromechanical, or  
15          electronic device, which shall include computers and cashless wagering  
16          systems, for money, credit, or any representation of value, including faro,  
17          monte, roulette, keno, bingo, fan-tan, twenty-one, blackjack, seven and a half,  
18          Klondike, craps, poker, chuck-a-luck, wheel of fortune, chemin de fer,  
19          baccarat, pai gow, beat the banker, panguingue, slot machine, any banking or  
20          percentage game, or any other game or device approved by the Board. The  
21          term “gambling game” does not include games played with cards in private

1 homes or residences in which no person makes money for operating the game  
2 except as a player.

3 (8) “Gambling operation” means the conduct of authorized gambling  
4 games in a casino.

5 (9) “Gaming” means to deal, operate, carry on, conduct, maintain, or  
6 expose or offer for play any gambling game or gambling operation.

7 (10) “Gross receipts” means the total of all sums, including valid or  
8 invalid checks, currency, tokens, coupons, vouchers, or instruments of  
9 monetary value, whether collected or due, received by a casino licensee from  
10 gaming, including all entry fees assessed for tournaments or other contests, less  
11 a deduction for uncollectable gaming receivables not to exceed the  
12 uncollectable amounts owed as a result of wagers placed at or through a  
13 gambling game or four percent of the total gross receipts, whichever is less.

14 The licensee shall not receive the deduction unless the licensee provides  
15 written proof to the State Treasurer of the uncollected gaming receivables and  
16 has complied with all the rules adopted by the Board regarding the issuance of  
17 credit and the collection of amounts due under a credit extension.

18 (11) “Wagerer” means a person who plays a gambling game authorized  
19 under this subchapter.

1           (12) “Winnings” means the total cash value of all property or sums,  
2           including currency, tokens, or instruments of monetary value paid to wagerers  
3           as a direct result of wagers placed at or through a gambling game.

4           § 683. BOARD OF LIQUOR AND LOTTERY; JURISDICTION; POWERS

5           The Board shall have jurisdiction over and shall supervise all gambling  
6           operations governed by this subchapter. The Board, through the  
7           Commissioner, shall have all powers necessary and proper to carry out the  
8           provisions of this subchapter, including the power:

9           (1) to investigate applicants and determine the eligibility of applicants  
10          for licenses;

11          (2) to supervise casino gambling operations and all persons in casinos or  
12          casino enterprises where gambling operations are conducted;

13          (3) to inspect and examine all premises where casino gaming occurs;

14          (4) to inspect, examine, audit, impound, seize, or assume physical  
15          control of all books, ledgers, documents, writings, photocopies, videotapes, or  
16          other records related to casino gambling operations and gaming;

17          (5) to investigate and deter violations of this subchapter or rules adopted  
18          by the Board;

19          (6) to hire appropriate administrative staff and investigators as necessary  
20          to carry out and enforce the provisions of this subchapter; and

1           (7) to suspend, revoke, or restrict licenses for violations of this  
2           subchapter or rules adopted by the Board.

3           § 684. CASINO GAMING LICENSE; APPLICATION

4           (a) A person may apply to the Board for a casino gaming license to conduct  
5           a casino gambling operation as provided in this subchapter. The application  
6           shall be made on oath on forms provided by the Board and shall contain  
7           information as prescribed by the Board.

8           (b)(1) The Board of Liquor and Lottery may issue up to two casino gaming  
9           licenses to qualified applicants.

10           (2) The term of each license shall be for five years from the date of issue  
11           and may be renewed for an additional five years.

12           (3) The license fee shall be \$5,000,000.00, which shall be paid to the  
13           Board of Liquor and Lottery either in full upon issuance of the license or in  
14           five annual installments of \$1,000,000.00.

15           (c) A nonrefundable application fee of \$100,000.00 shall be paid to the  
16           Board at the time the application is filed.

17           § 685. CASINO WAGERING TAX

18           A wagering tax is imposed on the adjusted gross receipts received annually  
19           by a licensee from gaming authorized under this subchapter at the rate of  
20           10 percent. The Commissioner of Taxes is authorized to collect and administer  
21           the wagering tax under 32 V.S.A. chapter 103, and the tax shall be paid and

1 collected in the same manner as an income tax under 32 V.S.A. chapter 151. A  
2 licensee liable for the tax imposed by this section shall remit to the  
3 Commissioner of Taxes a return and any other information required by the  
4 Commissioner along with the tax due on or before January 15 of each year.  
5 The Commissioner shall deposit all revenues from the wagering tax in the  
6 Education Fund established in 16 V.S.A. § 4025.

7 Sec. 2. 7 V.S.A. § 101 is amended to read:

8 § 101. COMPOSITION OF DEPARTMENT; COMMISSIONER OF  
9 LIQUOR AND LOTTERY; BOARD OF LIQUOR AND LOTTERY

10 (a)(1) The Department of Liquor and Lottery, created by 3 V.S.A. § 212,  
11 shall administer the laws relating to alcoholic beverages, tobacco, casino  
12 gaming, and the State Lottery. It shall include the Commissioner of Liquor  
13 and Lottery and the Board of Liquor and Lottery.

14 (2) The Board of Liquor and Lottery shall supervise and manage the  
15 sales of spirits and fortified wines pursuant to this title and the establishment  
16 and management of the State Lottery and casino gaming pursuant to 31 V.S.A.  
17 chapter 14.

18 (3)(A) The Department of Liquor and Lottery shall be under the  
19 immediate supervision and direction of the Commissioner of Liquor and  
20 Lottery.

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