

SENATE BILL 813

Unofficial Copy
C6

2000 Regular Session
(01r2493)

ENROLLED BILL
-- Finance/Ways and Means --

Introduced by **Senator Bromwell**

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.

President.

CHAPTER _____

1 AN ACT concerning

2 ~~Maryland Racing Facility Redevelopment Act~~ **Racing Act of 2000**

3 FOR the purpose of establishing the Maryland Racing Facility Redevelopment
4 Program; requiring the Racing Commission to perform certain acts to carry out
5 the Program; requiring eligible racing licensees before receiving assistance
6 under this Act to submit racing facility master plans to the Racing Commission;
7 requiring the Commission to approve a racing facility master plan if the plan
8 meets certain criteria; authorizing the Maryland Economic Development
9 Corporation to issue bonds under certain circumstances; authorizing the
10 Commission and the Corporation to deny the issuance of certain bonds under
11 certain circumstances; specifying certain funds available to eligible racing
12 licensees for certain assistance; requiring the Commission to approve an
13 application for certain improvements and expenditures if certain requirements
14 are met; requiring the Commission to give a certain notice to the Corporation;
15 specifying a certain manner of apportioning certain assistance to eligible racing
16 licensees; providing for the distribution of certain funds if certain bonds are not
17 issued; requiring that a certain amount of funds from the State lottery be

1 credited to the Special Fund under certain circumstances; ~~requiring the~~
 2 ~~Comptroller to pay a certain amount of money from the Special Fund to the~~
 3 ~~Corporation under certain circumstances~~; allowing the allocation of certain
 4 moneys to be made in accordance with a certain agreement; repealing certain
 5 provisions relating to certain increased revenue allocated to certain licensees;
 6 ~~altering certain provisions relating to certain funds paid to the Maryland~~
 7 ~~Million, Ltd., Maryland-Bred Race Fund, and the Maryland Standardbred Race~~
 8 ~~Fund; requiring a certain payment from a certain special fund to a certain trust~~
 9 ~~for the purpose of providing certain health, disability, and retirement for certain~~
 10 ~~benefits to certain active, disabled, or retired thoroughbred jockeys persons;~~
 11 altering the allocation of certain amounts bet on certain thoroughbred and
 12 harness races; altering the termination provision relating to the allocation of
 13 certain amounts bet on certain thoroughbred and harness races; defining
 14 certain terms; providing for the termination of a portion of this Act; ~~making this~~
 15 ~~Act contingent on the taking effect of another Act creating a certain fund;~~
 16 ~~requiring that certain lottery revenues for a certain fiscal year be distributed to~~
 17 ~~a special fund to be used only for certain purposes; requiring the Maryland~~
 18 ~~Stadium Authority to review certain capital improvements which are funded by~~
 19 ~~proceeds of certain bonds; authorizing the Governor to request certain deficiency~~
 20 ~~appropriations under certain circumstances; requiring that the purses and bred~~
 21 ~~funds be increased according to a certain formula; providing for the time during~~
 22 ~~which a certain licensee in Allegany County may hold live or simulcast racing;~~
 23 ~~altering certain provisions relating to the distribution of money from uncashed~~
 24 ~~pari-mutuel tickets; repealing certain provisions requiring certain agreements~~
 25 ~~and approvals relating to simulcast racing and intertrack betting; altering~~
 26 ~~certain conditions under which certain licensees may conduct certain~~
 27 ~~pari-mutuel betting; altering certain conditions under which a certain track in~~
 28 ~~Allegany County may be a receiving track and sending track for the purpose of~~
 29 ~~intertrack betting; altering the amounts that certain licensees may deduct from~~
 30 ~~certain pari-mutuel betting; altering the allocation of the amounts deducted~~
 31 ~~from certain pari-mutuel betting; requiring that each licensee consult with~~
 32 ~~certain persons and ensure that certain improvements are compatible with~~
 33 ~~existing local ordinances under certain circumstances; requiring the Maryland~~
 34 ~~Racing Commission to submit a certain report to the General Assembly by a~~
 35 ~~certain date; providing for the termination of certain portions of this Act;~~
 36 ~~providing for a delayed effective date of a portion of this Act; and generally~~
 37 relating to horse racing in the State.

38 BY repealing and reenacting, ~~without~~ with amendments,
 39 Article - Business Regulation
 40 Section 11-402, ~~11-615, and 11-616~~ 11-403(a), 11-406, 11-504(a), 11-514,
 41 11-515, 11-613(c), 11-803, ~~11-804.1, 11-804.2, and 11-811(e)(5) and~~
 42 (6) ~~11-811(d) and 11-811(e)(5) and (6), and 11-825(a)~~
 43 Annotated Code of Maryland
 44 (1998 Replacement Volume and 1999 Supplement)

45 ~~BY repealing and reenacting, without amendments,~~
 46 ~~Article - Business Regulation~~

1 ~~Section 11-406~~
 2 ~~Annotated Code of Maryland~~
 3 ~~(1998 Replacement Volume and 1999 Supplement)~~
 4 ~~(As enacted by Chapter 477 of the Acts of the General Assembly of 1998)~~

5 BY adding to
 6 Article - Business Regulation
 7 Section ~~11-402.1 and 11-515.1, 11-515.1, 11-515.2, 11-515.3, and 11-811(e)(6)~~
 8 ~~and (7); and 11-1201 through 11-1206~~ 11-1208, to be under the new
 9 subtitle "Subtitle 12. Maryland Racing Facility Redevelopment Program"
 10 Annotated Code of Maryland
 11 (1998 Replacement Volume and 1999 Supplement)

12 BY repealing and reenacting, with amendments,
 13 Article - Business Regulation
 14 Section ~~11-514, 11-515, and 11-614~~ 11-616
 15 Annotated Code of Maryland
 16 (1998 Replacement Volume and 1999 Supplement)
 17 (As enacted by Chapter 750 of the Acts of the General Assembly of 1997)

18 BY repealing
 19 Article - Business Regulation
 20 Section ~~11-517, 11-521, and 11-630~~ 11-630, 11-804(e), and 11-811(f)
 21 Annotated Code of Maryland
 22 (1998 Replacement Volume and 1999 Supplement)

23 BY repealing and reenacting, with amendments,
 24 Article - Business Regulation
 25 Section 11-402
 26 Annotated Code of Maryland
 27 (1998 Replacement Volume and 1999 Supplement)
 28 (As enacted by Section 1 of this Act)

29 BY repealing and reenacting, with amendments,
 30 Article - Business Regulation
 31 Section 11-803
 32 Annotated Code of Maryland
 33 (1998 Replacement Volume and 1999 Supplement)
 34 (As enacted by Chapter 748 of the Acts of the General Assembly of 1997)

35 BY repealing and reenacting, without amendments,
 36 Article - Business Regulation
 37 Section 11-804(e), 11-804.1, 11-811(d) and (f), and 11-825(a)

1 Annotated Code of Maryland
2 (1998 Replacement Volume and 1999 Supplement)

3 ~~BY repealing and reenacting, with amendments,~~
4 ~~Chapter 750 of the Acts of the General Assembly of 1997, as amended by~~
5 ~~Chapter 477 of the Acts of the General Assembly of 1998 and Chapter 291~~
6 ~~of the Acts of the General Assembly of 1999~~
7 ~~Section 5~~

8 Preamble

9 WHEREAS, Since the 1700s, Maryland's horse industry has been part of the
10 cultural and historical fabric of the State; and

11 WHEREAS, Maryland is home to historic Pimlico Race Course which was
12 founded in 1870 and Laurel Park which was founded in 1911; and

13 WHEREAS, Pimlico Race Course and Laurel Park are in need of modernization;
14 and

15 WHEREAS, Rosecroft Race Course was constructed in 1949 and the last major
16 renovation was in 1991; and

17 WHEREAS, Maryland's horse industry reaches across the State affecting farm
18 owners, breeders, horsemen, and track personnel from the Eastern Shore to Western
19 Maryland; and

20 WHEREAS, The more than 900 horse farms in Maryland that encompass more
21 than 200,000 acres provide employment for many Marylanders, preserve green open
22 spaces, and positively impact on land values; and

23 WHEREAS, The State of Maryland and its citizens would benefit from the
24 retention of open spaces and green spaces in agricultural use, and it is necessary to
25 provide additional programs and funding to preserve the State's horse farms; and

26 WHEREAS, The horse industry employs more than 15,000 people and
27 generates nearly \$1 billion annually in economic activity for the State, more than any
28 other professional sport in the State; and

29 WHEREAS, The General Assembly finds and declares that the Maryland
30 horse industry is vulnerable to a decline; and

31 WHEREAS, The competition from other states for quality racehorses and the
32 betting dollars has increased as a result of mechanisms aimed at increasing purse
33 structures and providing funds for capital improvements to racing facilities in those
34 states; and

1 WHEREAS, The General Assembly finds and declares that this Act is
 2 necessary to preserve, restore, and revitalize the horse racing and breeding industries
 3 and preserve in Maryland the economic impact associated with these industries; and

4 WHEREAS, Increased funding for the redevelopment of racing facilities in the
 5 State will enhance the appeal of the sport, and increased attendance will support
 6 industry growth; now, therefore,

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

9 **Article - Business Regulation**

10 11-402.

11 The Special Fund consists of:

- 12 (1) the State share of daily licensee fees;
- 13 (2) pari-mutuel taxes;
- 14 (3) the impact aid under § 11-812 of this title;
- 15 (4) ~~except as provided in § 11-521 of this title,~~ money from uncashed
 16 pari-mutuel tickets that are from bets made into the betting pools of ~~nonharness~~
 17 licensees; and
- 18 (5) any permit fees under §§ 11-820 and 11-832 of this title.

19 ~~11-402.1.~~

20 ~~(A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE~~
 21 ~~COMPTROLLER SHALL PAY FROM THE SPECIAL FUND ESTABLISHED UNDER § 11-401~~
 22 ~~OF THIS SUBTITLE TO THE MARYLAND ECONOMIC DEVELOPMENT CORPORATION AN~~
 23 ~~AMOUNT EQUAL TO THE PARI-MUTUEL TAXES COLLECTED.~~

24 ~~(B) ON CERTIFICATION BY THE MARYLAND ECONOMIC DEVELOPMENT~~
 25 ~~CORPORATION TO THE COMPTROLLER THAT THE FULL AMOUNT OF PARI-MUTUEL~~
 26 ~~TAXES COLLECTED IS NOT NEEDED BY THE CORPORATION, THE COMPTROLLER~~
 27 ~~SHALL PAY FROM THE SPECIAL FUND TO THE CORPORATION PART OF THE~~
 28 ~~PARI-MUTUEL TAXES COLLECTED IN AN AMOUNT DETERMINED BY THE~~
 29 ~~CORPORATION.~~

30 11-403.

31 (a) The Comptroller shall pay from the Special Fund an annual grant of:

- 32 (1) \$825,000 to the Maryland Agricultural Fair Board to promote State
 33 and county agricultural fairs and exhibits;

1 (2) \$100,000 to Prince George's County to replace money formerly
2 received from the admissions and amusement tax;

3 (3) \$40,000 to the Great Frederick Fair to support exhibition harness
4 racing with money for construction and maintenance of new stalls, track
5 maintenance, and purses;

6 (4) \$50 to the City of Bowie for each day that the training facilities are
7 open at the Bowie Race Course Training Center;

8 (5) \$75,000 to the Maryland Agricultural Education Foundation, Inc., to
9 promote and enhance statewide agricultural education; [and]

10 (6) an amount not to exceed \$30,000 in fiscal year 1998 and \$20,000 in
11 each fiscal year thereafter to the Great Pocomoke Fair, Inc. to support exhibition
12 harness racing with money for construction and maintenance of new stalls, track
13 maintenance, and purses;

14 (7) \$500,000 TO THE MARYLAND MILLION, LTD. TO SUPPORT AND
15 PROMOTE THE RUNNING OF MARYLAND MILLION RACES; AND

16 (8) \$350,000 TO THE MARYLAND STANDARDBRED RACE FUND FOR THE
17 SIRE STAKES PROGRAM.

18 11-406.

19 After all deductions from the Special Fund are made, money that remains in the
20 Special Fund shall be ~~paid into the General Fund of the State~~ ALLOCATED IN THE
21 FOLLOWING WAY:

22 (1) 70% TO THE MARYLAND-BRED RACE FUND; AND

23 (2) 30% TO THE MARYLAND STANDARDBRED RACE FUND, TO BE DIVIDED
24 EQUALLY BETWEEN THE SIRE STAKES PROGRAM AND THE FOALED STAKES
25 PROGRAM.

26 11-504.

27 (a) (1) A licensee may [not] hold LIVE racing after 6:15 p.m. BUT NOT
28 LATER THAN 9:00 P.M. [unless] IF:

29 [(1)] (I) circumstances beyond the control of the licensee cause a delay;

30 [(2)] (II) the racing day is of national prominence; or

31 [(3)] the racing consists of betting on races held at an out-of-state track,
32 and the racing is:]

33 (III) THE RACING IS APPROVED BY THE HARNESS TRACK LICENSEE
34 WHOSE TRACK IS CLOSEST TO THE LICENSEE'S TRACK, THE GROUP THAT
35 REPRESENTS A MAJORITY OF THE OWNERS AND TRAINERS WHO RACE HORSES AT

1 THAT HARNESS TRACK, AND THE GROUP THAT REPRESENTS A MAJORITY OF THE
 2 HARNESS BREEDERS IN THIS STATE.

3 (2) A LICENSEE MAY HOLD RACING AFTER 6:15 P.M. THAT CONSISTS OF
 4 BETTING ON RACES HELD AT AN OUT-OF-STATE TRACK, IF THE RACING IS:

5 (i) authorized under § 11-804 of this title; and

6 (ii) approved by the harness track licensee whose track is closest to
 7 the licensee's track, the group that represents a majority of the owners and trainers
 8 who race horses at that harness track, and the group that represents a majority of the
 9 harness breeders in this State.

10 (3) NOTWITHSTANDING ANY APPROVAL FOR RACING AFTER 6:15 P.M.,
 11 ELECTRICAL OR ARTIFICIAL ILLUMINATION, NECESSARY FOR THE PURPOSE OF
 12 HOLDING LIVE RACING, MAY NOT BE PERMITTED AT PIMLICO RACE COURSE.

13 (4) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (1) OR (2) OF
 14 THIS SUBSECTION, A LICENSEE IN ALLEGANY COUNTY MAY HOLD LIVE OR
 15 SIMULCAST RACING AFTER 6:15 P.M., BUT NOT LATER THAN 11:30 P.M., UNLESS
 16 CIRCUMSTANCES BEYOND THE CONTROL OF THE LICENSEE CAUSE A DELAY.

17 ~~11-514.~~

18 (a) ~~A licensee shall deduct from the handle:~~

19 (1) ~~all the breakage;~~

20 (2) ~~[17%] 17.25% from each regular mutuel pool;~~

21 (3) ~~[19%] 21.75% from each multiple mutuel pool on 2 horses; and~~

22 (4) ~~[25%] 25.25% from each multiple mutuel pool on 3 or more horses.~~

23 (b) ~~Money that remains after deductions are made under subsection (a) of this~~
 24 ~~section shall be returned as winnings to successful bettors.~~

25 ~~11-515.1.~~

26 (A) (1) NOTWITHSTANDING § 11-515 OF THIS SUBTITLE, THE AMOUNT OF
 27 THE TAKEOUT RELATING TO PURSES, THE MARYLANDBRED RACE FUND, AND THE
 28 AMOUNT RETAINED BY THE LICENSEE MAY BE ALLOCATED IN ACCORDANCE WITH
 29 THE TERMS OF A WRITTEN AGREEMENT SIGNED BY THE AUTHORIZED
 30 REPRESENTATIVES OF:

31 (I) THE LICENSEE;

32 (II) THE GROUP THAT REPRESENTS A MAJORITY OF THE OWNERS
 33 AND TRAINERS LICENSED IN THE STATE AT THE TIME THE AGREEMENT IS SIGNED;
 34 AND

1 (III) THE GROUP THAT REPRESENTS A MAJORITY OF THE BREEDERS
2 IN THE STATE AT THE TIME THE AGREEMENT IS SIGNED.

3 (2) NOTHING IN THIS SUBSECTION MAY BE CONSTRUED TO PERMIT THE
4 LICENSEE TO IN ANY WAY ALTER THE MANDATORY TAKEOUT ALLOCATED TO THE
5 COMMISSION FOR:

6 (I) THE STATE TAX; OR

7 (II) THE PAYMENT TO THE RACING FACILITY REDEVELOPMENT
8 BOND FUND FOR THE MARYLAND ECONOMIC DEVELOPMENT CORPORATION.

9 [11-517.

10 (a) In this section, "increased revenue" means the revenue from the increased
11 percentage of the takeout that has been allocated since July 1, 1985, to a licensee.

12 (b) Increased revenue is provided so that a licensee shall improve the facilities
13 and services of its track and increase its marketing activity, so as to promote:

14 (1) increased attendance and pari-mutuel betting; and

15 (2) enhanced well-being of the racing industry.

16 (d) The General Assembly, by statute, may direct that the Commission not
17 award in the following calendar year part or all of the additional racing days
18 authorized under § 11-511 of this subtitle to the licensee, if the General Assembly
19 finds that:

20 (1) the proposed use of the increased revenue is inconsistent with the
21 purposes specified under this section; or

22 (2) the licensee has not spent the increased revenue as proposed.

23 (e) In addition to the expenditures required by subsection (b) of this section, in
24 each year a licensee shall spend for capital improvements, marketing, public
25 relations, and maintenance not less than the average yearly expenditure for the same
26 activities in the 3 fiscal years of the licensee that immediately preceded April 9,
27 1985.]

28 [11-521.

29 (a) \$500,000 in money from uncashed pari-mutuel tickets that are from bets
30 made into the mutuel pools of mile thoroughbred licensees shall be paid to the
31 Maryland Million, Ltd., as a grant to support and promote the running of Maryland
32 Million races.

33 (b) There is a special fund to be used only for marketing, purses, and
34 promotion activities directly related to the running of the Maryland Million races.

1 (c) In accordance with § 7-209 of the State Finance and Procurement Article,
 2 the Governor by budgetary amendment shall allocate money from the special fund
 3 under subsection (b) of this section as a grant to the Maryland Million, Ltd., for
 4 marketing, purses, and promotional activities directly related to the running of
 5 Maryland Million races.]

6 ~~11-615.~~

7 (a) ~~From a licensee's share of the takeout on each mutuel pool, the licensee~~
 8 ~~whose average handle is over \$600,000 shall allocate equally to the Sires Stakes~~
 9 ~~Program and the Foaled Stakes Program of the Maryland Standardbred Race Fund~~
 10 ~~the following amounts:~~

- 11 (1) ~~on the first \$125,000 of the average handle:~~
- 12 (i) ~~0.50% of each regular mutuel pool;~~
- 13 (ii) ~~0.50% of each multiple mutuel pool on 2 horses; and~~
- 14 (iii) ~~1% of each multiple mutuel pool on 3 or more horses.~~
- 15 (2) ~~on the rest of the average handle:~~
- 16 (i) ~~1% of each regular mutuel pool;~~
- 17 (ii) ~~1% of each multiple mutuel pool on 2 horses; and~~
- 18 (iii) ~~1.5% of each multiple mutuel pool on 3 or more horses.~~

19 (b) ~~From the licensee's share of the takeout, the licensee shall allocate 0.50%~~
 20 ~~on the part of an average handle over \$150,000 to pay for:~~

- 21 (1) ~~purses;~~
- 22 (2) ~~personnel-related expenses, physical improvements, track~~
 23 ~~maintenance, and indebtedness related to the track, including indebtedness for~~
 24 ~~clubhouse and grandstand construction; and~~
- 25 (3) ~~maintenance of proper living conditions in the backstretch.~~

26 (c) (1) ~~From the licensee's share of the takeout, the licensee shall allocate~~
 27 ~~0.25% of each mutuel pool to improve the facilities and services of the track and to~~
 28 ~~increase marketing activity, so as to promote:~~

- 29 (i) ~~increased attendance and pari mutuel betting; and~~
- 30 (ii) ~~enhanced well-being of the standardbred racing industry.~~

31 (2) ~~The General Assembly, by statute, may direct that the Commission~~
 32 ~~not award in the following calendar year part or all of the racing days authorized~~
 33 ~~under § 11-610 of this subtitle to the licensee if the General Assembly finds that:~~

1 (i) ~~the proposed use of the allocation under this subsection is~~
2 ~~inconsistent with the purposes specified in this section; or~~

3 (ii) ~~the licensee has not spent the allocation in a way that is~~
4 ~~consistent with the proposal.~~

5 (d) ~~From the licensee's share of the takeout on each multiple mutuel pool on 2~~
6 ~~horses, the licensee shall allocate at least 1% of the mutuel pool as follows:~~

7 (1) ~~one-half to purses; and~~

8 (2) ~~one-half to personnel related expenses, physical improvements,~~
9 ~~track maintenance, and indebtedness related to the track, including indebtedness for~~
10 ~~clubhouse and grandstand construction.~~

11 (e) ~~From the licensee's share of the takeout on each multiple mutuel pool on 3~~
12 ~~or more horses, a licensee shall allocate at least 6.5% of each mutuel pool as follows:~~

13 (1) ~~one-half to purses; and~~

14 (2) ~~one-half to personnel related expenses, physical improvements,~~
15 ~~track maintenance, and indebtedness related to the track, including indebtedness for~~
16 ~~clubhouse and grandstand construction.~~

17 [11-630.

18 Money from uncashed pari-mutuel tickets that are from bets made into the
19 betting pools of harness licensees shall be paid to the Fund and allocated to the Sire
20 Stakes Program.]

21 11-803.

22 (a) If a winning ticket is not redeemed within 1 year, the licensee into whose
23 betting pool the bet was placed shall pay the amount needed to redeem the ticket to [:

24 (1) the Maryland Standardbred Race Fund under § 11-630 of this title
25 for bets made into the betting pools of a harness licensee;

26 (2) the Commission, for bets made into the betting pools of a mile
27 thoroughbred licensee, to be credited as follows:

28 (i) \$500,000 to the special fund under § 11-521 of this title; and

29 (ii) the remainder to the special fund under Subtitle 4 of this title;
30 or

31 (3) the Commission [for all other bets.] to be credited to the special fund
32 under Subtitle 4 of this title.

33 (b) Every year for the preceding calendar year, each licensee shall:

1 (1) report to the Commission the amount payable to the [Maryland
2 Standardbred Race Fund or the] Commission under this section; and

3 (2) pay that amount to the [Maryland Standardbred Race Fund or the]
4 Commission [,whichever is applicable].

5 (c) (1) The license of a licensee shall be revoked if the licensee:

6 (i) fails to report when money under this section is due; or

7 (ii) knowingly or willfully submits a report that understates the
8 amount due.

9 (2) A license whose license is revoked under this subsection may not hold
10 a license for at least one year.

11 11-804.

12 {(e) A contract with an out-of-state track under this section is subject to the
13 approval of the group that represents a majority of the owners and trainers who race
14 horses at that track and the group that represents a majority of the applicable
15 breeders in this State.}

16 11-804.1.

17 (a) Subject to the Interstate Horseracing Act of 1978, 15 U.S.C. §§ 3001
18 through 3007, a licensee may simulcast races held in this State to another jurisdiction
19 where betting on racing is lawful.

20 (b) All payments to the licensee under this section shall be allocated to the
21 licensee, purses, and the applicable bred fund in the way agreed to by:

22 (1) the licensee;

23 (2) the group that represents a majority of the applicable owners and
24 trainers licensed in the State; and

25 (3) the group that represents a majority of the applicable breeders in the
26 State} ~~AS DETERMINED BY THE LICENSEE.~~

27 11-804.2.

28 Notwithstanding § 11-804(c) of this subtitle, a licensee [that has not conducted
29 racing before January 1, 1999,] IN ALLEGANY COUNTY may [only] conduct
30 pari-mutuel betting under § 11-804 of this subtitle ON A DAY WHEN THE
31 COMMISSION HAS AUTHORIZED THE LICENSEE TO HOLD RACING ONLY:

32 (1) at the track of the licensee; [or

33 (2) at a satellite simulcast facility, or its predecessor, at which satellite
34 simulcast wagering was not conducted prior to January 1, 1999.]

1 (2) AT A SATELLITE SIMULCAST FACILITY:

2 (I) IN WHICH THE LICENSEE HAS MAJORITY OWNERSHIP
3 INTEREST; AND

4 (II) WHICH COMPLIES WITH THE REQUIREMENTS OF § 11-825(A) OF
5 THIS SUBTITLE; ~~OR AND~~

6 (3) AT A RECEIVING TRACK LOCATED MORE THAN 35 MILES FROM ANY
7 OF LAUREL PARK, PIMLICO RACE COURSE, AND ROSECROFT RACEWAY.

8 11-811.

9 (d) The Commission may authorize licensees, Fair Hill, or the State Fair
10 Society to participate in intertrack betting by operating sending tracks and receiving
11 tracks only if:

12 (1) the operators of the sending track and the receiving track submit a
13 joint application to the Commission;

14 (2) the Commission holds a public hearing on the matter;

15 (3) the operator of the receiving track shows to the satisfaction of the
16 Commission that the operator has held, is holding, or will hold regularly scheduled
17 race meetings at the receiving track in accordance with a license and has complied
18 with the terms of the license; and

19 (4) the receiving track meets the requirements of subsection (e) of this
20 section, unless the Commission has waived them~~}, and subsection (f) of this section~~}.~~~~

21 ~~(f)~~ (1) Intertrack betting may be held only if the organizations specified in
22 this subsection approve the agreement between the receiving track and the sending
23 track to simulcast races.

24 (2) If the sending track is a mile thoroughbred track or a track where
25 racing is conducted by the State Fair Society or Fair Hill, approval shall be by an
26 organization representing:

27 (i) a majority of the owners and trainers at the sending track; and

28 (ii) a majority of the thoroughbred breeders in the State.

29 (3) If the sending track is a harness track, approval shall be by an
30 organization representing:

31 (i) a majority of the owners, trainers, and drivers of standardbred
32 horses at the sending track, and

33 (ii) a majority of the standardbred breeders in the State.

1 (4) If the receiving track is a mile thoroughbred track or a track where
 2 racing is conducted by the State Fair Society, approval shall be by an organization
 3 representing:

4 (i) a majority of the owners and trainers at the receiving track; and

5 (ii) a majority of the thoroughbred breeders in the State.

6 (5) If the receiving track is a harness track, approval shall be by an
 7 organization representing:

8 (i) a majority of the owners, trainers, and drivers of standardbred
 9 horses at the harness track; and

10 (ii) a majority of the standardbred breeders in the State.}

11 (e) (5) A track in Allegany County may be a sending track ~~only~~:

12 (I) TO ANY RECEIVING TRACK:

13 [(i)] 1. on days when the track is licensed to conduct and actually
 14 conducts live racing; and

15 [(ii)] 2. for live races conducted at the track; ~~OR AND~~

16 (II) TO A RECEIVING TRACK LOCATED MORE THAN 35 MILES FROM
 17 ANY OF LAUREL PARK, PIMLICO RACE COURSE, AND ROSECROFT RACEWAY:

18 1. ON ANY DAY THE COMMISSION HAS AUTHORIZED THE
 19 LICENSEE TO HOLD RACING; AND

20 2. FOR ~~LIVE AND~~ SIMULCAST RACES CONDUCTED AT THE
 21 TRACK.

22 (6) SUBJECT TO § 11-804.2 OF THIS SUBTITLE, NOTHING IN PARAGRAPH
 23 (5) OF THIS SUBSECTION SHALL LIMIT THE ABILITY OF A TRACK IN ALLEGANY
 24 COUNTY TO ACT AS A SENDING TRACK TO A SATELLITE SIMULCAST FACILITY.

25 (7) A TRACK IN ALLEGANY COUNTY MAY BE A RECEIVING TRACK:

26 (I) DURING ITS OPENING YEAR IF IT HAS SCHEDULED AT LEAST 21
 27 DAYS OF LIVE RACING ~~TO OCCUR~~ WITHIN 12 MONTHS OF ITS OPENING AND THE
 28 COMMISSION HAS GRANTED ITS APPLICATION TO RACE ON THOSE DAYS; AND

29 (II) IN SUBSEQUENT YEARS IF AT LEAST 21 DAYS OF LIVE RACING
 30 WERE HELD AT THE TRACK IN THE PREVIOUS CALENDAR YEAR.

31 [(6)] (8) The Commission may waive a requirement of this subsection if
 32 the receiving track could not meet the requirement because of:

33 (i) an act of God; or

1 (ii) what the Commission finds to be an emergency.

2 11-825.

3 (a) A satellite simulcast facility:

4 (1) shall be in premises owned or leased by a permit holder;

5 (2) may not be within a 35-mile radius of any mile thoroughbred track or
 6 harness track unless approved by the track licensee, the group that represents a
 7 majority of the applicable owners and trainers licensed in the State and the group
 8 that represents a majority of the applicable breeders in the State, considered
 9 separately;

10 (3) unless the track agrees otherwise, may not operate during hours on
 11 those days that racing with pari-mutuel betting is permitted at a racetrack located in
 12 this State within a 35-mile radius of the satellite simulcast facility; and

13 (4) shall offer pari-mutuel betting facilities and amenities that the
 14 Commission finds are:

15 (i) comparable to those available in the sports palace facilities of
 16 the mile thoroughbred racing licensees including:

17 1. high quality dining, lounge, and seating areas that are of a
 18 manner generally found in fine restaurants; and

19 2. teletheatre screen capacity; and

20 (ii) appropriate for the area where the satellite simulcast facility is
 21 located.

22 SUBTITLE 12. MARYLAND RACING FACILITY REDEVELOPMENT PROGRAM.

23 11-1201.

24 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
 25 INDICATED.

26 (B) "AUTHORITY" MEANS THE MARYLAND STADIUM AUTHORITY.

27 ~~(B)~~ (C) "CORPORATION" MEANS THE MARYLAND ECONOMIC DEVELOPMENT
 28 CORPORATION.

29 ~~(C)~~ (D) "ELIGIBLE RACING LICENSEE" MEANS A MILE THOROUGHBRED
 30 LICENSEE OR A HARNESS RACING LICENSEE THAT CONDUCTS LIVE RACING ~~WHEN~~
 31 AT THE TIME BONDS ARE ISSUED AND ALLOCATES TAKEOUT TO THE CORPORATION
 32 UNDER § 11-515 OR ~~§ 11-614~~ § 11-616 OF THIS TITLE.

33 (E) "FUND" MEANS THE RACING FACILITY REDEVELOPMENT BOND FUND
 34 ESTABLISHED UNDER ~~§ 11-616~~ § 11-1206 OF THIS SUBTITLE.

1 ~~(D)~~ (F) "RACING FACILITY" MEANS A RACE TRACK OR A SATELLITE
2 ~~SIMULCAST TRAINING FACILITY~~ OWNED, OPERATED, OR CONTROLLED BY AN
3 ELIGIBLE RACING LICENSEE OR COMBINATION OF ELIGIBLE RACING LICENSEES.

4 11-1202.

5 (A) ~~THE COMMISSION SHALL ESTABLISH~~ THERE IS A MARYLAND RACING
6 FACILITY REDEVELOPMENT PROGRAM.

7 (B) TO CARRY OUT THE PROGRAM, THE COMMISSION:

8 (1) SHALL REVIEW, IN ACCORDANCE WITH THE PROVISIONS OF § 11-1203
9 OF THIS SUBTITLE, RACING FACILITY MASTER PLANS THAT ELIGIBLE RACING
10 LICENSEES SUBMIT UNDER § 11-1203(A) OF THIS SUBTITLE; AND

11 (2) ~~MAY APPROVE~~ SHALL SUBMIT TO THE AUTHORITY FOR APPROVAL
12 UNDER §§ 11-1204 AND 11-1207 OF THIS SUBTITLE, REQUESTS FROM ELIGIBLE
13 RACING LICENSEES TO USE PROCEEDS FROM BONDS ISSUED BY THE MARYLAND
14 ECONOMIC DEVELOPMENT CORPORATION FOR CAPITAL IMPROVEMENTS OR
15 RELATED EXPENDITURES.

16 11-1203.

17 (A) BEFORE RECEIVING ASSISTANCE UNDER § 11-1204 OF THIS SUBTITLE FOR
18 A SPECIFIC CAPITAL IMPROVEMENT OR EXPENDITURE, AN ELIGIBLE RACING
19 LICENSEE SHALL SUBMIT FOR APPROVAL TO THE COMMISSION A RACING FACILITY
20 MASTER PLAN.

21 (B) THE COMMISSION SHALL APPROVE AN ELIGIBLE RACING LICENSEE'S
22 RACING FACILITY MASTER PLAN IF:

23 (1) THE COMMISSION FINDS THAT THE PLAN IS IN THE BEST INTEREST
24 OF RACING IN THE STATE;

25 (2) THE APPLICANT SUBMITS A STATEMENT THAT THE PLAN MEETS
26 APPLICABLE LAND USE LAWS AND REGULATIONS;

27 (3) FOR PIMLICO RACE COURSE IN BALTIMORE CITY, THE APPLICANT
28 SUBMITS A STATEMENT THAT THE PLAN MEETS THE REQUIREMENTS OF THE
29 BALTIMORE CITY PLANNED UNIT DEVELOPMENT ORDINANCE 75-977;

30 (4) THE APPLICANT SUBMITS A FEASIBILITY STUDY OF THE PROPOSED
31 IMPROVEMENTS AND RELATED EXPENDITURES, INCLUDING IMPACT ON BETTING
32 AND REVENUES AT THE RACING FACILITY; ~~AND~~

33 (5) THE APPLICANT PROVIDES INFORMATION ON THE AMOUNT OF
34 EXPENDITURES RELATED TO THE IMPROVEMENTS THAT WILL BE PAID TO MINORITY
35 BUSINESS ENTERPRISES AND COMMITS TO A MINORITY PARTICIPATION GOAL OF AT
36 LEAST 14% OF THE AMOUNT OF THE CONTRACTS; AND

1 (6) THE AUTHORITY HAS REVIEWED THE MASTER PLAN AND PROVIDED
2 INPUT TO THE COMMISSION THE APPLICANT HAS RESPONDED TO THE ISSUES
3 RAISED BY THE AUTHORITY TO THE REASONABLE SATISFACTION OF THE
4 COMMISSION;

5 (7) THE COMMISSION FINDS, IF THE APPLICANT IS A MILE
6 THOROUGHbred LICENSEE, THAT THE MASTER PLAN, INCLUDING THE APPLICANT'S
7 MARKETING PLAN, SATELLITE SIMULCAST BETTING FACILITIES PLAN, BUDGET AND
8 SCHEDULE FOR IMPROVEMENTS, AND FINANCING PLAN FOR IMPROVEMENTS, IS
9 REASONABLE;

10 (8) THE APPLICANT, IF THE APPLICANT IS A MILE THOROUGHbred
11 LICENSEE, HAS DEMONSTRATED TO THE REASONABLE SATISFACTION OF THE
12 COMMISSION THAT IT WILL HAVE SUFFICIENT FUNDS TO ENABLE IT TO MEET THE
13 LICENSEE'S APPROVED PAYMENT SCHEDULE FOR IMPROVEMENTS;

14 (9) (I) THE APPLICANT, IF THE APPLICANT IS A MILE THOROUGHbred
15 LICENSEE, DEMONSTRATES TO THE REASONABLE SATISFACTION OF THE
16 COMMISSION THAT THE APPLICANT AND ITS AFFILIATES HAVE SPENT, OR ARE
17 CONTRACTUALLY OBLIGATED TO SPEND, \$9.5 MILLION ON IMPROVEMENTS
18 BETWEEN JANUARY 1, 1999 AND THE TIME BONDS ARE ISSUED BY THE
19 CORPORATION; AND

20 (II) THE APPLICANT SUBMITS WITH THE MASTER PLAN THE AUDIT
21 REPORT REQUIRED UNDER SUBSECTION (C) OF THIS SECTION TO VERIFY THE
22 AMOUNT THAT IS SPENT AND CONTRACTUALLY OBLIGATED TO BE SPENT ON
23 IMPROVEMENTS; AND

24 (10) THE APPLICANT DEMONSTRATES THAT THE IMPROVEMENTS TO
25 RACING FACILITIES UNDER THE MASTER PLAN WILL BE COMPLETED WITHIN 5
26 YEARS FROM THE TIME BONDS ARE ISSUED BY THE CORPORATION.

27 (C) IF THE MASTER PLAN IS APPROVED BY THE COMMISSION, AND PROCEEDS
28 FROM THE SALE OF BONDS SUFFICIENT TO ACCOMPLISH THE PLAN ARE MADE
29 AVAILABLE, THE LICENSEE SHALL:

30 (1) IMPLEMENT THE MASTER PLAN, UNLESS THE LICENSEE IS
31 PREVENTED FROM DOING SO BY CIRCUMSTANCES BEYOND ITS REASONABLE
32 CONTROL; AND

33 (2) SUBMIT TO THE COMMISSION, AUTHORITY, AND CORPORATION,
34 WITH THE AUDIT REQUIRED UNDER § 11-313(B)(2) OF THIS TITLE, AN INDEPENDENT
35 AUDITED ANNUAL REPORT BY AN AUDITOR APPROVED BY THE COMMISSION OF THE
36 EXPENDITURES MADE PURSUANT TO THE MASTER PLAN AND § 11-1204(C)(2),
37 INCLUDING EXPENDITURES MADE BY THE LICENSEE AS DESCRIBED UNDER §
38 11-1203(B)(9).

39 ~~(C)~~ (D) IF THE COMMISSION DISAPPROVES A MASTER PLAN, THE
40 COMMISSION SHALL STATE FINDINGS OF FACT FOR THE DISAPPROVAL.

1 ~~(D)~~ (E) IF A MASTER PLAN IS DISAPPROVED, THE LICENSEE MAY ADDRESS
 2 THE COMMISSION'S STATED REASONS FOR DISAPPROVAL AND RE-SUBMIT THE PLAN.

3 ~~(E)~~ (F) UPON APPLICATION BY THE LICENSEE, THE COMMISSION MAY
 4 APPROVE AMENDMENTS TO THE PLAN SUBJECT TO THE PROVISIONS OF THIS
 5 SECTION.

6 ~~(F)~~ (G) THE CORPORATION MAY RELEASE FUNDS TO AN ELIGIBLE LICENSEE
 7 ONLY AFTER THE LICENSEE COMPLIES WITH THE PROVISIONS OF §§ 11-1204 AND
 8 11-1207 OF THIS SUBTITLE.

9 ~~(G)~~ ~~(G)~~ (H) THE CORPORATION MAY ISSUE A BOND AFTER THE
 10 COMMISSION NOTIFIES THE CORPORATION THAT A RACING FACILITY MASTER PLAN
 11 HAS BEEN APPROVED.

12 (I) (I) IF THE CORPORATION AND THE COMMISSION FIND, AT ANY TIME,
 13 THAT THE LICENSEE IS NOT IN COMPLIANCE WITH THE MASTER PLAN APPROVED BY
 14 THE COMMISSION UNDER THIS SECTION OR THE EXPENDITURES REQUIRED UNDER
 15 § 11-1204 OF THIS SUBTITLE, THE COMMISSION MAY DIRECT THE CORPORATION:

16 (I) NOT TO ISSUE ADDITIONAL BONDS FOR THAT LICENSEE UNTIL
 17 THE LICENSEE IS IN COMPLIANCE WITH THE APPLICABLE REQUIREMENTS; AND

18 (II) TO REDUCE, IN AN AMOUNT PROPORTIONATE TO THE
 19 LICENSEE'S DEGREE OF NONCOMPLIANCE WITH THE LICENSEE'S FINANCIAL
 20 OBLIGATIONS, THE AMOUNT OF ASSISTANCE AVAILABLE TO THE LICENSEE THAT IS
 21 ATTRIBUTABLE TO THE LICENSEE'S TAKEOUT ALLOCATION UNDER § 11-515 OF THIS
 22 TITLE AND THE LICENSEE'S SHARE OF UNCASHED PARIMUTUEL TICKETS CREDITED
 23 TO THE FUND UNDER § 11-803 OF THIS TITLE.

24 (2) IF THE CORPORATION AND THE COMMISSION FIND THE LICENSEE
 25 HAS FAILED TO COMPLY UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE
 26 COMMISSION SHALL NOTIFY THE LICENSEE, STATE FINDINGS OF FACT, AND
 27 PROVIDE THE LICENSEE AN OPPORTUNITY TO CURE THE DEFICIENCY WITHIN A
 28 REASONABLE TIME.

29 11-1204.

30 (A) SUBJECT TO THE AVAILABILITY OF FUNDS, AN ELIGIBLE RACING
 31 LICENSEE QUALIFIES FOR ASSISTANCE FROM THE MARYLAND RACE TRACK
 32 IMPROVEMENT PROGRAM IF THE COMMISSION APPROVES AN APPLICATION RACING
 33 FACILITY REDEVELOPMENT PROGRAM IF THE ELIGIBLE LICENSEE COMPLIES WITH
 34 THE PROVISIONS OF THIS SECTION AND § 11-1207 OF THIS SUBTITLE.

35 (B) FUNDS AVAILABLE TO ELIGIBLE RACING LICENSEES FOR ASSISTANCE
 36 WITH CAPITAL IMPROVEMENTS AND RELATED EXPENDITURES UNDER THIS SECTION
 37 INCLUDE:

38 (1) PROCEEDS FROM THE SALE OF BONDS BY THE CORPORATION UNDER
 39 TITLE 5, SUBTITLE 2 OF ARTICLE 83A OF THE CODE;

1 (2) FUNDS APPROPRIATED FOR ASSISTANCE WITH CAPITAL
2 IMPROVEMENTS AND RELATED COSTS; AND

3 (3) REVENUES COLLECTED OR RECEIVED BY THE CORPORATION FROM
4 ANY SOURCES, INCLUDING THOSE ESTABLISHED UNDER §§ 11-402.1, 11-515, AND
5 ~~11-614 OF THIS TITLE~~, THAT ARE RELATED TO RACING FACILITIES.

6 ~~(C) THE COMMISSION SHALL APPROVE AN APPLICATION AN ELIGIBLE
7 LICENSEE'S REQUEST FOR ASSISTANCE FOR A SPECIFIC CAPITAL IMPROVEMENT
8 AND RELATED EXPENDITURES SHALL:~~

9 ~~(1) THE SPECIFIC CAPITAL IMPROVEMENT IS CONTAINED WITHIN A
10 RACING FACILITY MASTER PLAN THAT HAS BEEN APPROVED BY THE COMMISSION
11 UNDER § 11-1203 OF THIS SUBTITLE BE APPROVED BY THE AUTHORITY UNDER §
12 11-1207 OF THIS SUBTITLE; AND~~

13 ~~(2) THE APPLICANT PROVIDES IF THE APPLICANT IS A MILE
14 THOROUGHBRED LICENSEE, PROVIDE EVIDENCE THAT THE APPLICANT AND IF
15 AFFILIATES WILL MAKE CAPITAL EXPENDITURES EXPENDITURES FOR PHYSICAL
16 IMPROVEMENTS IN ADDITION TO THE ASSISTANCE GRANTED UNDER THIS SUBTITLE:~~

17 ~~(4) IN THE YEAR FOR WHICH ASSISTANCE UNDER THIS SUBTITLE
18 IS REQUESTED EACH YEAR BONDS ISSUED BY THE CORPORATION ARE
19 OUTSTANDING; AND~~

20 ~~(H) IN AN AMOUNT NOT LESS THAN THE AVERAGE AMOUNT OF
21 CAPITAL EXPENDITURES MADE DURING THE CALENDAR YEARS FROM 1994 THROUGH
22 1998 AMOUNT ALLOCATED TO THE RACING FACILITY REDEVELOPMENT BOND FUND
23 BY THE APPLICANT AND ITS AFFILIATES UNDER § 11-515 OF THIS TITLE IN THAT
24 YEAR.~~

25 ~~(C) AN ELIGIBLE LICENSEE'S APPLICATION FOR ASSISTANCE FOR CAPITAL
26 IMPROVEMENTS AND RELATED EXPENDITURES SHALL:~~

27 ~~(1) BE APPROVED BY THE AUTHORITY UNDER § 11-1207 OF THIS
28 SUBTITLE; AND~~

29 ~~(2) IF THE APPLICANT IS A MILE THOROUGHBRED LICENSEE, PROVIDE
30 EVIDENCE THAT THE APPLICANT AND ITS AFFILIATES WILL SPEND, UNLESS
31 PREVENTED FROM DOING SO BY CIRCUMSTANCES BEYOND THEIR REASONABLE
32 CONTROL, IN ADDITION TO THE ASSISTANCE GRANTED UNDER THIS SUBTITLE, AN
33 AMOUNT NOT LESS THAN:~~

34 ~~(I) FOR EACH OF THE FIRST 5 YEARS AFTER INITIAL ISSUANCE OF
35 THE BONDS BY THE CORPORATION, THE AVERAGE ANNUAL AMOUNT SPENT FOR
36 MARKETING AND PROMOTION BY THE APPLICANT AND ITS AFFILIATES FOR THE
37 CALENDAR YEARS 1993 THROUGH 1997; AND~~

38 ~~(II) FOR EACH OF THE FIRST 5 YEARS AFTER INITIAL ISSUANCE OF
39 THE BONDS BY THE CORPORATION, AN AMOUNT EQUAL TO 1.0% OF THE AMOUNT~~

1 BET IN THE STATE IN EACH MUTUEL POOL OF A MILE THOROUGHBRED LICENSEE
2 LOCATED IN BALTIMORE CITY OR ANNE ARUNDEL COUNTY, FOR IMPROVEMENTS,
3 INCLUDING SATELLITE SIMULCAST BETTING FACILITIES, AND MARKETING AND
4 PROMOTION IN ACCORDANCE WITH THE MASTER PLAN.

5 (D) ~~THE COMMISSION AUTHORITY~~ SHALL NOTIFY THE CORPORATION OF THE
6 APPROVAL OF AN APPLICATION UNDER THIS SECTION BEFORE THE CORPORATION
7 MAY RELEASE FUNDS TO AN ELIGIBLE RACING LICENSEE.

8 11-1205.

9 ~~TOTAL ASSISTANCE GRANTED TO ELIGIBLE RACING LICENSEES UNDER THIS~~
10 ~~SUBTITLE SHALL BE APPORTIONED IN THE FOLLOWING MANNER:~~

11 (A) EXCEPT FOR THE AMOUNT OF ASSISTANCE, IF ANY, GRANTED TO AN
12 ELIGIBLE LICENSEE LOCATED IN ALLEGANY COUNTY, AND EXCEPT FOR THE
13 AMOUNT IN SUBSECTION (C) OF THIS SECTION, TOTAL ASSISTANCE GRANTED TO
14 ELIGIBLE RACING LICENSEES UNDER THIS SUBTITLE SHALL BE APPORTIONED IN
15 THE FOLLOWING MANNER:

16 (1) 80% TO ELIGIBLE RACING LICENSEES THAT ARE MILE
17 THOROUGHBRED RACING LICENSEES; AND

18 (2) 20% TO ELIGIBLE RACING LICENSEES THAT ARE HARNESS RACING
19 LICENSEES.

20 (B) THE TOTAL ASSISTANCE GRANTED TO AN ELIGIBLE RACING LICENSEE
21 THAT IS LOCATED IN ALLEGANY COUNTY, INCLUDING THE AMOUNT OF BONDS
22 ISSUED BY THE CORPORATION, MAY NOT BE MORE THAN A PROPORTIONATE
23 AMOUNT OF TOTAL ASSISTANCE GRANTED TO ALL LICENSEES UNDER THIS
24 SUBTITLE BASED ON THE TAKEOUT ALLOCATED TO THE RACING FACILITY
25 REDEVELOPMENT BOND FUND BY THE LICENSEE LOCATED IN ALLEGANY COUNTY
26 COMPARED TO THE TAKEOUT ALLOCATED TO THE BOND FUND BY ALL ELIGIBLE
27 LICENSEES.

28 (C) IN ADDITION TO THE AMOUNT OF ASSISTANCE GRANTED UNDER
29 SUBSECTION (A)(1) OF THIS SECTION TO ELIGIBLE RACING LICENSEES THAT ARE
30 MILE THOROUGHBRED LICENSEES, SUCH LICENSEES SHALL RECEIVE ASSISTANCE
31 IN AN AMOUNT ATTRIBUTABLE TO 0.75% OF THE AMOUNT BET THAT IS ALLOCATED
32 TO THE FUND UNDER § 11-515.3 OF THIS TITLE.

33 11-1206.

34 (A) THERE IS A RACING FACILITY REDEVELOPMENT BOND FUND.

35 (B) THE CORPORATION SHALL USE THE FUND AS A NONLAPSING REVOLVING
36 FUND FOR CARRYING OUT THE PROVISIONS OF THIS SUBTITLE RELATING TO RACING
37 FACILITIES.

1 (C) ALL OF THE FOLLOWING RECEIPTS OF THE COMMISSION SHALL BE
2 PLACED IN THE FUND:

3 (1) THE TAKEOUT ALLOCATION UNDER § 11-515 §§ 11-515 AND 11-515.3 OF
4 THIS TITLE FROM MILE THOROUGHBRED LICENSEES;

5 (2) THE TAKEOUT ALLOCATION UNDER § 11-616 OF THIS TITLE FROM
6 HARNES LICENSEES;

7 (3) EFFECTIVE JULY 1, 2001 AND SUBJECT TO THE PROVISIONS OF
8 SUBSECTION (D) OF THIS SECTION, MONEY FROM UNCASHED PARI-MUTUEL TICKETS
9 PAID BY LICENSEES TO THE COMMISSION UNDER § 11-803 OF THIS TITLE; AND

10 (4) ANY OTHER REVENUE, GIFT, DONATION, OR OTHER SOURCE UNDER
11 A WRITTEN AGREEMENT BETWEEN THE ELIGIBLE LICENSEES AND THE
12 CORPORATION.

13 (D) (1) TO THE EXTENT DEEMED APPROPRIATE BY THE CORPORATION, THE
14 RECEIPTS OF THE FUND SHALL BE PLEDGED TO AND CHARGED WITH THE PAYMENT
15 OF:

16 (I) DEBT SERVICE ON CORPORATION BONDS FOR RACING
17 FACILITIES;

18 (II) ALL REASONABLE CHARGES AND EXPENSES RELATED TO
19 CORPORATION BORROWING AND THE MANAGEMENT OF CORPORATION
20 OBLIGATIONS RELATED TO RACING FACILITIES; AND

21 (III) ALL REASONABLE CHARGES AND EXPENSES RELATED TO THE
22 AUTHORITY'S REVIEW OF RACING FACILITIES PURSUANT TO THE PROVISIONS OF
23 THIS SUBTITLE.

24 (2) BEGINNING JULY 1, 2002 AND ANNUALLY THEREAFTER, TO THE
25 EXTENT DEEMED APPROPRIATE BY THE CORPORATION, THE RECEIPTS OF THE FUND
26 RELATED TO UNCASHED PARI-MUTUEL TICKETS UNDER SUBSECTION (C)(3) OF THIS
27 SECTION THAT ARE NOT NEEDED TO PAY THE COSTS UNDER PARAGRAPH (1) OF THIS
28 SUBSECTION SHALL BE PAID TO THE COMMISSION TO BE CREDITED TO THE RACING
29 SPECIAL FUND ESTABLISHED UNDER § 11-401 OF THIS TITLE.

30 (E) (1) THE FUND SHALL BE INVESTED AND REINVESTED BY THE
31 TREASURER IN THE SAME MANNER AS STATE FUNDS.

32 (2) ANY INVESTMENT EARNINGS SHALL BE TRANSFERRED TO THE
33 CREDIT OF THE FUND.

34 (F) (1) IN THE EVENT BONDS FOR THE REDEVELOPMENT OF RACING
35 FACILITIES ARE NOT ISSUED BY THE CORPORATION BY JULY 1, 2002, OR A LATER
36 DATE MUTUALLY AGREED TO BY THE COMMISSION, CORPORATION, AND THE
37 APPLICABLE LICENSEE;

1 (I) THE APPLICABLE LICENSEE SHALL NOTIFY THE CORPORATION
2 OF ITS INTENT TO USE THE RECEIPTS OF THE FUND ATTRIBUTABLE TO THE
3 TAKEOUT ALLOCATION UNDER §§ 11-515, 11-515.3, AND 11-616 OF THIS TITLE; AND

4 (II) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE FUNDS
5 SHALL BE MADE AVAILABLE TO THE APPLICABLE LICENSEE IN PROPORTION TO THE
6 AMOUNT CONTRIBUTED BY EACH LICENSEE.

7 (2) (I) FUNDS THAT ARE MADE AVAILABLE TO A MILE
8 THOROUGHbred LICENSEE UNDER PARAGRAPH (1) OF THIS SUBSECTION THAT ARE
9 ATTRIBUTABLE TO THE TAKEOUT ALLOCATION UNDER § 11-515 OF THIS TITLE SHALL
10 BE USED BY THE LICENSEE FOR IMPROVEMENTS APPROVED BY THE COMMISSION
11 PURSUANT TO A PLAN SUBMITTED BY THE LICENSEE.

12 (II) IN THE PLAN REQUIRED UNDER THIS PARAGRAPH, THE
13 LICENSEE SHALL DEMONSTRATE THAT THE LICENSEE AND ITS AFFILIATES WILL
14 SPEND IN EACH YEAR FOR WHICH ASSISTANCE IS MADE AVAILABLE UNDER THIS
15 SUBSECTION:

16 1. THE AVERAGE ANNUAL AMOUNT SPENT FOR MARKETING
17 AND PROMOTION BY THE LICENSEE AND ITS AFFILIATES FOR THE CALENDAR YEARS
18 1993 THROUGH 1997; AND

19 2. AN AMOUNT EQUAL TO THE FUNDS MADE AVAILABLE TO
20 THE LICENSEE AND ITS AFFILIATES UNDER THIS SUBSECTION.

21 (3) IF THE COMMISSION FINDS THAT A LICENSEE IS NOT IN
22 COMPLIANCE WITH THE REQUIREMENTS OF PARAGRAPH (2) OF THIS SUBSECTION,
23 THE COMMISSION:

24 (I) MAY DIRECT THE CORPORATION NOT TO MAKE FUNDS
25 AVAILABLE TO THE LICENSEE; AND

26 (II) SHALL NOTIFY THE LICENSEE, STATE FINDINGS OF FACT, AND
27 PROVIDE THE LICENSEE AN OPPORTUNITY TO CURE THE DEFICIENCY WITHIN A
28 REASONABLE TIME.

29 (G) NO FUNDS MAY BE MADE AVAILABLE TO LICENSEES UNDER SUBSECTION
30 (F) OF THIS SECTION AFTER JUNE 30, 2016.

31 ~~(F)~~ (H) NOTHING IN THIS SECTION MAY BE CONSTRUED TO LIMIT OR ALTER
32 THE POWERS GRANTED TO THE CORPORATION BY LAW.

33 11-1207.

34 (A) BEFORE A LICENSEE MAY RECEIVE ANY ASSISTANCE UNDER THIS
35 SUBTITLE, THE AUTHORITY SHALL REVIEW AND DETERMINE WHETHER TO APPROVE
36 OR DISAPPROVE ALL CAPITAL IMPROVEMENTS OF AN ELIGIBLE RACING LICENSEE
37 WHICH ARE FUNDED IN WHOLE OR IN PART BY PROCEEDS FROM BONDS ISSUED BY
38 THE CORPORATION.

1 (B) APPROVAL BY THE AUTHORITY SHALL BE GIVEN IF THE FOLLOWING
 2 CONDITIONS ARE MET:

3 (1) THE PROPOSED CAPITAL IMPROVEMENTS ARE CONSISTENT WITH
 4 THE MASTER PLAN APPROVED BY THE COMMISSION;

5 (2) THE ELIGIBLE RACING LICENSEE HAS ESTABLISHED PROCEDURES
 6 APPROVED BY THE AUTHORITY TO ENSURE A COMPETITIVE PRICE FOR
 7 CONSTRUCTION CONTRACTS;

8 (3) THE AUTHORITY HAS REVIEWED AND APPROVED THE ELIGIBLE
 9 RACING LICENSEE'S DESIGN FEES AND DOCUMENTS AND THE LICENSEE'S BUDGET
 10 FOR THE PROPOSED CAPITAL IMPROVEMENTS;

11 (4) THE ELIGIBLE RACING LICENSEE HAS TAKEN INTO ACCOUNT THE
 12 AUTHORITY'S INPUT WITH RESPECT TO VALUE-ENGINEERING; AND

13 (5) THE ELIGIBLE RACING LICENSEE HAS PROVIDED THE AUTHORITY
 14 WITH EVIDENCE, SATISFACTORY TO THE AUTHORITY, THAT THE LICENSEE'S
 15 IMPROVEMENTS ARE IN COMPLIANCE WITH ALL APPLICABLE BUILDING LAWS,
 16 RULES, AND REGULATIONS, INCLUDING THE AMERICANS WITH DISABILITIES ACT.

17 (C) THE AUTHORITY SHALL BE REIMBURSED BY THE CORPORATION FROM
 18 THE FUND FOR ITS ACTUAL COSTS IN PERFORMING THE REVIEWS REQUIRED UNDER
 19 THIS SUBTITLE.

20 ~~44-1206~~ 11-1208.

21 (A) BEGINNING JULY 1, 2001, NOTWITHSTANDING § 9-120 OF THE STATE
 22 GOVERNMENT ARTICLE AND SUBJECT TO SUBSECTION (B) OF THIS SECTION, AN
 23 EXCESS AMOUNT OF LOTTERY FUNDS FROM THE PRIOR FISCAL YEAR THAT WOULD
 24 OTHERWISE BE DISTRIBUTED TO THE GENERAL FUND UNDER § ~~120(B)(4)(II)~~ §
 25 9-120(B)(1)(II) OF THE STATE GOVERNMENT ARTICLE SHALL BE CREDITED TO THE
 26 SPECIAL FUND ESTABLISHED UNDER § 11-401 OF THIS ARTICLE IF:

27 (1) THE EXCESS AMOUNT OF FUNDS RESULTS FROM CUMULATIVE
 28 DISTRIBUTIONS IN A FOR THE PRIOR FISCAL YEAR TO THE GENERAL FUND UNDER §
 29 9-120(B)(1)(II) OF THE STATE GOVERNMENT ARTICLE EXCEEDING THE LAST OFFICIAL
 30 ESTIMATE OF THE BOARD OF REVENUE ESTIMATES FOR THAT YEAR; AND

31 (2) ~~EXPENSES OF THE SPECIAL FUND FOR THAT YEAR EXCEED~~
 32 ~~REVENUES AS A RESULT OF PAYMENTS MANDATED BY SUBTITLE 11 OF THIS TITLE~~
 33 ~~THE COMPTROLLER MAKES PAYMENTS ARE MADE TO THE RACING FACILITY~~
 34 ~~REDEVELOPMENT BOND FUND UNDER § 11-803 OF THIS TITLE.~~

35 (B) THE EXCESS AMOUNT OF FUNDS SHALL BE CREDITED ONLY IN THE
 36 AMOUNT NEEDED TO PAY THE DEFICIENCY OF THE SPECIAL FUND OF THE PAYMENT
 37 TO THE RACING FACILITY REDEVELOPMENT BOND FUND UNDER § 11-803 OF THIS
 38 TITLE LESS THE AMOUNT OF ANY REPAYMENT TO THE COMMISSION BY THE
 39 CORPORATION UNDER § 11-1206(D) OF THIS SUBTITLE.

1 (C) IF EXCESS LOTTERY REVENUES FROM THE PRIOR FISCAL YEAR DO NOT
 2 PROVIDE FUNDS IN AN AMOUNT SUFFICIENT TO FULLY CREDIT THE SPECIAL FUND
 3 AS REQUIRED UNDER THIS SECTION, THE GOVERNOR MAY REQUEST A DEFICIENCY
 4 APPROPRIATION DURING THE NEXT LEGISLATIVE SESSION.

5 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
 6 read as follows:

7 **Article - Business Regulation**

8 11-514.

9 (a) A licensee shall deduct from the handle:

10 (1) all the breakage;

11 (2) [17%] NOT MORE THAN 18% from each regular mutuel pool;

12 (3) [19%] NOT MORE THAN 21% from each multiple mutuel pool on 2
 13 horses; and

14 (4) [25%] NOT MORE THAN 25.75% from each multiple mutuel pool on 3
 15 or more horses.

16 (b) Money that remains after deductions are made under subsection (a) of this
 17 section shall be returned as winnings to successful bettors.

18 (C) (1) THE AMOUNT DEDUCTED BY THE LICENSEE UNDER SUBSECTION (A)
 19 OF THIS SECTION SHALL BE AS THE SUM OF THE ALLOCATIONS PROVIDED IN § 11-515
 20 OF THIS SUBTITLE, UNLESS OTHERWISE PROVIDED IN A WRITTEN AGREEMENT
 21 SIGNED BY THE AUTHORIZED REPRESENTATIVES OF:

22 (I) THE LICENSEE;

23 (II) THE GROUP THAT REPRESENTS A MAJORITY OF THE OWNERS
 24 AND TRAINERS LICENSED IN THE STATE AT THE TIME THE AGREEMENT IS SIGNED;
 25 AND

26 (III) THE GROUP THAT REPRESENTS A MAJORITY OF THE BREEDERS
 27 IN THE STATE AT THE TIME THE AGREEMENT IS SIGNED.

28 (2) NOTHING IN THIS SUBSECTION MAY BE CONSTRUED TO PERMIT THE
 29 LICENSEE TO IN ANY WAY ALTER THE MANDATORY TAKEOUT ALLOCATED TO THE
 30 COMMISSION FOR:

31 (I) THE STATE TAX; OR

32 (II) THE PAYMENT TO THE RACING FACILITY REDEVELOPMENT
 33 BOND FUND FOR THE MARYLAND ECONOMIC DEVELOPMENT CORPORATION.

1 11-515.

2 (a) Except as provided in ~~§ 11-516 §§ 11-515.3 AND 11-516~~ of this subtitle, the
3 takeout that a licensee deducts from the handle of a race shall be allocated in
4 accordance with this section.

5 (b) A licensee shall:

6 (1) keep 50% of the breakage;

7 (2) allocate 45% of the breakage for purses; and

8 (3) allocate 5% of the breakage to the Maryland-Bred Race Fund.

9 (c) From the [17%] ~~17.25%~~ AMOUNT that a licensee deducts from each regular
10 mutuel pool, the licensee shall:

11 (1) keep 7.70% of each regular mutuel pool, from which the licensee shall
12 pay 0.25% of each regular mutuel pool to the Maryland Race Track Employees
13 Pension Fund;

14 (2) allocate [0.5%] 0.32% of each regular mutuel pool to the Commission
15 for State tax;

16 (3) allocate 1.10% of each regular mutuel pool to the Maryland-Bred
17 Race Fund; [and]

18 (4) allocate ~~7.88%~~ 7.70% of each regular mutuel pool for purses; ~~AND~~

19 (5) ALLOCATE 0.25% 1.0% OF EACH REGULAR MUTUEL POOL TO THE
20 COMMISSION FOR PAYMENT TO THE MARYLAND ECONOMIC DEVELOPMENT
21 CORPORATION. RACING FACILITY REDEVELOPMENT BOND FUND; AND

22 (6) ALLOCATE 0.18% OF EACH MULTIPLE MUTUEL POOL AS AN
23 ADDITIONAL AMOUNT FOR PURSES.

24 (d) From the [19%] ~~21.75%~~ AMOUNT that a licensee deducts from each
25 multiple mutuel pool on 2 horses, the licensee shall:

26 (1) keep 8.70% of each multiple mutuel pool, from which the licensee
27 shall pay 0.25% of each multiple mutuel pool to the Maryland Race Track Employees
28 Pension Fund;

29 (2) allocate [0.5%] 0.32% of each multiple mutuel pool to the Commission
30 for State tax;

31 (3) allocate 1.10% of each multiple mutuel pool to the Maryland-Bred
32 Race Fund; [and]

33 (4) allocate ~~8.88%~~ 8.70% of each multiple mutuel pool for purses; ~~AND~~

1 (5) ALLOCATE ~~2.75%~~ 2.0% OF EACH MULTIPLE MUTUEL POOL TO THE
 2 COMMISSION FOR PAYMENT TO THE ~~MARYLAND ECONOMIC DEVELOPMENT~~
 3 ~~CORPORATION~~. RACING FACILITY REDEVELOPMENT BOND FUND; AND

4 (6) ALLOCATE 0.18% OF EACH MULTIPLE MUTUEL POOL AS AN
 5 ADDITIONAL AMOUNT FOR PURSES.

6 (e) From the [25%] ~~25.25%~~ AMOUNT that a licensee deducts from each
 7 multiple mutuel pool on 3 or more horses, the licensee shall:

8 (1) keep 11.70% of each multiple mutuel pool, from which the licensee
 9 shall pay 0.25% of each multiple mutuel pool to the Maryland Race Track Employees
 10 Pension Fund;

11 (2) allocate [~~0.5%~~] 0.32% of each multiple mutuel pool to the Commission
 12 for State tax;

13 (3) allocate 1.10% of each multiple mutuel pool to the Maryland-Bred
 14 Race Fund; [and]

15 (4) allocate ~~11.88%~~ 11.70% of each multiple mutuel pool for purses; AND

16 (5) ALLOCATE ~~0.25%~~ 0.75% OF EACH MULTIPLE MUTUEL POOL TO THE
 17 COMMISSION FOR PAYMENT TO THE ~~MARYLAND ECONOMIC DEVELOPMENT~~
 18 ~~CORPORATION~~. RACING FACILITY REDEVELOPMENT BOND FUND; AND

19 (6) ALLOCATE 0.18% OF EACH MULTIPLE MUTUEL POOL AS AN
 20 ADDITIONAL AMOUNT FOR PURSES.

21 11-515.2.

22 (A) IF THE LICENSEE IS LOCATED IN ALLEGANY COUNTY AND THE LICENSEE
 23 ELECTS NOT TO PARTICIPATE IN THE MARYLAND RACING FACILITY
 24 REDEVELOPMENT PROGRAM UNDER SUBTITLE 12 OF THIS TITLE, THE ALLOCATION
 25 TO THE RACING FACILITY REDEVELOPMENT BOND FUND UNDER § 11-515 OF THIS
 26 SUBTITLE SHALL BE RETURNED AS WINNINGS TO SUCCESSFUL BETTORS.

27 (B) IF A LICENSEE RECEIVES ASSISTANCE FROM THE MARYLAND RACING
 28 FACILITY REDEVELOPMENT PROGRAM UNDER SUBTITLE 12 OF THIS TITLE, THE
 29 LICENSEE SHALL MAKE THE ALLOCATIONS TO THE RACING FACILITY
 30 REDEVELOPMENT BOND FUND REQUIRED UNDER § 11-515 OF THIS SUBTITLE AS
 31 LONG AS THE BONDS ISSUED BY THE CORPORATION ARE OUTSTANDING.

32 11-515.3.

33 NOTWITHSTANDING THE PROVISIONS OF § 11-515 OF THIS SUBTITLE,
 34 COMMENCING UPON ISSUANCE OF THE BONDS BY THE CORPORATION, IN
 35 ACCORDANCE WITH THE TERMS OF A WRITTEN AGREEMENT BETWEEN THE
 36 CORPORATION AND THE LICENSEE REGARDING ASSISTANCE FROM THE RACING
 37 FACILITY REDEVELOPMENT PROGRAM ATTRIBUTABLE TO THE TAKEOUT

1 ALLOCATION UNDER THIS SECTION, AND ENDING WHEN THE BONDS HAVE BEEN
 2 PAID IN FULL:

3 (1) THE ALLOCATIONS TO THAT LICENSEE UNDER § 11-515(C)(1), (D)(1),
 4 AND (E)(1) OF THIS SUBTITLE SHALL BE REDUCED BY 0.75% FOR EACH MUTUEL POOL;
 5 AND

6 (2) THE ALLOCATIONS TO THE RACING FACILITY REDEVELOPMENT
 7 BOND FUND IN § 11-515(C)(5), (D)(5), AND (E)(5) OF THIS SUBTITLE SHALL BE
 8 INCREASED BY 0.75% FOR EACH MUTUEL POOL.

9 11-613.

10 (c) If the average handle is \$600,000 or less, the takeout shall be:

11 (1) NOT MORE THAN 18.75% from each regular mutuel pool;

12 (2) NOT MORE THAN 20.75% from each multiple mutuel pool on 2 horses;

13 and

14 (3) NOT MORE THAN 26.75% from each multiple mutuel pool on 3 or more

15 horses.

16 ~~11-614.~~

17 ~~A licensee whose average handle is over \$600,000 shall:~~

18 (1) ~~allocate 0.32% of each mutuel pool to the Commission as State tax;~~

19 (2) ~~allocate for purses 0.18% of each mutuel pool, or an amount that is~~
 20 ~~otherwise agreed to by the licensee and the organization representing a majority of~~
 21 ~~the harness owners and trainers in the State, which shall provide revenue in addition~~
 22 ~~to any other funds set aside for purses by private parties;~~

23 (3) ~~allocate 0.25% of each mutuel pool to the Maryland Harness Track~~
 24 ~~Employees Pension Fund;~~

25 (4) ~~ALLOCATE 1.5% OF EACH MUTUEL POOL TO THE COMMISSION FOR~~
 26 ~~PAYMENT TO THE MARYLAND ECONOMIC DEVELOPMENT CORPORATION;~~

27 ~~[(4)] (5) keep [16.25%] 14.75% of each regular mutuel pool;~~

28 ~~[(5)] (6) keep [18.25%] 16.75% of each multiple mutuel pool on 2 horses;~~

29 ~~and~~

30 ~~[(6)] (7) keep [24.25%] 22.75% of each multiple mutuel pool on 3 or more~~

31 ~~horses.~~

1 ~~11-616.~~

2 A licensee whose average handle is \$600,000 or less shall:

3 (1) ~~allocate 0.32% of each mutuel pool to the Commission as State tax;~~

4 (2) ~~allocate for purses 0.18% of each mutuel pool, or an amount that is~~
 5 ~~otherwise agreed to by the licensee and the organization representing a majority of~~
 6 ~~the harness owners and trainers in the State, which shall provide revenue in addition~~
 7 ~~to any other funds set aside for purses by private parties;~~

8 (3) ~~subject to § 11-618 of this subtitle, allocate 0.25% of each mutuel pool~~
 9 ~~to the Maryland Harness Track Employees Pension Fund;~~

10 (4) ~~keep 18.00% of each regular mutuel pool;~~

11 (5) ~~keep 20.00% of each multiple mutuel pool on 2 horses; and~~

12 (6) ~~keep 26.00% of each multiple mutuel pool on 3 or more horses.~~

13 11-616.

14 (A) A licensee whose average handle is MORE THAN \$200,000 BUT NOT MORE
 15 THAN \$600,000 [or less] shall:

16 (1) allocate [0.50%] 0.32% of each mutuel pool to the Commission as
 17 State tax;

18 (2) subject to § 11-618 of this subtitle, allocate 0.25% of each mutuel pool
 19 to the Maryland Harness Track Employees Pension Fund;

20 (3) ALLOCATE 1.5% OF EACH MUTUEL POOL TO THE COMMISSION FOR
 21 PAYMENT TO THE RACING FACILITY REDEVELOPMENT BOND FUND;

22 (4) ALLOCATE FOR PURSES 0.18% OF EACH MUTUEL POOL, OR AN
 23 AMOUNT THAT IS OTHERWISE AGREED TO BY THE LICENSEE AND THE
 24 ORGANIZATION REPRESENTING A MAJORITY OF THE HARNESS OWNERS AND
 25 TRAINERS IN THE STATE, WHICH SHALL PROVIDE REVENUE IN ADDITION TO ANY
 26 OTHER FUNDS SET ASIDE FOR PURSES BY PRIVATE PARTIES;

27 [(3)] (5) keep [18.00%] 16.5% of each regular mutuel pool;

28 [(4)] (6) keep [20.00%] 18.5% of each multiple mutuel pool on 2 horses;
 29 and

30 [(5)] (7) keep [26.00%] 24.5% of each multiple mutuel pool on 3 or more
 31 horses.

32 (B) A LICENSEE WHOSE AVERAGE HANDLE IS \$200,000 OR LESS SHALL:

1 (1) ALLOCATE 0.32% OF EACH MUTUEL POOL TO THE COMMISSION AS A
2 STATE TAX;

3 (2) SUBJECT TO § 11-618 OF THIS SUBTITLE, ALLOCATE 0.25% OF EACH
4 MUTUEL POOL TO THE MARYLAND HARNESS TRACK EMPLOYEES PENSION FUND;

5 (3) ALLOCATE FOR PURSES 0.18% OF EACH MUTUEL POOL, OR AN
6 AMOUNT THAT IS OTHERWISE AGREED TO BY THE LICENSEE AND THE
7 ORGANIZATION REPRESENTING A MAJORITY OF THE HARNESS OWNERS AND
8 TRAINERS IN THE STATE, WHICH SHALL PROVIDE REVENUE IN ADDITION TO ANY
9 OTHER FUNDS SET ASIDE FOR PURSES BY PRIVATE PARTIES;

10 (4) KEEP 18.00% OF EACH REGULAR MUTUEL POOL;

11 (5) KEEP 20.00% OF EACH MULTIPLE MUTUEL POOL ON 2 HORSES; AND

12 (6) KEEP 26.00% OF EACH MULTIPLE MUTUEL POOL ON 3 OR MORE
13 HORSES.

14 (C) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, A
15 LICENSEE IN ALLEGANY COUNTY IS SUBJECT TO THE TAKEOUT PROVISIONS OF:

16 (1) SUBSECTION (A) OF THIS SECTION IF THE LICENSEE ELECTS TO
17 PARTICIPATE IN THE MARYLAND RACING FACILITY REDEVELOPMENT PROGRAM
18 UNDER SUBTITLE 12 OF THIS TITLE; OR

19 (2) SUBSECTION (B) OF THIS SECTION IF THE LICENSEE DOES NOT
20 ELECT TO PARTICIPATE IN THE MARYLAND RACING FACILITY REDEVELOPMENT
21 PROGRAM UNDER SUBTITLE 12 OF THIS TITLE.

22 (D) IF A LICENSEE RECEIVES ASSISTANCE FROM THE MARYLAND RACING
23 FACILITY REDEVELOPMENT PROGRAM UNDER SUBTITLE 12 OF THIS TITLE, THE
24 LICENSEE SHALL MAKE THE ALLOCATION TO THE RACING FACILITY
25 REDEVELOPMENT BOND FUND REQUIRED UNDER SUBSECTION (A) OF THIS SECTION
26 AS LONG AS THE BONDS ISSUED BY THE CORPORATION ARE OUTSTANDING.

27 **Chapter 750 of the Acts of 1997, as amended by Chapter 477 of the Acts of**
28 **1998 and Chapter 291 of the Acts of 1999**

29 ~~SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect~~
30 ~~June 1, 1997. It shall remain effective for a period of [3 years] 5 YEARS and 1 month~~
31 ~~and, at the end of [June 30, 2000] JUNE 30, 2002, with no further action required by~~
32 ~~the General Assembly, this Act shall be abrogated and of no further force and effect.~~

33 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland
34 read as follows:

Article - Business Regulation

1
2 11-402.

3 The special fund consists of:

4 (1) the State share of daily license fees;

5 (2) pari-mutuel taxes;

6 (3) the impact aid under § 11-812 of this title; AND

7 (4) [money from uncashed pari-mutuel tickets that are from bets made
8 into the betting pools of licensees; and

9 (5)] any permit fees under §§ 11-820 and 11-832 of this title.

10 11-803.

11 (a) If a winning ticket is not redeemed within 1 year, the licensee into whose
12 betting pool the bet was placed shall pay the amount needed to redeem the ticket to[

13 (1) the Maryland Standardbred Race Fund under § 11-630 of this title
14 for bets made into the betting pools of a harness licensee; or

15 (2)] the Commission, to be credited to the [Special Fund under Subtitle
16 4 of this title, for bets made into the betting pools of a nonharness licensee] RACING
17 FACILITY DEVELOPMENT REDEVELOPMENT BOND FUND UNDER SUBTITLE 12 OF
18 THIS TITLE.

19 (b) Every year for the preceding calendar year, each licensee shall:

20 (1) report to the Commission the amount payable to[the Maryland
21 Standardbred Race Fund or] the Commission under this section; and

22 (2) pay that amount to [the Maryland Standardbred Race Fund or] the
23 Commission, whichever is applicable.

24 (c) (1) The license of a licensee shall be revoked if the licensee:

25 (i) fails to report when money under this section is due; or

26 (ii) knowingly or willfully submits a report that understates the
27 amount due.

28 (2) A licensee whose license is revoked under this subsection may not
29 hold a license for at least 1 year.

30 SECTION 4. AND BE IT FURTHER ENACTED, That, in developing a racing
31 facility master plan under 11-1203 of the Business Regulation Article, each licensee
32 shall:

- 1 (1) consult with representatives from affected neighborhood community
 2 groups; and
- 3 (2) ensure that any improvements to facilities proposed in the plan are
 4 compatible with existing local ordinances.

5 SECTION ~~3~~ 5. AND BE IT FURTHER ENACTED, That ~~Section 2~~ Sections 2
 6 and 3 of this Act shall remain effective ~~for a period of 2 years and 1 month and, at the~~
 7 ~~end of June 30, 2002,~~ until the bonds issued by the Maryland Economic Development
 8 Corporation for the purposes of this Act, and the obligations thereunder, have been
 9 fully satisfied and are expired, and with no further action required by the General
 10 Assembly, ~~Section 2~~ Sections 2 and 3 of this Act shall be abrogated and of no further
 11 force and effect.

12 SECTION 6. AND BE IT FURTHER ENACTED, That:

13 (a) Notwithstanding § 9-120 of the State Government Article, after
 14 cumulative distributions of revenues from the State Lottery for fiscal year 2000 to the
 15 General Fund under § 9-120(b)(1)(ii) of the State Government Article total
 16 \$366,813,000, \$10,000,000 of the remaining revenue that would otherwise be paid to
 17 the General Fund under § 9-120(b)(1)(ii) of the State Government Article shall be
 18 distributed to a special fund that shall be created to be used in accordance with this
 19 Act only to increase purses at harness racing tracks, mile thoroughbred tracks, and
 20 Timonium Race Course and, to supplement existing bred funds ~~in accordance with~~
 21 this Act, and to improve health and ~~welfare~~ education benefits for active, disabled,
 22 and retired thoroughbred jockeys who are or have been regularly riding in the State,
 23 and their dependents *eligible persons that are licensed by the Maryland Racing*
 24 Commission.

25 (b) If lottery revenues do not provide the \$10,000,000 for the purposes
 26 specified in subsection (a) of this section, the Governor may request a deficiency
 27 appropriation during the ~~2000~~ 2001 Session to make up the difference.

28 (c) In accordance with § 7-209 of the State Finance and Procurement Article,
 29 the Governor by budgetary amendment shall allocate money from the special fund
 30 created under subsection (a) of this section in the manner specified under subsection
 31 (d) of this section.

32 (d) The amount credited to the special fund created under subsection (a) of
 33 this section shall be used as follows:

34 (1) 11% to increase the bred funds to be allocated as follows:

35 (i) 70% to the Maryland-Bred Race Fund; and

36 (ii) 30% to the Maryland Standardbred Race Fund; and

37 (2) 89% to increase purses at harness racing tracks and thoroughbred
 38 racing tracks and to contribute to the ~~Health and Welfare Trust of the Jockeys' Guild,~~
 39 ~~Inc.~~ Maryland Horsemen's Assistance Fund, Inc. to be allocated as follows:

1 (i) 70% to purses at the mile thoroughbred racing tracks and
2 Timonium, provided that \$250,000 \$100,000 shall be paid to the Health and Welfare
3 Trust maintained by Jockeys' Guild, Inc. for the purpose of providing health,
4 disability, and retirement benefits to active, disabled, or retired thoroughbred jockeys
5 who are or have been regularly riding in the State, and their dependents, in
6 accordance with eligibility criteria established by Jockeys' Guild, Inc. Maryland
7 Horsemen's Assistance Fund, Inc. for the purpose of providing health and education
8 benefits for eligible persons that are licensed by the Maryland Racing Commission;
9 and

10 (ii) 30% to purses at the harness racing tracks which shall be
11 allocated 85% for Rosecroft Raceway and 15% for Ocean Downs.

12 (e) All funds provided for purses and bred funds at harness racing racks, mile
13 thoroughbred racing tracks, and Timonium Race Course by this Act shall be in
14 addition to and may not supplant:

15 (1) Amounts allocated for purses and bred funds under current
16 agreements between the harness racing tracks and the organization that represents a
17 majority of owners and trainers of standardbred horses in the State; and

18 (2) Amounts otherwise provided in statute for purses and bred funds at
19 mile thoroughbred racing tracks and Timonium Race Course.

20 (f) The purses shall be distributed at mile thoroughbred racetracks and
21 Timonium Race Course according to a formula determined by the State Racing
22 Commission in consultation with the racetrack licensees and the organization that
23 represents a majority of owners and trainers of thoroughbred horses in the State.

24 SECTION 7. AND BE IT FURTHER ENACTED, That the racing facility master
25 plan developed by a mile thoroughbred licensee under § 11-1203 of the Business
26 Regulation Article and submitted to the Commission for approval shall include a
27 description of any proposed improvements at the Bowie Race Course Training
28 Facility. The licensee shall comply with the provisions of Section 4 of this Act in
29 developing this portion of the master plan.

30 SECTION 8. AND BE IT FURTHER ENACTED, That no funds may be made
31 available to a licensee under § 11-1206(f) of the Business Regulation Article until:

32 (1) A licensee has submitted a multiyear racing facility improvement plan
33 to the Governor; and

34 (2) The Governor approves the plan.

35 SECTION 9. AND BE IT FURTHER ENACTED, That it is the intent of the
36 General Assembly that telephone betting, as authorized under § 11-805 of the Business
37 Regulation Article, be implemented in the State in the year 2000, and that the
38 Maryland Racing Commission, subject to § 2-1246 of the State Government Article,
39 shall report to the House Committee on Ways and Means and the Senate Finance

1 Committee by August 15, 2000 on the status of regulations to administer telephone
2 betting.

3 SECTION ~~7~~ ~~8~~ 10. AND BE IT FURTHER ENACTED, That Section 6 shall
4 remain effective for a period of 1 year and, at the end of June 30, 2001, with no
5 further action required by the General Assembly, Section 6 shall be abrogated and of
6 no further force and effect.

7 SECTION ~~8~~ ~~9~~ 11. AND BE IT FURTHER ENACTED, That Section 3 of this Act
8 shall take effect July 1, 2001.

9 SECTION 4. ~~9~~ ~~10~~ 12. AND BE IT FURTHER ENACTED, That this Act,
10 except as provided in Section ~~8~~ 11 of this Act, shall take effect ~~June 1, 2000,~~
11 contingent of the taking effect of Chapter _____ (S.B. _____) (01r2538) of the Acts of the
12 General Assembly of 2000, and if Chapter _____ does not become effective, this Act
13 shall be null and void without the necessity of further action by the General Assembly
14 July 1, 2000.