

SENATE BILL 901

C7

5lr3063

By: **Senator Benson**

Introduced and read first time: March 4, 2015

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Standardbred Racing – Purse Deductions and Operating Assistance to**
3 **Rosecroft Raceway**

4 FOR the purpose of requiring that a certain organization representing standardbred
5 owners and trainers set a certain amount to be deducted from certain purses and
6 paid to the organization; repealing certain requirements concerning the rehiring of
7 certain workers and the recognition of certain collective bargaining agreements that
8 a holder of a racing license at Rosecroft Raceway must meet to obtain operating
9 assistance from the Purse Dedication Account; and generally relating to
10 standardbred racing in the State.

11 BY adding to
12 Article – Business Regulation
13 Section 11–607
14 Annotated Code of Maryland
15 (2010 Replacement Volume and 2014 Supplement)

16 BY repealing and reenacting, without amendments,
17 Article – State Government
18 Section 9–1A–28(a)
19 Annotated Code of Maryland
20 (2014 Replacement Volume)

21 BY repealing and reenacting, with amendments,
22 Article – State Government
23 Section 9–1A–28(h)
24 Annotated Code of Maryland
25 (2014 Replacement Volume)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Business Regulation**11-607.**

THE ORGANIZATION THAT REPRESENTS A MAJORITY OF THE STANDARD BRED OWNERS AND TRAINERS IN THE STATE SHALL SET AN AMOUNT NOT LESS THAN 1% BUT NOT MORE THAN 2% THAT SHALL BE:

(1) DEDUCTED FROM ALL PURSES, EXCEPT FOR THOSE OFFERED IN A RACE FUNDED BY THE MARYLAND STANDARD BRED RACE FUND; AND

(2) PAID TO THE ORGANIZATION.

Article – State Government

9-1A-28.

(a) There is a Purse Dedication Account under the authority of the State Racing Commission.

(h) (1) To obtain operating assistance under this section[:

(i)], a holder of a racing license to race at Ocean Downs Race Course or Rosecroft Raceway may apply to the Secretary of Labor, Licensing, and Regulation for the reimbursement of expenditures made by the racing licensee to conduct the annual live racing schedule[; and

(ii) a holder of a racing license to race at Rosecroft Raceway shall:

1. agree to rehire workers employed at the facility prior to the end of live racing on June 27, 2008; and

2. recognize collective bargaining agreements that were in place as of June 1, 2008].

(2) (i) On the completion of the review of the application by a certified public accountant, the Secretary may authorize the reimbursement of expenditures by the racing licensee that are necessary to conduct the annual live racing schedule.

(ii) Expenditures eligible for reimbursement under subparagraph (i) of this paragraph shall include the ordinary and reasonable costs of conducting the race meetings, pari-mutuel wagering, and stabling activities of the racing licensee, net of ordinary income and receipts.

1 (iii) The reimbursement calculation under subparagraph (ii) of this
2 paragraph may not include:

- 3 1. extraordinary income and expense-related items,
4 including extraordinary litigation expenses;
- 5 2. lobbying fees;
- 6 3. capital investments, including predevelopment costs; or
- 7 4. prior year adjustments and claims.

8 (3) All costs associated with the racing licensee's application shall be paid
9 by the racing licensee.

10 (4) In support of the racing licensee's application and request for
11 reimbursement submitted under paragraph (1) of this subsection, the racing licensee shall
12 provide to the Secretary:

13 (i) monthly financial information requested by the Secretary, in a
14 form satisfactory to the Secretary; and

15 (ii) an annual audited financial statement.

16 (5) A racing licensee may not receive assistance under this section while
17 the racing licensee is a party to a proceeding challenging the issuance or denial of a video
18 lottery operation license.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
20 1, 2015.