

HOUSE BILL 1177

C6

8lr2507

By: **Delegates Kaiser and Turner**

Introduced and read first time: February 8, 2018

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Horse Racing – Interstate Compact on Anti-Doping and Drug Testing Standards**

3 FOR the purpose of entering into the Interstate Anti-Doping and Drug Testing Standards
4 Compact; stating the purposes of the Compact; establishing the Interstate
5 Anti-Doping and Drug Testing Standards Compact Commission to administer the
6 Compact; providing for the composition, voting procedures, operation, and powers
7 and duties of the Commission; establishing certain requirements for withdrawal by
8 member states from the Compact; establishing certain procedures for the making of
9 rules by the Commission; exempting the Commission from taxation by the member
10 states; prohibiting a member state from pledging the credit of the Commission,
11 subject to a certain exception; requiring each member state to pay the expenses of
12 its delegate to the Commission; providing that a member state may not be held liable
13 for certain debts of the Commission; denying a member state any claim to
14 Commission property or funds, subject to a certain exception; providing for the
15 dissolution of the Compact under certain circumstances; providing for the
16 construction of this Act; requiring the Commission to enforce certain provisions and
17 rules of the Compact; providing for certain executive, legislative, and judicial
18 oversight of the Compact; making the provisions of the Compact severable and
19 providing for the application of the Compact; providing for the binding effect of the
20 Compact and other laws; defining certain terms; and generally relating to the
21 Interstate Anti-Doping and Drug Testing Standards Compact.

22 BY adding to

23 Article – Business Regulation

24 Section 11-1401 to be under the new subtitle “Subtitle 14. Interstate Anti-Doping
25 and Drug Testing Standards Compact”

26 Annotated Code of Maryland

27 (2015 Replacement Volume and 2017 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **Article – Business Regulation**

2 **SUBTITLE 14. INTERSTATE ANTI-DOPING AND DRUG TESTING STANDARDS**
3 **COMPACT.**

4 **11-1401.**

5 **THE INTERSTATE ANTI-DOPING AND DRUG TESTING STANDARDS COMPACT**
6 **IS ENACTED INTO LAW AND ENTERED INTO WITH ALL OTHER STATES LEGALLY**
7 **JOINING IN IT IN THE FORM SUBSTANTIALLY AS IT APPEARS IN THIS SECTION AS**
8 **FOLLOWS:**

9 **ARTICLE I. PURPOSES**

10 **THE PURPOSES OF THIS COMPACT ARE:**

11 **(A) TO ENABLE MEMBER STATES TO ACT JOINTLY AND COOPERATIVELY TO**
12 **CREATE MORE UNIFORM, EFFECTIVE, AND EFFICIENT BREED SPECIFIC RULES AND**
13 **REGULATIONS RELATING TO THE PERMITTED AND PROHIBITED USE OF DRUGS AND**
14 **MEDICATIONS FOR THE HEALTH AND WELFARE OF THE HORSE AND THE INTEGRITY**
15 **OF RACING, AND TESTING FOR SUCH SUBSTANCES, IN OR AFFECTING A MEMBER**
16 **STATE; AND**

17 **(B) TO AUTHORIZE THE MARYLAND RACING COMMISSION TO PARTICIPATE**
18 **IN THIS COMPACT.**

19 **ARTICLE II. DEFINITIONS**

20 **IN THIS COMPACT, THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

21 **(A) “COMPACT COMMISSION” MEANS THE ORGANIZATION OF DELEGATES**
22 **FROM THE MEMBER STATES THAT IS AUTHORIZED AND EMPOWERED BY THIS**
23 **COMPACT TO CARRY OUT THE PURPOSES OF THIS COMPACT.**

24 **(B) “COMPACT RULE” MEANS A RULE OR REGULATION ADOPTED BY A**
25 **MEMBER STATE REGULATING THE PERMITTED AND PROHIBITED USE OF DRUGS AND**
26 **MEDICATIONS FOR THE HEALTH AND WELFARE OF THE HORSE AND THE INTEGRITY**
27 **OF RACING, AND TESTING FOR SUCH SUBSTANCES, IN LIVE PARI-MUTUEL HORSE**
28 **RACING THAT OCCURS IN OR AFFECTS SUCH STATES.**

29 **(C) “DELEGATE” MEANS THE CHAIR OF THE MEMBER STATE RACING**
30 **COMMISSION OR SIMILAR REGULATORY BODY IN A STATE, OR SUCH PERSON’S**
31 **DESIGNEE, WHO REPRESENTS THE MEMBER STATE AS A VOTING MEMBER OF THE**

1 COMPACT COMMISSION AND ANYONE WHO IS SERVING AS SUCH PERSON'S
2 ALTERNATE.

3 (D) "EQUINE DRUG RULE" MEANS A RULE OR REGULATION THAT RELATES
4 TO THE ADMINISTRATION OF DRUGS, MEDICATIONS, OR OTHER SUBSTANCES TO A
5 HORSE THAT MAY PARTICIPATE IN LIVE HORSE RACING WITH PARI-MUTUEL
6 WAGERING INCLUDING, BUT NOT LIMITED TO, THE REGULATION OF THE
7 PERMISSIBLE USE OF SUCH SUBSTANCES TO ENSURE THE INTEGRITY OF RACING
8 AND THE HEALTH, SAFETY AND WELFARE OF RACE HORSES, APPROPRIATE
9 SANCTIONS FOR RULE VIOLATIONS, AND QUALITY LABORATORY TESTING
10 PROGRAMS TO DETECT SUCH SUBSTANCES IN THE BODILY SYSTEM OF A RACE
11 HORSE.

12 (E) "LIVE RACING" MEANS LIVE HORSE RACING WITH PARI-MUTUEL
13 WAGERING.

14 (F) "MEMBER STATE" MEANS EACH STATE THAT HAS ENACTED THIS
15 COMPACT.

16 (G) "NATIONAL INDUSTRY STAKEHOLDER" MEANS A NON-GOVERNMENTAL
17 ORGANIZATION THAT FROM A NATIONAL PERSPECTIVE SIGNIFICANTLY
18 REPRESENTS ONE (1) OR MORE CATEGORIES OF PARTICIPANTS IN LIVE RACING AND
19 PARI-MUTUEL WAGERING.

20 (H) "PARTICIPANTS IN LIVE RACING" MEANS ALL PERSONS WHO
21 PARTICIPATE IN, OPERATE, PROVIDE INDUSTRY SERVICES FOR, OR ARE INVOLVED
22 WITH LIVE RACING WITH PARI-MUTUEL WAGERING.

23 (I) "STATE" MEANS EACH OF THE SEVERAL STATES OF THE UNITED
24 STATES, THE DISTRICT OF COLUMBIA, THE COMMONWEALTH OF PUERTO RICO,
25 AND EACH TERRITORY OR POSSESSION OF THE UNITED STATES.

26 (J) "STATE RACING COMMISSION" MEANS THE STATE RACING COMMISSION,
27 OR ITS EQUIVALENT, IN EACH MEMBER STATE. WHERE A MEMBER STATE HAS MORE
28 THAN ONE, IT SHALL MEAN ALL SUCH RACING COMMISSIONS, OR THEIR
29 EQUIVALENTS.

30 **ARTICLE III. COMPOSITION AND MEETINGS OF COMPACT**
31 **COMMISSION**

32 **THE MEMBER STATES SHALL CREATE AND PARTICIPATE IN A COMPACT**
33 **COMMISSION AS FOLLOWS:**

1 **(A) THIS COMPACT SHALL COME INTO FORCE WHEN ENACTED BY ANY TWO**
2 **(2) ELIGIBLE STATES, AND SHALL THEREAFTER BECOME EFFECTIVE AS TO ANY**
3 **OTHER MEMBER STATE THAT ENACTS THIS COMPACT. ANY STATE THAT HAS**
4 **ADOPTED OR AUTHORIZED PARI-MUTUEL WAGERING OR LIVE HORSE RACING SHALL**
5 **BE ELIGIBLE TO BECOME A PARTY TO THIS COMPACT. A COMPACT RULE SHALL NOT**
6 **BECOME EFFECTIVE IN A NEW MEMBER STATE BASED MERELY UPON IT ENTERING**
7 **THE COMPACT.**

8 **(B) THE MEMBER STATES HEREBY CREATE THE INTERSTATE ANTI-DOPING**
9 **AND DRUG TESTING STANDARDS COMPACT COMMISSION, A BODY CORPORATE AND**
10 **AN INTERSTATE GOVERNMENTAL ENTITY OF THE MEMBER STATES, TO COORDINATE**
11 **THE RULE MAKING ACTIONS OF EACH MEMBER STATE RACING COMMISSION**
12 **THROUGH A COMPACT COMMISSION.**

13 **(C) THE COMPACT COMMISSION SHALL CONSIST OF ONE DELEGATE, THE**
14 **CHAIR OF THE STATE RACING COMMISSION OR SUCH PERSON'S DESIGNEE, FROM**
15 **EACH MEMBER STATE. WHEN A DELEGATE IS NOT PRESENT TO PERFORM ANY DUTY**
16 **IN THE COMPACT COMMISSION, A DESIGNATED ALTERNATE MAY SERVE. THE**
17 **PERSON WHO REPRESENTS A MEMBER STATE IN THE COMPACT COMMISSION SHALL**
18 **SERVE AND PERFORM SUCH DUTIES WITHOUT COMPENSATION OR REMUNERATION;**
19 **PROVIDED, THAT SUBJECT TO THE AVAILABILITY OF BUDGETED FUNDS, EACH MAY**
20 **BE REIMBURSED FOR ORDINARY AND NECESSARY COSTS AND EXPENSES. THE**
21 **DESIGNATION OF A DELEGATE, INCLUDING THE ALTERNATE, SHALL BE EFFECTIVE**
22 **WHEN WRITTEN NOTICE HAS BEEN PROVIDED TO THE COMPACT COMMISSION. THE**
23 **DELEGATE, INCLUDING THE ALTERNATE, MUST BE A MEMBER OR EMPLOYEE OF THE**
24 **STATE RACING COMMISSION.**

25 **(D) THE COMPACT DELEGATE FROM EACH STATE SHALL PARTICIPATE AS**
26 **AN AGENT OF THE STATE RACING COMMISSION. EACH DELEGATE SHALL HAVE THE**
27 **ASSISTANCE OF THE STATE RACING COMMISSION IN REGARD TO ALL DECISION**
28 **MAKING AND ACTIONS OF THE STATE IN AND THROUGH THE COMPACT COMMISSION.**

29 **(E) EACH MEMBER STATE, BY ITS DELEGATE, SHALL BE ENTITLED TO ONE**
30 **VOTE IN THE COMPACT COMMISSION. A SUPER MAJORITY AFFIRMATIVE VOTE OF**
31 **EIGHTY PERCENT (80%) OF THE TOTAL NUMBER OF DELEGATES SHALL BE**
32 **REQUIRED TO PROPOSE A COMPACT RULE, RECEIVE AND DISTRIBUTE ANY FUNDS**
33 **AND TO ADOPT, AMEND, OR RESCIND THE BY-LAWS. A COMPACT RULE SHALL TAKE**
34 **EFFECT IN AND FOR EACH MEMBER STATE WHEN ADOPTED BY A SUPER MAJORITY**
35 **AFFIRMATIVE VOTE OF EIGHTY PERCENT (80%) OF THE TOTAL NUMBER OF MEMBER**
36 **STATES. OTHER COMPACT ACTIONS SHALL REQUIRE A MAJORITY VOTE OF THE**
37 **DELEGATES WHO ARE MEETING.**

38 **(F) MEETINGS AND VOTES OF THE COMPACT COMMISSION MAY BE**

1 CONDUCTED IN PERSON OR BY TELEPHONE OR OTHER ELECTRONIC
2 COMMUNICATION. MEETINGS MAY BE CALLED BY THE CHAIR OF THE COMPACT
3 COMMISSION OR BY ANY TWO (2) DELEGATES. REASONABLE NOTICE OF EACH
4 MEETING SHALL BE PROVIDED TO ALL DELEGATES SERVING IN THE COMPACT
5 COMMISSION.

6 (G) NO ACTION MAY BE TAKEN AT A COMPACT COMMISSION MEETING
7 UNLESS THERE IS A QUORUM, WHICH IS EITHER A MAJORITY OF THE DELEGATES IN
8 THE COMPACT COMMISSION, OR WHERE APPLICABLE, ALL THE DELEGATES FROM
9 ANY MEMBER STATES WHO PROPOSE OR ARE VOTING AFFIRMATIVELY TO ADOPT A
10 COMPACT RULE.

11 (H) ONCE EFFECTIVE, THE COMPACT SHALL CONTINUE IN FORCE AND
12 REMAIN BINDING ACCORDING TO ITS TERMS UPON EACH MEMBER STATE; PROVIDED
13 THAT, A MEMBER STATE MAY WITHDRAW FROM THE COMPACT BY REPEALING THE
14 STATUTE THAT ENACTED THE COMPACT INTO LAW. THE RACING COMMISSION OF A
15 WITHDRAWING STATE SHALL GIVE WRITTEN NOTICE OF SUCH WITHDRAWAL TO THE
16 COMPACT CHAIR , WHO SHALL NOTIFY THE MEMBER STATE RACING COMMISSIONS.
17 A WITHDRAWING STATE SHALL REMAIN RESPONSIBLE FOR ANY UNFULFILLED
18 OBLIGATIONS AND LIABILITIES. THE EFFECTIVE DATE OF WITHDRAWAL FROM THE
19 COMPACT SHALL BE THE EFFECTIVE DATE OF THE REPEAL.

20 ARTICLE IV. OPERATION OF COMPACT COMMISSION

21 THE COMPACT COMMISSION IS HEREBY GRANTED, SO THAT IT MAY BE AN
22 EFFECTIVE MEANS TO PURSUE AND ACHIEVE THE PURPOSES OF EACH MEMBER
23 STATE IN THIS COMPACT, THE POWER AND DUTY:

24 (A) TO ADOPT, AMEND, AND RESCIND BY-LAWS TO GOVERN ITS CONDUCT,
25 AS MAY BE NECESSARY OR APPROPRIATE TO CARRY OUT THE PURPOSES OF THE
26 COMPACT; TO PUBLISH THEM IN A CONVENIENT FORM; AND TO FILE A COPY OF THEM
27 WITH THE STATE RACING COMMISSION OF EACH MEMBER STATE;

28 (B) TO ELECT ANNUALLY FROM AMONG THE DELEGATES (INCLUDING
29 ALTERNATES) A CHAIR, VICE-CHAIR, AND TREASURER WITH SUCH AUTHORITY AND
30 DUTIES AS MAY BE SPECIFIED IN THE BY-LAWS;

31 (C) TO ESTABLISH AND APPOINT COMMITTEES WHICH IT DEEMS NECESSARY
32 FOR THE CARRYING OUT OF ITS FUNCTIONS, INCLUDING ADVISORY COMMITTEES
33 WHICH SHALL BE COMPRISED OF NATIONAL INDUSTRY STAKEHOLDERS AND
34 ORGANIZATIONS AND SUCH OTHER PERSONS AS MAY BE DESIGNATED IN
35 ACCORDANCE WITH THE BY-LAWS, TO OBTAIN THEIR TIMELY AND MEANINGFUL
36 INPUT INTO THE COMPACT RULE MAKING PROCESSES;

1 **(D)** TO ESTABLISH AN EXECUTIVE COMMITTEE, WITH MEMBERSHIP
2 ESTABLISHED IN THE BY-LAWS, WHICH SHALL OVERSEE THE DAY-TO-DAY
3 ACTIVITIES OF COMPACT ADMINISTRATION AND MANAGEMENT BY THE EXECUTIVE
4 DIRECTOR AND STAFF; HIRE AND FIRE AS MAY BE NECESSARY AFTER
5 CONSULTATION WITH THE COMPACT COMMISSION; ADMINISTER AND ENFORCE
6 COMPLIANCE WITH THE PROVISIONS, BY-LAWS, AND RULES OF THE COMPACT; AND
7 PERFORM SUCH OTHER DUTIES AS THE BY-LAWS MAY ESTABLISH;

8 **(E)** TO CREATE, APPOINT, AND ABOLISH ALL THOSE OFFICES,
9 EMPLOYMENTS, AND POSITIONS, INCLUDING AN EXECUTIVE DIRECTOR, USEFUL TO
10 FULFILL ITS PURPOSES;

11 **(F)** TO DELEGATE DAY-TO-DAY MANAGEMENT AND ADMINISTRATION OF ITS
12 DUTIES, AS NEEDED, TO AN EXECUTIVE DIRECTOR AND SUPPORT STAFF; AND

13 **(G)** TO ADOPT AN ANNUAL BUDGET SUFFICIENT TO PROVIDE FOR THE
14 PAYMENT OF THE REASONABLE EXPENSES OF ITS ESTABLISHMENT, ORGANIZATION,
15 AND ONGOING ACTIVITIES; PROVIDED, THAT THE BUDGET SHALL BE FUNDED BY
16 ONLY VOLUNTARY CONTRIBUTIONS.

17 **ARTICLE V. GENERAL POWERS AND DUTIES**

18 **TO ALLOW EACH MEMBER STATE, AS AND WHEN IT CHOOSES, TO ACHIEVE THE**
19 **PURPOSE OF THIS COMPACT THROUGH JOINT AND COOPERATIVE ACTION, THE**
20 **MEMBER STATES ARE HEREBY GRANTED THE POWER AND DUTY, BY AND THROUGH**
21 **THE COMPACT COMMISSION:**

22 **(A)** TO ACT JOINTLY AND COOPERATIVELY TO CREATE A MORE EQUITABLE
23 AND UNIFORM PARI-MUTUEL RACING AND WAGERING INTERSTATE REGULATORY
24 FRAMEWORK BY THE ADOPTION OF STANDARDIZED RULES FOR THE PERMITTED
25 AND PROHIBITED USE OF DRUGS AND MEDICATIONS FOR THE HEALTH, AND
26 WELFARE OF THE HORSE AND THE INTEGRITY OF RACING, INCLUDING RULES
27 GOVERNING THE USE OF DRUGS AND MEDICATIONS AND DRUG TESTING;

28 **(B)** TO COLLABORATE WITH NATIONAL INDUSTRY STAKEHOLDERS AND
29 INDUSTRY ORGANIZATIONS, INCLUDING THE ASSOCIATION OF RACING
30 COMMISSIONERS INTERNATIONAL, INC. AND THE RACING MEDICATION AND
31 TESTING CONSORTIUM, IN THE DESIGN AND IMPLEMENTATION OF COMPACT RULES
32 IN A MANNER THAT SERVES THE BEST INTERESTS OF RACING; AND

33 **(C)** TO PROPOSE AND ADOPT BREED SPECIFIC COMPACT EQUINE DRUGS
34 AND MEDICATIONS RULES FOR THE HEALTH, AND WELFARE OF THE HORSE,

1 INCLUDING RULES GOVERNING THE PERMITTED AND PROHIBITED USE OF DRUGS
2 AND MEDICATIONS AND DRUG TESTING, WHICH SHALL HAVE THE FORCE AND
3 EFFECT OF STATE RULES OR REGULATIONS IN THE MEMBER STATES, TO GOVERN
4 LIVE PARI-MUTUEL HORSE RACING.

5 ARTICLE VI. OTHER POWERS AND DUTIES

6 THE COMPACT COMMISSION MAY EXERCISE SUCH INCIDENTAL POWERS AND
7 DUTIES AS MAY BE NECESSARY AND PROPER FOR IT TO FUNCTION IN A USEFUL
8 MANNER, INCLUDING BUT NOT LIMITED TO THE POWER AND DUTY:

9 (A) TO ENTER INTO CONTRACTS AND AGREEMENTS WITH GOVERNMENTAL
10 AGENCIES AND OTHER PERSONS, INCLUDING OFFICERS AND EMPLOYEES OF A
11 MEMBER STATE, TO PROVIDE PERSONAL SERVICES FOR ITS ACTIVITIES AND SUCH
12 OTHER SERVICES AS MAY BE NECESSARY;

13 (B) TO BORROW, ACCEPT, AND CONTRACT FOR THE SERVICES OF
14 PERSONNEL FROM ANY STATE, FEDERAL, OR OTHER GOVERNMENTAL AGENCY, OR
15 FROM ANY OTHER PERSON OR ENTITY;

16 (C) TO RECEIVE INFORMATION FROM AND TO PROVIDE INFORMATION TO
17 EACH MEMBER STATE RACING COMMISSION, INCLUDING ITS OFFICERS AND STAFF,
18 ON SUCH TERMS AND CONDITIONS AS MAY BE ESTABLISHED IN THE BY-LAWS;

19 (D) TO ACQUIRE, HOLD, AND DISPOSE OF ANY REAL OR PERSONAL
20 PROPERTY BY GIFT, GRANT, PURCHASE, LEASE, LICENSE, AND SIMILAR MEANS AND
21 TO RECEIVE ADDITIONAL FUNDS THROUGH GIFTS, GRANTS, AND APPROPRIATIONS;

22 (E) WHEN AUTHORIZED BY A COMPACT RULE, TO CONDUCT HEARINGS AND
23 RENDER REPORTS AND ADVISORY DECISIONS AND ORDERS; AND

24 (F) TO ESTABLISH IN THE BY-LAWS THE REQUIREMENTS THAT SHALL
25 DESCRIBE AND GOVERN ITS DUTIES TO CONDUCT OPEN OR PUBLIC MEETINGS AND
26 TO PROVIDE PUBLIC ACCESS TO COMPACT RECORDS AND INFORMATION.

27 ARTICLE VII. COMPACT RULE MAKING

28 IN THE EXERCISE OF ITS RULE MAKING AUTHORITY, THE COMPACT
29 COMMISSION SHALL:

30 (A) ENGAGE IN FORMAL RULE MAKING PURSUANT TO A PROCESS THAT
31 SUBSTANTIALLY CONFORMS TO THE MODEL STATE ADMINISTRATIVE PROCEDURE
32 ACT OF 1981 AS AMENDED, AS MAY BE APPROPRIATE TO THE ACTIONS AND

1 OPERATIONS OF THE COMPACT COMMISSION;

2 (B) GATHER INFORMATION AND ENGAGE IN DISCUSSIONS WITH ADVISORY
3 COMMITTEES, NATIONAL INDUSTRY STAKEHOLDERS, AND OTHERS, INCLUDING AN
4 OPPORTUNITY FOR INDUSTRY ORGANIZATIONS TO SUBMIT INPUT TO MEMBER
5 STATE RACING COMMISSIONS ON THE STATE LEVEL, TO FOSTER, PROMOTE AND
6 CONDUCT A COLLABORATIVE APPROACH IN THE DESIGN AND ADVANCEMENT OF
7 COMPACT RULES IN A MANNER THAT SERVES THE BEST INTERESTS OF RACING AND
8 AS ESTABLISHED IN THE BY-LAWS;

9 (C) DIRECT THE PUBLICATION IN EACH MEMBER STATE OF EACH EQUINE
10 DRUG RULE PROPOSED BY THE COMPACT COMMISSION, CONDUCT A REVIEW OF
11 PUBLIC COMMENTS RECEIVED BY EACH MEMBER STATE RACING COMMISSION AND
12 THE COMPACT COMMISSION IN RESPONSE TO THE PUBLICATION OF ITS RULE
13 MAKING PROPOSALS, CONSULT WITH NATIONAL INDUSTRY STAKEHOLDERS AND
14 PARTICIPANTS IN LIVE RACING WITH REGARD TO SUCH PROCESS AND ANY
15 REVISIONS TO THE COMPACT RULE PROPOSAL, AND MEET UPON THE COMPLETION
16 OF THE PUBLIC COMMENT PERIOD TO CONDUCT A VOTE ON THE ADOPTION OF THE
17 PROPOSED COMPACT RULE AS A STATE RULE IN THE MEMBER STATES. THE SUPER
18 MAJORITY AFFIRMATIVE VOTE OF EIGHTY PERCENT (80%) OF THE MEMBER
19 DELEGATES FOR A PROPOSED COMPACT RULE SHALL BE NECESSARY AND
20 SUFFICIENT TO ADOPT, AMEND, OR RESCIND A COMPACT RULE AS APPLICABLE TO
21 THE MEMBER STATES; AND

22 (D) HAVE A STANDING COMMITTEE THAT REVIEWS AT LEAST QUARTERLY
23 THE PARTICIPATION IN AND VALUE OF COMPACT RULES AND, WHEN IT DETERMINES
24 THAT A REVISION IS APPROPRIATE OR WHEN REQUESTED TO BY ANY MEMBER
25 STATE, SUBMITS A REVISING PROPOSED COMPACT RULE. TO THE EXTENT A
26 REVISION WOULD ONLY ADD OR REMOVE A MEMBER STATE OR STATES FROM WHERE
27 A COMPACT RULE HAS BEEN ADOPTED, THE VOTE REQUIRED BY THIS ARTICLE
28 SHALL BE REQUIRED OF ONLY SUCH STATE OR STATES. THE STANDING COMMITTEE
29 SHALL GATHER INFORMATION AND ENGAGE IN DISCUSSIONS WITH NATIONAL
30 INDUSTRY STAKEHOLDERS, WHO MAY ALSO DIRECTLY RECOMMEND A COMPACT
31 RULE PROPOSAL OR REVISION TO THE COMPACT COMMITTEE.

32 ARTICLE VIII. STATUS AND RELATIONSHIP TO MEMBER STATES

33 (A) THE COMPACT COMMISSION, AS AN INTERSTATE GOVERNMENTAL
34 ENTITY, SHALL BE EXEMPT FROM ALL TAXATION IN AND BY THE MEMBER STATES.

35 (B) THE COMPACT COMMISSION SHALL NOT PLEDGE THE CREDIT OF ANY
36 MEMBER STATE EXCEPT BY AND WITH THE APPROPRIATE LEGAL AUTHORITY OF
37 THAT STATE.

1 **(C)** EACH MEMBER STATE SHALL REIMBURSE OR OTHERWISE PAY THE
2 EXPENSES OF ITS DELEGATE, INCLUDING ANY ALTERNATE, IN THE COMPACT
3 COMMISSION.

4 **(D)** NO MEMBER STATE, EXCEPT AS PROVIDED IN ARTICLE XI OF THIS
5 COMPACT, SHALL BE HELD LIABLE FOR THE DEBTS OR OTHER FINANCIAL
6 OBLIGATIONS INCURRED BY THE COMPACT COMMISSION.

7 **(E)** NO MEMBER STATE SHALL HAVE, WHILE IT PARTICIPATES IN THE
8 COMPACT COMMISSION, ANY CLAIM TO OR OWNERSHIP OF ANY PROPERTY HELD BY
9 OR VESTED IN THE COMPACT COMMISSION OR TO ANY COMPACT COMMISSION
10 FUNDS HELD PURSUANT TO THIS COMPACT EXCEPT FOR STATE LICENSE OR OTHER
11 FEES OR MONEYS COLLECTED BY THE COMPACT COMMISSION AS ITS AGENT.

12 **(F)** THE COMPACT DISSOLVES UPON THE DATE OF THE WITHDRAWAL OF
13 THE MEMBER STATE THAT REDUCES MEMBERSHIP IN THE COMPACT TO ONE (1)
14 STATE. UPON DISSOLUTION, THE COMPACT BECOMES NULL AND VOID AND SHALL
15 BE OF NO FURTHER FORCE OR EFFECT, ALTHOUGH EQUINE DRUG RULES ADOPTED
16 THROUGH THIS COMPACT SHALL REMAIN RULES IN EACH MEMBER STATE THAT HAD
17 ADOPTED THEM, AND THE BUSINESS AND AFFAIRS OF THE COMPACT SHALL BE
18 CONCLUDED AND ANY SURPLUS FUNDS SHALL BE DISTRIBUTED TO THE FORMER
19 MEMBER STATES IN ACCORDANCE WITH THE BY-LAWS.

20 **ARTICLE IX. RIGHTS AND RESPONSIBILITIES OF MEMBER STATES**

21 **(A)** EACH MEMBER STATE IN THE COMPACT SHALL ACCEPT THE DECISIONS,
22 DULY APPLICABLE TO IT, OF THE COMPACT COMMISSION IN REGARD TO COMPACT
23 RULES AND RULE MAKING.

24 **(B)** THIS COMPACT SHALL NOT BE CONSTRUED TO DIMINISH OR LIMIT THE
25 POWERS AND RESPONSIBILITIES OF THE MEMBER STATE RACING COMMISSION OR
26 SIMILAR REGULATORY BODY, OR TO INVALIDATE ANY ACTION IT HAS PREVIOUSLY
27 TAKEN, EXCEPT TO THE EXTENT IT HAS, BY ITS COMPACT DELEGATE, EXPRESSED
28 ITS CONSENT TO A SPECIFIC RULE OR OTHER ACTION OF THE COMPACT
29 COMMISSION. THE COMPACT DELEGATE FROM EACH STATE SHALL SERVE AS THE
30 AGENT OF THE STATE RACING COMMISSION AND SHALL POSSESS SUBSTANTIAL
31 KNOWLEDGE AND EXPERIENCE AS A REGULATOR OR PARTICIPANT IN THE HORSE
32 RACING INDUSTRY.

33 **ARTICLE X. ENFORCEMENT OF COMPACT**

34 **(A)** THE COMPACT COMMISSION SHALL HAVE STANDING TO INTERVENE IN
35 ANY LEGAL ACTION THAT PERTAINS TO THE SUBJECT MATTER OF THE COMPACT

1 AND MIGHT AFFECT ITS POWERS, DUTIES, OR ACTIONS.

2 (B) THE COURTS AND EXECUTIVE IN EACH MEMBER STATE SHALL ENFORCE
3 THE COMPACT AND TAKE ALL ACTIONS NECESSARY AND APPROPRIATE TO
4 EFFECTUATE ITS PURPOSES AND INTENT. COMPACT PROVISIONS, BY-LAWS, AND
5 RULES SHALL BE RECEIVED BY ALL JUDGES, DEPARTMENTS, AGENCIES, BODIES,
6 AND OFFICERS OF EACH MEMBER STATE AND ITS POLITICAL SUBDIVISIONS AS
7 EVIDENCE OF THEM.

8 **ARTICLE XI. LEGAL ACTIONS AGAINST COMPACT**

9 (A) ANY PERSON MAY COMMENCE A CLAIM, ACTION, OR PROCEEDING
10 AGAINST THE COMPACT COMMISSION IN STATE COURT FOR DAMAGES. THE
11 COMPACT COMMISSION SHALL HAVE THE BENEFIT OF THE SAME LIMITS OF
12 LIABILITY, DEFENSES, RIGHTS TO INDEMNITY AND DEFENSE BY THE STATE, AND
13 OTHER LEGAL RIGHTS AND DEFENSES FOR NON-COMPACT MATTERS OF THE STATE
14 RACING COMMISSION IN THE STATE. ALL LEGAL RIGHTS AND DEFENSES THAT ARISE
15 FROM THIS COMPACT SHALL ALSO BE AVAILABLE TO THE COMPACT COMMISSION.

16 (B) A COMPACT DELEGATE, ALTERNATE, OR OTHER MEMBER OR EMPLOYEE
17 OF A STATE RACING COMMISSION WHO UNDERTAKES COMPACT ACTIVITIES OR
18 DUTIES DOES SO IN THE COURSE OF BUSINESS OF THEIR STATE RACING
19 COMMISSION, AND SHALL HAVE THE BENEFIT OF THE SAME LIMITS OF LIABILITY,
20 DEFENSES, RIGHTS TO INDEMNITY AND DEFENSE BY THE STATE, AND OTHER LEGAL
21 RIGHTS AND DEFENSES FOR NON-COMPACT MATTERS OF STATE EMPLOYEES IN
22 THEIR STATE. THE EXECUTIVE DIRECTOR AND OTHER EMPLOYEES OF THE
23 COMPACT COMMISSION SHALL HAVE THE BENEFIT OF THESE SAME LEGAL RIGHTS
24 AND DEFENSES OF STATE EMPLOYEES IN THE MEMBER STATE IN WHICH THEY ARE
25 PRIMARILY EMPLOYED. ALL LEGAL RIGHTS AND DEFENSES THAT ARISE FROM THIS
26 COMPACT SHALL ALSO BE AVAILABLE TO THEM.

27 (C) EACH MEMBER STATE SHALL BE LIABLE FOR AND PAY JUDGMENTS
28 FILED AGAINST THE COMPACT COMMISSION TO THE EXTENT RELATED TO ITS
29 PARTICIPATION IN THE COMPACT. WHERE LIABILITY ARISES FROM ACTION
30 UNDERTAKEN JOINTLY WITH OTHER MEMBER STATES, THE LIABILITY SHALL BE
31 DIVIDED EQUALLY AMONG THE STATES FOR WHOM THE APPLICABLE ACTION OR
32 OMISSION OF THE EXECUTIVE DIRECTOR OR OTHER EMPLOYEES OF THE COMPACT
33 COMMISSION WAS UNDERTAKEN; AND NO MEMBER STATE SHALL CONTRIBUTE TO OR
34 PAY, OR BE JOINTLY OR SEVERALLY OR OTHERWISE LIABLE FOR, ANY PART OF ANY
35 JUDGMENT BEYOND ITS SHARE AS DETERMINED IN ACCORDANCE WITH THIS
36 ARTICLE.

37 **ARTICLE XII. RESTRICTIONS ON AUTHORITY**

1 **MARYLAND SUBSTANTIVE STATE LAWS APPLICABLE TO PARI-MUTUEL HORSE**
2 **RACING AND WAGERING SHALL REMAIN IN FULL FORCE AND EFFECT.**

3 **ARTICLE XIII. CONSTRUCTION, SAVING, AND SEVERABILITY**

4 **(A) THIS COMPACT SHALL BE LIBERALLY CONSTRUED SO AS TO**
5 **EFFECTUATE ITS PURPOSES. THE PROVISIONS OF THIS COMPACT SHALL BE**
6 **SEVERABLE AND IF ANY PHRASE, CLAUSE, SENTENCE, OR PROVISION OF THIS**
7 **COMPACT IS DECLARED TO BE CONTRARY TO THE CONSTITUTION OF THE UNITED**
8 **STATES OR OF ANY MEMBER STATE, OR THE APPLICABILITY OF THIS COMPACT TO**
9 **ANY GOVERNMENT, AGENCY, PERSON, OR CIRCUMSTANCE IS HELD INVALID, THE**
10 **VALIDITY OF THE REMAINDER OF THIS COMPACT AND ITS APPLICABILITY TO ANY**
11 **GOVERNMENT, AGENCY, PERSON, OR CIRCUMSTANCE SHALL NOT BE AFFECTED. IF**
12 **ALL OR SOME PORTION OF THIS COMPACT IS HELD TO BE CONTRARY TO THE**
13 **CONSTITUTION OF ANY MEMBER STATE, THE COMPACT SHALL REMAIN IN FULL**
14 **FORCE AND EFFECT AS TO THE REMAINING MEMBER STATES AND IN FULL FORCE**
15 **AND EFFECT AS TO THE STATE AFFECTED AS TO ALL SEVERABLE MATTERS.**

16 **(B) IN THE EVENT OF ANY ALLEGATION, FINDING, OR RULING AGAINST THE**
17 **COMPACT OR ITS PROCEDURES OR ACTIONS, PROVIDED THAT A MEMBER STATE HAS**
18 **FOLLOWED THE COMPACT'S STATED PROCEDURES, ANY RULE IT PURPORTED TO**
19 **ADOPT USING THE PROCEDURES OF THIS STATUTE SHALL CONSTITUTE A DULY**
20 **ADOPTED AND VALID STATE RULE.**

21 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect**
22 **October 1, 2018.**