

# HOUSE BILL 1721

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CF SB 1158

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By: **Delegate Walker**

Introduced and read first time: February 19, 2018

Assigned to: Rules and Executive Nominations

Re-referred to: Ways and Means, March 5, 2018

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Committee Report: Favorable

House action: Adopted

Read second time: March 12, 2018

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Horse Racing – Maryland International and Preakness Stakes Incentives –**  
3 **Modifications**

4 FOR the purpose of altering the amount available for a purse for the Maryland  
5 International thoroughbred race; specifying that the Maryland International is a  
6 graded stakes; authorizing, with the approval of the State Racing Commission, a  
7 certain race; requiring that certain money distributed to the Racing Special Fund  
8 and paid for certain purposes remain available for certain purposes; repealing  
9 certain requirements that certain lottery revenues be deposited in the Racing Special  
10 Fund; making a conforming change; providing for a delayed effective date for certain  
11 provisions of this Act; and generally relating to the Maryland International  
12 thoroughbred race and Preakness Stakes.

13 BY repealing and reenacting, with amendments,  
14 Article – Business Regulation  
15 Section 11–403(a)(9) and 11–522.1(a)  
16 Annotated Code of Maryland  
17 (2015 Replacement Volume and 2017 Supplement)

18 BY repealing and reenacting, without amendments,  
19 Article – Business Regulation  
20 Section 11–403(b)  
21 Annotated Code of Maryland  
22 (2015 Replacement Volume and 2017 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 BY repealing and reenacting, with amendments,  
2 Chapter 727 of the Acts of the General Assembly of 2016  
3 Section 2

4 BY adding to  
5 Article – Business Regulation  
6 Section 11–403(d)  
7 Annotated Code of Maryland  
8 (2015 Replacement Volume and 2017 Supplement)

9 BY repealing and reenacting, with amendments,  
10 Article – State Government  
11 Section 9–120(b)  
12 Annotated Code of Maryland  
13 (2014 Replacement Volume and 2017 Supplement)

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

16 **Article – Business Regulation**

17 11–403.

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

19 (9) beginning July 1, 2017, from the money distributed under § 9–120(b) of  
20 the State Government Article:

21 (i) **UP TO** \$500,000 to a purse for the Maryland International  
22 thoroughbred race under § 11–522.1 of this title;

23 (ii) \$350,000 to the Maryland Office of Sports Marketing in the  
24 Maryland Stadium Authority for incentive grants for youth and amateur sporting events;  
25 and

26 (iii) \$150,000 to the Maryland Humanities Council for Maryland  
27 History Day and other programming.

28 (b) (1) In fiscal year 2017, the Comptroller shall pay, from the money  
29 distributed to the Special Fund, \$500,000 to the Maryland Racing Commission to be used,  
30 in a manner determined by the Maryland Racing Commission, for a bonus award program  
31 for Maryland–bred or Maryland–sired horses running in the Preakness Stakes.

32 (2) The Maryland Racing Commission shall consult with representatives of  
33 the thoroughbred racing industry prior to establishing the rules and criteria for the bonus  
34 award program.

1 (3) If, under the rules of the bonus award program, funds remain in the  
2 program after the Preakness Stakes is conducted on one or more occasions, remaining funds  
3 shall carry over to the next fiscal year and may not revert to the General Fund.

4 11-522.1.

5 (a) (1) There is a Maryland International thoroughbred race conducted by a  
6 licensee at Laurel Park.

7 (2) The Maryland International is a [Grade 1] **GRADED** stakes race run on  
8 a turf track.

### 9 Chapter 727 of the Acts of 2016

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
11 1, 2016. [It shall remain effective for a period of 3 years and, at the end of June 30, 2019,  
12 with no further action required by the General Assembly, this Act shall be abrogated and  
13 of no further force and effect.]

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

### 16 Article – Business Regulation

17 11-403.

18 (D) ANY AMOUNTS PAID BY THE COMPTROLLER FOR THE PURPOSES  
19 SPECIFIED UNDER SUBSECTIONS (A)(9) AND (B) OF THIS SECTION SHALL REMAIN  
20 AVAILABLE FOR THOSE PURPOSES AND MAY NOT BE USED FOR ANY OTHER  
21 PURPOSE.

### 22 Article – State Government

23 9-120.

24 (b) (1) By the end of the month following collection, the Comptroller shall  
25 deposit or cause to be deposited:

26 (i) into the Maryland Stadium Facilities Fund established under §  
27 7-312 of the State Finance and Procurement Article from the money that remains in the  
28 State Lottery Fund, after the distribution under subsection (a) of this section, an amount  
29 not to exceed \$20,000,000 in any fiscal year;

30 (ii) after June 30, 2014, into the Maryland Veterans Trust Fund 10%  
31 of the money that remains in the State Lottery Fund from the proceeds of sales of tickets

1 from instant ticket lottery machines by veterans' organizations under § 9–112(d) of this  
2 subtitle, after the distribution under subsection (a) of this section;

3 (iii) after June 30, 2014, into the Baltimore City Public School  
4 Construction Financing Fund established under § 10–656 of the Economic Development  
5 Article the money that remains in the State Lottery Fund from the proceeds of all lotteries  
6 after the distributions under subsection (a) of this section and items (i) and (ii) of this  
7 paragraph, an amount equal to \$20,000,000 in each fiscal year that bonds are outstanding  
8 and unpaid, to be paid in two installments with at least \$10,000,000 paid no later than  
9 December 1 of each fiscal year; **AND**

10 (iv) [after June 30, 2016, into the Racing Special Fund established  
11 under § 11–401 of the Business Regulation Article from money that remains in the State  
12 Lottery Fund after the distributions under subsection (a) of this section and items (i), (ii),  
13 and (iii) of this paragraph, an amount equal to \$500,000;

14 (v) after June 30, 2017, into the Racing Special Fund established  
15 under § 11–401 of the Business Regulation Article from money that remains in the State  
16 Lottery Fund after the distributions under subsection (a) of this section and items (i), (ii),  
17 (iii), and (iv) of this paragraph, an amount equal to \$1,000,000 in each fiscal year; and

18 (vi)] into the General Fund of the State the money that remains in the  
19 State Lottery Fund from the proceeds of all lotteries after the distributions under  
20 subsection (a) of this section and items (i), (ii), **AND** (iii)[, (iv), and (v)] of this paragraph.

21 (2) The money paid into the General Fund under this subsection is  
22 available in the fiscal year in which the money accumulates in the State Lottery Fund.

23 SECTION 3. **AND BE IT FURTHER ENACTED**, That Section 2 of this Act shall take  
24 effect July 1, 2019.

25 SECTION 4. **AND BE IT FURTHER ENACTED**, That, except as provided in Section  
26 3 of this Act, this Act shall take effect July 1, 2018.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.