

BY: Committee on Ways and Means

AMENDMENTS TO SENATE BILL NO. 813

(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 9, after “circumstances;” insert “authorizing the Commission and the Corporation to deny the issuance of certain bonds under certain circumstances;”; in line 14, after “licensees” insert “; providing for the distribution of certain funds if certain bonds are not issued”; strike beginning with “requiring” in line 16 down through “circumstances;” in line 17; strike beginning with “to” in line 23 down through “retirement” in line 24 and substitute “for certain”; and strike beginning with “active,” in line 24 down through “jockeys” in line 25 and substitute “persons”.

On page 2, strike beginning with “repealing” in line 11 down through “betting” in line 13; in line 20, after “circumstances;” insert “requiring the Maryland Racing Commission to submit a certain report to the General Assembly by a certain date;”; in line 27, strike “11-804.1,”; in the same line, after “11-804.2” insert “and”; in line 28, strike “11-811(d) and” and substitute “11-811”; in the same line, strike “, and 11-825(a)”; and in line 39, after “11-515.2” insert “11-515.3,”.

On page 3, in line 9, after “11-521,” insert “and”; in the same line, strike “, 11-804(e), and 11-811(f)”; and after line 23, insert:

“BY repealing and reenacting, without amendments,

Article - Business Regulation

Section 11-804(e), 11-804.1, 11-811(d) and (f), and 11-825(a)

Annotated Code of Maryland

(1998 Replacement Volume and 1999 Supplement)”.

AMENDMENT NO. 2

On page 7, in line 25, after “RACING” insert “FACILITY”.

On page 14, in line 22, strike “§ 11-616” and substitute “§ 11-1206”.

(Over)

AMENDMENT NO. 3

On page 10, in line 32, strike the bracket.

On page 11, in lines 2, 8, and 13, strike the brackets; in line 13, strike "AS DETERMINED BY THE LICENSEE"; in line 26, strike "OR" and substitute "AND".

On page 12, in lines 7, 8, and 30, strike the brackets; and in line 31, strike "only".

On page 13, in line 3, strike "OR" and substitute "AND"; in line 8, strike "LIVE AND"; in line 15, strike "TO OCCUR"; and in lines 27 and 30, strike the brackets.

AMENDMENT NO. 4

On page 14, in line 27, strike "THE COMMISSION SHALL ESTABLISH" and substitute "THERE IS".

AMENDMENT NO. 5

On page 15, in line 24, strike "AND"; in line 25, strike "PROVIDED"; in line 26, strike "INPUT TO THE COMMISSION" and substitute "THE APPLICANT HAS RESPONDED TO THE ISSUES RAISED BY THE AUTHORITY TO THE REASONABLE SATISFACTION OF THE COMMISSION";

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

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

(9) (I) THE APPLICANT, IF THE APPLICANT IS A MILE THOROUGHBRED LICENSEE, DEMONSTRATES TO THE REASONABLE SATISFACTION

OF THE COMMISSION THAT THE APPLICANT AND ITS AFFILIATES HAVE SPENT, OR ARE CONTRACTUALLY OBLIGATED TO SPEND, \$9.5 MILLION ON IMPROVEMENTS BETWEEN JANUARY 1, 1999 AND THE TIME BONDS ARE ISSUED BY THE CORPORATION; AND

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

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

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

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

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

in line 27, strike "(C)" and substitute "(D)"; in line 29, strike "(D)" and substitute "(E)"; in line 31, strike "(E)" and substitute "(F)"; and in line 33, strike "(F)" and substitute "(G)".

AMENDMENT NO. 6

On page 16, in line 1, strike "(G)" and substitute "(H)"; and after line 3, insert:

"(I) (1) IF THE CORPORATION AND THE COMMISSION FIND, AT ANY TIME, THAT THE LICENSEE IS NOT IN COMPLIANCE WITH THE MASTER PLAN APPROVED BY THE COMMISSION UNDER THIS SECTION OR THE EXPENDITURES REQUIRED UNDER § 11-1204 OF THIS SUBTITLE, THE COMMISSION MAY DIRECT THE CORPORATION:

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

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

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

AMENDMENT NO. 7

On page 16, strike in their entirety lines 20 through 38, inclusive, and substitute:

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

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

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

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

(II) FOR EACH OF THE FIRST 5 YEARS AFTER INITIAL ISSUANCE OF THE BONDS BY THE CORPORATION, AN AMOUNT EQUAL TO 1.0% OF THE AMOUNT BET IN THE STATE IN EACH MUTUEL POOL OF A MILE THOROUGHBRED LICENSEE LOCATED IN BALTIMORE CITY OR ANNE ARUNDEL COUNTY, FOR IMPROVEMENTS, INCLUDING SATELLITE SIMULCAST BETTING FACILITIES, AND MARKETING AND PROMOTION IN ACCORDANCE WITH THE MASTER PLAN.”.

AMENDMENT NO. 8

On page 17, in line 8, after “COUNTY,” insert “AND EXCEPT FOR THE AMOUNT IN SUBSECTION (C) OF THIS SECTION,”; after line 22, insert:

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

and in line 30, strike “§ 11-515” and substitute “§§ 11-515 and 11-515.3”.

AMENDMENT NO. 9

On page 18, after line 24, insert:

(Over)

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

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

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

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

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

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

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

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

THE COMMISSION:

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

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

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

and in line 25, strike “(F)” and substitute “(H)”.

AMENDMENT NO. 10

On page 19, in line 1, after “PROCEDURES” insert “APPROVED BY THE AUTHORITY”; in line 12, after “CORPORATION” insert “FROM THE FUND”; in line 17, after “FUNDS” insert “FROM THE PRIOR FISCAL YEAR THAT WOULD OTHERWISE BE”; in line 21, strike “IN A” and substitute “FOR THE PRIOR”; in line 26, strike “THE COMPTROLLER MAKES”; in the same line, after “PAYMENTS” insert “ARE MADE”; in line 33, after “REVENUES” insert “FROM THE PRIOR FISCAL YEAR”; and in the same line, after “IN” insert “AN”.

On page 20, in line 13, strike “AS” and substitute “THE SUM OF THE ALLOCATIONS”.

AMENDMENT NO. 11

On page 20, in line 29, strike “§ 11-516” and substitute “§§ 11-515.3 and 11-516”.

On page 22, after line 24, insert:

“11-515.3.

NOTWITHSTANDING THE PROVISIONS OF § 11-515 OF THIS SUBTITLE, COMMENCING UPON ISSUANCE OF THE BONDS BY THE CORPORATION, IN

(Over)

ACCORDANCE WITH THE TERMS OF A WRITTEN AGREEMENT BETWEEN THE CORPORATION AND THE LICENSEE REGARDING ASSISTANCE FROM THE RACING FACILITY REDEVELOPMENT PROGRAM ATTRIBUTABLE TO THE TAKEOUT ALLOCATION UNDER THIS SECTION, AND ENDING WHEN THE BONDS HAVE BEEN PAID IN FULL:

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

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

AMENDMENT NO. 12

On page 25, in line 28, strike “DEVELOPMENT” and substitute “REDEVELOPMENT”.

On page 26, in line 30, strike “welfare” and substitute “education”; in the same line, strike beginning with “active,” in line 30 down through “dependents” in line 32 and substitute “eligible persons that are licensed by the Maryland Racing Commission”.

On page 27, in line 7, strike beginning with “Health” in line 7 down through “Inc.” in line 8 and substitute “Maryland Horsemen’s Assistance Fund, Inc.”; in line 10, strike “\$250,000” and substitute “\$100,000”; strike beginning with “Health” in line 10 down through “Inc.” in line 14 and substitute “Maryland Horsemen’s Assistance Fund, Inc. for the purpose of providing health and education benefits for eligible persons that are licensed by the Maryland Racing Commission”.

AMENDMENT NO. 13

On page 27, after line 34, insert:

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

(1) A licensee has submitted a multiyear racing facility improvement plan to the

Governor; and

(2) The Governor approves the plan.

SECTION 9. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that telephone betting, as authorized under § 11-805 of the Business Regulation Article, be implemented in the State in the year 2000, and that the Maryland Racing Commission, subject to § 2-1246 of the State Government Article, shall report to the House Committee on Ways and Means and the Senate Finance Committee by August 15, 2000 on the status of regulations to administer telephone betting.”;

and in line 35, strike “8.” and substitute “10.”.

On page 28, in line 1, strike “9.” and substitute “11.”; in line 3, strike “10.” and substitute “12.”; and in line 4, strike “8” and substitute “11”.