
By: **Delegates Marriott, Carter, Goodwin, and Oaks**
Introduced and read first time: February 13, 2004
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Pimlico Economic Development - Community and Racetrack Act of 2004**

3 FOR the purpose of establishing the Pimlico Economic Development Authority;
4 providing for the membership of the Authority; providing for the designation of
5 the Chairman of the Authority; specifying the terms of the initial members of
6 the Authority; providing for the removal of members of the Authority; providing
7 for meeting and voting requirements and for reimbursement of expenses for
8 members of the Authority; providing for the appointment of the Executive
9 Director of the Authority; providing for the duties of the Executive Director of
10 the Authority; specifying the powers of the Authority; requiring the Authority to
11 use the revenues in the Pimlico Gaming Fund for certain purposes; requiring
12 the Authority to work in collaboration with certain Baltimore City economic
13 development efforts in dispersing certain revenues; requiring the hiring and
14 employment practices and construction and procurements of the Authority to
15 meet certain requirements; requiring the State to allocate certain slot machine
16 revenues to the Pimlico Gaming Fund and for mile thoroughbred purses and
17 capital development and improvements at Pimlico Race Course; requiring the
18 Racing Commission each year to survey tracks within a certain radius of Pimlico
19 Race Course and compile information regarding the amount of purses that those
20 tracks award; specifying that the State Lottery Commission shall determine the
21 number of slot machines at a gaming venue at Pimlico Race Course in the
22 venue's first year of operation; specifying that in the second and subsequent
23 years of operation the number of slot machines at the gaming venue may not
24 exceed the number that the Commission determines to be necessary for capital
25 development and improvements in the Pimlico Benefits District, to maintain
26 mile thoroughbred purses awarded at Pimlico Race Course at a certain level,
27 and to ensure that the amount in the Pimlico Gaming Fund does not fall below
28 a certain level; authorizing the State Lottery Commission to allow the holder of
29 a license to operate slot machines at the gaming venue at Pimlico Race Course to
30 also offer to the public certain casino-type games; specifying certain examples of
31 casino-type games; requiring the Commission to adopt certain regulations;
32 providing that certain expenses shall be payable from a certain fund;
33 authorizing the Authority to acquire certain property; creating the Pimlico
34 Gaming Fund; specifying the nature and components of the Fund; providing
35 that the Authority is exempt from State and local taxation; requiring the

1 Authority to keep certain records, cause a certain audit to be made, and submit
2 a certain report to the Governor and the General Assembly; defining certain
3 terms; providing for a certain contingency; and generally relating to the Pimlico
4 Economic Development Authority.

5 BY adding to

6 Article - Business Regulation
7 Section 11-10A-01 through 11-10A-13, inclusive, to be under the new subtitle
8 "Subtitle 10A. Pimlico Economic Development Authority"
9 Annotated Code of Maryland
10 (1998 Replacement Volume and 2003 Supplement)

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

13 **Article - Business Regulation**

14 **SUBTITLE 10A. PIMLICO ECONOMIC DEVELOPMENT AUTHORITY.**

15 11-10A-01.

16 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
17 INDICATED.

18 (B) "AUTHORITY" MEANS THE PIMLICO ECONOMIC DEVELOPMENT
19 AUTHORITY.

20 (C) "PIMLICO BENEFITS DISTRICT" MEANS THE AREA DESIGNATED AS AN
21 URBAN RENEWAL DISTRICT IN BALTIMORE CITY THAT IS BOUNDED BY NORTHERN
22 PARKWAY ON THE NORTH, GREENSPRING AVENUE ON THE EAST, DRUID PARK DRIVE
23 ON THE SOUTH, AND THE RAILROAD TRACKS OF THE WESTERN MARYLAND
24 RAILROAD ON THE WEST.

25 (D) "SLOT MACHINE" HAS THE MEANING STATED IN § 12-301 OF THE CRIMINAL
26 LAW ARTICLE.

27 11-10A-02.

28 (A) THERE IS A BODY CORPORATE AND POLITIC KNOWN AS THE PIMLICO
29 ECONOMIC DEVELOPMENT AUTHORITY FOR THE PIMLICO BENEFITS DISTRICT.

30 (B) THE AUTHORITY IS AN INSTRUMENTALITY OF THE STATE AND A PUBLIC
31 CORPORATION BY THAT NAME, STYLE, AND TITLE.

32 (C) THE EXERCISE BY THE AUTHORITY OF THE POWERS CONFERRED BY THIS
33 SUBTITLE IS THE PERFORMANCE OF AN ESSENTIAL PUBLIC FUNCTION.

1 11-10A-03.

2 (A) THE AUTHORITY CONSISTS OF THE FOLLOWING MEMBERS:

3 (1) ONE MEMBER OF THE EXECUTIVE DEPARTMENT, APPOINTED BY THE
4 GOVERNOR;

5 (2) ONE MEMBER OF THE HOUSE OF DELEGATES, APPOINTED BY THE
6 SPEAKER OF THE HOUSE;

7 (3) ONE MEMBER OF THE SENATE, APPOINTED BY THE PRESIDENT OF
8 THE SENATE;

9 (4) THE FOLLOWING MEMBERS APPOINTED BY THE GOVERNOR:

10 (I) A REPRESENTATIVE OF THE ENTITY THAT OPERATES THE SLOT
11 MACHINES AT THE PIMLICO GAMING VENUE; AND

12 (II) THREE OWNERS OF BUSINESSES THAT SERVE RESIDENTS OF
13 THE PIMLICO GAMING BENEFITS DISTRICT; AND

14 (5) THE FOLLOWING MEMBERS APPOINTED BY THE MAYOR OF THE CITY
15 OF BALTIMORE:

16 (I) FIVE RESIDENTS OF THE PIMLICO GAMING BENEFITS
17 DISTRICT; AND

18 (II) THREE OWNERS OF BUSINESSES THAT SERVE RESIDENTS OF
19 THE PIMLICO BENEFITS DISTRICT.

20 (B) THE AUTHORITY SHALL ELECT ONE OF ITS MEMBERS AS CHAIRMAN.

21 (C) (1) THE TERM OF A MEMBER IS 3 YEARS.

22 (2) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE
23 TERMS PROVIDED FOR MEMBERS ON OCTOBER 1, 2004.

24 (3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A
25 SUCCESSOR IS APPOINTED AND QUALIFIES.

26 (4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES
27 ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND
28 QUALIFIES.

29 (5) UPON THE END OF A TERM, RESIGNATION, OR REMOVAL OF A
30 MEMBER, THE OFFICIAL WHO APPOINTED THE MEMBER SHALL APPOINT A NEW
31 MEMBER TO THE AUTHORITY.

32 (D) A MEMBER MAY BE REMOVED FOR INCOMPETENCE, MISCONDUCT, OR
33 FAILURE TO PERFORM THE DUTIES OF THE POSITION BY THE OFFICIAL WHO
34 APPOINTED THE MEMBER.

1 11-10A-04.

2 (A) SEVEN MEMBERS OF THE AUTHORITY CONSTITUTE A QUORUM FOR THE
3 PURPOSE OF CONDUCTING BUSINESS.

4 (B) ACTIONS OF THE AUTHORITY MUST RECEIVE THE AFFIRMATIVE VOTE OF
5 AT LEAST SEVEN MEMBERS.

6 (C) THE AUTHORITY SHALL DETERMINE THE TIMES AND PLACES OF ITS
7 MEETINGS.

8 (D) A MEMBER OF THE AUTHORITY:

9 (1) MAY NOT RECEIVE COMPENSATION; BUT

10 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE
11 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

12 11-10A-05.

13 (A) THE AUTHORITY SHALL APPOINT AN EXECUTIVE DIRECTOR, WHO IS THE
14 CHIEF ADMINISTRATIVE OFFICER AND SECRETARY OF THE AUTHORITY.

15 (B) THE EXECUTIVE DIRECTOR SERVES AT THE PLEASURE OF THE
16 AUTHORITY.

17 (C) IN ADDITION TO ANY OTHER DUTIES SET FORTH IN THIS SUBTITLE, THE
18 EXECUTIVE DIRECTOR SHALL:

19 (1) DIRECT AND SUPERVISE THE ADMINISTRATIVE AFFAIRS AND
20 ACTIVITIES OF THE AUTHORITY, IN ACCORDANCE WITH ITS RULES, REGULATIONS,
21 AND POLICIES;

22 (2) ATTEND ALL MEETINGS OF THE AUTHORITY;

23 (3) KEEP A RECORD OF THE PROCEEDINGS OF THE AUTHORITY AND BE
24 CUSTODIAN OF ALL BOOKS, DOCUMENTS, AND PAPER FILED WITH THE AUTHORITY
25 AND OF THE MINUTE BOOK OR JOURNAL OF THE AUTHORITY AND OF ITS OFFICIAL
26 SEAL;

27 (4) APPROVE ALL ACCOUNTS FOR SALARIES, PER DIEM PAYMENTS, AND
28 ALLOWABLE EXPENSES OF THE AUTHORITY AND ITS EMPLOYEES AND
29 CONSULTANTS AND APPROVE ALL EXPENSES INCIDENTAL TO THE OPERATION OF
30 THE AUTHORITY; AND

31 (5) PERFORM ANY OTHER DUTY THAT THE AUTHORITY REQUIRES FOR
32 CARRYING OUT THE PROVISIONS OF THIS SUBTITLE.

1 11-10A-06.

2 IN ADDITION TO THE POWERS SET FORTH ELSEWHERE IN THIS SUBTITLE, THE
3 AUTHORITY MAY:

4 (1) ADOPT AND ALTER AN OFFICIAL SEAL;

5 (2) SUE AND BE SUED, PLEAD AND BE IMPEADED;

6 (3) ADOPT BYLAWS, RULES, AND REGULATIONS TO CARRY OUT THE
7 PROVISIONS OF THIS SUBTITLE, IN ACCORDANCE WITH THE PROVISIONS OF TITLE 10,
8 SUBTITLE 1 OF THE STATE GOVERNMENT ARTICLE;

9 (4) MAINTAIN AN OFFICE AT SUCH PLACE AS THE AUTHORITY MAY
10 DESIGNATE;

11 (5) SUBJECT TO THE PROVISIONS OF § 11-10A-10 OF THIS SUBTITLE,
12 ACQUIRE, HOLD, LEASE (AS LESSOR OR LESSEE), USE, ENCUMBER, TRANSFER, OR
13 DISPOSE OF REAL AND PERSONAL PROPERTY;

14 (6) ENTER INTO CONTRACTS OF ANY KIND, AND EXECUTE ALL
15 INSTRUMENTS NECESSARY OR CONVENIENT WITH RESPECT TO ITS CARRYING OUT
16 THE POWERS IN THIS SUBTITLE TO ACCOMPLISH THE PURPOSES OF THE AUTHORITY;

17 (7) EXERCISE ALL THE CORPORATE POWERS GRANTED MARYLAND
18 CORPORATIONS UNDER THE MARYLAND GENERAL CORPORATION LAW; AND

19 (8) DO ALL THINGS NECESSARY OR CONVENIENT TO CARRY OUT THE
20 POWERS GRANTED BY THIS SUBTITLE.

21 11-10A-07.

22 (A) IN ADDITION TO THE POWERS SET FORTH ELSEWHERE IN THIS SUBTITLE,
23 THE AUTHORITY SHALL DISPERSE THE REVENUES PLACED IN THE PIMLICO GAMING
24 FUND FOR:

25 (1) ECONOMIC DEVELOPMENT PURPOSES; AND

26 (2) ANY OTHER PURPOSES THAT THE AUTHORITY CONSIDERS
27 NECESSARY AND PROPER TO IMPROVE THE ECONOMY AND THE QUALITY OF LIFE IN
28 THE PIMLICO BENEFITS DISTRICT.

29 (B) IN DISPERSING THE REVENUES PLACED IN THE PIMLICO GAMING FUND,
30 THE AUTHORITY SHALL WORK IN COLLABORATION WITH BALTIMORE CITY
31 ECONOMIC DEVELOPMENT EFFORTS IN THE PIMLICO BENEFITS DISTRICT.

32 (C) (1) THE HIRING AND EMPLOYMENT PRACTICES OF THE AUTHORITY
33 SHALL REFLECT THE DEMOGRAPHICS OF THE AUTHORITY'S PIMLICO BENEFITS
34 DISTRICT.

1 (2) CONSTRUCTION AND PROCUREMENTS OF THE AUTHORITY SHALL
2 ADHERE TO THE HIGHER OF STATE OR BALTIMORE CITY MINORITY BUSINESS
3 ENTERPRISE PROGRAMS.

4 11-10A-08.

5 (A) FROM THE REVENUES THAT THE STATE RECEIVES FROM, IN CONNECTION
6 WITH, OR AS A RESULT OF THE OPERATION OF SLOT MACHINES AT THE GAMING
7 VENUE AT PIMLICO RACE COURSE, THE STATE SHALL ALLOCATE:

8 (1) 50% TO THE PIMLICO GAMING FUND; AND

9 (2) 50% FOR MILE THOROUGHBRED PURSES AND CAPITAL
10 DEVELOPMENT AND IMPROVEMENTS AT PIMLICO RACE COURSE.

11 (B) EACH YEAR THE STATE RACING COMMISSION SHALL SURVEY TRACKS
12 WITHIN A 300-MILE RADIUS OF PIMLICO RACE COURSE AND COMPILE INFORMATION
13 REGARDING THE AMOUNT OF PURSES THAT THOSE TRACKS AWARD.

14 (C) (1) THE STATE LOTTERY COMMISSION SHALL DETERMINE THE NUMBER
15 OF SLOT MACHINES AT A GAMING VENUE AT PIMLICO RACE COURSE IN THE VENUE'S
16 FIRST YEAR OF OPERATION.

17 (2) FOR THE SECOND YEAR OF OPERATION AND EACH YEAR
18 THEREAFTER, THE NUMBER OF SLOT MACHINES AT A GAMING VENUE AT PIMLICO
19 RACE COURSE MAY NOT EXCEED THE NUMBER THAT THE STATE LOTTERY
20 COMMISSION DETERMINES TO BE NECESSARY:

21 (I) FOR CAPITAL DEVELOPMENT AND IMPROVEMENTS IN THE
22 PIMLICO BENEFITS DISTRICT;

23 (II) TO MAINTAIN MILE THOROUGHBRED PURSES AWARDED AT
24 PIMLICO RACE COURSE AT A LEVEL 5% HIGHER THAN THOSE AWARDED AT THE
25 TRACKS SURVEYED BY THE STATE RACING COMMISSION IN THE PREVIOUS YEAR;
26 AND

27 (III) TO ENSURE THAT THE AMOUNT IN THE GAMING FUND
28 ESTABLISHED UNDER § 11-10A-11 OF THIS SUBTITLE DOES NOT FALL MORE THAN 5%
29 BELOW ITS LEVEL IN THE PREVIOUS YEAR.

30 (D) (1) THE STATE LOTTERY COMMISSION MAY ALLOW THE HOLDER OF A
31 LICENSE TO OPERATE SLOT MACHINES AT A GAMING VENUE AT PIMLICO RACE
32 COURSE ALSO TO OFFER TO THE PUBLIC CASINO-TYPE GAMES, INCLUDING CARD
33 GAMES, WHEELS OF CHANCE, AND ROULETTE, IN WHICH MONEY WINNINGS OR
34 TOKENS REDEEMABLE IN MONEY ARE AWARDED AS PRIZES.

35 (2) THE STATE LOTTERY COMMISSION SHALL ADOPT REGULATIONS TO
36 CARRY OUT THIS SECTION, INCLUDING REGULATIONS THAT SET THE NUMBER OF
37 CASINO-TYPE GAMES TO BE ALLOWED, OPERATING FEES, AND A PERCENTAGE OF
38 TOTAL GROSS RECEIPTS TO BE ALLOCATED TO THE GENERAL FUND.

1 11-10A-09.

2 (A) ALL EXPENSES INCURRED IN CARRYING OUT THE PROVISIONS OF THIS
3 SUBTITLE SHALL BE PAYABLE SOLELY FROM FUNDS PROVIDED UNDER THE
4 AUTHORITY OF THIS SUBTITLE.

5 (B) NO LIABILITY OR OBLIGATION SHALL BE INCURRED BY THE AUTHORITY
6 UNDER SUBSECTION (A) OF THIS SECTION BEYOND THE EXTENT TO WHICH MONEYS
7 SHALL HAVE BEEN PROVIDED UNDER THE PROVISIONS OF THIS SUBTITLE.

8 11-10A-10.

9 THE AUTHORITY MAY ACQUIRE, BY PURCHASE OR BY GIFT OR DEVISE, ANY
10 REAL OR PERSONAL PROPERTY, OR INTERESTS IN PROPERTY, NECESSARY OR
11 CONVENIENT TO CARRY OUT THE PURPOSES OF THIS SUBTITLE.

12 11-10A-11.

13 (A) THERE IS A PIMLICO GAMING FUND FOR THE AUTHORITY.

14 (B) THE AUTHORITY SHALL ADMINISTER ITS FUND.

15 (C) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT
16 TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

17 (2) THE TREASURER SHALL HOLD THE FUND SEPARATELY AND THE
18 COMPTROLLER SHALL ACCOUNT FOR EACH FUND.

19 (D) THE FUND CONSISTS OF:

20 (1) REVENUE DISTRIBUTED TO THE FUND UNDER § 11-10A-08 OF THIS
21 SUBTITLE; AND

22 (2) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE
23 BENEFIT OF THE FUND.

24 (E) THE FUND MAY BE USED ONLY FOR CARRYING OUT THE PURPOSES OF
25 THIS SUBTITLE.

26 (F) THE FUND IS SUBJECT TO AUDIT BY THE OFFICE OF LEGISLATIVE AUDITS
27 UNDER § 2-1220 OF THE STATE GOVERNMENT ARTICLE.

28 (G) (1) THE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE
29 SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

30 (2) NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION, THE
31 TREASURER SHALL INVEST THE MONEY OF THE FUND IN MINORITY BUSINESS
32 ENTERPRISE CERTIFIED BANKING INSTITUTIONS.

33 (3) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE CREDITED TO
34 THE FUND.

1 11-10A-12.

2 THE AUTHORITY IS EXEMPT FROM TAXATION BY THE STATE AND LOCAL
3 GOVERNMENT.

4 11-10A-13.

5 IN ADDITION TO THE DUTIES SET FORTH ELSEWHERE IN THIS SUBTITLE, THE
6 AUTHORITY SHALL:

7 (1) KEEP RECORDS AS ARE CONSISTENT WITH SOUND BUSINESS
8 PRACTICES AND ACCOUNTING RECORDS USING GENERALLY ACCEPTED
9 ACCOUNTING PRINCIPLES;

10 (2) CAUSE AN AUDIT BY AN INDEPENDENT CERTIFIED PUBLIC
11 ACCOUNTANT TO BE MADE OF THE ACCOUNTS AND TRANSACTIONS OF THE
12 AUTHORITY AT THE CONCLUSION OF EACH FISCAL YEAR; AND

13 (3) WITHIN THE FIRST 90 DAYS OF EACH FISCAL YEAR, SUBMIT A
14 DETAILED ANNUAL REPORT OF THE ACTIVITIES AND FINANCIAL STANDING OF THE
15 AUTHORITY TO THE GOVERNOR, AND SUBJECT TO § 2-1246 OF THE STATE
16 GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY.

17 SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the initial
18 members of the Pimlico Economic Development Authority shall expire as follows:

19 (1) four members in 2005;

20 (2) four members in 2006;

21 (3) four members in 2007; and

22 (4) three members in 2008.

23 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 October 1, 2004, contingent on the taking effect of legislation that makes the location,
25 possession, keeping, or operation of slot machines in the State legal, and if such
26 legislation does not become effective, this Act shall be null and void without the
27 necessity of further action by the General Assembly.