
By: **Senator Astle**

Introduced and read first time: February 4, 2005

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **State Racing Commission Reorganization Act**

3 FOR the purpose of abolishing the State Racing Commission and establishing the
4 Thoroughbred Racing Commission and the Standardbred Racing Commission;
5 providing for the memberships, qualifications for members, terms, chairs,
6 quorums, meetings, compensation, executive directors, staffs, certain
7 employees, certain powers, and testing laboratories of the Thoroughbred Racing
8 Commission and of the Standardbred Racing Commission; requiring that
9 licensees and applicants for licenses meet certain requirements of a certain
10 Commission; requiring certain Commissions to issue certain licenses under
11 certain circumstances; authorizing the denial, suspension, or revocation of
12 certain licenses and the reprimanding or other penalizing of certain licensees
13 under certain circumstances; providing for certain adjudicatory proceedings;
14 specifying certain requirements for the buying or transferring of licensees or
15 licenses; providing that the Thoroughbred Racing Commission has certain
16 powers concerning certain types of racing; providing that the Standardbred
17 Racing Commission has certain powers concerning harness racing; specifying
18 the powers and responsibilities of certain Commissions relating to certain
19 intertrack betting; requiring that the Thoroughbred Racing Commission act
20 with the Standardbred Racing Commission to approve facilities, grant permits,
21 adopt regulations, and conduct other activities concerning satellite simulcast
22 betting; providing for the membership of the Board of Directors of the Jockey
23 Fund; specifying certain duties of certain Commissions relating to the Jockey
24 Fund; specifying that certain money be paid to the Standardbred Racing
25 Commission and that the Standardbred Racing Commission use the money for a
26 certain purpose; specifying certain duties of the Thoroughbred Racing
27 Commission and the Standardbred Racing Commission relating to the Maryland
28 Racing Facility Redevelopment Fund; defining certain terms; providing for the
29 initial terms of members of certain Commissions; providing that certain
30 licensees and holders of permits need not obtain a certain license or permit until
31 a certain date; specifying certain transitional provisions relating to a change of
32 nomenclature and the transference of certain property, assets, liabilities,
33 obligations, rights, and privileges; providing for the status and credit for service
34 of certain employees; and generally relating to the Thoroughbred Racing
35 Commission and the Standardbred Racing Commission.

1 BY repealing and reenacting, with amendments,
 2 Article - Business Regulation
 3 Section 11-101; 11-201 through 11-214, inclusive, to be under the amended
 4 subtitle "Subtitle 2. Thoroughbred Racing Commission"; 11-301, 11-303,
 5 11-304, 11-305, 11-307, 11-308, 11-309, 11-310, 11-311, 11-312, 11-313,
 6 11-314, 11-315, 11-316, 11-317, 11-318, 11-501, 11-507, 11-523, 11-529,
 7 11-601, 11-701, 11-801, 11-802, 11-803, 11-804(b) and (c), 11-804.2,
 8 11-805, 11-808(b) and (c), 11-809, 11-811(c), (d), and (e), 11-812, 11-816,
 9 11-817, 11-818, 11-819, 11-820, 11-822, 11-825, 11-829, 11-831, 11-832,
 10 11-904(b), 11-906, and 11-909
 11 Annotated Code of Maryland
 12 (1998 Replacement Volume and 2004 Supplement)

13 BY adding to
 14 Article - Business Regulation
 15 Section 11-2A-01 through 11-2A-14, inclusive, to be under the new subtitle
 16 "Subtitle 2A. Standardbred Racing Commission"
 17 Annotated Code of Maryland
 18 (1998 Replacement Volume and 2004 Supplement)

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

21 **Article - Business Regulation**

22 11-101.

23 (a) In this title the following words have the meanings indicated.

24 (b) "Breakage" means the odd cents that remain after all successful bettors
 25 are paid to the next lowest multiple of 10 cents.

26 (c) "Central Repository" means the Criminal Justice Information System
 27 Central Repository of the Department of Public Safety and Correctional Services.

28 [(d) "Commission" means the State Racing Commission.]

29 [(e) (D) "Handle" means the gross amount, less refunds, of money bet.

30 [(f) (E) "Harness racing" means the racing of horses that trot or pace in
 31 harness while pulling drivers in sulkies.

32 [(g) (F) "Intertrack betting" means:

33 (1) pari-mutuel betting at a receiving track in the State on a race that is:

34 (i) held live or by interstate simulcast at a sending track in the
 35 State; and

- 1 (ii) shown simultaneously by video signal at the receiving track;
2 and
- 3 (2) transmission of the bets at the receiving track to the sending track.
- 4 [(h)] (G) "License" means a license issued by the Thoroughbred Racing
5 Commission or by the Standardbred Racing Commission to hold a race meeting.
- 6 [(i)] (H) "Licensee" means a person who has been awarded racing days for the
7 current calendar year.
- 8 [(j)] (I) "Mile thoroughbred racing" means thoroughbred horse races at a
9 track that is at least 1 mile long.
- 10 [(k)] (J) "Multiple mutuel pool" means a separate pari-mutuel betting pool in
11 which an interest is represented by a single bet on 2 or more horses.
- 12 [(l)] (K) "Mutuel pool" includes a multiple mutuel pool and a regular mutuel
13 pool.
- 14 [(m)] (L) "Pari-mutuel betting" means the system of betting in which those
15 who successfully bet on horses that finish in specified positions share the mutuel pool,
16 less the takeout and the breakage.
- 17 [(n)] (M) "Purse" means the prize money divided among the owners of horses
18 that finish in specified positions in a race.
- 19 [(o)] (N) "Race meeting" means a period of time to hold racing that extends
20 between specific dates over a number of racing days at a single track.
- 21 [(p)] (O) "Racing" includes:
- 22 (1) harness racing;
- 23 (2) mile thoroughbred racing;
- 24 (3) special thoroughbred racing;
- 25 (4) steeplechase or hurdle racing;
- 26 (5) flat racing; and
- 27 (6) quarter horse racing.
- 28 [(q)] (P) "Receiving track" means a track where pari-mutuel betting is done
29 on races held at another track.
- 30 [(r)] (Q) "Regular mutuel pool" means a separate pari-mutuel betting pool in
31 which an interest is represented by a single bet on 1 horse.

1 [(s)] (R) "Sending track" means a track where a race is held live or by
2 interstate simulcast and is sent simultaneously by video signal to a receiving track or
3 a satellite simulcast facility under Subtitle 8, Part III of this title.

4 [(t)] (S) "Special thoroughbred racing" means thoroughbred horse racing held
5 by the Maryland State Fair and Agricultural Society, Inc., or the Maryland-National
6 Capital Park and Planning Commission.

7 (T) "STANDARD BRED RACING COMMISSION" MEANS THE COMMISSION
8 ESTABLISHED UNDER § 11-2A-01 OF THIS TITLE.

9 (u) "Takeout" means the part of the handle that is not returned to successful
10 bettors but is otherwise allocated under this title.

11 (V) "THOROUGHBRED RACING COMMISSION" MEANS THE COMMISSION
12 ESTABLISHED UNDER § 11-201 OF THIS TITLE.

13 [(v)] (W) "Track" means a place where racing is held.

14 Subtitle 2. [State] THOROUGHBRED Racing Commission.
15 11-201.

16 There is a [State] THOROUGHBRED Racing Commission in the Department.

17 11-202.

18 (a) The THOROUGHBRED RACING Commission consists of [9] 5 members,
19 appointed by the Governor with the advice and consent of the Senate.

20 (b) At the time of appointment and qualification:

21 (1) each member shall be:

22 (i) at least 25 years old;

23 [(ii) a resident of the State who has resided in the State for at least
24 the last 5 years;]

25 [(iii)] (II) a qualified voter of the State; and

26 [(iv)] (III) an individual who has not been convicted of a crime that
27 involves moral turpitude; AND

28 (2) at least 3 members of the THOROUGHBRED RACING Commission
29 shall be knowledgeable or experienced in an aspect of thoroughbred racing [; and

30 (3) at least 3 other members shall be knowledgeable or experienced in an
31 aspect of harness racing].

1 (c) (1) A member of the THOROUGHBRED RACING Commission may not hold
2 an official relation to a licensee or hold any stocks, bonds, or other financial interest
3 in a licensee.

4 (2) Not more than [4] 2 members [who are appointed after July 1,
5 1989,] may have a financial interest in racing in the State.

6 (3) Not more than [6] 3 members may be of the same political party.

7 (d) Before taking office, each appointee to the THOROUGHBRED RACING
8 Commission shall take the oath required by Article I, § 9 of the Maryland
9 Constitution.

10 (e) (1) The term of a member of the THOROUGHBRED RACING Commission
11 is 4 years and begins on [July 1] OCTOBER 1.

12 (2) The terms of members are staggered as required by the terms
13 provided for members of the THOROUGHBRED RACING Commission on October 1,
14 [1992] 2005.

15 (3) At the end of a term, a member continues to serve until a successor is
16 appointed and qualifies.

17 (4) A member who is appointed after a term has begun serves only for
18 the rest of the term and until a successor is appointed and qualifies.

19 (f) (1) Subject to the hearing requirements of this subsection, the Governor,
20 with the advice of the Secretary, may remove a member of the THOROUGHBRED
21 RACING Commission for inefficiency, misconduct in office, or neglect of duty.

22 (2) Before the Governor removes a member, the Governor shall give the
23 member an opportunity for a public hearing.

24 (3) At least 10 days before the hearing, the Governor shall give the
25 member:

26 (i) a copy of the charges; and

27 (ii) notice of the time and place of the hearing.

28 (4) The member may be represented at the hearing by counsel.

29 (5) If the Governor removes a member, the Governor shall submit to the
30 Secretary of State:

31 (i) a statement of all charges made against the member;

32 (ii) the findings of the Governor; and

33 (iii) a record of the proceedings.

1 11-203.

2 (a) The Governor shall designate a [chairman] CHAIR from among the
3 members of the THOROUGHBRED RACING Commission.

4 (b) (1) The term of the [chairman] CHAIR is 1 year.

5 (2) The [chairman] CHAIR may not serve more than 2 consecutive terms
6 as [chairman] CHAIR.

7 11-204.

8 (a) Except as provided in § 11-310 of this title, a majority of the members then
9 serving on the THOROUGHBRED RACING Commission is a quorum.

10 (b) The THOROUGHBRED RACING Commission shall meet in the State, at the
11 times and places that the THOROUGHBRED RACING Commission determines.

12 (c) Each member of the THOROUGHBRED RACING Commission is entitled to:

13 (1) compensation in accordance with the State budget; and

14 (2) reimbursement under the Standard State Travel Regulations for
15 expenses for each THOROUGHBRED RACING Commission meeting attended, as
16 provided in the State budget.

17 (d) While in office, each member of the THOROUGHBRED RACING Commission
18 shall be covered by a surety bond in the form and amount required by law.

19 11-205.

20 (a) (1) With the approval of the Governor, the Secretary shall appoint an
21 executive director for the THOROUGHBRED RACING Commission from a list of at least
22 3 nominees submitted by the THOROUGHBRED RACING Commission.

23 (2) The executive director is in the executive service in the State
24 Personnel Management System and serves at the pleasure of the Secretary.

25 (b) The executive director shall:

26 (1) collect the taxes and fees imposed under this title or regulations
27 adopted by the THOROUGHBRED RACING Commission;

28 (2) keep the records and papers of the THOROUGHBRED RACING
29 Commission, including a record of each proceeding;

30 (3) administer the licensing of individuals who work in connection with
31 [racing] MILE THOROUGHBRED RACING, SPECIAL THOROUGHBRED RACING, OR
32 RACING AT FAIR HILL;

1 (4) prepare, issue, and submit reports of the THOROUGHBRED RACING
2 Commission;

3 (5) administer the daily operation of the office of the THOROUGHBRED
4 RACING Commission; and

5 (6) perform any other duty that the THOROUGHBRED RACING
6 Commission directs.

7 (c) With the approval of the THOROUGHBRED RACING Commission, the
8 executive director shall set the conditions under which a licensee must add to, change,
9 make a reasonable improvement to, or repair property that a licensee owns or leases
10 for racing.

11 (d) The executive director is entitled to:

12 (1) compensation in accordance with the State budget; and

13 (2) reimbursement for expenses under the Standard State Travel
14 Regulations, as provided in the State budget.

15 11-206.

16 (a) With the approval of the THOROUGHBRED RACING Commission and,
17 except as otherwise provided by law, subject to the provisions of the State Personnel
18 and Pensions Article, the executive director shall appoint a staff of the
19 THOROUGHBRED RACING Commission.

20 (b) (1) The THOROUGHBRED RACING Commission may employ 4 stewards
21 [and 4 harness judges].

22 (2) The stewards [and harness judges] shall be recommended by the
23 executive director.

24 (3) Each licensee and organization that represents owners and trainers
25 may recommend individuals to the THOROUGHBRED RACING Commission and
26 executive director for appointment as stewards [or harness judges].

27 (4) The stewards [and harness judges] are special appointments of the
28 skilled service or the professional service in the State Personnel Management
29 System.

30 (c) Each member of the staff of the THOROUGHBRED RACING Commission[,]
31 AND EACH steward[, and harness judge] is entitled to:

32 (1) compensation in accordance with the State budget; and

33 (2) reimbursement for expenses under the Standard State Travel
34 Regulations, as provided in the State budget.

1 (d) An individual who holds a position under the THOROUGHBRED RACING
2 Commission may not hold an official relation to a licensee or hold any stocks, bonds,
3 or other financial interest in a licensee.

4 11-207.

5 (a) On the recommendation of the executive director, the THOROUGHBRED
6 RACING Commission may employ additional employees or agents, including auditors,
7 experts, guards, inspectors, [a breathalyzer operator at each harness racing track,]
8 scientists, THOROUGHBRED RACING Commission secretaries, specimen collectors,
9 veterinarians, and others whom the THOROUGHBRED RACING Commission considers
10 to be essential at or in connection with a race meeting in the best interests of racing.

11 (b) The licensee who holds the race meeting for which an additional employee
12 is used shall pay:

13 (1) the employer contribution for the employee under the Employees'
14 Pension System;

15 (2) the employer contribution, as determined by the Department of
16 Budget and Management, for the retiree under § 2-508 of the State Personnel and
17 Pensions Article; and

18 (3) an amount required under § 23-306.1(b) of the State Personnel and
19 Pensions Article, if any.

20 (c) A licensee who holds a race meeting shall employ and pay the officials at
21 the race meeting, other than stewards [and harness judges], including each clerk of
22 the course, clerk of the scales, handicapper, paddock judge, patrol judge, placing
23 judge, racing secretary, starter, assistant starter, and timer.

24 (d) Notwithstanding any other provision of this title, if a licensee is required
25 to allocate 0.25% of handle to [either] the Maryland Race Track Employees Pension
26 Fund [or the Maryland Harness Track Employees Pension Fund], the licensee shall
27 first pay from the allocation any amounts required to be paid by the licensee under
28 subsection (b) of this section and the remainder shall be paid to the [appropriate]
29 pension fund.

30 11-208.

31 (a) Each law enforcement officer shall cooperate with the THOROUGHBRED
32 RACING Commission to enforce this title.

33 (b) On request of the THOROUGHBRED RACING Commission, the Governor
34 may order the Police Commissioner of Baltimore City or the sheriff of a county to
35 assign enough law enforcement officers to prevent unauthorized racing.

1 11-209.

2 (a) Besides its other powers under this title, the THOROUGHBRED RACING
3 Commission has the powers necessary or proper to carry out fully all the purposes of
4 this title THAT INVOLVE MILE THOROUGHBRED RACING, SPECIAL THOROUGHBRED
5 RACING, OR RACING AT FAIR HILL.

6 (b) The jurisdiction, supervision, powers, and duties of the THOROUGHBRED
7 RACING Commission extend to each person who holds racing for a purse, reward, or
8 stake.

9 11-210.

10 (a) Except as provided in subsection (b) of this section, the THOROUGHBRED
11 RACING Commission may:

12 (1) adopt regulations and conditions to govern racing and betting on
13 [racing in the State] MILE THOROUGHBRED RACING, A SPECIAL THOROUGHBRED
14 RACING, OR RACING AT FAIR HILL; and

15 (2) approve or disapprove:

16 (i) prices that a licensee may set for:

17 1. admission to [a race] A MILE THOROUGHBRED RACE, A
18 SPECIAL THOROUGHBRED RACE, OR A RACE AT FAIR HILL;

19 2. a service performed; or

20 3. an article sold at a track; and

21 (ii) the size of the purse, reward, or stake to be offered at a [race]
22 MILE THOROUGHBRED RACE, A SPECIAL THOROUGHBRED RACE, OR A RACE AT FAIR
23 HILL.

24 (b) The THOROUGHBRED RACING Commission may not adopt regulations that
25 allow:

26 (1) racing a breed of horse not now authorized by law; or

27 (2) holding currently unauthorized:

28 (i) intertrack betting;

29 (ii) off-track betting; or

30 (iii) telephone betting other than telephone account betting.

31 11-211.

32 (a) The THOROUGHBRED RACING Commission may:

1 (1) enter or investigate the office, track, or place of business of a licensee
2 to ensure that the regulations of the THOROUGHBRED RACING Commission are
3 strictly complied with; and

4 (2) place an expert accountant or other individual in the office, track, or
5 place of business of a licensee and require that the licensee pay the salary and
6 expenses of the expert accountant or other individual.

7 (b) The THOROUGHBRED RACING Commission may require that an employee
8 or official of the licensee be removed from the job.

9 (c) The THOROUGHBRED RACING Commission may require that a licensee
10 keep financial records in the way that the THOROUGHBRED RACING Commission
11 determines.

12 (d) The THOROUGHBRED RACING Commission may administer oaths.

13 (e) The THOROUGHBRED RACING Commission may issue a subpoena for the
14 attendance of a witness to testify or to produce evidence.

15 11-212.

16 (a) The THOROUGHBRED RACING Commission may maintain a testing
17 laboratory and have tests done elsewhere.

18 (b) (1) Each licensee shall pay a fraction of the yearly costs of the testing
19 laboratory and of the tests done elsewhere.

20 (2) The numerator of the fraction shall be the number of racing days
21 with pari-mutuel betting privileges that the licensee holds during the year.

22 (3) The denominator of the fraction shall be the whole number of racing
23 days with pari-mutuel betting privileges held in the State during the year.

24 11-213.

25 (a) On or before September 15 of each year, the THOROUGHBRED RACING
26 Commission shall submit a report to the Secretary and the Legislative Policy
27 Committee about the preceding calendar year.

28 (b) Each report shall include:

29 (1) a statement of receipts and disbursements of the THOROUGHBRED
30 RACING Commission;

31 (2) a summary of major events that occurred the preceding year that
32 affected MILE THOROUGHBRED AND SPECIAL THOROUGHBRED [horse] racing in the
33 State AND RACING AT FAIR HILL, including any significant changes at tracks in the
34 region as well as a discussion of legislative initiatives in the State;

1 (3) a 5-year assessment of each mile thoroughbred track, SPECIAL
2 THOROUGHBRED TRACK, AND THE TRACK AT FAIR HILL regarding:

3 (i) attendance;

4 (ii) purse distributions;

5 (iii) live racing days that are allocated and used;

6 (iv) betting on live racing that is held at that track broken down by
7 the following categories:

8 1. betting conducted at the live track;

9 2. betting conducted at other Maryland tracks;

10 3. betting conducted at satellite simulcast facilities in the
11 State; and

12 4. betting conducted through out-of-state satellite
13 simulcasting;

14 (v) betting that is conducted at the live track on races simulcast
15 from other tracks in the State; and

16 (vi) betting that is conducted at the live track on races simulcast
17 from out-of-state tracks;

18 (4) information on all simulcast betting at satellite simulcast facilities in
19 the State, including information on how much is wagered on in-State races and how
20 much is bet on out-of-state races;

21 (5) information on all simulcast betting that is conducted [out-of-state]
22 OUT OF STATE on races being run live in this State;

23 (6) to the extent available, information on the THOROUGHBRED breeding
24 industry in the State, including:

25 (i) the number of breeders in the State;

26 (ii) the number of foals registered in the State;

27 (iii) the average sales prices of foals; and

28 (iv) any other information pertaining to the regional and national
29 ranking of the State for breeding;

30 (7) all other information that is currently provided by the
31 THOROUGHBRED RACING Commission in its annual report;

1 (8) additional information on satellite simulcast facilities, as required
2 under § 11-831 of this title; and

3 (9) any other information that is useful in explaining the financial
4 viability of horse racing in the State and any recommendations to improve the
5 industry.

6 11-214.

7 The THOROUGHBRED RACING Commission exercises its powers and performs its
8 duties subject to the authority of the Secretary.

9 SUBTITLE 2A. STANDARDDBRED RACING COMMISSION.

10 11-2A-01.

11 THERE IS A STANDARDDBRED RACING COMMISSION IN THE DEPARTMENT.

12 11-2A-02.

13 (A) THE STANDARDDBRED RACING COMMISSION CONSISTS OF FIVE MEMBERS,
14 APPOINTED BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE.

15 (B) AT THE TIME OF APPOINTMENT AND QUALIFICATION:

16 (1) EACH MEMBER SHALL BE:

17 (I) AT LEAST 25 YEARS OLD;

18 (II) A QUALIFIED VOTER OF THE STATE; AND

19 (III) AN INDIVIDUAL WHO HAS NOT BEEN CONVICTED OF A CRIME
20 THAT INVOLVES MORAL TURPITUDE; AND

21 (2) AT LEAST THREE MEMBERS OF THE STANDARDDBRED RACING
22 COMMISSION SHALL BE KNOWLEDGEABLE OR EXPERIENCED IN AN ASPECT OF
23 HARNESS RACING.

24 (C) (1) A MEMBER OF THE STANDARDDBRED RACING COMMISSION MAY NOT
25 HOLD AN OFFICIAL RELATION TO A LICENSEE OR HOLD ANY STOCKS, BONDS, OR
26 OTHER FINANCIAL INTEREST IN A LICENSEE.

27 (2) NOT MORE THAN TWO MEMBERS MAY HAVE A FINANCIAL INTEREST
28 IN RACING IN THE STATE.

29 (3) NOT MORE THAN THREE MEMBERS MAY BE OF THE SAME POLITICAL
30 PARTY.

31 (D) BEFORE TAKING OFFICE, EACH APPOINTEE TO THE STANDARDDBRED
32 RACING COMMISSION SHALL TAKE THE OATH REQUIRED BY ARTICLE I, § 9 OF THE
33 MARYLAND CONSTITUTION.

1 (E) (1) THE TERM OF A MEMBER OF THE STANDARD BRED RACING
2 COMMISSION IS 4 YEARS AND BEGINS ON OCTOBER 1.

3 (2) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE
4 TERMS PROVIDED FOR MEMBERS OF THE STANDARD BRED RACING COMMISSION ON
5 OCTOBER 1, 2005.

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

8 (4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES
9 ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND
10 QUALIFIES.

11 (F) (1) SUBJECT TO THE HEARING REQUIREMENTS OF THIS SUBSECTION,
12 THE GOVERNOR, WITH THE ADVICE OF THE SECRETARY, MAY REMOVE A MEMBER OF
13 THE STANDARD BRED RACING COMMISSION FOR INEFFICIENCY, MISCONDUCT IN
14 OFFICE, OR NEGLIGENCE OF DUTY.

15 (2) BEFORE THE GOVERNOR REMOVES A MEMBER, THE GOVERNOR
16 SHALL GIVE THE MEMBER AN OPPORTUNITY FOR A PUBLIC HEARING.

17 (3) AT LEAST 10 DAYS BEFORE THE HEARING, THE GOVERNOR SHALL
18 GIVE THE MEMBER:

19 (I) A COPY OF THE CHARGES; AND

20 (II) NOTICE OF THE TIME AND PLACE OF THE HEARING.

21 (4) THE MEMBER MAY BE REPRESENTED AT THE HEARING BY COUNSEL.

22 (5) IF THE GOVERNOR REMOVES A MEMBER, THE GOVERNOR SHALL
23 SUBMIT TO THE SECRETARY OF STATE:

24 (I) A STATEMENT OF ALL CHARGES MADE AGAINST THE MEMBER;

25 (II) THE FINDINGS OF THE GOVERNOR; AND

26 (III) A RECORD OF THE PROCEEDINGS.

27 11-2A-03.

28 (A) THE GOVERNOR SHALL DESIGNATE A CHAIR FROM AMONG THE MEMBERS
29 OF THE STANDARD BRED RACING COMMISSION.

30 (B) (1) THE TERM OF THE CHAIR IS 1 YEAR.

31 (2) THE CHAIR MAY NOT SERVE MORE THAN 2 CONSECUTIVE TERMS AS
32 CHAIR.

1 11-2A-04.

2 (A) EXCEPT AS PROVIDED IN § 11-310 OF THIS TITLE, A MAJORITY OF THE
3 MEMBERS THEN SERVING ON THE STANDARDBRED RACING COMMISSION IS A
4 QUORUM.

5 (B) THE STANDARDBRED RACING COMMISSION SHALL MEET IN THE STATE,
6 AT THE TIMES AND PLACES THAT THE STANDARDBRED RACING COMMISSION
7 DETERMINES.

8 (C) EACH MEMBER OF THE STANDARDBRED RACING COMMISSION IS
9 ENTITLED TO:

10 (1) COMPENSATION IN ACCORDANCE WITH THE STATE BUDGET; AND

11 (2) REIMBURSEMENT UNDER THE STANDARD STATE TRAVEL
12 REGULATIONS FOR EXPENSES FOR EACH STANDARDBRED RACING COMMISSION
13 MEETING ATTENDED, AS PROVIDED IN THE STATE BUDGET.

14 (D) WHILE IN OFFICE, EACH MEMBER OF THE STANDARDBRED RACING
15 COMMISSION SHALL BE COVERED BY A SURETY BOND IN THE FORM AND AMOUNT
16 REQUIRED BY LAW.

17 11-2A-05.

18 (A) (1) WITH THE APPROVAL OF THE GOVERNOR, THE SECRETARY SHALL
19 APPOINT AN EXECUTIVE DIRECTOR FOR THE STANDARDBRED RACING COMMISSION
20 FROM A LIST OF AT LEAST THREE NOMINEES SUBMITTED BY THE STANDARDBRED
21 RACING COMMISSION.

22 (2) THE EXECUTIVE DIRECTOR IS IN THE EXECUTIVE SERVICE IN THE
23 STATE PERSONNEL MANAGEMENT SYSTEM AND SERVES AT THE PLEASURE OF THE
24 SECRETARY.

25 (B) THE EXECUTIVE DIRECTOR SHALL:

26 (1) COLLECT THE TAXES AND FEES IMPOSED UNDER THIS TITLE OR
27 REGULATIONS ADOPTED BY THE STANDARDBRED RACING COMMISSION;

28 (2) KEEP THE RECORDS AND PAPERS OF THE STANDARDBRED RACING
29 COMMISSION, INCLUDING A RECORD OF EACH PROCEEDING;

30 (3) ADMINISTER THE LICENSING OF INDIVIDUALS WHO WORK IN
31 CONNECTION WITH STANDARDBRED RACING;

32 (4) PREPARE, ISSUE, AND SUBMIT REPORTS OF THE STANDARDBRED
33 RACING COMMISSION;

34 (5) ADMINISTER THE DAILY OPERATION OF THE OFFICE OF THE
35 STANDARDBRED RACING COMMISSION; AND

1 (6) PERFORM ANY OTHER DUTY THAT THE STANDARD BRED RACING
2 COMMISSION DIRECTS.

3 (C) WITH THE APPROVAL OF THE STANDARD BRED RACING COMMISSION, THE
4 EXECUTIVE DIRECTOR SHALL SET THE CONDITIONS UNDER WHICH A LICENSEE
5 MUST ADD TO, CHANGE, MAKE A REASONABLE IMPROVEMENT TO, OR REPAIR
6 PROPERTY THAT A LICENSEE OWNS OR LEASES FOR STANDARD BRED RACING.

7 (D) THE EXECUTIVE DIRECTOR IS ENTITLED TO:

8 (1) COMPENSATION IN ACCORDANCE WITH THE STATE BUDGET; AND

9 (2) REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE
10 TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

11 11-2A-06.

12 (A) WITH THE APPROVAL OF THE STANDARD BRED RACING COMMISSION AND,
13 EXCEPT AS OTHERWISE PROVIDED BY LAW, SUBJECT TO THE PROVISIONS OF THE
14 STATE PERSONNEL AND PENSIONS ARTICLE, THE EXECUTIVE DIRECTOR SHALL
15 APPOINT A STAFF OF THE STANDARD BRED RACING COMMISSION.

16 (B) (1) THE STANDARD BRED RACING COMMISSION MAY EMPLOY FOUR
17 HARNESS JUDGES.

18 (2) THE HARNESS JUDGES SHALL BE RECOMMENDED BY THE
19 EXECUTIVE DIRECTOR.

20 (3) EACH LICENSEE AND ORGANIZATION THAT REPRESENTS OWNERS
21 AND TRAINERS MAY RECOMMEND INDIVIDUALS TO THE STANDARD BRED RACING
22 COMMISSION AND EXECUTIVE DIRECTOR FOR APPOINTMENT AS HARNESS JUDGES.

23 (4) THE HARNESS JUDGES ARE SPECIAL APPOINTMENTS OF THE
24 SKILLED SERVICE OR THE PROFESSIONAL SERVICE IN THE STATE PERSONNEL
25 MANAGEMENT SYSTEM.

26 (C) EACH MEMBER OF THE STAFF OF THE STANDARD BRED RACING
27 COMMISSION AND EACH HARNESS JUDGE IS ENTITLED TO:

28 (1) COMPENSATION IN ACCORDANCE WITH THE STATE BUDGET; AND

29 (2) REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE
30 TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

31 (D) AN INDIVIDUAL WHO HOLDS A POSITION UNDER THE STANDARD BRED
32 RACING COMMISSION MAY NOT HOLD AN OFFICIAL RELATION TO A LICENSEE OR
33 HOLD ANY STOCKS, BONDS, OR OTHER FINANCIAL INTEREST IN A LICENSEE.

1 11-2A-07.

2 (A) ON THE RECOMMENDATION OF THE EXECUTIVE DIRECTOR, THE
3 STANDARDBRED RACING COMMISSION MAY EMPLOY ADDITIONAL EMPLOYEES OR
4 AGENTS, INCLUDING AUDITORS, EXPERTS, GUARDS, INSPECTORS, A BREATHALYZER
5 OPERATOR AT EACH HARNESS RACING TRACK, SCIENTISTS, STANDARDBRED RACING
6 COMMISSION SECRETARIES, SPECIMEN COLLECTORS, VETERINARIANS, AND OTHERS
7 WHOM THE STANDARDBRED RACING COMMISSION CONSIDERS TO BE ESSENTIAL AT
8 OR IN CONNECTION WITH A RACE MEETING IN THE BEST INTERESTS OF RACING.

9 (B) THE LICENSEE WHO HOLDS THE RACE MEETING FOR WHICH AN
10 ADDITIONAL EMPLOYEE IS USED SHALL PAY:

11 (1) THE EMPLOYER CONTRIBUTION FOR THE EMPLOYEE UNDER THE
12 EMPLOYEES' PENSION SYSTEM;

13 (2) THE EMPLOYER CONTRIBUTION AS DETERMINED BY THE
14 DEPARTMENT OF BUDGET AND MANAGEMENT FOR THE RETIREE UNDER § 2-508 OF
15 THE STATE PERSONNEL AND PENSIONS ARTICLE; AND

16 (3) AN AMOUNT REQUIRED UNDER § 23-306.1(B) OF THE STATE
17 PERSONNEL AND PENSIONS ARTICLE, IF ANY.

18 (C) A LICENSEE WHO HOLDS A RACE MEETING SHALL EMPLOY AND PAY THE
19 OFFICIALS AT THE RACE MEETING, OTHER THAN HARNESS JUDGES, INCLUDING
20 EACH CLERK OF THE COURSE, CLERK OF THE SCALES, HANDICAPPER, PADDOCK
21 JUDGE, PATROL JUDGE, PLACING JUDGE, RACING SECRETARY, STARTER, ASSISTANT
22 STARTER, AND TIMER.

23 (D) NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE, IF A
24 LICENSEE IS REQUIRED TO ALLOCATE 0.25% OF HANDLE TO THE MARYLAND
25 HARNESS TRACK EMPLOYEES PENSION FUND, THE LICENSEE SHALL FIRST PAY
26 FROM THE ALLOCATION ANY AMOUNTS REQUIRED TO BE PAID BY THE LICENSEE
27 UNDER SUBSECTION (B) OF THIS SECTION AND THE REMAINDER SHALL BE PAID TO
28 THE PENSION FUND.

29 11-2A-08.

30 (A) EACH LAW ENFORCEMENT OFFICER SHALL COOPERATE WITH THE
31 STANDARDBRED RACING COMMISSION TO ENFORCE THIS TITLE.

32 (B) ON REQUEST OF THE STANDARDBRED RACING COMMISSION, THE
33 GOVERNOR MAY ORDER THE POLICE COMMISSIONER OF BALTIMORE CITY OR THE
34 SHERIFF OF A COUNTY TO ASSIGN ENOUGH LAW ENFORCEMENT OFFICERS TO
35 PREVENT UNAUTHORIZED RACING.

1 11-2A-09.

2 (A) BESIDES ITS OTHER POWERS UNDER THIS TITLE, THE STANDARD BRED
3 RACING COMMISSION HAS THE POWERS NECESSARY AND PROPER TO CARRY OUT
4 FULLY ALL THE PURPOSES OF THIS TITLE THAT INVOLVE HARNESS RACING.

5 (B) THE JURISDICTION, SUPERVISION, POWERS, AND DUTIES OF THE
6 STANDARD BRED RACING COMMISSION EXTEND TO EACH PERSON WHO HOLDS
7 RACING FOR A PURSE, REWARD, OR STAKE.

8 11-2A-10.

9 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE
10 STANDARD BRED RACING COMMISSION MAY:

11 (1) ADOPT REGULATIONS AND CONDITIONS TO GOVERN RACING AND
12 BETTING ON HARNESS RACING IN THE STATE; AND

13 (2) APPROVE OR DISAPPROVE:

14 (I) PRICES THAT A LICENSEE MAY SET FOR ADMISSION TO A RACE,
15 A SERVICE PERFORMED, OR AN ARTICLE SOLD AT A HARNESS TRACK; AND

16 (II) THE SIZE OF THE PURSE, REWARD, OR STAKE TO BE OFFERED
17 AT A HARNESS RACE.

18 (B) THE STANDARD BRED RACING COMMISSION MAY NOT ADOPT
19 REGULATIONS THAT ALLOW:

20 (1) RACING A BREED OF HORSE NOT NOW AUTHORIZED BY LAW; OR

21 (2) HOLDING CURRENTLY UNAUTHORIZED:

22 (I) INTERTRACK BETTING;

23 (II) OFF-TRACK BETTING; OR

24 (III) TELEPHONE BETTING OTHER THAN TELEPHONE ACCOUNT
25 BETTING.

26 11-2A-11.

27 (A) THE STANDARD BRED RACING COMMISSION MAY:

28 (1) ENTER OR INVESTIGATE THE OFFICE, TRACK, OR PLACE OF
29 BUSINESS OF A LICENSEE TO ENSURE THAT THE REGULATIONS OF THE
30 STANDARD BRED RACING COMMISSION ARE STRICTLY COMPLIED WITH; AND

31 (2) PLACE AN EXPERT ACCOUNTANT OR OTHER INDIVIDUAL IN THE
32 OFFICE, TRACK, OR PLACE OF BUSINESS OF A LICENSEE AND REQUIRE THAT THE

1 LICENSEE PAY THE SALARY AND EXPENSES OF THE EXPERT ACCOUNTANT OR OTHER
2 INDIVIDUAL.

3 (B) THE STANDARD BRED RACING COMMISSION MAY REQUIRE THAT AN
4 EMPLOYEE OR OFFICIAL OF THE LICENSEE BE REMOVED FROM THE JOB.

5 (C) THE STANDARD BRED RACING COMMISSION MAY REQUIRE THAT A
6 LICENSEE KEEP FINANCIAL RECORDS IN THE WAY THAT THE STANDARD BRED
7 RACING COMMISSION DETERMINES.

8 (D) THE STANDARD BRED RACING COMMISSION MAY ADMINISTER OATHS.

9 (E) THE STANDARD BRED RACING COMMISSION MAY ISSUE A SUBPOENA FOR
10 THE ATTENDANCE OF A WITNESS TO TESTIFY OR TO PRODUCE EVIDENCE.

11 11-2A-12.

12 (A) THE STANDARD BRED RACING COMMISSION MAY MAINTAIN A TESTING
13 LABORATORY AND HAVE TESTS DONE ELSEWHERE.

14 (B) (1) EACH LICENSEE SHALL PAY A FRACTION OF THE YEARLY COSTS OF
15 THE TESTING LABORATORY AND OF THE TESTS DONE ELSEWHERE.

16 (2) THE NUMERATOR OF THE FRACTION SHALL BE THE NUMBER OF
17 RACING DAYS WITH PARI-MUTUEL BETTING PRIVILEGES THAT THE LICENSEE
18 HOLDS DURING THE YEAR.

19 (3) THE DENOMINATOR OF THE FRACTION SHALL BE THE WHOLE
20 NUMBER OF RACING DAYS WITH PARI-MUTUEL BETTING PRIVILEGES HELD IN THE
21 STATE DURING THE YEAR.

22 11-2A-13.

23 (A) ON OR BEFORE SEPTEMBER 15 OF EACH YEAR, THE STANDARD BRED
24 RACING COMMISSION SHALL SUBMIT A REPORT TO THE SECRETARY AND THE
25 LEGISLATIVE POLICY COMMITTEE ABOUT THE PRECEDING CALENDAR YEAR.

26 (B) EACH REPORT SHALL INCLUDE:

27 (1) A STATEMENT OF RECEIPTS AND DISBURSEMENTS OF THE
28 STANDARD BRED RACING COMMISSION;

29 (2) A SUMMARY OF MAJOR EVENTS THAT OCCURRED THE PRECEDING
30 YEAR THAT AFFECTED HARNESS RACING IN THE STATE, INCLUDING ANY
31 SIGNIFICANT CHANGES AT TRACKS IN THE REGION AS WELL AS A DISCUSSION OF
32 LEGISLATIVE INITIATIVES IN THE STATE;

33 (3) A 5-YEAR ASSESSMENT OF EACH HARNESS TRACK, REGARDING:

34 (I) ATTENDANCE;

1 (II) PURSE DISTRIBUTIONS;

2 (III) LIVE RACING DAYS THAT ARE ALLOCATED AND USED;

3 (IV) BETTING ON LIVE RACING THAT IS HELD AT THAT TRACK
4 BROKEN DOWN BY THE FOLLOWING CATEGORIES:

5 1. BETTING CONDUCTED AT THE LIVE TRACK;

6 2. BETTING CONDUCTED AT OTHER MARYLAND TRACKS;

7 3. BETTING CONDUCTED AT SATELLITE SIMULCAST
8 FACILITIES IN THE STATE; AND

9 4. BETTING CONDUCTED THROUGH OUT-OF-STATE
10 SATELLITE SIMULCASTING;

11 (V) BETTING THAT IS CONDUCTED AT THE LIVE TRACK ON RACES
12 SIMULCAST FROM OTHER TRACKS IN THE STATE; AND

13 (VI) BETTING THAT IS CONDUCTED AT THE LIVE TRACK ON RACES
14 SIMULCAST FROM OUT-OF-STATE TRACKS;

15 (4) INFORMATION ON ALL SIMULCAST BETTING AT SATELLITE
16 SIMULCAST FACILITIES IN THE STATE, INCLUDING INFORMATION ON HOW MUCH IS
17 WAGERED ON IN-STATE RACES AND HOW MUCH IS BET ON OUT-OF-STATE RACES;

18 (5) INFORMATION ON ALL SIMULCAST BETTING THAT IS CONDUCTED
19 OUT OF STATE ON RACES BEING RUN LIVE IN THIS STATE;

20 (6) TO THE EXTENT AVAILABLE, INFORMATION ON THE HARNESS
21 BREEDING INDUSTRY IN THE STATE, INCLUDING:

22 (I) THE NUMBER OF BREEDERS IN THE STATE;

23 (II) THE NUMBER OF FOALS REGISTERED IN THE STATE;

24 (III) THE AVERAGE SALES PRICES OF FOALS; AND

25 (IV) ANY OTHER INFORMATION PERTAINING TO THE REGIONAL
26 AND NATIONAL RANKING OF THE STATE FOR BREEDING;

27 (7) ALL OTHER INFORMATION THAT IS CURRENTLY PROVIDED BY THE
28 STANDARD BRED RACING COMMISSION IN ITS ANNUAL REPORT;

29 (8) ADDITIONAL INFORMATION ON SATELLITE SIMULCAST FACILITIES,
30 AS REQUIRED UNDER § 11-831 OF THIS TITLE; AND

31 (9) ANY OTHER INFORMATION THAT IS USEFUL IN EXPLAINING THE
32 FINANCIAL VIABILITY OF HORSE RACING IN THE STATE AND ANY
33 RECOMMENDATIONS TO IMPROVE THE INDUSTRY.

1 11-2A-14.

2 THE THOROUGHBRED RACING COMMISSION EXERCISES ITS POWERS AND
3 PERFORMS ITS DUTIES SUBJECT TO THE AUTHORITY OF THE SECRETARY.

4 11-301.

5 (A) In this subtitle[, "beneficial] THE FOLLOWING WORDS HAVE THE
6 MEANINGS INDICATED.

7 (B) "APPROPRIATE COMMISSION" MEANS:

8 (1) FOR A PERSON WHO HOLDS A LICENSE TO CONDUCT MILE
9 THOROUGHBRED RACING, SPECIAL THOROUGHBRED RACING, OR RACING AT FAIR
10 HILL, OR FOR AN APPLICANT FOR SUCH A LICENSE, THE THOROUGHBRED RACING
11 COMMISSION; OR

12 (2) FOR A PERSON WHO HOLDS A LICENSE TO CONDUCT HARNESS
13 RACING OR AN APPLICANT FOR SUCH A LICENSE, THE STANDARD BRED RACING
14 COMMISSION.

15 (C) "BENEFICIAL ownership" includes:

16 (1) record ownership;

17 (2) stock or other ownership in an entity in a chain of parent and
18 subsidiary or affiliated entities, any 1 of which participates in the capital or profits of
19 a licensee, regardless of the percentage of ownership involved;

20 (3) an interest that entitles a person to benefits substantially equivalent
21 to ownership by an agreement, relationship, or other arrangement even though the
22 person is not an owner of record; and

23 (4) unless there are special circumstances, ownership of a security by a
24 relative of an individual who lives in the home of the individual.

25 11-303.

26 (a) An applicant for a license shall submit to the executive director of the
27 APPROPRIATE Commission an application:

28 (1) in the form that the APPROPRIATE Commission requires; and

29 (2) on or before a day that the APPROPRIATE Commission sets.

30 (b) The application shall state:

31 (1) the dates of the race meetings desired;

32 (2) the maximum number of racing days desired; and

1 (3) any other information that the APPROPRIATE Commission requires.

2 11-304.

3 (a) The APPROPRIATE Commission shall issue a license to each applicant who:

4 (1) is awarded racing days in a race meeting; and

5 (2) pays the appropriate license fee.

6 (b) A license shall state:

7 (1) the dates of the race meeting awarded;

8 (2) the total number of racing days awarded; and

9 (3) the kind of racing to be held.

10 11-305.

11 A licensee is subject to all rights, regulations, and conditions that the
12 APPROPRIATE Commission sets for the calendar year in which a race meeting of the
13 licensee is held.

14 11-307.

15 (a) (1) On request of a licensee, the APPROPRIATE Commission may return
16 to the licensee a fee paid for racing on a day when the licensee fails to hold racing if:

17 (i) on that day, racing is impossible, impracticable, or inadvisable;

18 (ii) the licensee is not in default; and

19 (iii) the reason for the lack of racing is beyond the control of the
20 licensee.

21 (2) The decision of the APPROPRIATE Commission is final.

22 (b) If a licensee does not hold racing on the full number of its authorized
23 racing days because of bad weather conditions, the APPROPRIATE Commission may
24 award to the licensee replacement races or racing days.

25 11-308.

26 (a) Subject to the hearing provisions of §§ 11-309 and 11-310 of this subtitle,
27 the APPROPRIATE Commission may deny a license to an applicant or discipline a
28 licensee in accordance with this section.

29 (b) The APPROPRIATE Commission may deny a license to any applicant for
30 any reason that the APPROPRIATE Commission considers sufficient.

1 (c) (1) The APPROPRIATE Commission may reprimand any licensee or
2 suspend or revoke a license if the licensee violates:

3 (i) this title;

4 (ii) a regulation adopted under this title; or

5 (iii) a condition set by the APPROPRIATE Commission.

6 (2) The APPROPRIATE Commission shall suspend or revoke a license if
7 the applicant or licensee fails to:

8 (i) keep records and make reports of ownership of stock that are
9 required under § 11-314 of this subtitle; or

10 (ii) make a reasonable effort to get affidavits required under §
11 11-314(b) and (c) of this subtitle.

12 (d) (1) The APPROPRIATE Commission may impose a penalty not exceeding
13 \$5,000 for each racing day that the licensee is in violation of subsection (c) of this
14 section:

15 (i) instead of suspending or revoking a license under subsection
16 (c)(1) of this section; and

17 (ii) in addition to suspending or revoking a license under subsection
18 (c)(2) of this section.

19 (2) To determine the amount of the penalty imposed under paragraph (1)
20 of this subsection, the APPROPRIATE Commission shall consider:

21 (i) the seriousness of the violation;

22 (ii) the harm caused by the violation; and

23 (iii) the good faith or lack of good faith of the licensee.

24 (3) A penalty imposed on a licensee shall be paid from the licensee's
25 share of the takeout.

26 11-309.

27 (a) Except as otherwise provided in § 10-226 of the State Government Article,
28 before the APPROPRIATE Commission takes any final action under § 11-308 of this
29 subtitle, it shall give the person against whom the action is contemplated an
30 opportunity for a hearing before the appropriate Commission or, as provided under §
31 11-310 of this subtitle, a hearing committee.

32 (b) The APPROPRIATE Commission shall give notice and hold the hearing in
33 accordance with Title 10, Subtitle 2 of the State Government Article.

1 (c) If, after due notice, the person against whom the action is contemplated
2 does not appear, nevertheless the APPROPRIATE Commission may hear and
3 determine the matter.

4 11-310.

5 (a) The APPROPRIATE Commission may delegate to a hearing committee of at
6 least 3 of its members the power to hold adjudicatory proceedings under this title,
7 including evidentiary hearings.

8 (b) (1) A unanimous decision by the hearing committee is binding and is a
9 final decision of the APPROPRIATE Commission.

10 (2) If the decision of the hearing committee is not unanimous, a de novo
11 hearing shall be conducted by the APPROPRIATE Commission.

12 11-311.

13 A party to a proceeding before the APPROPRIATE Commission who is aggrieved
14 by a final decision of the APPROPRIATE Commission in a contested case, as defined in
15 § 10-202 of the State Government Article, may take an appeal as allowed in §§
16 10-222 and 10-223 of the State Government Article.

17 11-312.

18 (a) On request of the APPROPRIATE Commission, the following individuals
19 shall give the APPROPRIATE Commission their fingerprints:

20 (1) each individual licensee;

21 (2) each individual member of an unincorporated association that is a
22 licensee;

23 (3) each officer or director of a corporation that is a licensee;

24 (4) each employee of a licensee who actively participates in the racing
25 action of the licensee;

26 (5) each individual who actively participates in the racing action of a
27 licensee, including each agent, blacksmith, driver, apprentice jockey, jockey, manager,
28 owner, trainer, stable employee, and veterinarian;

29 (6) each member of the STANDARD BRED RACING COMMISSION AND THE
30 THOROUGHBRED RACING Commission;

31 (7) the Executive Director of the STANDARD BRED RACING COMMISSION
32 AND THE EXECUTIVE DIRECTOR OF THE THOROUGHBRED RACING Commission;

33 (8) each employee of the STANDARD BRED RACING COMMISSION AND
34 THE THOROUGHBRED RACING Commission under §§ [11-206 and 11-207] 11-206,
35 11-207, 11-2A-06, and 11-2A-07 of this title; and

1 (9) each individual who is subject to § 11-316 of this subtitle.

2 (b) The APPROPRIATE Commission shall:

3 (1) apply to the Central Repository for a State and national criminal
4 history records check for each individual listed in subsection (a) of this section; and

5 (2) as part of the application for a criminal history records check, submit
6 to the Central Repository:

7 (i) a complete set of the individual's legible fingerprints taken on a
8 form approved by the Director of the Central Repository; and

9 (ii) the fee authorized under § 10-221(b)(7) of the Criminal
10 Procedure Article for access to Maryland criminal history records.

11 (c) (1) In addition to a State criminal history records check under this
12 section, the APPROPRIATE Commission may require an individual listed in subsection
13 (a) of this section to obtain a criminal history records check from the Federal Bureau
14 of Investigation, through the Central Repository.

15 (2) For each applicant who is required by the APPROPRIATE Commission
16 to obtain a criminal history records check from the Federal Bureau of Investigation
17 under paragraph (1) of this subsection, the APPROPRIATE Commission shall apply to
18 the Central Repository for a national criminal history records check.

19 (3) As part of the application for a national criminal history records
20 check, the APPROPRIATE Commission shall submit to the Central Repository:

21 (i) a complete set of the individual's legible fingerprints taken on a
22 form approved by the Director of the Federal Bureau of Investigation; and

23 (ii) the mandatory processing fee required by the Federal Bureau of
24 Investigation for a national criminal history records check.

25 (d) (1) In accordance with §§ 10-201 through 10-234 of the Criminal
26 Procedure Article, the Central Repository shall forward to the individual and the
27 APPROPRIATE Commission the individual's criminal history record information.

28 (2) Information obtained from the Central Repository under this section
29 shall be:

30 (i) confidential and may not be disseminated; and

31 (ii) used only for the purpose authorized by this section.

32 (3) The subject of a criminal history records check under this section may
33 contest the contents of the printed statement issued by the Central Repository as
34 provided in § 10-223 of the Criminal Procedure Article.

1 11-313.

2 (a) The APPROPRIATE Commission shall require a licensee, and each officer or
3 stockholder of a licensee, to disclose to the APPROPRIATE Commission each financial
4 interest that the person has in racing.

5 (b) On or before the 75th day following the end of a licensee's fiscal year, the
6 licensee shall submit to the APPROPRIATE Commission in the form that the
7 APPROPRIATE Commission requires:

8 (1) an itemized statement under oath for the preceding fiscal year of
9 receipts from all sources and of all expenses and disbursements, including salaries of
10 officers, attorney fees, and lobbying expenses; and

11 (2) a certified audit by a certified public accountant of the financial
12 records of the licensee for the preceding fiscal year.

13 (c) The audited statements of all licensees shall be sent to the Governor, and,
14 subject to § 2-1246 of the State Government Article, to the General Assembly.

15 (d) The Office of Legislative Audits shall audit each licensee at least once
16 every 2 years in accordance with the provisions of §§ 2-1217 through 2-1227 of the
17 State Government Article.

18 11-314.

19 (a) The APPROPRIATE Commission shall require each licensee to keep records
20 that show the beneficial ownership of the stock of the licensee, whether or not the
21 beneficial ownership is registered or stated on the stock.

22 (b) (1) The APPROPRIATE Commission shall require a licensee at least once
23 each calendar year to get by written request an affidavit from each owner of record of
24 the licensee.

25 (2) The affidavit shall state, to the best of the affiant's knowledge,
26 information, and belief:

27 (i) whether a person other than the affiant has a right of beneficial
28 ownership in the stock held in the name of the affiant;

29 (ii) the name and address of any other person who has a right of
30 beneficial ownership; and

31 (iii) the amount and nature of the beneficial ownership.

32 (c) (1) If a licensee learns that a person, other than a record owner of stock
33 in a licensee, has a beneficial ownership interest in stock of the licensee, the licensee
34 promptly shall request in writing that the person submit an affidavit within 60 days
35 to the licensee.

1 (2) The affidavit shall state to the best of the affiant's knowledge,
2 information, and belief:

3 (i) whether the affiant has a right of beneficial ownership in the
4 stock of the licensee that is described in the notice;

5 (ii) the amount and nature of the beneficial ownership;

6 (iii) whether a person other than the affiant and the record owner
7 has a right of ownership of any kind in that stock of the licensee; and

8 (iv) the amount and nature of the ownership of that stock by a
9 person other than the affiant and the record owner.

10 (d) Notwithstanding the affidavit requirements of this section, the
11 APPROPRIATE Commission may excuse the reporting of beneficial ownership that is
12 less than 2% of the licensee.

13 (e) (1) A licensee shall submit the beneficial ownership records and
14 affidavits required under this section to the APPROPRIATE Commission at least once
15 each year and at any other time that the APPROPRIATE Commission requires.

16 (2) A licensee shall report promptly to the APPROPRIATE Commission
17 each change in beneficial ownership.

18 11-315.

19 A statement required to be submitted to the APPROPRIATE Commission under §
20 11-313 or § 11-314 of this subtitle shall be under oath and signed by each officer of
21 the corporate licensee or by the owner or each partner of an unincorporated licensee.
22 11-316.

23 (a) Before a prospective buyer buys a majority controlling interest in a
24 licensee, the APPROPRIATE Commission shall review the personal and financial
25 background of the prospective buyer.

26 (b) (1) [The] EACH APPROPRIATE Commission shall adopt regulations to
27 carry out this section.

28 (2) The regulations shall:

29 (i) require a personal and financial background check of the
30 prospective buyer;

31 (ii) specify a period of time to review the required personal and
32 financial information before a purchase or transfer of racing days is made; and

33 (iii) require that notice and an invitation to comment be given to the
34 Legislative Policy Committee at least 15 days before final approval of a purchase or
35 transfer of racing days resulting from a purchase.

1 (3) The background check shall include:

2 (i) a review by a certified public accountant of certified financial
3 statements, including contingent or pledged liabilities, sufficient to determine the
4 ability of the prospective buyer to buy and maintain the licensee;

5 (ii) an income statement for the most recent year;

6 (iii) a statement of financial and related records of any person in
7 which the prospective buyer has at least a majority interest;

8 (iv) a disclosure of each financial interest in racing;

9 (v) a disclosure of each person who will have beneficial ownership
10 of the licensee as a result of the purchase;

11 (vi) a criminal history records check under § 11-312 of this subtitle;
12 and

13 (vii) a character review.

14 11-317.

15 Before a license or racing days may be transferred to a buyer or a lessee of a
16 track:

17 (1) the Legislative Policy Committee shall have been notified at least 15
18 days before the transfer;

19 (2) the Legislative Policy Committee, if it has chosen to do so, shall have
20 provided comment to the APPROPRIATE Commission about the transfer; and

21 (3) the transfer shall have been approved by the appropriate
22 Commission.

23 11-318.

24 The APPROPRIATE Commission may require a licensee to get its approval before
25 the licensee:

26 (1) contracts to pay money;

27 (2) sets a salary, fee, or compensation to be paid; or

28 (3) builds, extends, or improves a track or structure on property that the
29 licensee owns or leases.

30 11-501.

31 (A) IN THIS PART, "COMMISSION" MEANS THE THOROUGHBRED RACING
32 COMMISSION ESTABLISHED UNDER § 11-201 OF THIS TITLE.

1 (B) This part applies only to mile thoroughbred racing licensees and to special
2 thoroughbred racing licensees.

3 11-507.

4 (A) IN THIS PART, "COMMISSION" MEANS THE THOROUGHBRED RACING
5 COMMISSION ESTABLISHED UNDER § 11-201 OF THIS TITLE.

6 (B) This part applies only to mile thoroughbred racing licenses and to licensees
7 who have been awarded racing days to hold mile thoroughbred racing.

8 11-523.

9 (A) In this part[,] THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

10 (B) "COMMISSION" MEANS THE THOROUGHBRED RACING COMMISSION
11 ESTABLISHED UNDER § 11-201 OF THIS TITLE.

12 (C) "State Fair Society" means the Maryland State Fair and Agricultural
13 Society, Inc.

14 11-529.

15 (a) In this part the following words have the meanings indicated.

16 (b) "Advisory Committee" means the Maryland-Bred Race Fund Advisory
17 Committee.

18 (C) "COMMISSION" MEANS THE THOROUGHBRED RACING COMMISSION
19 ESTABLISHED UNDER § 11-201 OF THIS TITLE.

20 [(c)] (D) "Fund" means the Maryland-Bred Race Fund.

21 [(d)] (E) "Fund Race" means a race funded by the Maryland-Bred Race Fund.

22 11-601.

23 (A) In this subtitle[, "average] THE FOLLOWING WORDS HAVE THE
24 MEANINGS INDICATED.

25 (B) "AVERAGE handle" means the daily average amount bet in a year.

26 (C) "COMMISSION" MEANS THE STANDARD BRED RACING COMMISSION
27 ESTABLISHED UNDER § 11-2A-01 OF THIS TITLE.

28 11-701.

29 (A) IN THIS SUBTITLE, "COMMISSION" MEANS THE THOROUGHBRED RACING
30 COMMISSION ESTABLISHED UNDER § 11-201 OF THIS TITLE.

1 (B) This subtitle applies only to the licensee that is the Cecil County Breeders'
2 Fair, Inc., or its successor.

3 11-801.

4 The THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED RACING
5 Commission may authorize a licensee to hold racing with pari-mutuel betting.

6 11-802.

7 (a) A licensee may not lend or give money to a person for pari-mutuel betting.

8 (b) The THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED
9 RACING Commission may adopt regulations to enforce this section.

10 11-803.

11 (a) If a winning ticket is not redeemed within 1 year, the licensee into whose
12 betting pool the bet was placed shall pay the amount needed to redeem the ticket to
13 the THOROUGHBRED RACING COMMISSION OR THE STANDARD BRED RACING
14 Commission to be credited to the Special Fund under Subtitle 4 of this title.

15 (b) Every year for the preceding calendar year, each licensee shall:

16 (1) report to the THOROUGHBRED RACING COMMISSION OR THE
17 STANDARD BRED RACING Commission the amount payable to the THOROUGHBRED
18 RACING COMMISSION OR THE STANDARD BRED RACING Commission under this
19 section; and

20 (2) pay that amount to the THOROUGHBRED RACING COMMISSION OR
21 THE STANDARD BRED RACING Commission.

22 (c) (1) The license of a licensee shall be revoked if the licensee:

23 (i) fails to report when money under this section is due; or

24 (ii) knowingly or willfully submits a report that understates the
25 amount due.

26 (2) A licensee whose license is revoked under this subsection may not
27 hold a license for at least 1 year.

28 11-804.

29 (b) [If the Commission approves, a] A licensee may contract to hold
30 pari-mutuel betting on a race that is held at an out-of-state track where betting on
31 racing is lawful WITH THE APPROVAL OF THE COMMISSION THAT LICENSED THE
32 LICENSEE.

33 (c) Pari-mutuel betting under this section may only occur:

1 (1) on a racing day when the Commission THAT LICENSES A LICENSEE
2 has authorized the licensee to hold racing; and

3 (2) (i) at the track of the licensee;

4 (ii) at any track where pari-mutuel betting on races on the racing
5 program of the licensee for that day is authorized; or

6 (iii) at a satellite simulcast facility.

7 11-804.2.

8 Notwithstanding § 11-804(c) of this subtitle, a licensee in Allegany County may
9 conduct pari-mutuel betting under § 11-804 of this subtitle on a day when the
10 Commission THAT LICENSES A LICENSEE has authorized the licensee to hold racing
11 only:

12 (1) at the track of the licensee;

13 (2) at a satellite simulcast facility:

14 (i) in which the licensee has majority ownership interest; and

15 (ii) which complies with the requirements of § 11-825(a) of this
16 subtitle; and

17 (3) at a receiving track located more than 35 miles from any of Laurel
18 Park, Pimlico Race Course, and Rosecroft Raceway.

19 11-805.

20 (a) Except for racing held by the Maryland-National Capital Park and
21 Planning Commission, [the Commission may authorize] telephone betting at any
22 track where racing is authorized MAY BE AUTHORIZED BY:

23 (1) THE THOROUGHBRED RACING COMMISSION, FOR THOROUGHBRED
24 RACING; AND

25 (2) THE STANDARD BRED RACING COMMISSION, FOR HARNESS RACING.

26 (b) The breakage and takeout on all telephone betting shall be computed in
27 the way normally applicable to pari-mutuel betting on racing the licensee holds.

28 11-808.

29 (b) The [Commission has] THOROUGHBRED RACING COMMISSION AND THE
30 STANDARD BRED RACING COMMISSION HAVE JOINT jurisdiction over all intertrack
31 betting and other activities at a receiving track to the same extent as when live racing
32 is held at the track.

1 (c) The THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED
2 RACING Commission shall adopt A COMMON SET OF regulations to carry out this part.

3 11-809.

4 (a) On a race that a licensee holds and simulcasts to an out-of-state facility or
5 on a simulcast of a race that a licensee receives, the licensee may, with the approval
6 of the THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED RACING
7 Commission, combine bets made at the licensee's track with bets of the same type
8 made at the out-of-state facility where betting is lawful.

9 (b) This section allows the creation of common mutuel pools for calculating
10 odds and determining payouts.

11 (c) Bets made at an out-of-state facility may not be considered part of the
12 licensee's mutuel pools for any purpose other than the purpose stated in subsection
13 (b) of this section.

14 (d) For races that are held by a licensee in this State and simulcast to an
15 out-of-state facility, the takeout on bets made in this State that are commingled in a
16 common mutuel pool shall be the takeout as prescribed for the licensee by this title.

17 (e) Notwithstanding any other provision of this title governing the amount of
18 takeout, for a race that is held by an out-of-state facility and simulcast to a licensee
19 in this State, the takeout on bets made in this State that are commingled in a
20 common mutuel pool shall be, subject to the approval of the THOROUGHBRED RACING
21 COMMISSION AND THE STANDARD BRED RACING Commission, as agreed by the
22 licensee and the out-of-state facility.

23 (f) Notwithstanding any other provision of this title governing the allocation
24 of takeout, for a race that is held by an out-of-state facility and simulcast to a
25 licensee in this State, the allocation of takeout on bets made in this State that are
26 commingled in a common mutuel pool shall be, subject to the approval of the
27 THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED RACING
28 Commission, allocated in the following manner:

29 (1) to the State for taxes on the handle of the licensee as provided under
30 this title;

31 (2) to the host racing association where live racing is conducted in an
32 amount determined by the licensee and the out-of-state facility; and

33 (3) the remainder to the licensee, the applicable pension funds created
34 by this title, purse money, and the applicable bred fund in proportion to their
35 respective shares of the takeout under this title.

1 11-811.

2 (c) [The Commission may authorize] IF AUTHORIZED BY THE
3 THOROUGHBRED RACING COMMISSION AND BY THE STANDARD BRED RACING
4 COMMISSION, intertrack betting [involving] MAY BE HELD THAT INVOLVES tracks of:

5 (1) mile thoroughbred racing licensees;

6 (2) harness racing licensees;

7 (3) Fair Hill; or

8 (4) the State Fair Society.

9 (d) The THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED
10 RACING Commission may JOINTLY authorize licensees, Fair Hill, or the State Fair
11 Society to participate in intertrack betting by operating sending tracks and receiving
12 tracks only if:

13 (1) the operators of the sending track and the receiving track submit a
14 joint application to the THOROUGHBRED RACING COMMISSION AND TO THE
15 STANDARD BRED RACING Commission;

16 (2) the [Commission holds] THOROUGHBRED RACING COMMISSION AND
17 THE STANDARD BRED RACING COMMISSION HOLD a public hearing on the matter;

18 (3) the operator of the receiving track shows to the satisfaction of the
19 THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED RACING
20 Commission that the operator has held, is holding, or will hold regularly scheduled
21 race meetings at the receiving track in accordance with a license and has complied
22 with the terms of the license; and

23 (4) the receiving track meets the requirements of subsection (e) of this
24 section, unless the [Commission has] THOROUGHBRED RACING COMMISSION AND
25 THE STANDARD BRED RACING COMMISSION HAVE JOINTLY waived them, and
26 subsection (f) of this section.

27 (e) (1) Laurel Race Course, a track where racing is conducted by the State
28 Fair Society or Rosecroft Raceway may be a receiving track only if live racing was
29 held there in the previous calendar year on at least 75% of the racing days available
30 to it.

31 (2) Ocean Downs may be a receiving track only if at least 40 days of live
32 racing were held there in the previous calendar year.

33 (3) Pimlico Race Course may be a receiving track only if at least 90 days
34 of live racing were held there in the previous calendar year.

35 (4) A track where racing is conducted by Fair Hill may be a sending track
36 only on days when Fair Hill is licensed to conduct and actually conducts live racing.

- 1 (5) A track in Allegany County may be a sending track:
- 2 (i) to any receiving track:
- 3 1. on days when the track is licensed to conduct and actually
4 conducts live racing; and
- 5 2. for live races conducted at the track; and
- 6 (ii) to a receiving track located more than 35 miles from any of
7 Laurel Park, Pimlico Race Course, and Rosecroft Raceway:
- 8 1. on any day the [Commission has] THOROUGHBRED
9 RACING COMMISSION AND THE STANDARD BRED RACING COMMISSION HAVE
10 JOINTLY authorized the licensee to hold racing; and
- 11 2. for simulcast races conducted at the track.

12 (6) Subject to § 11-804.2 of this subtitle, nothing in paragraph (5) of this
13 subsection shall limit the ability of a track in Allegany County to act as a sending
14 track to a satellite simulcast facility.

15 (7) A track in Allegany County may be a receiving track:

16 (i) during its opening year if it has scheduled at least 21 days of
17 live racing within 12 months of its opening and the [Commission has]
18 THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED RACING
19 COMMISSION HAVE JOINTLY granted its application to race on those days; and

20 (ii) in subsequent years if at least 21 days of live racing were held
21 at the track in the previous calendar year.

22 (8) The [Commission] THOROUGHBRED RACING COMMISSION AND THE
23 STANDARD BRED RACING COMMISSION may JOINTLY waive a requirement of this
24 subsection if the receiving track could not meet the requirement because of:

25 (i) an act of God; or

26 (ii) what the THOROUGHBRED RACING COMMISSION AND THE
27 STANDARD BRED RACING Commission finds to be an emergency.

28 11-812.

29 (a) A mile thoroughbred racing licensee operating a sending track shall pay to
30 the THOROUGHBRED RACING Commission, within 3 days after each day of intertrack
31 betting on thoroughbred racing at a receiving track, \$1,000 of the impact aid to be
32 paid to political subdivisions for intertrack betting for that day under § 11-404(c) and
33 (d) of this title.

1 (b) The licensee shall deduct from the takeout the payment under subsection
2 (a) of this section and then shall allocate the rest of the takeout in the way normally
3 applicable to racing at the sending track.

4 (c) The THOROUGHBRED RACING Commission shall pay promptly to the
5 Comptroller all money collected under this section.

6 11-816.

7 (a) The THOROUGHBRED RACING COMMISSION ACTING WITH THE
8 STANDARD BRED RACING Commission may approve satellite simulcast facilities that
9 may conduct satellite simulcast betting.

10 (b) This part does not authorize satellite simulcast betting at or through the
11 direct use of lottery terminals in the State.

12 (c) The THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED
13 RACING Commission [has] HAVE JOINT jurisdiction over all satellite simulcast
14 betting and other activities at a satellite simulcast facility to the same extent as when
15 live racing is held by a licensee.

16 11-817.

17 (a) A person must have a permit granted by the THOROUGHBRED RACING
18 COMMISSION AND BY THE STANDARD BRED RACING Commission whenever the
19 person holds satellite simulcast betting.

20 (b) Nothing in this Part III of this subtitle may preempt local zoning laws or
21 ordinances.

22 11-818.

23 (a) Any person may apply for a permit.

24 (b) An applicant for a permit shall submit to the executive [director of the
25 Commission] DIRECTORS OF BOTH THE THOROUGHBRED RACING COMMISSION AND
26 THE STANDARD BRED RACING COMMISSION an application in the form that the
27 [Commission requires] COMMISSIONS REQUIRE.

28 (c) Except as provided in subsection (e) of this section, the THOROUGHBRED
29 RACING COMMISSION AND THE STANDARD BRED RACING Commission shall conduct a
30 personal and financial background check of an applicant for a permit including:

31 (1) a review, by a certified public accountant, of the certified financial
32 statements of the applicant, including contingent or pledged liabilities, sufficient to
33 determine the ability of the applicant to purchase or lease, and develop and maintain
34 the satellite simulcast facility for which the permit is sought;

35 (2) an income statement of the applicant for the most recent year;

1 (3) a statement of financial and related records of any person in which
2 the applicant has at least a majority interest;

3 (4) a disclosure of all financial interests in horse racing and any other
4 legalized betting activity;

5 (5) the disclosure of each person who is a beneficial owner of the
6 applicant;

7 (6) with the assistance of federal, State, and local law enforcement
8 authorities, a criminal background review; and

9 (7) a character review.

10 (d) The THOROUGHBRED RACING COMMISSION WITH THE STANDARD BRED
11 RACING Commission shall adopt regulations establishing uniform procedures for
12 conducting the personal and financial background check required by this section.

13 (e) The THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED
14 RACING Commission may waive portions of the review that [it determines] THEY
15 DETERMINE to be appropriate for any applicant that is a licensee.

16 11-819.

17 The factors that the THOROUGHBRED RACING COMMISSION AND THE
18 STANDARD BRED RACING Commission shall consider in deciding whether to grant a
19 permit shall include:

20 (1) the needs and convenience of the public;

21 (2) whether the satellite simulcast facility:

22 (i) would be expected to interfere unreasonably with attendance at
23 tracks; and

24 (ii) meets the requirements of § 11-825(a) of this subtitle;

25 (3) the desires of the political subdivision where the proposed satellite
26 simulcast facility is to be located;

27 (4) the interests of the racing industry; and

28 (5) other matters that the [Commission finds] THOROUGHBRED RACING
29 COMMISSION AND THE STANDARD BRED RACING COMMISSION FIND appropriate.

30 11-820.

31 (a) The THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED
32 RACING Commission shall grant a permit to each applicant whose application the
33 [Commission approves] THOROUGHBRED RACING COMMISSION AND THE
34 STANDARD BRED RACING COMMISSION APPROVE after the applicant pays the permit

1 fee that the [Commission requires] THOROUGHBRED RACING COMMISSION AND THE
2 STANDARDDBRED RACING COMMISSION REQUIRE.

3 (b) A permit shall state the specific location where the permit applies.

4 (c) If the [Commission approves] THOROUGHBRED RACING COMMISSION
5 AND THE STANDARDDBRED RACING COMMISSION APPROVE, an applicant for a permit
6 may change the location for which a satellite simulcast facility is being applied.

7 11-822.

8 (a) The THOROUGHBRED RACING COMMISSION AND THE STANDARDDBRED
9 RACING Commission shall set the term of each permit.

10 (b) If the [Commission approves] THOROUGHBRED RACING COMMISSION
11 AND THE STANDARDDBRED RACING COMMISSION APPROVE, a permit may be
12 transferred to another person if:

13 (1) the satellite simulcasting facility remains at the same location; and

14 (2) the person complies with all regulations of the THOROUGHBRED
15 RACING COMMISSION AND THE STANDARDDBRED RACING Commission established
16 under § 11-316 of this title for the purchase or transfer of an entity licensed to
17 conduct racing.

18 11-825.

19 (a) A satellite simulcast facility:

20 (1) shall be in premises owned or leased by a permit holder;

21 (2) may not be within a 35-mile radius of any mile thoroughbred track or
22 harness track unless approved by the track licensee, the group that represents a
23 majority of the applicable owners and trainers licensed in the State and the group
24 that represents a majority of the applicable breeders in the State, considered
25 separately;

26 (3) unless the track agrees otherwise, may not operate during hours on
27 those days that racing with pari-mutuel betting is permitted at a racetrack located in
28 this State within a 35-mile radius of the satellite simulcast facility; and

29 (4) shall offer pari-mutuel betting facilities and amenities that the
30 [Commission finds] THOROUGHBRED RACING COMMISSION AND THE
31 STANDARDDBRED RACING COMMISSION FIND are:

32 (i) comparable to those available in the sports palace facilities of
33 the mile thoroughbred racing licensees including:

34 1. high quality dining, lounge, and seating areas that are of a
35 manner generally found in fine restaurants; and

1 (1) the effect of satellite simulcast betting on the racing industry in the
2 State;

3 (2) an appraisal of each permit holder, taking into consideration the
4 results of inspections required under this section and any financial information that
5 is submitted to the THOROUGHBRED RACING COMMISSION OR THE STANDARD BRED
6 RACING Commission;

7 (3) if any additional permit has been granted under this section:

8 (i) the reasons for granting the permit; and

9 (ii) the anticipated impact of the new facility on existing permit
10 holders and racing licensees; and

11 (4) if an application for a permit or permit renewal has been denied:

12 (i) the reasons for denying the permit or renewal; and

13 (ii) the impact on racing licensees if the THOROUGHBRED RACING
14 COMMISSION AND THE STANDARD BRED Racing Commission denied a permit renewal
15 application.

16 11-832.

17 The THOROUGHBRED RACING COMMISSION WITH THE STANDARD BRED RACING
18 Commission shall adopt regulations to:

19 (1) define the criteria for applicants for a satellite simulcast betting
20 permit, which may include a nonrefundable application fee;

21 (2) define allowable costs of operations under § 11-827 of this part; and

22 (3) otherwise carry out this part.

23 11-904.

24 (b) The Board of Directors of the Jockey Fund consists of [the members of the
25 Commission];

26 (1) THREE MEMBERS OF THE THOROUGHBRED RACING COMMISSION;
27 AND

28 (2) TWO MEMBERS OF THE STANDARD BRED RACING COMMISSION.

29 11-906.

30 (a) (1) The THOROUGHBRED RACING COMMISSION WITH THE
31 STANDARD BRED RACING Commission shall assess each licensed owner and licensed
32 trainer of a thoroughbred horse an amount sufficient to pay the cost of workers'
33 compensation insurance that the Jockey Fund gets.

1 (3) one member on July 1, 2006.

2 SECTION 3. AND BE IT FURTHER ENACTED, That any person who is
3 licensed or holds a permit to hold a race meeting, satellite simulcast betting, or any
4 other activity authorized under Title 11 of the Business Regulation Article on or
5 before the effective date of this Act need not obtain a new license or permit under this
6 Act until the existing license or permit expires, but shall be subject to all other
7 provisions of this Act, including all restrictions and requirements that apply to
8 licensees and holders of permits under this Act.

9 SECTION 4. AND BE IT FURTHER ENACTED, That:

10 (a) all property of any kind, including personal property, records, fixtures,
11 appropriations, credits, assets, liabilities, obligations, rights, and privileges, held by
12 the State Racing Commission or by any unit of the Commission, shall be and hereby
13 are transferred to the THOROUGHBRED RACING Commission or the Standardbred
14 Racing Commission, whichever is the more appropriate;

15 (b) except as otherwise provided by law, all contracts, agreements, grants, or
16 other obligations entered into before October 1, 2005, by the State Racing
17 Commission and which by their terms are to continue in effect on or after October 1,
18 2005, shall be valid, legal, and binding obligations of the Thoroughbred Racing
19 Commission or the Standardbred Racing Commission, whichever is the more
20 appropriate; and

21 (c) any transaction affected by any change of nomenclature under this Act,
22 and validly entered into before October 1, 2005, and every right, duty, or interest
23 flowing from the transaction, remains valid on and after October 1, 2005, as if the
24 change of nomenclature had not occurred.

25 SECTION 5. AND BE IT FURTHER ENACTED, That all employees who are
26 transferred to the Thoroughbred Racing Commission or to the Standardbred Racing
27 Commission from the State Racing Commission upon the implementation of this Act
28 shall be so transferred without diminution of their rights, benefits, or employment or
29 retirement status.

30 SECTION 6. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 October 1, 2005.