

**SB0003/439637/1**

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL 3  
(First Reading File Bill)

AMENDMENT NO. 1

On page 2, in line 6, after “funding” insert “and are subject to certain requirements and sanctions”; in line 7, strike “a”; in line 8, strike “licensee” and substitute “licensees”; in the same line, strike “a”; in the same line, strike “race” and substitute “races”; and in line 10, after “racing;” insert “requiring a certain licensee to maintain or convey certain property under certain circumstances;”.

On page 3, in line 47, after “analysis;” insert “requiring the State Racing Commission to conduct a certain study and submit a certain report to the General Assembly;”.

AMENDMENT NO. 2

On page 20, in line 2, strike “**4,250**” and substitute “**5,000**”.

On page 27, in line 24, strike “**AS**” and substitute “**FOR A RACING LICENSEE THAT DOES NOT HOLD A VIDEO OPERATION LICENSE, AS**”; and in lines 24 and 25, strike “**§§ 9-1A-28 AND 9-1A-29**” and substitute “**§ 9-1A-29**”.

AMENDMENT NO. 3

On page 29, in line 1, strike “**1,500,000**” and substitute “**1,000,000**”.

AMENDMENT NO. 4

On page 29, after line 16, insert:

**“(D) (1) A VIDEO LOTTERY OPERATION LICENSEE THAT IS A RACETRACK LICENSEE SHALL MAINTAIN, AS A CONDITION OF LICENSURE, AT LEAST THE SAME NUMBER OF LIVE RACING DAYS AS WERE AUTHORIZED BY THE**

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STATE RACING COMMISSION FOR THAT LOCATION IN 2004 UNLESS THE LICENSEE IS PREVENTED BY WEATHER, ACTS OF GOD, OR OTHER CIRCUMSTANCES BEYOND THE CONTROL OF THE LICENSEE.

(2) IF A VIDEO LOTTERY OPERATION LICENSE HAS BEEN ISSUED FOR A RACETRACK LOCATION AT LAUREL PARK, THE VIDEO LOTTERY OPERATION LICENSE FOR THE LOCATION SHALL BE REVOKED IF THE NAME, COMMON LAW AND STATUTORY COPYRIGHTS, SERVICE MARKS, TRADEMARKS, TRADE NAMES, OR HORSE RACING EVENTS THAT ARE ASSOCIATED WITH THE PREAKNESS STAKES RACE OR THE WOODLAWN VASE ARE TRANSFERRED TO A LOCATION OUTSIDE THE STATE.

(3) AS AN ADDITIONAL CONDITION OF A VIDEO LOTTERY OPERATION LICENSE, IF A RACETRACK LICENSEE HOLDS A VIDEO LOTTERY OPERATION LICENSE FOR LAUREL PARK, THE LICENSEE SHALL BE REQUIRED TO:

(I) PROMOTE AND CONDUCT THE PREAKNESS STAKES RACE AT THE PIMLICO RACE COURSE EACH YEAR; OR

(II) IF THE PIMLICO RACE COURSE NO LONGER EXISTS, THE PREAKNESS STAKES RACE IS PREVENTED FROM BEING CONDUCTED AT THE PIMLICO RACE COURSE, OR THE STATE RACING COMMISSION, UNDER § 11-513 OF THE BUSINESS REGULATION ARTICLE, DEEMS AN EMERGENCY EXISTS, PROMOTE AND CONDUCT THE PREAKNESS STAKES RACE EACH YEAR AT ANOTHER TRACK LOCATED IN THE STATE THAT IS APPROVED BY THE STATE RACING COMMISSION.

(4) IF A RACETRACK LICENSEE HAS BEEN ISSUED A VIDEO LOTTERY OPERATION LICENSE FOR A RACETRACK LOCATION AT LAUREL PARK,

THE LICENSEE SHALL PERMIT THE EVENT KNOWN AS THE MARYLAND MILLION TO BE RUN ANNUALLY AT LAUREL PARK UNLESS:

(I) THE LICENSEE IS PREVENTED FROM DOING SO BY WEATHER, ACTS OF GOD, OR OTHER CIRCUMSTANCES BEYOND THE CONTROL OF THE LICENSEE; OR

(II) THE LICENSEE AND THE MARYLAND MILLION LLC AGREE TO ANOTHER LOCATION THAT IS APPROVED BY THE STATE RACING COMMISSION.

(5) (I) AS A CONDITION OF CONTINUED LICENSURE, EACH VIDEO LOTTERY OPERATION LICENSEE THAT IS A RACETRACK LICENSEE SHALL DEVELOP AND SUBMIT TO THE COMMISSION A MULTIYEAR PLAN TO IMPROVE THE QUALITY AND MARKETING OF HORSE RACING AT THE LOCATION WHERE THE LICENSE IS AWARDED.

(II) EACH PLAN SHALL INCLUDE:

1. GOALS, INDICATORS, AND TIME LINES FOR SPECIFIC ACTIONS THAT WILL BE TAKEN BY THE LICENSEE TO IMPROVE THE QUALITY AND MARKETING OF THE HORSE RACING INDUSTRY IN MARYLAND; AND

2. A MASTER PLAN FOR CAPITAL IMPROVEMENTS THAT REFLECTS, AT A MINIMUM:

A. COMMITMENTS THAT HAVE BEEN MADE TO THE STATE RACING COMMISSION; AND

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B. AN ONGOING INVESTMENT IN CAPITAL MAINTENANCE AND IMPROVEMENTS IN THE HORSE RACING FACILITIES OF AT LEAST \$1,000,000 ANNUALLY, WHICH MAY INCLUDE AMOUNTS PROVIDED AS A MATCHING FUND UNDER § 9-1A-28(E)(2) OF THIS SUBTITLE.

(6) AS PART OF THE CAPITAL MAINTENANCE AND IMPROVEMENT ITEMS IN THE PLAN SUBMITTED UNDER THIS SUBSECTION, THE VIDEO LOTTERY OPERATION LICENSEE THAT IS A RACETRACK LICENSEE SHALL INCLUDE ANY IMPROVEMENTS NECESSARY TO ENSURE THAT THE CONDITION OF ANY PART OF A RACETRACK FACILITY WHERE THE LICENSEE HOLDS A LICENSE AND WHERE INDIVIDUALS RESIDE IS SATISFACTORY FOR HUMAN HABITATION AND MEETS MINIMUM HOUSING AND SANITATION STANDARDS IN THE COUNTY WHERE THE RACETRACK FACILITY IS LOCATED.

(7) IF A VIDEO LOTTERY OPERATION LICENSE HAS BEEN ISSUED FOR A RACETRACK LOCATION AT LAUREL PARK, IN THE PLAN SUBMITTED BY A VIDEO LOTTERY OPERATION LICENSEE UNDER PARAGRAPH (5)(II) OF THIS SUBSECTION, ONE OF THE CAPITAL MAINTENANCE AND IMPROVEMENT ITEMS IN THE PLAN SHALL BE THE CREATION OF A PREMIER CLASSIC RACETRACK AND MUSEUM AS PART OF THE PIMLICO RACE COURSE.

(8) IF A VIDEO LOTTERY OPERATION LICENSE IS ISSUED TO A RACETRACK LOCATION AT LAUREL PARK, THE VIDEO LOTTERY OPERATION LICENSEE SHALL:

(I) MAINTAIN THE OPERATION OF THE BOWIE TRAINING CENTER; OR

**(II) CONVEY THE PROPERTY ASSOCIATED WITH THE BOWIE TRAINING CENTER TO THE STATE AS PRESERVED LAND UNDER PROGRAM OPEN SPACE.**;

in line 17, strike “(D)” and substitute “(E)”; and in the same line, strike “SUBSECTION (B)” and substitute “**SUBSECTIONS (B) AND (C)**”.

**AMENDMENT NO. 5**

On page 30, after line 9, insert:

**“(6) A LICENSEE SHALL:**

**(I) PROVIDE RETIREMENT BENEFITS FOR ITS EMPLOYEES;**

**AND**

**(II) IF THE LICENSEE IS A RACETRACK LICENSEE, PROVIDE RETIREMENT BENEFITS TO ITS VIDEO LOTTERY OPERATION EMPLOYEES THAT ARE EQUIVALENT TO THE LEVEL OF BENEFITS PROVIDED TO THE RACETRACK EMPLOYEES WHO ARE ELIGIBLE UNDER THE MARYLAND RACETRACK EMPLOYEES PENSION FUND.**;

and in line 10, strike “(6)” and substitute “(7)”.

**AMENDMENT NO. 6**

On page 31, in lines 21 and 22, strike “THAT IS AWARDED A LICENSE AT A RACETRACK LOCATION”.

**AMENDMENT NO. 7**

On page 36, in line 16, strike “A” and substitute “**EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, (A)**”; in line 22, strike “AND”; in line 24, strike the period and substitute “**;**AND

**(III) THE TRANSFER IS CONSISTENT WITH THE POLICIES AND INTENT OF § 9-1A-18 OF THIS SUBTITLE.**

**AMENDMENT NO. 8**

On page 40, strike in their entirety lines 26 through 28, inclusive.

**AMENDMENT NO. 9**

On page 43, in line 11, strike “5%” and substitute “2%”; in line 15, strike “30%” and substitute “33%”; in line 29, after “(B)” insert “(1)”; and after line 33, insert:

**“(2) THE COSTS OF THE COMMISSION SHALL BE AS PROVIDED IN THE STATE BUDGET.”**

**AMENDMENT NO. 10**

On page 45, strike in their entirety lines 14 through 18, inclusive.

**AMENDMENT NO. 11**

On page 48, after line 10, insert:

**“(D) BEGINNING IN FISCAL YEAR 2012 AND IN EACH FISCAL YEAR THEREAFTER, AT LEAST \$150,000,000 SHALL BE PROVIDED FOR THE PURPOSES OF SUBSECTION (C)(2) AND (3) OF THIS SECTION.”**;

and in line 11, strike “(D)” and substitute “(E)”.

**AMENDMENT NO. 12**

On page 50, after line 29, insert:

**“(F) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, IF A LICENSE IS AWARDED TO A RACETRACK LOCATION AT LAUREL PARK, LOCAL IMPACT GRANTS SHALL BE DISTRIBUTED AS FOLLOWS:**

- (1) 73% TO ANNE ARUNDEL COUNTY;
- (2) 17% TO HOWARD COUNTY; AND
- (3) 10% TO THE CITY OF LAUREL.

(G) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, FROM THE SHARE OF THE PROCEEDS OF VIDEO LOTTERY TERMINALS ALLOCATED TO A VIDEO LOTTERY OPERATION LICENSE IN BALTIMORE CITY, NOT LESS THAN 95% OF THE REVENUE DERIVED FROM A VIDEO LOTTERY FACILITY LOCATED IN BALTIMORE CITY SHALL BE DISTRIBUTED TO BALTIMORE CITY, THROUGH A PARTNERSHIP WITH THE VIDEO LOTTERY OPERATION LICENSEE, EXCLUDING ANY LOCAL IMPACT GRANTS TO BALTIMORE CITY, AND SHALL BE USED TO REDUCE REAL PROPERTY TAXES IN BALTIMORE CITY AND FOR PUBLIC SCHOOL CONSTRUCTION AND REHABILITATION IN BALTIMORE CITY.”.

AMENDMENT NO. 13

On page 54, in line 12, strike “SIX” and substitute “THREE”; in line 13, strike “AND”; after line 13, insert:

“(II) TWO OF THE MEMBERS SHALL BE APPOINTED BY THE PRESIDENT OF THE SENATE BUT MAY NOT BE MEMBERS OF THE SENATE OF MARYLAND; AND

(III) TWO OF THE MEMBERS SHALL BE APPOINTED BY THE SPEAKER OF THE HOUSE OF DELEGATES BUT MAY NOT BE MEMBERS OF THE HOUSE.”;

and strike in their entirety lines 14 and 15.

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AMENDMENT NO. 14

On page 56, in line 15, after “THROUGH” insert “A COMPETITIVE BIDDING PROCESS CONSISTENT WITH THE PROCESS FOR”.

AMENDMENT NO. 15

On page 56, strike beginning with “WITH” in line 24 down through “TERMINALS” in line 25; strike beginning with “WITH” in line 26 down through “TERMINALS” in line 27; strike beginning with “WITH” in line 28 down through “TERMINALS” in line 29; strike beginning with “WITH” in line 31 down through “TERMINALS” in line 32; in lines 29 and 30, strike “LODGE AND GOLF RESORT” and substitute “STATE PARK”; and in line 30, after “COUNTY” insert “THAT SHALL BE IN A BUILDING THAT IS PHYSICALLY SEPARATE FROM THE ROCKY GAP LODGE AND GOLF RESORT”.

AMENDMENT NO. 16

On page 57, strike in their entirety lines 1 though 4, inclusive, and substitute:

“(5) A LOCATION IN BALTIMORE CITY THAT IS:

(I) LOCATED:

1. IN A NONRESIDENTIAL AREA;
2. WITHIN ONE-HALF MILE OF INTERSTATE 95;
3. WITHIN ONE-HALF MILE OF MD ROUTE 295; AND



4. ON PROPERTY THAT IS OWNED BY BALTIMORE CITY ON THE DATE ON WHICH THE APPLICATION FOR A VIDEO LOTTERY OPERATION LICENSE IS SUBMITTED; AND

(II) NOT ADJACENT TO OR WITHIN ONE-QUARTER MILE OF PROPERTY THAT IS:

1. ZONED FOR RESIDENTIAL USE; AND

2. USED FOR A RESIDENTIAL DWELLING ON THE DATE THE APPLICATION FOR A VIDEO LOTTERY OPERATION LICENSE IS SUBMITTED.”.

AMENDMENT NO. 17

On page 57, strike in their entirety lines 5 through 8, inclusive, and substitute:

“(I) (1) EXCEPT AS PROVIDED IN PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, THE VIDEO LOTTERY FACILITY LOCATION COMMISSION MAY NOT ALLOCATE MORE THAN THE FOLLOWING NUMBER OF VIDEO LOTTERY TERMINALS FOR:

(I) A LOCATION IN ANNE ARUNDEL COUNTY – 4,250 VIDEO LOTTERY TERMINALS;

(II) A LOCATION IN BALTIMORE CITY – 3,500 VIDEO LOTTERY TERMINALS;

(III) A LOCATION IN CECIL COUNTY – 2,500 VIDEO LOTTERY TERMINALS;

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(IV) A LOCATION IN ROCKY GAP STATE PARK (ALLEGANY COUNTY) - 1,250 VIDEO LOTTERY TERMINALS; AND

(V) A LOCATION IN WORCESTER COUNTY - 3,250 VIDEO LOTTERY TERMINALS.

(2) THE VIDEO LOTTERY FACILITY LOCATION COMMISSION MAY ALLOCATE VIDEO LOTTERY TERMINALS IN A MANNER THAT IS DIFFERENT FROM THE ALLOCATION PROVIDED IN PARAGRAPH (1) OF THIS SUBSECTION ON A DETERMINATION THAT THE MARKET FACTORS AND OTHER FACTORS EVALUATED UNDER SUBSECTION (K) OF THIS SECTION WARRANT THE DIFFERENT ALLOCATION, PROVIDED THAT NO ONE LOCATION MAY BE ALLOCATED MORE THAN 5,000 VIDEO LOTTERY TERMINALS.”;

in line 9, strike “(2)” and substitute “(3)(I)”; and in line 17, strike “(3)” and substitute “(II)”.

AMENDMENT NO. 18

On page 57, in line 25, strike “\$10,000,000” and substitute “\$3,000,000 FOR EACH 500 VIDEO LOTTERY TERMINALS INCLUDED IN THE BID”.

AMENDMENT NO. 19

On page 58, in line 16, strike “AND”; in line 19, strike the period and substitute “; AND”

(VIII) THE EXTENT TO WHICH THE PROPOSED LOCATION WILL PRESERVE EXISTING MARYLAND JOBS AND THE NUMBER OF NET NEW JOBS TO BE CREATED.”;

strike in their entirety lines 23 through 25, inclusive; and in lines 26 and 28, strike “(II)” and “(III)”, respectively, and substitute “(I)” and “(II)”, respectively.

AMENDMENT NO. 20

On page 59, in line 29, after “(O)” insert “(1)”; and after line 33, insert:

**“(2) THE DECISION OF THE STATE BOARD OF CONTRACT APPEALS SHALL BE FINAL AND IS NOT SUBJECT TO APPEAL.”**

AMENDMENT NO. 21

On page 63, after line 8, insert:

“SECTION 9. AND BE IT FURTHER ENACTED, That the State Racing Commission shall study the current levels of benefits provided to employees of the State’s thoroughbred and standardbred racetracks. The State Racing Commission shall make recommendations to ensure that the benefits to and funding for racetrack employees are adequate. On or before January 1, 2009, the State Racing Commission shall submit a report to the General Assembly, in accordance with § 2-1246 of the State Government Article, and make recommendations on statutory changes, if needed.”;

in lines 9, 14, and 18, strike “9.”, “10.”, and “11.”, respectively, and substitute “10.”, “11.”, and “12.”, respectively; in line 15, after “S.B.” insert “4”; in the same line, after “H.B.” insert “4”; and in line 19, strike “9 and 10” and substitute “10 and 11”.