

SENATE BILL 1072

C6, P1

EMERGENCY BILL

9lr3499
CF HB 1578

By: **The President (By Request – Administration) and Senators Brinkley, Colburn, Conway, Currie, DeGrange, Garagiola, Gladden, Harrington, Jones, Kasemeyer, Klausmeier, Madaleno, McFadden, Middleton, Miller, Munson, Peters, Pipkin, Pugh, Robey, and Rosapepe**

Constitutional Requirements Complied with for Introduction in the last 35 Days of Session

Introduced and read first time: April 4, 2009

Rules suspended

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Pimlico and Laurel Park Racetracks, Bowie Race Course Training Center,**
3 **and Preakness Stakes – State Purchase or Condemnation**

4 FOR the purpose of authorizing the State to acquire by purchase or condemnation for
5 public use with just compensation private property relating to the Pimlico Race
6 Course, the track known as Laurel Park, the Bowie Race Course Training
7 Center, the name, copyrights, service marks, trademarks, trade names, contract
8 rights, business entities, stock, and horse racing events that are associated with
9 the Preakness Stakes and its trophy, the Woodlawn Vase, and certain other
10 private property; requiring that all proceedings for condemnation for public use
11 of private property as authorized under this Act are to be in accordance with
12 certain provisions of law and certain rules of procedure; authorizing the taking
13 of certain private property immediately on payment for the property;
14 authorizing the Maryland Economic Development Corporation to borrow money
15 and issue bonds for certain purposes related to the condemnation authorized by
16 this Act; making this Act an emergency measure; stating legislative intent; and
17 relating generally to the authority of the State to purchase or condemn certain
18 private property relating to certain tracks, the Bowie Race Course Training
19 Center, and the Preakness Stakes.

20 BY repealing and reenacting, with amendments,
21 Article – Business Regulation
22 Section 11–520
23 Annotated Code of Maryland
24 (2004 Replacement Volume and 2008 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,
2 Article – Economic Development
3 Section 10–117
4 Annotated Code of Maryland
5 (2008 Volume)

6 Preamble

7 WHEREAS, The General Assembly finds and declares that the Preakness
8 Stakes is a sporting event of historical and cultural importance to the State of
9 Maryland that, although run only once a year, has a significant, positive economic
10 development impact on Baltimore City and the State; and

11 WHEREAS, The General Assembly also finds and declares that, in addition to
12 its storied history and tradition, horse racing in Maryland has a significant economic
13 impact on the State; and

14 WHEREAS, The General Assembly also finds and declares that the retention of
15 the operation of the Pimlico Race Course and Laurel Park tracks, the operation of the
16 Bowie Race Course Training Center, and the running of the Preakness Stakes in the
17 State of Maryland, are for valid public purposes, including continuing the economic
18 benefits to the State and its citizens, protecting the critical role enhancing and
19 continuing the State’s highly valued racing industry as well as tourism and commerce
20 in the State, furthering the State’s regulation and licensing of the racing industry in
21 order to promote the integrity, convenience, and safety of racing and associated
22 wagering for the public and for the participants, and preserving the State’s stature
23 and quality of life; and

24 WHEREAS, The General Assembly also finds and declares that the retention of
25 the operation of the Pimlico Race Course and Laurel Park racetracks and the running
26 of the Preakness Stakes in the State of Maryland are a valid public purpose because of
27 the economic benefits to the State and its citizens, the enhancement of our highly
28 valued racing and tourism industries in the State, and the preservation of the State’s
29 stature and quality of life; and

30 WHEREAS, The General Assembly also finds and declares that if the State
31 lacks necessary authority to move immediately to exercise its eminent domain powers
32 with respect to acquiring Pimlico Race Course and Laurel Park tracks, the Bowie Race
33 Course Training Center, and the Preakness Stakes, the opportunity to do so and, thus,
34 preserve those operational facilities and the running of the Preakness Stakes in
35 Maryland may be lost; and

36 WHEREAS, The General Assembly also finds and declares that there is a
37 heightened State interest in the strict regulation of gaming and wagering and the
38 entities that conduct or are associated with the conduct of these activities, and that
39 level of interest provides additional justification for the authority granted under this
40 Act; and

1 WHEREAS, It is the intent of the General Assembly to establish the necessary
2 statutory authority for the State to take appropriate steps to prevent the loss of the
3 historically, culturally, and economically important Preakness Stakes from Maryland
4 and to help preserve the continued operation of the Pimlico Race Course and Laurel
5 Park racetracks as two of the premier thoroughbred racetracks in the country and the
6 Bowie Race Course Training Center as one of the premier training facilities; now,
7 therefore,

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

10 **Article – Business Regulation**

11 11–520.

12 (a) The requirements of this section are established in recognition of the
13 significance of the Preakness Stakes to the State.

14 (b) The Preakness Stakes may be transferred to another track in the State
15 only as a result of a disaster or emergency.

16 (c) If the Preakness Stakes is transferred out of the State, the Commission
17 may:

18 (1) revoke any racing days awarded to the Maryland Jockey Club of
19 Baltimore City, Inc., or its successor; and

20 (2) award these racing days to another licensee, notwithstanding §
21 11–511(b) of this subtitle.

22 (d) (1) If the Preakness Stakes is offered for sale, the State has the option
23 to buy the Preakness Stakes for the amount of any offer that the licensee wishes to
24 accept.

25 (2) Within 30 days after receiving an offer that it wishes to accept, the
26 licensee shall give the State notice of the offer.

27 (3) If the State wishes to exercise the option, it shall so notify the
28 licensee within 60 days after it receives the notice.

29 (E) (1) **IN ADDITION TO THE OTHER PROVISIONS OF THIS SECTION, IN**
30 **ACCORDANCE WITH THE SOVEREIGN POWER OF THE STATE AND THE**
31 **PROVISIONS OF ARTICLE III, §§ 40 AND 40A OF THE MARYLAND**
32 **CONSTITUTION, AND SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS**
33 **SUBSECTION, THE STATE MAY ACQUIRE BY PURCHASE OR CONDEMNATION FOR**
34 **PUBLIC USE WITH JUST COMPENSATION SOME OR ALL OF THE FOLLOWING**

1 REAL, TANGIBLE, AND INTANGIBLE PRIVATE PROPERTY, INCLUDING ANY
2 CONTRACTUAL INTERESTS OR INTELLECTUAL PROPERTY:

3 (I) PIMLICO RACE COURSE, A RACETRACK LOCATED IN
4 BALTIMORE CITY, INCLUDING ANY AND ALL PROPERTY OR PROPERTY RIGHTS
5 ASSOCIATED WITH IT, WHETHER TANGIBLE, INTANGIBLE, REAL, PERSONAL, OR
6 MIXED, AND ANY BUSINESS ENTITY THAT OWNS IT;

7 (II) THE RACECOURSE KNOWN AS LAUREL PARK, LOCATED
8 IN ANNE ARUNDEL COUNTY, INCLUDING ANY AND ALL PROPERTY OR
9 PROPERTY RIGHTS ASSOCIATED WITH IT, WHETHER TANGIBLE, INTANGIBLE,
10 REAL, PERSONAL, OR MIXED, AND ANY BUSINESS ENTITY THAT OWNS IT;

11 (III) BOWIE RACE COURSE TRAINING CENTER, A TRAINING
12 CENTER LOCATED IN PRINCE GEORGE'S COUNTY, INCLUDING ANY AND ALL
13 PROPERTY OR PROPERTY RIGHTS ASSOCIATED WITH IT, WHETHER TANGIBLE,
14 INTANGIBLE, REAL, PERSONAL, OR MIXED, AND ANY BUSINESS ENTITY THAT
15 OWNS IT;

16 (IV) THE PREAKNESS STAKES TROPHY THAT IS KNOWN AS
17 THE WOODLAWN VASE, INCLUDING ANY AND ALL PROPERTY OR PROPERTY
18 RIGHTS ASSOCIATED WITH IT, WHETHER TANGIBLE, INTANGIBLE, REAL,
19 PERSONAL, OR MIXED, AND ANY BUSINESS ENTITY THAT OWNS IT;

20 (V) THE NAME, COMMON LAW AND STATUTORY
21 COPYRIGHTS, SERVICE MARKS, TRADEMARKS, TRADE NAMES, CONTRACTS,
22 HORSE RACING EVENTS, AND OTHER INTANGIBLE AND INTELLECTUAL
23 PROPERTY THAT ARE ASSOCIATED WITH THE PREAKNESS STAKES AND THE
24 WOODLAWN VASE;

25 (VI) ALL PROPERTY OF THE MARYLAND JOCKEY CLUB OF
26 BALTIMORE CITY, INC., OR ITS SUCCESSORS AND ASSIGNS, INCLUDING STOCK
27 AND EQUITY INTERESTS IN IT, AND INCLUDING ANY AND ALL PROPERTY OR
28 PROPERTY RIGHTS ASSOCIATED WITH IT, WHETHER TANGIBLE, INTANGIBLE,
29 REAL, PERSONAL, OR MIXED, AND ANY BUSINESS ENTITY THAT OWNS IT; AND

30 (VII) ALL PROPERTY OF THE LAUREL RACING ASSOCIATION,
31 INC., OR ITS SUCCESSORS AND ASSIGNS, INCLUDING STOCK AND EQUITY
32 INTERESTS, AND INCLUDING ANY AND ALL PROPERTY OR PROPERTY RIGHTS
33 ASSOCIATED WITH IT, WHETHER TANGIBLE, INTANGIBLE, REAL, PERSONAL, OR
34 MIXED, AND ANY BUSINESS ENTITY THAT OWNS IT.

35 (2) ALL PROCEEDINGS FOR THE CONDEMNATION FOR PUBLIC
36 USE OF THE PRIVATE PROPERTY DESCRIBED UNDER PARAGRAPH (1) OF THIS

1 SUBSECTION SHALL BE IN ACCORDANCE WITH THE PROVISIONS OF TITLE 12 OF
2 THE REAL PROPERTY ARTICLE AND TITLE 12, CHAPTER 200 OF THE
3 MARYLAND RULES.

4 (3) PURSUANT TO THE PROVISIONS OF ARTICLE III, § 40A OF
5 THE MARYLAND CONSTITUTION, AS APPLICABLE, THE PRIVATE PROPERTY
6 DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY BE TAKEN
7 IMMEDIATELY ON PAYMENT FOR THE PROPERTY.

8 Article – Economic Development

9 10–117.

10 (A) The Corporation may:

11 (1) borrow money and issue bonds to finance any part of the cost of a
12 project or for any other corporate purpose of the Corporation;

13 (2) secure the payment of any portion of the borrowing by pledge of or
14 mortgage or deed of trust on property or revenues of the Corporation;

15 (3) combine projects for financing, make agreements with or for the
16 benefit of the bondholders or with others in connection with the issuance or future
17 issuance of bonds, as the Corporation considers advisable; and

18 (4) otherwise provide for the security of bonds and the rights of
19 bondholders.

20 (B) IN ADDITION TO THE POWERS OF THE CORPORATION UNDER
21 SUBSECTION (A) OF THIS SECTION, FOR THE PURPOSE OF FUNDING THE
22 PURCHASE OR CONDEMNATION BY THE STATE FOR PUBLIC USE OF THE
23 PROPERTY AS AUTHORIZED BY § 11–520(E) OF THE BUSINESS REGULATION
24 ARTICLE, THE CORPORATION MAY BORROW MONEY AND ISSUE BONDS TO
25 FINANCE THE COST OF ACQUIRING BY PURCHASE OR COMPLETING THE
26 CONDEMNATION PROCESS BY THE STATE IN ACCORDANCE WITH APPLICABLE
27 LEGAL STANDARDS.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
29 measure, is necessary for the immediate preservation of the public health or safety,
30 has been passed by a yea and nay vote supported by three–fifths of all the members
31 elected to each of the two Houses of the General Assembly, and shall take effect from
32 the date it is enacted.