

HB1039/565561/1

BY: Committee on Ways and Means

AMENDMENTS TO HOUSE BILL 1039
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 27, after “Account;” insert “creating an Oversight Commission on Racing; specifying the composition and duties of the Oversight Commission; providing for the staffing of the Oversight Commission; requiring the Oversight Commission to report its findings and recommendations to the Governor and the General Assembly; requiring the Secretary to submit a certain annual report to the Governor, the Oversight Commission on Racing, and the General Assembly on or before a certain date;”.

On page 2, after line 14, insert:

“BY adding to

Article - Business Regulation

Section 11-1401 and 11-1402 to be under the new subtitle “Subtitle 14. Oversight Commission on Racing; Racing Funding Reports”

Annotated Code of Maryland

(2010 Replacement Volume and 2010 Supplement)”.

AMENDMENT NO. 2

On page 8, in line 1, strike “**\$4,000,000,**” and substitute “**\$3,000,000,**”; and in line 7, strike “**\$4,000,000**” and substitute “**\$3,000,000**”.

AMENDMENT NO. 3

On page 8, in line 28, after “SHALL” insert “**INCLUDE**”; in line 29, strike “**INCLUDE**”; in the same line, after “PLAN” insert “**, SUBJECT TO REVIEW BY A CERTIFIED PUBLIC ACCOUNTANT,**”; and strike beginning with “BE” in line 33 down through “ACCOUNTANT” in line 34 and substitute “**A 5-YEAR BUSINESS PLAN THAT**”

(Over)

DESCRIBES THE CHALLENGES IMPACTING THE ECONOMICS OF OPERATING THE RACING FACILITY AND STRATEGIES FOR ADDRESSING THOSE CHALLENGES”.

On page 12, in line 25, after “SHALL” insert “INCLUDE”; in line 26, strike “INCLUDE”; in the same line, after “PLAN” insert “, SUBJECT TO REVIEW BY A CERTIFIED PUBLIC ACCOUNTANT,”; and strike beginning with “BE” in line 30 down through “ACCOUNTANT” in line 31 and substitute “A 5-YEAR BUSINESS PLAN THAT DESCRIBES THE CHALLENGES IMPACTING THE ECONOMICS OF OPERATING THE RACING FACILITIES AND STRATEGIES FOR ADDRESSING THOSE CHALLENGES”.

AMENDMENT NO. 4

On page 9, in line 1, after “(3)” insert “(I)”; after line 4, insert:

“(II) EXPENDITURES ELIGIBLE FOR REIMBURSEMENT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL INCLUDE THE ORDINARY AND REASONABLE COSTS OF CONDUCTING THE RACE MEETINGS, PARI-MUTUEL WAGERING, AND STABLING ACTIVITIES OF THE RACING LICENSEE, NET OF ORDINARY INCOME AND RECEIPTS.

“(III) THE REIMBURSEMENT CALCULATION UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH MAY NOT INCLUDE:

1. EXTRAORDINARY INCOME AND EXPENSE-RELATED ITEMS, INCLUDING EXTRAORDINARY LITIGATION EXPENSES;

2. LOBBYING FEES;

3. CAPITAL INVESTMENTS, INCLUDING PREDEVELOPMENT COSTS; OR

4. PRIOR YEAR ADJUSTMENTS AND CLAIMS.

AMENDMENT NO. 5

On page 10, in line 24, strike “for”; in line 25, before “racetrack” insert “**FOR**”; in line 26, before “**OPERATING**” insert “**UP TO \$6,000,000 PER YEAR FOR**”; and in line 28, strike “**2012, 2013, AND 2014**” and substitute “**2012 AND 2013**”.

AMENDMENT NO. 6

On page 12, after line 6, insert:

“(3) (I) FROM THE AMOUNTS PROVIDED IN PARAGRAPH (1) OF THIS SUBSECTION, THE HOLDER OF A RACING LICENSE TO RACE AT THE RACECOURSE AT TIMONIUM MAY USE UP TO \$350,000 PER YEAR TO SUPPORT A MINIMUM OF 7 LIVE RACING DAYS.

“(II) USE OF FUNDS AUTHORIZED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MUST BE APPROVED BY THE SECRETARY OF LABOR, LICENSING, AND REGULATION UNDER TERMS AND A PROCESS CONSISTENT WITH THE PROVISIONS OF SUBSECTION (J) OF THIS SECTION.”

AMENDMENT NO. 7

On page 13, in line 1, after “(3)” insert “(I)”; after line 4, insert:

“(II) EXPENDITURES ELIGIBLE FOR REIMBURSEMENT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL INCLUDE THE ORDINARY AND REASONABLE COSTS OF CONDUCTING THE RACE MEETINGS, PARI-MUTUEL WAGERING, AND STABLING ACTIVITIES OF THE RACING LICENSEE, NET OF ORDINARY INCOME AND RECEIPTS.

(III) THE REIMBURSEMENT CALCULATION UNDER
SUBPARAGRAPH (II) OF THIS PARAGRAPH MAY NOT INCLUDE:

1. EXTRAORDINARY INCOME AND EXPENSE-RELATED
ITEMS, INCLUDING EXTRAORDINARY LITIGATION COSTS;
2. LOBBYING FEES;
3. CAPITAL INVESTMENTS, INCLUDING
PREDEVELOPMENT COSTS; OR
4. PRIOR YEAR ADJUSTMENTS AND CLAIMS.”.

AMENDMENT NO. 8

On page 13, after line 24, insert:

“Article – Business Regulation

SUBTITLE 14. OVERSIGHT COMMISSION ON RACING; RACING FUNDING
REPORTS.

11-1401.

- (A) THERE IS AN OVERSIGHT COMMISSION ON RACING.
- (B) THE OVERSIGHT COMMISSION CONSISTS OF THE FOLLOWING NINE
MEMBERS:
 - (1) THREE MEMBERS OF THE SENATE, APPOINTED BY THE
PRESIDENT OF THE SENATE;

(2) THREE MEMBERS OF THE HOUSE OF DELEGATES, APPOINTED BY THE SPEAKER OF THE HOUSE OF DELEGATES; AND

(3) THREE MEMBERS APPOINTED BY THE GOVERNOR.

(C) THE GOVERNOR SHALL APPOINT THE CHAIR OF THE OVERSIGHT COMMISSION.

(D) THE OVERSIGHT COMMISSION SHALL:

(1) REVIEW THE REPORTS SUBMITTED BY THE SECRETARY UNDER § 11-1402 OF THIS SUBTITLE;

(2) OVERSEE THE DEVELOPMENT OF A LONG-TERM, SUSTAINABLE PLAN FOR RACING IN MARYLAND THAT TAKES INTO ACCOUNT THE INTERESTS OF ALL STANDARD BRED AND THOROUGHBRED RACING STAKEHOLDERS;

(3) MONITOR THE PROGRESS OF THE IMPLEMENTATION OF A LONG-TERM, SUSTAINABLE PLAN FOR RACING BY ALL STANDARD BRED AND THOROUGHBRED RACING STAKEHOLDERS; AND

(4) GENERALLY OVERSEE THE PROCESS FOR PROVIDING OPERATING ASSISTANCE TO RACING LICENSEES UNDER §§ 9-1A-28 AND 9-1A-29 OF THE STATE GOVERNMENT ARTICLE, AND THE IMPACT OF PROVIDING THE OPERATING ASSISTANCE.

(E) THE DEPARTMENT SHALL PROVIDE STAFFING FOR THE OVERSIGHT COMMISSION.

(Over)

(F) THE OVERSIGHT COMMISSION SHALL REPORT ON ANY FINDINGS AND RECOMMENDATIONS TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY AS THE OVERSIGHT COMMISSION CONSIDERS APPROPRIATE.

11-1402.

ON OR BEFORE DECEMBER 15, 2011, AND ON OR BEFORE DECEMBER 15 OF EACH YEAR THEREAFTER, THE SECRETARY SHALL SUBMIT TO THE GOVERNOR, THE OVERSIGHT COMMISSION ON RACING, AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY, A REPORT FOR THE PREVIOUS 12 MONTHS THAT SUMMARIZES:

(1) THE AMOUNT OF OPERATING ASSISTANCE PROVIDED AND THE INCOME AND EXPENSES USED TO CALCULATE ANY OPERATING ASSISTANCE FROM THE MARYLAND ECONOMIC DEVELOPMENT CORPORATION, THE PURSE DEDICATION ACCOUNT, OR THE RACETRACK FACILITY RENEWAL ACCOUNT IN THE PREVIOUS CALENDAR YEAR;

(2) ANY MARKETING AND QUALITY IMPROVEMENT PLANS SUBMITTED BY A RACING LICENSEE AS REQUIRED BY § 9-1A-09(B)(5) AND (6) OF THE STATE GOVERNMENT ARTICLE;

(3) THE 5-YEAR BUSINESS PLAN SUBMITTED BY A LICENSEE AS REQUIRED BY § 9-1A-29(J)(2)(I) OF THE STATE GOVERNMENT ARTICLE;

(4) PROGRESS OF THE STANDARD BRED AND THOROUGHBRED RACING STAKEHOLDERS IN DEVELOPING A LONG-TERM, SUSTAINABLE PLAN FOR RACING IN MARYLAND; AND

(5) THE STATUS OF ANY LOAN OR ADVANCE FROM THE MARYLAND ECONOMIC DEVELOPMENT CORPORATION TO ROSECROFT RACEWAY UNDER § 9-1A-28(G)(2) OF THE STATE GOVERNMENT ARTICLE.”.