

SENATE BILL 178

C6

(7lr1567)

ENROLLED BILL

— Finance/ Ways and Means —

Introduced by Senators Peters, Astle, ~~and Middleton~~ Middleton, Benson, Feldman, Hershey, Jennings, Klausmeier, Oaks, Reilly, and Rosapepe

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Horse Racing – ~~Bowie Race Course Training Center – State Purchase or~~**
3 **~~Condemnation~~ Racetrack Facility Renewal Account – Eligibility and Capital**
4 **Expenditures**

5 FOR the purpose of ~~authorizing the State to acquire, by purchase or condemnation for~~
6 ~~public use with just compensation, private property relating to the Bowie Race~~
7 ~~Course Training Center if the owner of the Bowie Race Course Training Center does~~
8 ~~not meet certain requirements; requiring that all proceedings for condemnation for~~
9 ~~public use or private property as authorized under this Act are to be in accordance~~
10 ~~with certain provisions of law and certain rules of procedure~~ altering certain
11 conditions of eligibility for funding from the Racetrack Facility Renewal Account by
12 specifying certain minimum amounts to be spent on capital maintenance and
13 expenditures by certain race tracks; authorizing *the Maryland Racing Commission*
14 *to grant* certain funding for the Bowie Race Course Training Center from the Account

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 ~~under certain conditions; authorizing the Maryland Racing Commission to consider~~
 2 ~~certain expenditures made by the owner of the Bowie Race Course Training Center~~
 3 ~~as part of a certain matching fund requirement for funds from the Account providing~~
 4 ~~for the termination of certain provisions of this Act; and generally relating to the~~
 5 ~~authority of the State to purchase or condemn certain private property relating to~~
 6 ~~the Bowie Race Course Training Center~~ horse racing and the Racetrack Facility
 7 Renewal Account.

8 BY repealing and reenacting, without amendments,
 9 Article – Business Regulation
 10 Section 11–519(a)
 11 Annotated Code of Maryland
 12 (2015 Replacement Volume and 2016 Supplement)

13 ~~BY repealing and reenacting, with amendments,~~
 14 ~~Article – Business Regulation~~
 15 ~~Section 11–521~~
 16 ~~Annotated Code of Maryland~~
 17 ~~(2015 Replacement Volume and 2016 Supplement)~~

18 BY repealing and reenacting, without amendments,
 19 Article – State Government
 20 Section 9–1A–09(a)
 21 Annotated Code of Maryland
 22 (2014 Replacement Volume and 2016 Supplement)

23 BY repealing and reenacting, with amendments,
 24 Article – State Government
 25 Section 9–1A–09(b) and 9–1A–20(d)
 26 Annotated Code of Maryland
 27 (2014 Replacement Volume and 2016 Supplement)

28 ~~BY adding to~~
 29 ~~Article – State Government~~
 30 ~~Section 9–1A–09(f)~~
 31 ~~Annotated Code of Maryland~~
 32 ~~(2014 Replacement Volume and 2016 Supplement)~~

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

35 **Article – Business Regulation**

36 11–519.

1 (a) The owner of the Bowie Race Course Training Center shall operate the Center
2 as a thoroughbred training facility to provide more stall space for a race meeting that a
3 licensee holds.

4 ~~11-521.~~

5 ~~(a) In addition to the other provisions of this subtitle, in accordance with the~~
6 ~~sovereign power of the State and the provisions of Article III, §§ 40 and 40A of the Maryland~~
7 ~~Constitution, and subject to subsections [(b) and (c)] (C) AND (D) of this section, the State~~
8 ~~may acquire by purchase or condemnation for public use with just compensation some or~~
9 ~~all of the following real, tangible, and intangible private property, including any contractual~~
10 ~~interests or intellectual property:~~

11 ~~(1) Pimlico Race Course, a racetrack located in Baltimore City, including~~
12 ~~any and all property or property rights associated with it wherever located, whether~~
13 ~~tangible, intangible, real, personal, or mixed, and any business entity that owns it;~~

14 ~~(2) Laurel Park, a racetrack located in Anne Arundel County, including~~
15 ~~any and all property or property rights associated with it wherever located, whether~~
16 ~~tangible, intangible, real, personal, or mixed, and any business entity that owns it;~~

17 ~~(3) Bowie Race Course Training Center, a training center located in Prince~~
18 ~~George's County, including any and all property or property rights associated with it~~
19 ~~wherever located, whether tangible, intangible, real, personal, or mixed, and any business~~
20 ~~entity that owns it;~~

21 ~~(4) the Preakness Stakes trophy that is known as the Woodlawn Vase,~~
22 ~~including any and all property or property rights associated with it, whether tangible,~~
23 ~~intangible, real, personal, or mixed, and any business entity that owns it;~~

24 ~~(5) the name, common law and statutory copyrights, service marks,~~
25 ~~trademarks, trade names, contracts, horse racing events, and other intangible and~~
26 ~~intellectual property that are associated with the Preakness Stakes and the Woodlawn~~
27 ~~Vase;~~

28 ~~(6) all property of the Maryland Jockey Club of Baltimore City, Inc., or its~~
29 ~~successors and assigns, including stock and equity interests in it, and including any and all~~
30 ~~property or property rights associated with it, whether tangible, intangible, real, personal,~~
31 ~~or mixed; and~~

32 ~~(7) all property of the Laurel Racing Assoc., Inc., the Laurel Racing~~
33 ~~Association Limited Partnership, or their respective successors and assigns, including stock~~
34 ~~and equity interests, and including any and all property or property rights associated with~~
35 ~~them, whether tangible, intangible, real, personal, or mixed.~~

~~(b) IF THE OWNER OF THE BOWIE RACE COURSE TRAINING CENTER DOES NOT COMPLY WITH § 11-519(A) OF THIS SUBTITLE, IN ACCORDANCE WITH THE SOVEREIGN POWER OF THE STATE AND THE PROVISIONS OF ARTICLE III, § 40 OF THE MARYLAND CONSTITUTION, AND SUBJECT TO SUBSECTION (C) OF THIS SECTION, THE STATE MAY ACQUIRE BY PURCHASE OR CONDEMNATION FOR PUBLIC USE WITH JUST COMPENSATION THE BOWIE RACE COURSE TRAINING CENTER, INCLUDING ANY AND ALL PROPERTY OR PROPERTY RIGHTS ASSOCIATED WITH IT, WHETHER TANGIBLE, INTANGIBLE, REAL, PERSONAL, OR MIXED.~~

~~(c) All proceedings for the condemnation for public use of the private property described under [subsection (a)] SUBSECTIONS (A) AND (B) of this section shall be in accordance with the provisions of Title 12 of the Real Property Article and Title 12, Chapter 200 of the Maryland Rules.~~

~~[(c)] (D) Pursuant to the provisions of Article III, § 40A of the Maryland Constitution, as applicable, the private property described under subsection (a) of this section may be taken immediately on payment for the property consistent with the procedures of §§ 8-334 through 8-339 of the Transportation Article.~~

Article – State Government

9-1A-09.

(a) In this section, “racing licensee” means the holder of a license issued by the State Racing Commission to hold a race meeting in the State under Title 11 of the Business Regulation Article.

(b) As a condition of eligibility for funding under § 9-1A-29 of this subtitle, a racing licensee shall:

(1) (i) for Laurel Park and Pimlico Race Course, conduct a minimum of 220 annual live racing days combined between Laurel Park and Pimlico Race Course unless otherwise agreed to by the racing licensee and the organization that represents the majority of licensed thoroughbred owners and trainers in the State or unless the racing licensee is prevented by weather, acts of God, or other circumstances beyond the racing licensee’s control;

(ii) for Rosecroft Raceway, conduct a minimum of 90 annual live racing days unless otherwise agreed to by the racing licensee and the organization that represents the majority of licensed standardbred owners and trainers in the State or unless the racing licensee is prevented by weather, acts of God, or other circumstances beyond the racing licensee’s control; and

(iii) for Ocean Downs Racetrack, conduct a minimum of 40 annual live racing days unless otherwise agreed to by the racing licensee and the organization that represents the majority of licensed standardbred owners and trainers in the State or unless

1 the racing licensee is prevented by weather, acts of God, or other circumstances beyond the
2 racing licensee's control;

3 (2) if the racing licensee holds the racing license for Pimlico Race Course,
4 retain in the State of Maryland the name, common law and statutory copyrights, service
5 marks, trademarks, trade names, and horse racing events that are associated with the
6 Preakness Stakes and the Woodlawn Vase;

7 (3) if the racing licensee holds the racing license for the Pimlico Race
8 Course, promote and conduct the Preakness Stakes each year at:

9 (i) the Pimlico Race Course; or

10 (ii) if the Pimlico Race Course no longer exists, the Preakness Stakes
11 Race is prevented from being conducted at the Pimlico Race Course, or the State Racing
12 Commission, under § 11-513 of the Business Regulation Article, deems an emergency
13 exists, another track located in the State that is approved by the State Racing Commission;

14 (4) if the racing licensee holds the racing license for Laurel Park, permit
15 the event known as the Maryland Million to be run annually at Laurel Park unless:

16 (i) the racing licensee is prevented from doing so by weather, acts of
17 God, or other circumstances beyond the control of the racing licensee; or

18 (ii) the racing licensee and the Maryland Million LLC agree to
19 another location that is approved by the State Racing Commission;

20 (5) develop and submit to the State Racing Commission a multiyear plan
21 to improve the quality and marketing of horse racing at racetrack locations owned or
22 operated by the racing licensee in Maryland, which shall include:

23 (i) goals, indicators, and timelines for specific actions that will be
24 taken by the racing licensee to improve the quality and marketing of the horse racing
25 industry in Maryland; and

26 (ii) a master plan for capital improvements that reflects, at a
27 minimum:

28 1. commitments that have been made to the State Racing
29 Commission; and

30 2. an ongoing investment in capital maintenance and
31 improvements in the horse racing facilities [of at least \$1,500,000 annually, which may
32 include amounts provided as a matching fund as required under § 9-1A-29(e)(2) of this
33 subtitle]; [and]

(6) develop with other racing industry representatives a multiyear plan to improve the quality and marketing of the horse racing industry in Maryland, which shall include goals, indicators, and timelines for specific actions that will be taken by the thoroughbred and harness racing industries to improve the quality and marketing of the horse racing industry in Maryland, including joint marketing efforts; AND

(7) FOR EACH YEAR THAT FUNDING IS REQUESTED, SPEND AT LEAST THE FOLLOWING MINIMUM AMOUNTS FOR CAPITAL MAINTENANCE AND IMPROVEMENTS, WHICH MAY INCLUDE AMOUNTS PROVIDED AS A MATCHING FUND AS REQUIRED UNDER § 9-1A-29(E)(2) OF THIS SUBTITLE:

(I) FOR LAUREL PARK AND PIMLICO RACE COURSE, A COMBINED TOTAL OF \$1,500,000;

(II) FOR ROSECROFT RACEWAY, \$300,000; AND

(III) FOR OCEAN DOWNS RACETRACK, \$300,000.

~~**(F) AS A CONDITION OF ELIGIBILITY FOR FUNDING UNDER § 9-1A-29 OF THIS SUBTITLE, THE BOWIE RACE COURSE TRAINING CENTER SHALL SUBMIT A CAPITAL IMPROVEMENT REQUEST TO THE STATE RACING COMMISSION FOR APPROVAL.**~~

~~9-1A-29.~~

~~**(d) The amount of funds made available from the Racetrack Facility Renewal Account shall be allocated as follows:**~~

~~**(1) 80% to the Pimlico Race Course, Laurel Park, THE BOWIE RACE COURSE TRAINING CENTER, and the racecourse at Timonium; and**~~

~~**(2) 20% to Roscroft Raceway and Ocean Downs Race Course.**~~

~~**SECTION 2. AND BE IT FURTHER ENACTED, That the State Racing Commission may consider, as part or all of the required matching funds for a project to be approved at the Bowie Race Course Training Center under § 9-1A-29(c)(2) of the State Government Article, capital expenditures made by the owner of the Center prior to the effective date of this Act.**~~

~~**SECTION 2. 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October July 1, 2017.**~~

SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding the provisions of § 9-1A-29 of the State Government Article, the Maryland Racing Commission may grant a one-time request for capital improvement funds not to exceed \$150,000 from

1 the funds available in the Racetrack Facility Renewal Account under § 9-1A-29(d)(1) of the
2 State Government Article for a capital improvement project at the Bowie Race Course
3 Training Center, provided that:

4 (1) the project relates to the security, maintenance, and upkeep of the Center;
5 and

6 (2) the owner of the Center provides a matching fund that consists of
7 expenditures made by the owner on or after April 1, 2017, for the project for which funding
8 is requested.

9 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June
10 1, 2017. Section 2 of this Act shall remain effective for a period of 1 year and 7 months and,
11 at the end of December 31, 2018, with no further action required by the General Assembly.
12 Section 2 of this Act shall be abrogated and of no further force and effect.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.