

SENATE BILL 178

C6

7lr1567
CF HB 606

By: ~~Senators Peters, Astle, and Middleton~~ Middleton, Benson, Feldman, Hershey, Jennings, Klausmeier, Oaks, Reilly, and Rosapepe

Introduced and read first time: January 18, 2017

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 17, 2017

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 certain funding for the Bowie Race
14 Course Training Center from the Account under certain conditions; authorizing the
15 Maryland Racing Commission to consider certain expenditures made by the owner
16 of the Bowie Race Course Training Center as part of a certain matching fund
17 requirement for funds from the Account; and generally relating to the authority of
18 ~~the State to purchase or condemn certain private property relating to the Bowie Race~~
19 ~~Course Training Center~~ horse racing and the Racetrack Facility Renewal Account.

20 BY repealing and reenacting, without amendments,

21 Article – Business Regulation

22 Section 11–519(a)

23 Annotated Code of Maryland

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.



1 (2015 Replacement Volume and 2016 Supplement)

2 ~~BY repealing and reenacting, with amendments,~~
 3 ~~Article – Business Regulation~~
 4 ~~Section 11–521~~
 5 ~~Annotated Code of Maryland~~
 6 ~~(2015 Replacement Volume and 2016 Supplement)~~

7 BY repealing and reenacting, without amendments,
 8 Article – State Government
 9 Section 9–1A–09(a)
 10 Annotated Code of Maryland
 11 (2014 Replacement Volume and 2016 Supplement)

12 BY repealing and reenacting, with amendments,
 13 Article – State Government
 14 Section 9–1A–09(b) and 9–1A–29(d)
 15 Annotated Code of Maryland
 16 (2014 Replacement Volume and 2016 Supplement)

17 BY adding to
 18 Article – State Government
 19 Section 9–1A–09(f)
 20 Annotated Code of Maryland
 21 (2014 Replacement Volume and 2016 Supplement)

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

24 **Article – Business Regulation**

25 11–519.

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

29 ~~11–521.~~

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

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

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

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

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

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

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

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

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

34 ~~(c) All proceedings for the condemnation for public use of the private property~~
35 ~~described under [subsection (a)] SUBSECTIONS (A) AND (B) of this section shall be in~~
36 ~~accordance with the provisions of Title 12 of the Real Property Article and Title 12, Chapter~~
37 ~~200 of the Maryland Rules.~~

~~1 (c) (D) Pursuant to the provisions of Article III, § 40A of the Maryland
2 Constitution, as applicable, the private property described under subsection (a) of this
3 section may be taken immediately on payment for the property consistent with the
4 procedures of §§ 8-334 through 8-339 of the Transportation Article.~~

Article – State Government

6 9-1A-09.

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

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

12 (1) (i) for Laurel Park and Pimlico Race Course, conduct a minimum of
13 220 annual live racing days combined between Laurel Park and Pimlico Race Course unless
14 otherwise agreed to by the racing licensee and the organization that represents the majority
15 of licensed thoroughbred owners and trainers in the State or unless the racing licensee is
16 prevented by weather, acts of God, or other circumstances beyond the racing licensee’s
17 control;

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

23 (iii) for Ocean Downs Racetrack, conduct a minimum of 40 annual
24 live racing days unless otherwise agreed to by the racing licensee and the organization that
25 represents the majority of licensed standardbred owners and trainers in the State or unless
26 the racing licensee is prevented by weather, acts of God, or other circumstances beyond the
27 racing licensee’s control;

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

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

34 (i) the Pimlico Race Course; or

35 (ii) if the Pimlico Race Course no longer exists, the Preakness Stakes
36 Race is prevented from being conducted at the Pimlico Race Course, or the State Racing

1 Commission, under § 11-513 of the Business Regulation Article, deems an emergency
2 exists, another track located in the State that is approved by the State Racing Commission;

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

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

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

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

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

15 (ii) a master plan for capital improvements that reflects, at a
16 minimum:

17 1. commitments that have been made to the State Racing
18 Commission; and

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

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

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

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

34 (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 Rosecroft 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(e)(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.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.