

# SENATE BILL 1158

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CF HB 1721

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By: **Senator Middleton**

Introduced and read first time: February 19, 2018

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Horse Racing – Maryland International and Preakness Stakes Incentives –**  
3 **Modifications**

4 FOR the purpose of altering the amount available for a purse for the Maryland  
5 International thoroughbred race; specifying that the Maryland International is a  
6 graded stakes; authorizing, with the approval of the State Racing Commission, a  
7 certain race; requiring that certain money distributed to the Racing Special Fund  
8 and paid for certain purposes remain available for certain purposes; repealing  
9 certain requirements that certain lottery revenues be deposited in the Racing Special  
10 Fund; making a conforming change; providing for a delayed effective date for certain  
11 provisions of this Act; and generally relating to the Maryland International  
12 thoroughbred race and Preakness Stakes.

13 BY repealing and reenacting, with amendments,  
14 Article – Business Regulation  
15 Section 11–403(a)(9) and 11–522.1(a)  
16 Annotated Code of Maryland  
17 (2015 Replacement Volume and 2017 Supplement)

18 BY repealing and reenacting, without amendments,  
19 Article – Business Regulation  
20 Section 11–403(b)  
21 Annotated Code of Maryland  
22 (2015 Replacement Volume and 2017 Supplement)

23 BY repealing and reenacting, with amendments,  
24 Chapter 727 of the Acts of the General Assembly of 2016  
25 Section 2

26 BY adding to  
27 Article – Business Regulation

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 11–403(d)  
2 Annotated Code of Maryland  
3 (2015 Replacement Volume and 2017 Supplement)

4 BY repealing and reenacting, with amendments,  
5 Article – State Government  
6 Section 9–120(b)  
7 Annotated Code of Maryland  
8 (2014 Replacement Volume and 2017 Supplement)

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

11 **Article – Business Regulation**

12 11–403.

13 (a) The Comptroller shall pay from the Special Fund an annual grant of:

14 (9) beginning July 1, 2017, from the money distributed under § 9–120(b) of  
15 the State Government Article:

16 (i) **UP TO** \$500,000 to a purse for the Maryland International  
17 thoroughbred race under § 11–522.1 of this title;

18 (ii) \$350,000 to the Maryland Office of Sports Marketing in the  
19 Maryland Stadium Authority for incentive grants for youth and amateur sporting events;  
20 and

21 (iii) \$150,000 to the Maryland Humanities Council for Maryland  
22 History Day and other programming.

23 (b) (1) In fiscal year 2017, the Comptroller shall pay, from the money  
24 distributed to the Special Fund, \$500,000 to the Maryland Racing Commission to be used,  
25 in a manner determined by the Maryland Racing Commission, for a bonus award program  
26 for Maryland–bred or Maryland–sired horses running in the Preakness Stakes.

27 (2) The Maryland Racing Commission shall consult with representatives of  
28 the thoroughbred racing industry prior to establishing the rules and criteria for the bonus  
29 award program.

30 (3) If, under the rules of the bonus award program, funds remain in the  
31 program after the Preakness Stakes is conducted on one or more occasions, remaining funds  
32 shall carry over to the next fiscal year and may not revert to the General Fund.

33 11–522.1.

1 (a) (1) There is a Maryland International thoroughbred race conducted by a  
2 licensee at Laurel Park.

3 (2) The Maryland International is a [Grade 1] **GRADED** stakes race run on  
4 a turf track.

### 5 Chapter 727 of the Acts of 2016

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
7 1, 2016. [It shall remain effective for a period of 3 years and, at the end of June 30, 2019,  
8 with no further action required by the General Assembly, this Act shall be abrogated and  
9 of no further force and effect.]

10 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
11 as follows:

### 12 Article – Business Regulation

13 11–403.

14 (D) ANY AMOUNTS PAID BY THE COMPTROLLER FOR THE PURPOSES  
15 SPECIFIED UNDER SUBSECTIONS (A)(9) AND (B) OF THIS SECTION SHALL REMAIN  
16 AVAILABLE FOR THOSE PURPOSES AND MAY NOT BE USED FOR ANY OTHER  
17 PURPOSE.

### 18 Article – State Government

19 9–120.

20 (b) (1) By the end of the month following collection, the Comptroller shall  
21 deposit or cause to be deposited:

22 (i) into the Maryland Stadium Facilities Fund established under §  
23 7–312 of the State Finance and Procurement Article from the money that remains in the  
24 State Lottery Fund, after the distribution under subsection (a) of this section, an amount  
25 not to exceed \$20,000,000 in any fiscal year;

26 (ii) after June 30, 2014, into the Maryland Veterans Trust Fund 10%  
27 of the money that remains in the State Lottery Fund from the proceeds of sales of tickets  
28 from instant ticket lottery machines by veterans' organizations under § 9–112(d) of this  
29 subtitle, after the distribution under subsection (a) of this section;

30 (iii) after June 30, 2014, into the Baltimore City Public School  
31 Construction Financing Fund established under § 10–656 of the Economic Development  
32 Article the money that remains in the State Lottery Fund from the proceeds of all lotteries  
33 after the distributions under subsection (a) of this section and items (i) and (ii) of this

1 paragraph, an amount equal to \$20,000,000 in each fiscal year that bonds are outstanding  
2 and unpaid, to be paid in two installments with at least \$10,000,000 paid no later than  
3 December 1 of each fiscal year; **AND**

4 (iv) [after June 30, 2016, into the Racing Special Fund established  
5 under § 11–401 of the Business Regulation Article from money that remains in the State  
6 Lottery Fund after the distributions under subsection (a) of this section and items (i), (ii),  
7 and (iii) of this paragraph, an amount equal to \$500,000;

8 (v) after June 30, 2017, into the Racing Special Fund established  
9 under § 11–401 of the Business Regulation Article from money that remains in the State  
10 Lottery Fund after the distributions under subsection (a) of this section and items (i), (ii),  
11 (iii), and (iv) of this paragraph, an amount equal to \$1,000,000 in each fiscal year; and

12 (vi)] into the General Fund of the State the money that remains in the  
13 State Lottery Fund from the proceeds of all lotteries after the distributions under  
14 subsection (a) of this section and items (i), (ii), **AND** (iii)[, (iv), and (v)] of this paragraph.

15 (2) The money paid into the General Fund under this subsection is  
16 available in the fiscal year in which the money accumulates in the State Lottery Fund.

17 SECTION 3. **AND BE IT FURTHER ENACTED**, That Section 2 of this Act shall take  
18 effect July 1, 2019.

19 SECTION 4. **AND BE IT FURTHER ENACTED**, That, except as provided in Section  
20 3 of this Act, this Act shall take effect July 1, 2018.