

HOUSE BILL 1517

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CF SB 1051

By: **Delegates Walker, V. Turner, and Valderrama**

Introduced and read first time: March 5, 2010

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Standardbred Recovery Act of 2010**

3 FOR the purpose of abolishing the State Racing Commission and establishing the
4 Thoroughbred Racing Commission and the Standardbred Racing Commission;
5 providing for the memberships, qualifications for members, terms, chairs,
6 quorums, meetings, compensation, executive directors, staffs, certain
7 employees, certain powers, and testing laboratories of the Thoroughbred Racing
8 Commission and of the Standardbred Racing Commission; requiring that
9 licensees and applicants for licenses meet certain requirements of a certain
10 Commission; requiring certain Commissions to issue certain licenses under
11 certain circumstances; authorizing the denial, suspension, or revocation of
12 certain licenses and the reprimanding or other penalizing of certain licensees
13 under certain circumstances; providing for certain adjudicatory proceedings;
14 specifying certain requirements for the buying or transferring of licensees or
15 licenses; providing that the Thoroughbred Racing Commission has certain
16 powers concerning certain types of racing; providing that the Standardbred
17 Racing Commission has certain powers concerning harness racing; specifying
18 the powers and responsibilities of certain Commissions relating to certain
19 intertrack betting; requiring that the Thoroughbred Racing Commission act
20 with the Standardbred Racing Commission to approve facilities, grant permits,
21 adopt regulations, and conduct other activities concerning satellite simulcast
22 betting; providing for the membership of the Board of Directors of the Jockey
23 Fund; specifying certain duties of certain Commissions relating to the Jockey
24 Fund; specifying that certain money be paid to the Standardbred Racing
25 Commission and that the Standardbred Racing Commission use the money for a
26 certain purpose; specifying certain duties of the Thoroughbred Racing
27 Commission and the Standardbred Racing Commission; altering the allocation
28 of certain funds in the Purse Dedication Account in a certain manner; altering
29 the allocation of certain funds in the Race Track Facility Renewal Account in a
30 certain manner; defining certain terms; providing for the initial terms of
31 members of certain Commissions; providing that certain licensees and holders

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 of permits need not obtain a certain license or permit until a certain date;
 2 specifying certain transitional provisions relating to a change of nomenclature
 3 and the transference of certain property, assets, liabilities, obligations, rights,
 4 and privileges; providing for the status and credit for service of certain
 5 employees; and generally relating to the Thoroughbred Racing Commission and
 6 the Standardbred Racing Commission.

7 BY repealing and reenacting, with amendments,

8 Article – Business Regulation

9 Section 11–101; 11–201 through 11–214 to be under the amended subtitle
 10 “Subtitle 2. Thoroughbred Racing Commission”; 11–301, 11–303, 11–304,
 11 11–305, 11–307, 11–308, 11–309, 11–310, 11–311, 11–312,
 12 11–313, 11–314, 11–315, 11–316, 11–317, 11–318, 11–501, 11–507,
 13 11–523, 11–529, 11–601, 11–701, 11–801, 11–802, 11–803, 11–804(b) and
 14 (c), 11–804.2, 11–805, 11–808(b) and (c), 11–809, 11–811(c), (d), and (e),
 15 11–812, 11–816, 11–817, 11–818, 11–819, 11–820, 11–822, 11–825,
 16 11–829, 11–831, 11–832, 11–904(b), 11–906, and 11–909

17 Annotated Code of Maryland

18 (2004 Replacement Volume and 2009 Supplement)

19 BY adding to

20 Article – Business Regulation

21 Section 11–2A–01 through 11–2A–14 to be under the new subtitle “Subtitle 2A.
 22 Standardbred Racing Commission”

23 Annotated Code of Maryland

24 (2004 Replacement Volume and 2009 Supplement)

25 BY repealing and reenacting, with amendments,

26 Article – State Government

27 Section 9–1A–28(a) and (c) and 9–1A–29

28 Annotated Code of Maryland

29 (2009 Replacement Volume)

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

32 **Article – Business Regulation**

33 11–101.

34 (a) In this title the following words have the meanings indicated.

35 (b) “Breakage” means the odd cents that remain after all successful bettors
 36 are paid to the next lowest multiple of 10 cents.

37 (c) “Central Repository” means the Criminal Justice Information System
 38 Central Repository of the Department of Public Safety and Correctional Services.

1 [(d) “Commission” means the State Racing Commission.]

2 [(e) (D) “Handle” means the gross amount, less refunds, of money bet.

3 [(f) (E) “Harness racing” means the racing of horses that trot or pace in
4 harness while pulling drivers in sulkies.

5 [(g) (F) “Intertrack betting” means:

6 (1) pari-mutuel betting at a receiving track in the State on a race that
7 is:

8 (i) held live or by interstate simulcast at a sending track in the
9 State; and

10 (ii) shown simultaneously by video signal at the receiving track;
11 and

12 (2) transmission of the bets at the receiving track to the sending track.

13 [(h) (G) “License” means a license issued by the **THOROUGHBRED**
14 **RACING Commission OR BY THE STANDARD BRED RACING COMMISSION** to hold a
15 race meeting.

16 [(i) (H) “Licensee” means a person who has been awarded racing days for
17 the current calendar year.

18 [(j) (I) “Mile thoroughbred racing” means thoroughbred horse races at a
19 track that is at least 1 mile long.

20 [(k) (J) “Multiple mutuel pool” means a separate pari-mutuel betting pool
21 in which an interest is represented by a single bet on 2 or more horses.

22 [(l) (K) “Mutuel pool” includes a multiple mutuel pool and a regular
23 mutuel pool.

24 [(m) (L) “Pari-mutuel betting” means the system of betting in which those
25 who successfully bet on horses that finish in specified positions share the mutuel pool,
26 less the takeout and the breakage.

27 [(n) (M) “Purse” means the prize money divided among the owners of
28 horses that finish in specified positions in a race.

29 [(o) (N) “Race meeting” means a period of time to hold racing that extends
30 between specific dates over a number of racing days at a single track.

1 **[(p)] (O)** “Racing” includes:

- 2 (1) harness racing;
- 3 (2) mile thoroughbred racing;
- 4 (3) special thoroughbred racing;
- 5 (4) steeplechase or hurdle racing;
- 6 (5) flat racing; and
- 7 (6) quarter horse racing.

8 **[(q)] (P)** “Receiving track” means a track where pari–mutuel betting is done
9 on races held at another track.

10 **[(r)] (Q)** “Regular mutuel pool” means a separate pari–mutuel betting pool
11 in which an interest is represented by a single bet on 1 horse.

12 **[(s)] (R)** “Sending track” means a track where a race is held live or by
13 interstate simulcast and is sent simultaneously by video signal to a receiving track or
14 a satellite simulcast facility under Subtitle 8, Part III of this title.

15 **[(t)] (S)** “Special thoroughbred racing” means thoroughbred horse racing
16 held by the Maryland State Fair and Agricultural Society, Inc., or the
17 Maryland–National Capital Park and Planning Commission.

18 **(T)** “**STANDARD BRED RACING COMMISSION**” MEANS THE COMMISSION
19 ESTABLISHED UNDER § 11–2A–01 OF THIS TITLE.

20 (u) “Takeout” means the part of the handle that is not returned to successful
21 bettors but is otherwise allocated under this title.

22 **(V)** “**THOROUGHBRED RACING COMMISSION**” MEANS THE COMMISSION
23 ESTABLISHED UNDER § 11–201 OF THIS TITLE.

24 **[(v)] (W)** “Track” means a place where racing is held.

25 Subtitle 2. **[State] THOROUGHBRED** Racing Commission.

26 11–201.

27 There is a **[State] THOROUGHBRED** Racing Commission in the Department.

28 11–202.

1 (a) The **THOROUGHBRED RACING** Commission consists of [9] **5** members,
2 appointed by the Governor with the advice and consent of the Senate.

3 (b) At the time of appointment and qualification:

4 (1) each member shall be:

5 (i) at least 25 years old;

6 [(ii) a resident of the State who has resided in the State for at
7 least the last 5 years;]

8 [(iii)] **(II)** a qualified voter of the State; and

9 [(iv)] **(III)** an individual who has not been convicted of a crime
10 that involves moral turpitude; **AND**

11 (2) at least 3 members of the **THOROUGHBRED RACING** Commission
12 shall be knowledgeable or experienced in an aspect of thoroughbred racing [; and

13 (3) at least 3 other members shall be knowledgeable or experienced in
14 an aspect of harness racing].

15 (c) (1) A member of the **THOROUGHBRED RACING** Commission may not
16 hold an official relation to a licensee or hold any stocks, bonds, or other financial
17 interest in a licensee.

18 (2) Not more than [4] **2** members [who are appointed after July 1,
19 1989,] may have a financial interest in racing in the State.

20 (3) Not more than [6] **3** members may be of the same political party.

21 (d) Before taking office, each appointee to the **THOROUGHBRED RACING**
22 Commission shall take the oath required by Article I, § 9 of the Maryland
23 Constitution.

24 (e) (1) The term of a member of the **THOROUGHBRED RACING**
25 Commission is 4 years and begins on [July 1] **OCTOBER 1**.

26 (2) The terms of members are staggered as required by the terms
27 provided for members of the **THOROUGHBRED RACING** Commission on October 1,
28 [1992] **2005**.

29 (3) At the end of a term, a member continues to serve until a successor
30 is appointed and qualifies.

1 (4) A member who is appointed after a term has begun serves only for
2 the rest of the term and until a successor is appointed and qualifies.

3 (f) (1) Subject to the hearing requirements of this subsection, the
4 Governor, with the advice of the Secretary, may remove a member of the
5 **THOROUGHBRED RACING** Commission for inefficiency, misconduct in office, or
6 neglect of duty.

7 (2) Before the Governor removes a member, the Governor shall give
8 the member an opportunity for a public hearing.

9 (3) At least 10 days before the hearing, the Governor shall give the
10 member:

11 (i) a copy of the charges; and

12 (ii) notice of the time and place of the hearing.

13 (4) The member may be represented at the hearing by counsel.

14 (5) If the Governor removes a member, the Governor shall submit to
15 the Secretary of State:

16 (i) a statement of all charges made against the member;

17 (ii) the findings of the Governor; and

18 (iii) a record of the proceedings.

19 (g) The Governor shall appoint one member of the **THOROUGHBRED**
20 **RACING** Commission to serve as a liaison to the State Lottery Commission
21 established under Title 9 of the State Government Article.

22 11-203.

23 (a) The Governor shall designate a [chairman] **CHAIR** from among the
24 members of the **THOROUGHBRED RACING** Commission.

25 (b) (1) The term of the [chairman] **CHAIR** is 1 year.

26 (2) The [chairman] **CHAIR** may not serve more than 2 consecutive
27 terms as [chairman] **CHAIR**.

28 11-204.

29 (a) Except as provided in § 11-310 of this title, a majority of the members
30 then serving on the **THOROUGHBRED RACING** Commission is a quorum.

1 (b) The **THOROUGHBRED RACING** Commission shall meet in the State, at
2 the times and places that the **THOROUGHBRED RACING** Commission determines.

3 (c) Each member of the **THOROUGHBRED RACING** Commission is entitled
4 to:

5 (1) compensation in accordance with the State budget; and

6 (2) reimbursement under the Standard State Travel Regulations for
7 expenses for each **THOROUGHBRED RACING** Commission meeting attended, as
8 provided in the State budget.

9 (d) While in office, each member of the **THOROUGHBRED RACING**
10 Commission shall be covered by a surety bond in the form and amount required by
11 law.

12 11-205.

13 (a) (1) With the approval of the Governor, the Secretary shall appoint an
14 executive director for the **THOROUGHBRED RACING** Commission from a list of at
15 least 3 nominees submitted by the **THOROUGHBRED RACING** Commission.

16 (2) The executive director is in the executive service in the State
17 Personnel Management System and serves at the pleasure of the Secretary.

18 (b) The executive director shall:

19 (1) collect the taxes and fees imposed under this title or regulations
20 adopted by the **THOROUGHBRED RACING** Commission;

21 (2) keep the records and papers of the **THOROUGHBRED RACING**
22 Commission, including a record of each proceeding;

23 (3) administer the licensing of individuals who work in connection
24 with [racing] **MILE THOROUGHBRED RACING, SPECIAL THOROUGHBRED RACING,**
25 **OR RACING AT FAIR HILL;**

26 (4) prepare, issue, and submit reports of the **THOROUGHBRED**
27 **RACING** Commission;

28 (5) administer the daily operation of the office of the
29 **THOROUGHBRED RACING** Commission; and

30 (6) perform any other duty that the **THOROUGHBRED RACING**
31 Commission directs.

1 (c) With the approval of the **THOROUGHBRED RACING** Commission, the
2 executive director shall set the conditions under which a licensee must add to, change,
3 make a reasonable improvement to, or repair property that a licensee owns or leases
4 for racing.

5 (d) The executive director is entitled to:

6 (1) compensation in accordance with the State budget; and

7 (2) reimbursement for expenses under the Standard State Travel
8 Regulations, as provided in the State budget.

9 11-206.

10 (a) With the approval of the **THOROUGHBRED RACING** Commission and,
11 except as otherwise provided by law, subject to the provisions of the State Personnel
12 and Pensions Article, the executive director shall appoint a staff of the
13 **THOROUGHBRED RACING** Commission.

14 (b) (1) The **THOROUGHBRED RACING** Commission may employ 4
15 stewards [and 4 harness judges].

16 (2) The stewards [and harness judges] shall be recommended by the
17 executive director.

18 (3) Each licensee and organization that represents owners and
19 trainers may recommend individuals to the **THOROUGHBRED RACING** Commission
20 and executive director for appointment as stewards [or harness judges].

21 (4) The stewards [and harness judges] are special appointments of the
22 skilled service or the professional service in the State Personnel Management System.

23 (c) Each member of the staff of the **THOROUGHBRED RACING**
24 Commission[,] AND EACH steward[, and harness judge] is entitled to:

25 (1) compensation in accordance with the State budget; and

26 (2) reimbursement for expenses under the Standard State Travel
27 Regulations, as provided in the State budget.

28 (d) An individual who holds a position under the **THOROUGHBRED RACING**
29 Commission may not hold an official relation to a licensee or hold any stocks, bonds, or
30 other financial interest in a licensee.

31 11-207.

1 (a) On the recommendation of the executive director, the **THOROUGHBRED**
2 **RACING** Commission may employ additional employees or agents, including auditors,
3 experts, guards, inspectors, [a breathalyzer operator at each harness racing track,]
4 scientists, **THOROUGHBRED RACING** Commission secretaries, specimen collectors,
5 veterinarians, and others whom the **THOROUGHBRED RACING** Commission
6 considers to be essential at or in connection with a race meeting in the best interests of
7 racing.

8 (b) The licensee who holds the race meeting for which an additional
9 employee is used shall pay:

10 (1) the employer contribution for the employee under the Employees'
11 Pension System;

12 (2) the employer contribution, as determined by the Department of
13 Budget and Management, for the retiree under § 2-508 of the State Personnel and
14 Pensions Article; and

15 (3) an amount required under § 23-306.1(b) of the State Personnel
16 and Pensions Article, if any.

17 (c) A licensee who holds a race meeting shall employ and pay the officials at
18 the race meeting, other than stewards [and harness judges], including each clerk of
19 the course, clerk of the scales, handicapper, paddock judge, patrol judge, placing judge,
20 racing secretary, starter, assistant starter, and timer.

21 (d) Notwithstanding any other provision of this title, if a licensee is required
22 to allocate 0.25% of handle to [either] the Maryland Race Track Employees Pension
23 Fund [or the Maryland Harness Track Employees Pension Fund], the licensee shall
24 first pay from the allocation any amounts required to be paid by the licensee under
25 subsection (b) of this section and the remainder shall be paid to the [appropriate]
26 pension fund.

27 11-208.

28 (a) Each law enforcement officer shall cooperate with the **THOROUGHBRED**
29 **RACING** Commission to enforce this title.

30 (b) On request of the **THOROUGHBRED RACING** Commission, the Governor
31 may order the Police Commissioner of Baltimore City or the sheriff of a county to
32 assign enough law enforcement officers to prevent unauthorized racing.

33 11-209.

34 (a) Besides its other powers under this title, the **THOROUGHBRED RACING**
35 Commission has the powers necessary or proper to carry out fully all the purposes of

1 this title **THAT INVOLVE MILE THOROUGHBRED RACING, SPECIAL**
2 **THOROUGHBRED RACING, OR RACING AT FAIR HILL.**

3 (b) The jurisdiction, supervision, powers, and duties of the
4 **THOROUGHBRED RACING** Commission extend to each person who holds racing for a
5 purse, reward, or stake.

6 11–210.

7 (a) Except as provided in subsection (b) of this section, the
8 **THOROUGHBRED RACING** Commission may:

9 (1) adopt regulations and conditions to govern racing and betting on
10 [racing in the State] **MILE THOROUGHBRED RACING, A SPECIAL THOROUGHBRED**
11 **RACING, OR RACING AT FAIR HILL**; and

12 (2) approve or disapprove:

13 (i) prices that a licensee may set for:

14 1. admission to [a race,] **A MILE THOROUGHBRED**
15 **RACE, A SPECIAL THOROUGHBRED RACE, OR A RACE AT FAIR HILL**;

16 2. a service performed[,]; or

17 3. an article sold at a track; and

18 (ii) the size of the purse, reward, or stake to be offered at a
19 [race] **MILE THOROUGHBRED RACE, A SPECIAL THOROUGHBRED RACE, OR A**
20 **RACE AT FAIR HILL.**

21 (b) The **THOROUGHBRED RACING** Commission may not adopt regulations
22 that allow:

23 (1) racing a breed of horse not now authorized by law; or

24 (2) holding currently unauthorized:

25 (i) intertrack betting;

26 (ii) off-track betting; or

27 (iii) telephone betting other than telephone account betting.

28 11–211.

1 (a) The **THOROUGHBRED RACING** Commission may:

2 (1) enter or investigate the office, track, or place of business of a
3 licensee to ensure that the regulations of the **THOROUGHBRED RACING** Commission
4 are strictly complied with; and

5 (2) place an expert accountant or other individual in the office, track,
6 or place of business of a licensee and require that the licensee pay the salary and
7 expenses of the expert accountant or other individual.

8 (b) The **THOROUGHBRED RACING** Commission may require that an
9 employee or official of the licensee be removed from the job.

10 (c) The **THOROUGHBRED RACING** Commission may require that a licensee
11 keep financial records in the way that the **THOROUGHBRED RACING** Commission
12 determines.

13 (d) The **THOROUGHBRED RACING** Commission may administer oaths.

14 (e) The **THOROUGHBRED RACING** Commission may issue a subpoena for
15 the attendance of a witness to testify or to produce evidence.

16 11-212.

17 (a) The **THOROUGHBRED RACING** Commission may maintain a testing
18 laboratory and have tests done elsewhere.

19 (b) (1) Each licensee shall pay a fraction of the yearly costs of the testing
20 laboratory and of the tests done elsewhere.

21 (2) The numerator of the fraction shall be the number of racing days
22 with pari-mutuel betting privileges that the licensee holds during the year.

23 (3) The denominator of the fraction shall be the whole number of
24 racing days with pari-mutuel betting privileges held in the State during the year.

25 11-213.

26 (a) On or before September 15 of each year, the **THOROUGHBRED RACING**
27 Commission shall submit a report to the Secretary and the Legislative Policy
28 Committee about the preceding calendar year.

29 (b) Each report shall include:

30 (1) a statement of receipts and disbursements of the
31 **THOROUGHBRED RACING** Commission;

1 (2) a summary of major events that occurred the preceding year that
2 affected [horse] **MILE THOROUGHBRED AND SPECIAL THOROUGHBRED** racing in
3 the State **AND RACING AT FAIR HILL**, including any significant changes at tracks in
4 the region as well as a discussion of legislative initiatives in the State;

5 (3) a 5-year assessment of each **MILE THOROUGHBRED** track,
6 **SPECIAL THOROUGHBRED TRACK, AND THE TRACK AT FAIR HILL** regarding:

7 (i) attendance;

8 (ii) purse distributions;

9 (iii) live racing days that are allocated and used;

10 (iv) betting on live racing that is held at that track broken down
11 by the following categories:

12 1. betting conducted at the live track;

13 2. betting conducted at other Maryland tracks;

14 3. betting conducted at satellite simulcast facilities in
15 the State; and

16 4. betting conducted through out-of-state satellite
17 simulcasting;

18 (v) betting that is conducted at the live track on races simulcast
19 from other tracks in the State; and

20 (vi) betting that is conducted at the live track on races simulcast
21 from out-of-state tracks;

22 (4) information on all simulcast betting at satellite simulcast facilities
23 in the State, including information on how much is wagered on in-State races and how
24 much is bet on out-of-state races;

25 (5) information on all simulcast betting that is conducted
26 [out-of-state] **OUT OF STATE** on races being run live in this State;

27 (6) to the extent available, information on the **THOROUGHBRED**
28 breeding industry in the State, including:

29 (i) the number of breeders in the State;

30 (ii) the number of foals registered in the State;

1 (iii) the average sales prices of foals; and

2 (iv) any other information pertaining to the regional and
3 national ranking of the State for breeding;

4 (7) all other information that is currently provided by the
5 **THOROUGHBRED RACING** Commission in its annual report;

6 (8) additional information on satellite simulcast facilities, as required
7 under § 11-831 of this title; and

8 (9) any other information that is useful in explaining the financial
9 viability of horse racing in the State and any recommendations to improve the
10 industry.

11 11-214.

12 The **THOROUGHBRED RACING** Commission exercises its powers and performs
13 its duties subject to the authority of the Secretary.

14 **SUBTITLE 2A. STANDARDBRED RACING COMMISSION.**

15 **11-2A-01.**

16 **THERE IS A STANDARDBRED RACING COMMISSION IN THE DEPARTMENT.**

17 **11-2A-02.**

18 **(A) THE STANDARDBRED RACING COMMISSION CONSISTS OF FIVE**
19 **MEMBERS, APPOINTED BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF**
20 **THE SENATE.**

21 **(B) AT THE TIME OF APPOINTMENT AND QUALIFICATION:**

22 **(1) EACH MEMBER SHALL BE:**

23 **(I) AT LEAST 25 YEARS OLD;**

24 **(II) A QUALIFIED VOTER OF THE STATE; AND**

25 **(III) AN INDIVIDUAL WHO HAS NOT BEEN CONVICTED OF A**
26 **CRIME THAT INVOLVES MORAL TURPITUDE; AND**

1 **(2) AT LEAST THREE MEMBERS OF THE STANDARD BRED RACING**
2 **COMMISSION SHALL BE KNOWLEDGEABLE OR EXPERIENCED IN AN ASPECT OF**
3 **HARNESS RACING.**

4 **(C) (1) A MEMBER OF THE STANDARD BRED RACING COMMISSION**
5 **MAY NOT HOLD AN OFFICIAL RELATION TO A LICENSEE OR HOLD ANY STOCKS,**
6 **BONDS, OR OTHER FINANCIAL INTEREST IN A LICENSEE.**

7 **(2) NOT MORE THAN TWO MEMBERS MAY HAVE A FINANCIAL**
8 **INTEREST IN RACING IN THE STATE.**

9 **(3) NOT MORE THAN THREE MEMBERS MAY BE OF THE SAME**
10 **POLITICAL PARTY.**

11 **(D) BEFORE TAKING OFFICE, EACH APPOINTEE TO THE**
12 **STANDARD BRED RACING COMMISSION SHALL TAKE THE OATH REQUIRED BY**
13 **ARTICLE I, § 9 OF THE MARYLAND CONSTITUTION.**

14 **(E) (1) THE TERM OF A MEMBER OF THE STANDARD BRED RACING**
15 **COMMISSION IS 4 YEARS AND BEGINS ON OCTOBER 1.**

16 **(2) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY**
17 **THE TERMS PROVIDED FOR MEMBERS OF THE STANDARD BRED RACING**
18 **COMMISSION ON OCTOBER 1, 2005.**

19 **(3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE**
20 **UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.**

21 **(4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN**
22 **SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS**
23 **APPOINTED AND QUALIFIES.**

24 **(F) (1) SUBJECT TO THE HEARING REQUIREMENTS OF THIS**
25 **SUBSECTION, THE GOVERNOR, WITH THE ADVICE OF THE SECRETARY, MAY**
26 **REMOVE A MEMBER OF THE STANDARD BRED RACING COMMISSION FOR**
27 **INEFFICIENCY, MISCONDUCT IN OFFICE, OR NEGLECT OF DUTY.**

28 **(2) BEFORE THE GOVERNOR REMOVES A MEMBER, THE**
29 **GOVERNOR SHALL GIVE THE MEMBER AN OPPORTUNITY FOR A PUBLIC**
30 **HEARING.**

31 **(3) AT LEAST 10 DAYS BEFORE THE HEARING, THE GOVERNOR**
32 **SHALL GIVE THE MEMBER:**

- 1 (I) A COPY OF THE CHARGES; AND
- 2 (II) NOTICE OF THE TIME AND PLACE OF THE HEARING.
- 3 (4) THE MEMBER MAY BE REPRESENTED AT THE HEARING BY
- 4 COUNSEL.

5 (5) IF THE GOVERNOR REMOVES A MEMBER, THE GOVERNOR

6 SHALL SUBMIT TO THE SECRETARY OF STATE:

- 7 (I) A STATEMENT OF ALL CHARGES MADE AGAINST THE
- 8 MEMBER;
- 9 (II) THE FINDINGS OF THE GOVERNOR; AND
- 10 (III) A RECORD OF THE PROCEEDINGS.

11 11-2A-03.

12 (A) THE GOVERNOR SHALL DESIGNATE A CHAIR FROM AMONG THE

13 MEMBERS OF THE STANDARD BRED RACING COMMISSION.

14 (B) (1) THE TERM OF THE CHAIR IS 1 YEAR.

15 (2) THE CHAIR MAY NOT SERVE MORE THAN 2 CONSECUTIVE

16 TERMS AS CHAIR.

17 11-2A-04.

18 (A) EXCEPT AS PROVIDED IN § 11-310 OF THIS TITLE, A MAJORITY OF

19 THE MEMBERS THEN SERVING ON THE STANDARD BRED RACING COMMISSION

20 IS A QUORUM.

21 (B) THE STANDARD BRED RACING COMMISSION SHALL MEET IN THE

22 STATE, AT THE TIMES AND PLACES THAT THE STANDARD BRED RACING

23 COMMISSION DETERMINES.

24 (C) EACH MEMBER OF THE STANDARD BRED RACING COMMISSION IS

25 ENTITLED TO:

26 (1) COMPENSATION IN ACCORDANCE WITH THE STATE BUDGET;

27 AND

1 **(2) REIMBURSEMENT UNDER THE STANDARD STATE TRAVEL**
2 **REGULATIONS FOR EXPENSES FOR EACH STANDARDBRED RACING**
3 **COMMISSION MEETING ATTENDED, AS PROVIDED IN THE STATE BUDGET.**

4 **(D) WHILE IN OFFICE, EACH MEMBER OF THE STANDARDBRED RACING**
5 **COMMISSION SHALL BE COVERED BY A SURETY BOND IN THE FORM AND**
6 **AMOUNT REQUIRED BY LAW.**

7 **11-2A-05.**

8 **(A) (1) WITH THE APPROVAL OF THE GOVERNOR, THE SECRETARY**
9 **SHALL APPOINT AN EXECUTIVE DIRECTOR FOR THE STANDARDBRED RACING**
10 **COMMISSION FROM A LIST OF AT LEAST THREE NOMINEES SUBMITTED BY THE**
11 **STANDARDBRED RACING COMMISSION.**

12 **(2) THE EXECUTIVE DIRECTOR IS IN THE EXECUTIVE SERVICE IN**
13 **THE STATE PERSONNEL MANAGEMENT SYSTEM AND SERVES AT THE PLEASURE**
14 **OF THE SECRETARY.**

15 **(B) THE EXECUTIVE DIRECTOR SHALL:**

16 **(1) COLLECT THE TAXES AND FEES IMPOSED UNDER THIS TITLE**
17 **OR REGULATIONS ADOPTED BY THE STANDARDBRED RACING COMMISSION;**

18 **(2) KEEP THE RECORDS AND PAPERS OF THE STANDARDBRED**
19 **RACING COMMISSION, INCLUDING A RECORD OF EACH PROCEEDING;**

20 **(3) ADMINISTER THE LICENSING OF INDIVIDUALS WHO WORK IN**
21 **CONNECTION WITH STANDARDBRED RACING;**

22 **(4) PREPARE, ISSUE, AND SUBMIT REPORTS OF THE**
23 **STANDARDBRED RACING COMMISSION;**

24 **(5) ADMINISTER THE DAILY OPERATION OF THE OFFICE OF THE**
25 **STANDARDBRED RACING COMMISSION; AND**

26 **(6) PERFORM ANY OTHER DUTY THAT THE STANDARDBRED**
27 **RACING COMMISSION DIRECTS.**

28 **(C) WITH THE APPROVAL OF THE STANDARDBRED RACING**
29 **COMMISSION, THE EXECUTIVE DIRECTOR SHALL SET THE CONDITIONS UNDER**
30 **WHICH A LICENSEE MUST ADD TO, CHANGE, MAKE A REASONABLE**
31 **IMPROVEMENT TO, OR REPAIR PROPERTY THAT A LICENSEE OWNS OR LEASES**
32 **FOR STANDARDBRED RACING.**

1 **(D) THE EXECUTIVE DIRECTOR IS ENTITLED TO:**

2 **(1) COMPENSATION IN ACCORDANCE WITH THE STATE BUDGET;**
3 **AND**

4 **(2) REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD**
5 **STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.**

6 **11-2A-06.**

7 **(A) WITH THE APPROVAL OF THE STANDARDBRED RACING**
8 **COMMISSION AND, EXCEPT AS OTHERWISE PROVIDED BY LAW, SUBJECT TO THE**
9 **PROVISIONS OF THE STATE PERSONNEL AND PENSIONS ARTICLE, THE**
10 **EXECUTIVE DIRECTOR SHALL APPOINT A STAFF OF THE STANDARDBRED**
11 **RACING COMMISSION.**

12 **(B) (1) THE STANDARDBRED RACING COMMISSION MAY EMPLOY**
13 **FOUR HARNESS JUDGES.**

14 **(2) THE HARNESS JUDGES SHALL BE RECOMMENDED BY THE**
15 **EXECUTIVE DIRECTOR.**

16 **(3) EACH LICENSEE AND ORGANIZATION THAT REPRESENTS**
17 **OWNERS AND TRAINERS MAY RECOMMEND INDIVIDUALS TO THE**
18 **STANDARDBRED RACING COMMISSION AND EXECUTIVE DIRECTOR FOR**
19 **APPOINTMENT AS HARNESS JUDGES.**

20 **(4) THE HARNESS JUDGES ARE SPECIAL APPOINTMENTS OF THE**
21 **SKILLED SERVICE OR THE PROFESSIONAL SERVICE IN THE STATE PERSONNEL**
22 **MANAGEMENT SYSTEM.**

23 **(C) EACH MEMBER OF THE STAFF OF THE STANDARDBRED RACING**
24 **COMMISSION AND EACH HARNESS JUDGE IS ENTITLED TO:**

25 **(1) COMPENSATION IN ACCORDANCE WITH THE STATE BUDGET;**
26 **AND**

27 **(2) REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD**
28 **STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.**

29 **(D) AN INDIVIDUAL WHO HOLDS A POSITION UNDER THE**
30 **STANDARDBRED RACING COMMISSION MAY NOT HOLD AN OFFICIAL RELATION**

1 TO A LICENSEE OR HOLD ANY STOCKS, BONDS, OR OTHER FINANCIAL INTEREST
2 IN A LICENSEE.

3 11-2A-07.

4 (A) ON THE RECOMMENDATION OF THE EXECUTIVE DIRECTOR, THE
5 STANDARDBRED RACING COMMISSION MAY EMPLOY ADDITIONAL EMPLOYEES
6 OR AGENTS, INCLUDING AUDITORS, EXPERTS, GUARDS, INSPECTORS, A
7 BREATHALYZER OPERATOR AT EACH HARNESS RACING TRACK, SCIENTISTS,
8 STANDARDBRED RACING COMMISSION SECRETARIES, SPECIMEN COLLECTORS,
9 VETERINARIANS, AND OTHERS WHOM THE STANDARDBRED RACING
10 COMMISSION CONSIDERS TO BE ESSENTIAL AT OR IN CONNECTION WITH A RACE
11 MEETING IN THE BEST INTERESTS OF RACING.

12 (B) THE LICENSEE WHO HOLDS THE RACE MEETING FOR WHICH AN
13 ADDITIONAL EMPLOYEE IS USED SHALL PAY:

14 (1) THE EMPLOYER CONTRIBUTION FOR THE EMPLOYEE UNDER
15 THE EMPLOYEES' PENSION SYSTEM;

16 (2) THE EMPLOYER CONTRIBUTION AS DETERMINED BY THE
17 DEPARTMENT OF BUDGET AND MANAGEMENT FOR THE RETIREE UNDER
18 § 2-508 OF THE STATE PERSONNEL AND PENSIONS ARTICLE; AND

19 (3) AN AMOUNT REQUIRED UNDER § 23-306.1(B) OF THE STATE
20 PERSONNEL AND PENSIONS ARTICLE, IF ANY.

21 (C) A LICENSEE WHO HOLDS A RACE MEETING SHALL EMPLOY AND PAY
22 THE OFFICIALS AT THE RACE MEETING, OTHER THAN HARNESS JUDGES,
23 INCLUDING EACH CLERK OF THE COURSE, CLERK OF THE SCALES,
24 HANDICAPPER, PADDOCK JUDGE, PATROL JUDGE, PLACING JUDGE, RACING
25 SECRETARY, STARTER, ASSISTANT STARTER, AND TIMER.

26 (D) NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE, IF A
27 LICENSEE IS REQUIRED TO ALLOCATE 0.25% OF HANDLE TO THE MARYLAND
28 HARNESS TRACK EMPLOYEES PENSION FUND, THE LICENSEE SHALL FIRST PAY
29 FROM THE ALLOCATION ANY AMOUNTS REQUIRED TO BE PAID BY THE LICENSEE
30 UNDER SUBSECTION (B) OF THIS SECTION AND THE REMAINDER SHALL BE PAID
31 TO THE PENSION FUND.

32 11-2A-08.

33 (A) EACH LAW ENFORCEMENT OFFICER SHALL COOPERATE WITH THE
34 STANDARDBRED RACING COMMISSION TO ENFORCE THIS TITLE.

1 (III) TELEPHONE BETTING OTHER THAN TELEPHONE
2 ACCOUNT BETTING.

3 11-2A-11.

4 (A) THE STANDARDBRED RACING COMMISSION MAY:

5 (1) ENTER OR INVESTIGATE THE OFFICE, TRACK, OR PLACE OF
6 BUSINESS OF A LICENSEE TO ENSURE THAT THE REGULATIONS OF THE
7 STANDARDBRED RACING COMMISSION ARE STRICTLY COMPLIED WITH; AND

8 (2) PLACE AN EXPERT ACCOUNTANT OR OTHER INDIVIDUAL IN
9 THE OFFICE, TRACK, OR PLACE OF BUSINESS OF A LICENSEE AND REQUIRE
10 THAT THE LICENSEE PAY THE SALARY AND EXPENSES OF THE EXPERT
11 ACCOUNTANT OR OTHER INDIVIDUAL.

12 (B) THE STANDARDBRED RACING COMMISSION MAY REQUIRE THAT AN
13 EMPLOYEE OR OFFICIAL OF THE LICENSEE BE REMOVED FROM THE JOB.

14 (C) THE STANDARDBRED RACING COMMISSION MAY REQUIRE THAT A
15 LICENSEE KEEP FINANCIAL RECORDS IN THE WAY THAT THE STANDARDBRED
16 RACING COMMISSION DETERMINES.

17 (D) THE STANDARDBRED RACING COMMISSION MAY ADMINISTER
18 OATHS.

19 (E) THE STANDARDBRED RACING COMMISSION MAY ISSUE A
20 SUBPOENA FOR THE ATTENDANCE OF A WITNESS TO TESTIFY OR TO PRODUCE
21 EVIDENCE.

22 11-2A-12.

23 (A) THE STANDARDBRED RACING COMMISSION MAY MAINTAIN A
24 TESTING LABORATORY AND HAVE TESTS DONE ELSEWHERE.

25 (B) (1) EACH LICENSEE SHALL PAY A FRACTION OF THE YEARLY
26 COSTS OF THE TESTING LABORATORY AND OF THE TESTS DONE ELSEWHERE.

27 (2) THE NUMERATOR OF THE FRACTION SHALL BE THE NUMBER
28 OF RACING DAYS WITH PARI-MUTUEL BETTING PRIVILEGES THAT THE
29 LICENSEE HOLDS DURING THE YEAR.

1 **(3) THE DENOMINATOR OF THE FRACTION SHALL BE THE WHOLE**
2 **NUMBER OF RACING DAYS WITH PARI-MUTUEL BETTING PRIVILEGES HELD IN**
3 **THE STATE DURING THE YEAR.**

4 **11-2A-13.**

5 **(A) ON OR BEFORE SEPTEMBER 15 OF EACH YEAR, THE**
6 **STANDARD BRED RACING COMMISSION SHALL SUBMIT A REPORT TO THE**
7 **SECRETARY AND THE LEGISLATIVE POLICY COMMITTEE ABOUT THE**
8 **PRECEDING CALENDAR YEAR.**

9 **(B) EACH REPORT SHALL INCLUDE:**

10 **(1) A STATEMENT OF RECEIPTS AND DISBURSEMENTS OF THE**
11 **STANDARD BRED RACING COMMISSION;**

12 **(2) A SUMMARY OF MAJOR EVENTS THAT OCCURRED THE**
13 **PRECEDING YEAR THAT AFFECTED HARNESS RACING IN THE STATE, INCLUDING**
14 **ANY SIGNIFICANT CHANGES AT TRACKS IN THE REGION AS WELL AS A**
15 **DISCUSSION OF LEGISLATIVE INITIATIVES IN THE STATE;**

16 **(3) A 5-YEAR ASSESSMENT OF EACH HARNESS TRACK**
17 **REGARDING:**

18 **(I) ATTENDANCE;**

19 **(II) PURSE DISTRIBUTIONS;**

20 **(III) LIVE RACING DAYS THAT ARE ALLOCATED AND USED;**

21 **(IV) BETTING ON LIVE RACING THAT IS HELD AT THAT**
22 **TRACK BROKEN DOWN BY THE FOLLOWING CATEGORIES:**

23 1. **BETTING CONDUCTED AT THE LIVE TRACK;**

24 2. **BETTING CONDUCTED AT OTHER MARYLAND**
25 **TRACKS;**

26 3. **BETTING CONDUCTED AT SATELLITE SIMULCAST**
27 **FACILITIES IN THE STATE; AND**

28 4. **BETTING CONDUCTED THROUGH OUT-OF-STATE**
29 **SATELLITE SIMULCASTING;**

1 **(V) BETTING THAT IS CONDUCTED AT THE LIVE TRACK ON**
2 **RACES SIMULCAST FROM OTHER TRACKS IN THE STATE; AND**

3 **(VI) BETTING THAT IS CONDUCTED AT THE LIVE TRACK ON**
4 **RACES SIMULCAST FROM OUT-OF-STATE TRACKS;**

5 **(4) INFORMATION ON ALL SIMULCAST BETTING AT SATELLITE**
6 **SIMULCAST FACILITIES IN THE STATE, INCLUDING INFORMATION ON HOW**
7 **MUCH IS WAGERED ON IN-STATE RACES AND HOW MUCH IS BET ON**
8 **OUT-OF-STATE RACES;**

9 **(5) INFORMATION ON ALL SIMULCAST BETTING THAT IS**
10 **CONDUCTED OUT OF STATE ON RACES BEING RUN LIVE IN THIS STATE;**

11 **(6) TO THE EXTENT AVAILABLE, INFORMATION ON THE HARNESS**
12 **BREEDING INDUSTRY IN THE STATE, INCLUDING:**

13 **(I) THE NUMBER OF BREEDERS IN THE STATE;**

14 **(II) THE NUMBER OF FOALS REGISTERED IN THE STATE;**

15 **(III) THE AVERAGE SALES PRICES OF FOALS; AND**

16 **(IV) ANY OTHER INFORMATION PERTAINING TO THE**
17 **REGIONAL AND NATIONAL RANKING OF THE STATE FOR BREEDING;**

18 **(7) ALL OTHER INFORMATION THAT IS CURRENTLY PROVIDED BY**
19 **THE STANDARD BRED RACING COMMISSION IN ITS ANNUAL REPORT;**

20 **(8) ADDITIONAL INFORMATION ON SATELLITE SIMULCAST**
21 **FACILITIES, AS REQUIRED UNDER § 11-831 OF THIS TITLE; AND**

22 **(9) ANY OTHER INFORMATION THAT IS USEFUL IN EXPLAINING**
23 **THE FINANCIAL VIABILITY OF HORSE RACING IN THE STATE AND ANY**
24 **RECOMMENDATIONS TO IMPROVE THE INDUSTRY.**

25 **11-2A-14.**

26 **THE STANDARD BRED RACING COMMISSION EXERCISES ITS POWERS AND**
27 **PERFORMS ITS DUTIES SUBJECT TO THE AUTHORITY OF THE SECRETARY.**

28 **11-301.**

1 (A) In this subtitle[, “beneficial] **THE FOLLOWING WORDS HAVE THE**
2 **MEANINGS INDICATED.**

3 (B) **“APPROPRIATE COMMISSION” MEANS:**

4 (1) **FOR A PERSON WHO HOLDS A LICENSE TO CONDUCT MILE**
5 **THOROUGHBRED RACING, SPECIAL THOROUGHBRED RACING, OR RACING AT**
6 **FAIR HILL, OR FOR AN APPLICANT FOR SUCH A LICENSE, THE THOROUGHBRED**
7 **RACING COMMISSION; OR**

8 (2) **FOR A PERSON WHO HOLDS A LICENSE TO CONDUCT HARNESS**
9 **RACING OR AN APPLICANT FOR SUCH A LICENSE, THE STANDARDBRED RACING**
10 **COMMISSION.**

11 (C) **“BENEFICIAL ownership” includes:**

12 (1) record ownership;

13 (2) stock or other ownership in an entity in a chain of parent and
14 subsidiary or affiliated entities, any 1 of which participates in the capital or profits of a
15 licensee, regardless of the percentage of ownership involved;

16 (3) an interest that entitles a person to benefits substantially
17 equivalent to ownership by an agreement, relationship, or other arrangement even
18 though the person is not an owner of record; and

19 (4) unless there are special circumstances, ownership of a security by
20 a relative of an individual who lives in the home of the individual.

21 11-303.

22 (a) An applicant for a license shall submit to the executive director of the
23 **APPROPRIATE** Commission an application:

24 (1) in the form that the **APPROPRIATE** Commission requires; and

25 (2) on or before a day that the **APPROPRIATE** Commission sets.

26 (b) The application shall state:

27 (1) the dates of the race meetings desired;

28 (2) the maximum number of racing days desired; and

29 (3) any other information that the **APPROPRIATE** Commission
30 requires.

1 11-304.

2 (a) The **APPROPRIATE** Commission shall issue a license to each applicant
3 who:

4 (1) is awarded racing days in a race meeting; and

5 (2) pays the appropriate license fee.

6 (b) A license shall state:

7 (1) the dates of the race meeting awarded;

8 (2) the total number of racing days awarded; and

9 (3) the kind of racing to be held.

10 11-305.

11 A licensee is subject to all rights, regulations, and conditions that the
12 **APPROPRIATE** Commission sets for the calendar year in which a race meeting of the
13 licensee is held.

14 11-307.

15 (a) (1) On request of a licensee, the **APPROPRIATE** Commission may
16 return to the licensee a fee paid for racing on a day when the licensee fails to hold
17 racing if:

18 (i) on that day, racing is impossible, impracticable, or
19 inadvisable;

20 (ii) the licensee is not in default; and

21 (iii) the reason for the lack of racing is beyond the control of the
22 licensee.

23 (2) The decision of the **APPROPRIATE** Commission is final.

24 (b) If a licensee does not hold racing on the full number of its authorized
25 racing days because of bad weather conditions, the **APPROPRIATE** Commission may
26 award to the licensee replacement races or racing days.

27 11-308.

1 (a) Subject to the hearing provisions of §§ 11–309 and 11–310 of this subtitle,
2 the **APPROPRIATE** Commission may deny a license to an applicant or discipline a
3 licensee in accordance with this section.

4 (b) The **APPROPRIATE** Commission may deny a license to any applicant for
5 any reason that the **APPROPRIATE** Commission considers sufficient.

6 (c) (1) The **APPROPRIATE** Commission may reprimand any licensee or
7 suspend or revoke a license if the licensee violates:

8 (i) this title;

9 (ii) a regulation adopted under this title; or

10 (iii) a condition set by the **APPROPRIATE** Commission.

11 (2) The **APPROPRIATE** Commission shall suspend or revoke a license
12 if the applicant or licensee fails to:

13 (i) keep records and make reports of ownership of stock that
14 are required under § 11–314 of this subtitle; or

15 (ii) make a reasonable effort to get affidavits required under §
16 11–314(b) and (c) of this subtitle.

17 (d) (1) The **APPROPRIATE** Commission may impose a penalty not
18 exceeding \$5,000 for each racing day that the licensee is in violation of subsection (c) of
19 this section:

20 (i) instead of suspending or revoking a license under subsection
21 (c)(1) of this section; and

22 (ii) in addition to suspending or revoking a license under
23 subsection (c)(2) of this section.

24 (2) To determine the amount of the penalty imposed under paragraph
25 (1) of this subsection, the **APPROPRIATE** Commission shall consider:

26 (i) the seriousness of the violation;

27 (ii) the harm caused by the violation; and

28 (iii) the good faith or lack of good faith of the licensee.

29 (3) A penalty imposed on a licensee shall be paid from the licensee's
30 share of the takeout.

1 11-309.

2 (a) Except as otherwise provided in § 10-226 of the State Government
3 Article, before the **APPROPRIATE** Commission takes any final action under § 11-308
4 of this subtitle, it shall give the person against whom the action is contemplated an
5 opportunity for a hearing before the **APPROPRIATE** Commission or, as provided under
6 § 11-310 of this subtitle, a hearing committee.

7 (b) The **APPROPRIATE** Commission shall give notice and hold the hearing in
8 accordance with Title 10, Subtitle 2 of the State Government Article.

9 (c) If, after due notice, the person against whom the action is contemplated
10 does not appear, nevertheless the **APPROPRIATE** Commission may hear and
11 determine the matter.

12 11-310.

13 (a) The **APPROPRIATE** Commission may delegate to a hearing committee of
14 at least 3 of its members the power to hold adjudicatory proceedings under this title,
15 including evidentiary hearings.

16 (b) (1) A unanimous decision by the hearing committee is binding and is a
17 final decision of the **APPROPRIATE** Commission.

18 (2) If the decision of the hearing committee is not unanimous, a de
19 novo hearing shall be conducted by the **APPROPRIATE** Commission.

20 11-311.

21 A party to a proceeding before the **APPROPRIATE** Commission who is aggrieved
22 by a final decision of the **APPROPRIATE** Commission in a contested case, as defined in
23 § 10-202 of the State Government Article, may take an appeal as allowed in §§ 10-222
24 and 10-223 of the State Government Article.

25 11-312.

26 (a) On request of the **APPROPRIATE** Commission, the following individuals
27 shall give the **APPROPRIATE** Commission their fingerprints:

28 (1) each individual licensee;

29 (2) each individual member of an unincorporated association that is a
30 licensee;

31 (3) each officer or director of a corporation that is a licensee;

1 (4) each employee of a licensee who actively participates in the racing
2 action of the licensee;

3 (5) each individual who actively participates in the racing action of a
4 licensee, including each agent, blacksmith, driver, apprentice jockey, jockey, manager,
5 owner, trainer, stable employee, and veterinarian;

6 (6) each member of the **STANDARD BRED RACING COMMISSION**
7 **AND THE THOROUGHBRED RACING** Commission;

8 (7) the Executive Director of the **STANDARD BRED RACING**
9 **COMMISSION AND THE EXECUTIVE DIRECTOR OF THE THOROUGHBRED**
10 **RACING** Commission;

11 (8) each employee of the **STANDARD BRED RACING COMMISSION**
12 **AND THE THOROUGHBRED RACING** Commission under §§ [11-206 and 11-207]
13 **11-206, 11-207, 11-2A-06, AND 11-2A-07** of this title; and

14 (9) each individual who is subject to § 11-316 of this subtitle.

15 (b) The **APPROPRIATE** Commission shall:

16 (1) apply to the Central Repository for a State and national criminal
17 history records check for each individual listed in subsection (a) of this section; and

18 (2) as part of the application for a criminal history records check,
19 submit to the Central Repository:

20 (i) a complete set of the individual's legible fingerprints taken
21 on a form approved by the Director of the Central Repository; and

22 (ii) the fee authorized under § 10-221(b)(7) of the Criminal
23 Procedure Article for access to Maryland criminal history records.

24 (c) (1) In addition to a State criminal history records check under this
25 section, the **APPROPRIATE** Commission may require an individual listed in subsection
26 (a) of this section to obtain a criminal history records check from the Federal Bureau
27 of Investigation, through the Central Repository.

28 (2) For each applicant who is required by the **APPROPRIATE**
29 Commission to obtain a criminal history records check from the Federal Bureau of
30 Investigation under paragraph (1) of this subsection, the **APPROPRIATE** Commission
31 shall apply to the Central Repository for a national criminal history records check.

32 (3) As part of the application for a national criminal history records
33 check, the **APPROPRIATE** Commission shall submit to the Central Repository:

1 (i) a complete set of the individual's legible fingerprints taken
2 on a form approved by the Director of the Federal Bureau of Investigation; and

3 (ii) the mandatory processing fee required by the Federal
4 Bureau of Investigation for a national criminal history records check.

5 (d) (1) In accordance with §§ 10–201 through 10–234 of the Criminal
6 Procedure Article, the Central Repository shall forward to the individual and the
7 **APPROPRIATE** Commission the individual's criminal history record information.

8 (2) Information obtained from the Central Repository under this
9 section shall be:

10 (i) confidential and may not be disseminated; and

11 (ii) used only for the purpose authorized by this section.

12 (3) The subject of a criminal history records check under this section
13 may contest the contents of the printed statement issued by the Central Repository as
14 provided in § 10–223 of the Criminal Procedure Article.

15 11–313.

16 (a) The **APPROPRIATE** Commission shall require a licensee, and each officer
17 or stockholder of a licensee, to disclose to the **APPROPRIATE** Commission each
18 financial interest that the person has in racing.

19 (b) On or before the 90th day following the end of a licensee's fiscal year, the
20 licensee shall submit to the **APPROPRIATE** Commission in the form that the
21 **APPROPRIATE** Commission requires:

22 (1) an itemized statement under oath for the preceding fiscal year of
23 receipts from all sources and of all expenses and disbursements, including salaries of
24 officers, [attorney] **ATTORNEY'S** fees, and lobbying expenses; and

25 (2) a certified audit by a certified public accountant of the financial
26 records of the licensee for the preceding fiscal year.

27 (c) The audited statements of all licensees shall be sent to the
28 Governor and, subject to § 2–1246 of the State Government Article, [to] the General
29 Assembly.

30 (d) The Office of Legislative Audits shall audit each licensee at least once
31 every 2 years in accordance with the provisions of §§ 2–1217 through 2–1227 of the
32 State Government Article.

1 11-314.

2 (a) The **APPROPRIATE** Commission shall require each licensee to keep
3 records that show the beneficial ownership of the stock of the licensee, whether or not
4 the beneficial ownership is registered or stated on the stock.

5 (b) (1) The **APPROPRIATE** Commission shall require a licensee at least
6 once each calendar year to get by written request an affidavit from each owner of
7 record of the licensee.

8 (2) The affidavit shall state, to the best of the affiant's knowledge,
9 information, and belief:

10 (i) whether a person other than the affiant has a right of
11 beneficial ownership in the stock held in the name of the affiant;

12 (ii) the name and address of any other person who has a right of
13 beneficial ownership; and

14 (iii) the amount and nature of the beneficial ownership.

15 (c) (1) If a licensee learns that a person, other than a record owner of
16 stock in a licensee, has a beneficial ownership interest in stock of the licensee, the
17 licensee promptly shall request in writing that the person submit an affidavit within
18 60 days to the licensee.

19 (2) The affidavit shall state to the best of the affiant's knowledge,
20 information, and belief:

21 (i) whether the affiant has a right of beneficial ownership in the
22 stock of the licensee that is described in the notice;

23 (ii) the amount and nature of the beneficial ownership;

24 (iii) whether a person other than the affiant and the record
25 owner has a right of ownership of any kind in that stock of the licensee; and

26 (iv) the amount and nature of the ownership of that stock by a
27 person other than the affiant and the record owner.

28 (d) Notwithstanding the affidavit requirements of this section, the
29 **APPROPRIATE** Commission may excuse the reporting of beneficial ownership that is
30 less than 2% of the licensee.

31 (e) (1) A licensee shall submit the beneficial ownership records and
32 affidavits required under this section to the **APPROPRIATE** Commission at least once
33 each year and at any other time that the **APPROPRIATE** Commission requires.

1 (2) A licensee shall report promptly to the **APPROPRIATE** Commission
2 each change in beneficial ownership.

3 11-315.

4 A statement required to be submitted to the **APPROPRIATE** Commission under
5 § 11-313 or § 11-314 of this subtitle shall be under oath and signed by each officer of
6 the corporate licensee or by the owner or each partner of an unincorporated licensee.

7 11-316.

8 (a) Before a prospective buyer buys a majority controlling interest in a
9 licensee, the **APPROPRIATE** Commission shall review the personal and financial
10 background of the prospective buyer.

11 (b) (1) [The] **EACH APPROPRIATE** Commission shall adopt regulations
12 to carry out this section.

13 (2) The regulations shall:

14 (i) require a personal and financial background check of the
15 prospective buyer;

16 (ii) specify a period of time to review the required personal and
17 financial information before a purchase or transfer of racing days is made; and

18 (iii) require that notice and an invitation to comment be given to
19 the Legislative Policy Committee at least 15 days before final approval of a purchase
20 or transfer of racing days resulting from a purchase.

21 (3) The background check shall include:

22 (i) a review by a certified public accountant of certified
23 financial statements, including contingent or pledged liabilities, sufficient to
24 determine the ability of the prospective buyer to buy and maintain the licensee;

25 (ii) an income statement for the most recent year;

26 (iii) a statement of financial and related records of any person in
27 which the prospective buyer has at least a majority interest;

28 (iv) a disclosure of each financial interest in racing;

29 (v) a disclosure of each person who will have beneficial
30 ownership of the licensee as a result of the purchase;

1 (vi) a criminal history records check under § 11-312 of this
2 subtitle; and

3 (vii) a character review.

4 11-317.

5 Before a license or racing days may be transferred to a buyer or a lessee of a
6 track:

7 (1) the Legislative Policy Committee shall have been notified at least
8 15 days before the transfer;

9 (2) the Legislative Policy Committee, if it has chosen to do so, shall
10 have provided comment to the **APPROPRIATE** Commission about the transfer; and

11 (3) the transfer shall have been approved by the **APPROPRIATE**
12 Commission.

13 11-318.

14 The **APPROPRIATE** Commission may require a licensee to get its approval
15 before the licensee:

16 (1) contracts to pay money;

17 (2) sets a salary, fee, or compensation to be paid; or

18 (3) builds, extends, or improves a track or structure on property that
19 the licensee owns or leases.

20 11-501.

21 **(A) IN THIS PART, "COMMISSION" MEANS THE THOROUGHBRED**
22 **RACING COMMISSION ESTABLISHED UNDER § 11-201 OF THIS TITLE.**

23 **(B)** This part applies only to mile thoroughbred racing licensees and to
24 special thoroughbred racing licensees.

25 11-507.

26 **(A) IN THIS PART, "COMMISSION" MEANS THE THOROUGHBRED**
27 **RACING COMMISSION ESTABLISHED UNDER § 11-201 OF THIS TITLE.**

28 **(B)** This part applies only to mile thoroughbred racing licenses and to
29 licensees who have been awarded racing days to hold mile thoroughbred racing.

1 11-523.

2 (A) In this part[,] THE FOLLOWING WORDS HAVE THE MEANINGS
3 INDICATED.

4 (B) “COMMISSION” MEANS THE THOROUGHBRED RACING COMMISSION
5 ESTABLISHED UNDER § 11-201 OF THIS TITLE.

6 (C) “State Fair Society” means the Maryland State Fair and Agricultural
7 Society, Inc.

8 11-529.

9 (a) In this part the following words have the meanings indicated.

10 (b) “Advisory Committee” means the Maryland-Bred Race Fund Advisory
11 Committee.

12 (C) “COMMISSION” MEANS THE THOROUGHBRED RACING COMMISSION
13 ESTABLISHED UNDER § 11-201 OF THIS TITLE.

14 [(c)] (D) “Fund” means the Maryland-Bred Race Fund.

15 [(d)] (E) “Fund Race” means a race funded by the Maryland-Bred Race
16 Fund.

17 11-601.

18 (A) In this subtitle[, “average] THE FOLLOWING WORDS HAVE THE
19 MEANINGS INDICATED.

20 (B) “AVERAGE handle” means the daily average amount bet in a year.

21 (C) “COMMISSION” MEANS THE STANDARD BRED RACING COMMISSION
22 ESTABLISHED UNDER § 11-2A-01 OF THIS TITLE.

23 11-701.

24 (A) IN THIS SUBTITLE, “COMMISSION” MEANS THE THOROUGHBRED
25 RACING COMMISSION ESTABLISHED UNDER § 11-201 OF THIS TITLE.

26 (B) This subtitle applies only to the licensee that is the Cecil County
27 Breeders’ Fair, Inc., or its successor.

28 11-801.

1 The **THOROUGHBRED RACING COMMISSION AND THE STANDARDBRED**
2 **RACING** Commission may authorize a licensee to hold racing with pari-mutuel
3 betting.

4 11-802.

5 (a) A licensee may not lend or give money to a person for pari-mutuel
6 betting.

7 (b) The **THOROUGHBRED RACING COMMISSION AND THE**
8 **STANDARDBRED RACING** Commission may adopt regulations to enforce this section.

9 11-803.

10 (a) If a winning ticket is not redeemed within 1 year, the licensee into whose
11 betting pool the bet was placed shall pay the amount needed to redeem the ticket to
12 the **THOROUGHBRED RACING COMMISSION OR THE STANDARDBRED RACING**
13 Commission to be credited to the Special Fund under Subtitle 4 of this title.

14 (b) Every year for the preceding calendar year, each licensee shall:

15 (1) report to the **THOROUGHBRED RACING COMMISSION OR THE**
16 **STANDARDBRED RACING** Commission the amount payable to the **THOROUGHBRED**
17 **RACING COMMISSION OR THE STANDARDBRED RACING** Commission under this
18 section; and

19 (2) pay that amount to the **THOROUGHBRED RACING COMMISSION**
20 **OR THE STANDARDBRED RACING** Commission.

21 (c) (1) The license of a licensee shall be revoked if the licensee:

22 (i) fails to report when money under this section is due; or

23 (ii) knowingly or willfully submits a report that understates the
24 amount due.

25 (2) A licensee whose license is revoked under this subsection may not
26 hold a license for at least 1 year.

27 11-804.

28 (b) [If the Commission approves, a] A licensee may contract to hold
29 pari-mutuel betting on a race that is held at an out-of-state track where betting on
30 racing is lawful **WITH THE APPROVAL OF THE COMMISSION THAT LICENSED THE**
31 **LICENSEE.**

1 (c) Pari-mutuel betting under this section may only occur:

2 (1) on a racing day when the Commission **THAT LICENSES A**
3 **LICENSEE** has authorized the licensee to hold racing; and

4 (2) (i) at the track of the licensee;

5 (ii) at any track where pari-mutuel betting on races on the
6 racing program of the licensee for that day is authorized; or

7 (iii) at a satellite simulcast facility.

8 11-804.2.

9 Notwithstanding § 11-804(c) of this subtitle, a licensee in Allegany County may
10 conduct pari-mutuel betting under § 11-804 of this subtitle on a day when the
11 Commission **THAT LICENSES A LICENSEE** has authorized the licensee to hold racing
12 only:

13 (1) at the track of the licensee;

14 (2) at a satellite simulcast facility:

15 (i) in which the licensee has majority ownership interest; and

16 (ii) which complies with the requirements of § 11-825(a) of this
17 subtitle; and

18 (3) at a receiving track located more than 35 miles from any of Laurel
19 Park, Pimlico Race Course, and Rosecroft Raceway.

20 11-805.

21 (a) Except for racing held by the Maryland-National Capital Park and
22 Planning Commission, [the Commission may authorize] telephone betting at any
23 track where racing is authorized **MAY BE AUTHORIZED BY:**

24 **(1) FOR THOROUGHBRED RACING, THE THOROUGHBRED RACING**
25 **COMMISSION; AND**

26 **(2) FOR HARNESS RACING, THE STANDARD BRED RACING**
27 **COMMISSION.**

28 (b) The breakage and takeout on all telephone betting shall be computed in
29 the way normally applicable to pari-mutuel betting on racing the licensee holds.

30 11-808.

1 (b) The [Commission has] **THOROUGHBRED RACING COMMISSION AND**
2 **THE STANDARD BRED RACING COMMISSION HAVE JOINT** jurisdiction over all
3 intertrack betting and other activities at a receiving track to the same extent as when
4 live racing is held at the track.

5 (c) The **THOROUGHBRED RACING COMMISSION AND THE**
6 **STANDARD BRED RACING** Commission shall adopt **A COMMON SET OF** regulations
7 to carry out this part.

8 11-809.

9 (a) On a race that a licensee holds and simulcasts to an out-of-state facility
10 or on a simulcast of a race that a licensee receives, the licensee may, with the approval
11 of the **THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED**
12 **RACING** Commission, combine bets made at the licensee's track with bets of the same
13 type made at the out-of-state facility where betting is lawful.

14 (b) This section allows the creation of common mutuel pools for calculating
15 odds and determining payouts.

16 (c) Bets made at an out-of-state facility may not be considered part of the
17 licensee's mutuel pools for any purpose other than the purpose stated in subsection (b)
18 of this section.

19 (d) For races that are held by a licensee in this State and simulcast to an
20 out-of-state facility, the takeout on bets made in this State that are commingled in a
21 common mutuel pool shall be the takeout as prescribed for the licensee by this title.

22 (e) Notwithstanding any other provision of this title governing the amount of
23 takeout, for a race that is held by an out-of-state facility and simulcast to a licensee in
24 this State, the takeout on bets made in this State that are commingled in a common
25 mutuel pool shall be, subject to the approval of the **THOROUGHBRED RACING**
26 **COMMISSION AND THE STANDARD BRED RACING** Commission, as agreed by the
27 licensee and the out-of-state facility.

28 (f) Notwithstanding any other provision of this title governing the allocation
29 of takeout, for a race that is held by an out-of-state facility and simulcast to a licensee
30 in this State, the allocation of takeout on bets made in this State that are commingled
31 in a common mutuel pool shall be, subject to the approval of the **THOROUGHBRED**
32 **RACING COMMISSION AND THE STANDARD BRED RACING** Commission, allocated
33 in the following manner:

34 (1) to the State for taxes on the handle of the licensee as provided
35 under this title;

1 (2) to the host racing association where live racing is conducted in an
2 amount determined by the licensee and the out-of-state facility; and

3 (3) the remainder to the licensee, the applicable pension funds created
4 by this title, purse money, and the applicable bred fund in proportion to their
5 respective shares of the takeout under this title.

6 11-811.

7 (c) [The Commission may authorize] **IF AUTHORIZED BY THE**
8 **THOROUGHBRED RACING COMMISSION AND BY THE STANDARDBRED RACING**
9 **COMMISSION**, intertrack betting [involving] **MAY BE HELD THAT INVOLVES** tracks
10 of:

11 (1) mile thoroughbred racing licensees;

12 (2) harness racing licensees;

13 (3) Fair Hill; or

14 (4) the State Fair Society.

15 (d) The **THOROUGHBRED RACING COMMISSION AND THE**
16 **STANDARDBRED RACING** Commission **JOINTLY** may authorize licensees, Fair Hill,
17 or the State Fair Society to participate in intertrack betting by operating sending
18 tracks and receiving tracks only if:

19 (1) the operators of the sending track and the receiving track submit a
20 joint application to the **THOROUGHBRED RACING COMMISSION AND TO THE**
21 **STANDARDBRED RACING** Commission;

22 (2) the [Commission holds] **THOROUGHBRED RACING**
23 **COMMISSION AND THE STANDARDBRED RACING COMMISSION** **HOLD** a public
24 hearing on the matter;

25 (3) the operator of the receiving track shows to the satisfaction of the
26 **THOROUGHBRED RACING COMMISSION AND THE STANDARDBRED RACING**
27 Commission that the operator has held, is holding, or will hold regularly scheduled
28 race meetings at the receiving track in accordance with a license and has complied
29 with the terms of the license; and

30 (4) the receiving track meets the requirements of subsection (e) of this
31 section, unless the [Commission has] **THOROUGHBRED RACING COMMISSION AND**
32 **THE STANDARDBRED RACING COMMISSION** **JOINTLY HAVE** waived them, and
33 subsection (f) of this section.

1 (e) (1) Laurel Race Course, a track where racing is conducted by the State
2 Fair Society or Rosecroft Raceway may be a receiving track only if live racing was held
3 there in the previous calendar year on at least 75% of the racing days available to it.

4 (2) Ocean Downs may be a receiving track only if at least 40 days of
5 live racing were held there in the previous calendar year.

6 (3) Pimlico Race Course may be a receiving track only if at least 90
7 days of live racing were held there in the previous calendar year.

8 (4) A track where racing is conducted by Fair Hill may be a sending
9 track only on days when Fair Hill is licensed to conduct and actually conducts live
10 racing.

11 (5) A track in Allegany County may be a sending track:

12 (i) to any receiving track:

13 1. on days when the track is licensed to conduct and
14 actually conducts live racing; and

15 2. for live races conducted at the track; and

16 (ii) to a receiving track located more than 35 miles from any of
17 Laurel Park, Pimlico Race Course, and Rosecroft Raceway:

18 1. on any day the [Commission has] **THOROUGHBRED**
19 **RACING COMMISSION AND THE STANDARDBRED RACING COMMISSION JOINTLY**
20 **HAVE** authorized the licensee to hold racing; and

21 2. for simulcast races conducted at the track.

22 (6) Subject to § 11–804.2 of this subtitle, nothing in paragraph (5) of
23 this subsection shall limit the ability of a track in Allegany County to act as a sending
24 track to a satellite simulcast facility.

25 (7) A track in Allegany County may be a receiving track:

26 (i) during its opening year if it has scheduled at least 21 days of
27 live racing within 12 months of its opening and the [Commission has]
28 **THOROUGHBRED RACING COMMISSION AND THE STANDARDBRED RACING**
29 **COMMISSION JOINTLY HAVE** granted its application to race on those days; and

30 (ii) in subsequent years if at least 21 days of live racing were
31 held at the track in the previous calendar year.

1 (8) The [Commission] **THOROUGHBRED RACING COMMISSION**
2 **AND THE STANDARDBRED RACING COMMISSION JOINTLY** may waive a
3 requirement of this subsection if the receiving track could not meet the requirement
4 because of:

5 (i) an act of God; or

6 (ii) what the **THOROUGHBRED RACING COMMISSION AND**
7 **THE STANDARDBRED RACING** Commission finds to be an emergency.

8 11-812.

9 (a) A mile thoroughbred racing licensee operating a sending track shall pay
10 to the **THOROUGHBRED RACING** Commission, within 3 days after each day of
11 intertrack betting on thoroughbred racing at a receiving track, \$1,000 of the impact
12 aid to be paid to political subdivisions for intertrack betting for that day under
13 § 11-404(c) and (d) of this title.

14 (b) The licensee shall deduct from the takeout the payment under subsection
15 (a) of this section and then shall allocate the rest of the takeout in the way normally
16 applicable to racing at the sending track.

17 (c) The **THOROUGHBRED RACING** Commission shall pay promptly to the
18 Comptroller all money collected under this section.

19 11-816.

20 (a) The **THOROUGHBRED RACING COMMISSION ACTING WITH THE**
21 **STANDARDBRED RACING** Commission may approve satellite simulcast facilities that
22 may conduct satellite simulcast betting.

23 (b) This part does not authorize satellite simulcast betting at or through the
24 direct use of lottery terminals in the State.

25 (c) The **THOROUGHBRED RACING COMMISSION AND THE**
26 **STANDARDBRED RACING** Commission [has] **HAVE JOINT** jurisdiction over all
27 satellite simulcast betting and other activities at a satellite simulcast facility to the
28 same extent as when live racing is held by a licensee.

29 11-817.

30 (a) A person must have a permit granted by the **THOROUGHBRED RACING**
31 **COMMISSION AND BY THE STANDARDBRED RACING** Commission whenever the
32 person holds satellite simulcast betting.

1 (b) Nothing in this [Part III of this subtitle] PART may preempt local zoning
2 laws or ordinances.

3 11-818.

4 (a) Any person may apply for a permit.

5 (b) An applicant for a permit shall submit to the executive [director of the
6 Commission] **DIRECTORS OF BOTH THE THOROUGHBRED RACING COMMISSION**
7 **AND THE STANDARD BRED RACING COMMISSION** an application in the form that
8 the [Commission requires] **COMMISSIONS REQUIRE**.

9 (c) Except as provided in subsection (e) of this section, the
10 **THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED RACING**
11 Commission shall conduct a personal and financial background check of an applicant
12 for a permit including:

13 (1) a review, by a certified public accountant, of the certified financial
14 statements of the applicant, including contingent or pledged liabilities, sufficient to
15 determine the ability of the applicant to purchase or lease, and develop and maintain
16 the satellite simulcast facility for which the permit is sought;

17 (2) an income statement of the applicant for the most recent year;

18 (3) a statement of financial and related records of any person in which
19 the applicant has at least a majority interest;

20 (4) a disclosure of all financial interests in horse racing and any other
21 legalized betting activity;

22 (5) the disclosure of each person who is a beneficial owner of the
23 applicant;

24 (6) with the assistance of federal, State, and local law enforcement
25 authorities, a criminal background review; and

26 (7) a character review.

27 (d) The **THOROUGHBRED RACING COMMISSION WITH THE**
28 **STANDARD BRED RACING** Commission shall adopt regulations establishing uniform
29 procedures for conducting the personal and financial background check required by
30 this section.

31 (e) The **THOROUGHBRED RACING COMMISSION AND THE**
32 **STANDARD BRED RACING** Commission may waive portions of the review that [it
33 determines] **THEY DETERMINE** to be appropriate for any applicant that is a licensee.

1 11-819.

2 The factors that the **THOROUGHBRED RACING COMMISSION AND THE**
3 **STANDARD BRED RACING** Commission shall consider in deciding whether to grant a
4 permit shall include:

5 (1) the needs and convenience of the public;

6 (2) whether the satellite simulcast facility:

7 (i) would be expected to interfere unreasonably with
8 attendance at tracks; and

9 (ii) meets the requirements of § 11-825(a) of this subtitle;

10 (3) the desires of the political subdivision where the proposed satellite
11 simulcast facility is to be located;

12 (4) the interests of the racing industry; and

13 (5) other matters that the [Commission finds] **THOROUGHBRED**
14 **RACING COMMISSION AND THE STANDARD BRED RACING COMMISSION FIND**
15 appropriate.

16 11-820.

17 (a) The **THOROUGHBRED RACING COMMISSION AND THE**
18 **STANDARD BRED RACING** Commission shall grant a permit to each applicant whose
19 application the [Commission approves] **THOROUGHBRED RACING COMMISSION**
20 **AND THE STANDARD BRED RACING COMMISSION APPROVE** after the applicant
21 pays the permit fee that the [Commission requires] **THOROUGHBRED RACING**
22 **COMMISSION AND THE STANDARD BRED RACING COMMISSION REQUIRE**.

23 (b) A permit shall state the specific location where the permit applies.

24 (c) If the [Commission approves] **THOROUGHBRED RACING COMMISSION**
25 **AND THE STANDARD BRED RACING COMMISSION APPROVE**, an applicant for a
26 permit may change the location for which a satellite simulcast facility is being applied.

27 11-822.

28 (a) The **THOROUGHBRED RACING COMMISSION AND THE**
29 **STANDARD BRED RACING** Commission shall set the term of each permit.

1 (b) If the [Commission approves] **THOROUGHBRED RACING COMMISSION**
2 **AND THE STANDARD BRED RACING COMMISSION APPROVE**, a permit may be
3 transferred to another person if:

4 (1) the satellite simulcasting facility remains at the same location; and

5 (2) the person complies with all regulations of the **THOROUGHBRED**
6 **RACING COMMISSION AND THE STANDARD BRED RACING** Commission established
7 under § 11–316 of this title for the purchase or transfer of an entity licensed to conduct
8 racing.

9 11–825.

10 (a) A satellite simulcast facility:

11 (1) shall be in premises owned or leased by a permit holder;

12 (2) may not be within a 35–mile radius of any mile thoroughbred track
13 or harness track unless approved by the track licensee, the group that represents a
14 majority of the applicable owners and trainers licensed in the State and the group that
15 represents a majority of the applicable breeders in the State, considered separately;

16 (3) unless the track agrees otherwise, may not operate during hours
17 on those days that racing with pari–mutuel betting is permitted at a racetrack located
18 in this State within a 35–mile radius of the satellite simulcast facility; and

19 (4) shall offer pari–mutuel betting facilities and amenities that the
20 [Commission finds] **THOROUGHBRED RACING COMMISSION AND THE**
21 **STANDARD BRED RACING COMMISSION FIND** are:

22 (i) comparable to those available in the sports palace facilities
23 of the mile thoroughbred racing licensees including:

24 1. high quality dining, lounge, and seating areas that
25 are of a manner generally found in fine restaurants; and

26 2. teletheatre screen capacity; and

27 (ii) appropriate for the area where the satellite simulcast
28 facility is located.

29 (b) A mile thoroughbred racing licensee or a harness racing licensee shall
30 own or lease the pari–mutuel betting equipment at a satellite simulcast facility and
31 shall, with its employees, operate the equipment.

32 (c) A mile thoroughbred racing licensee or a harness racing licensee shall
33 submit to the **THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED**

1 **RACING** Commission all contracts and agreements relating to satellite simulcast
2 betting under this subtitle.

3 (d) (1) The **THOROUGHBRED RACING COMMISSION AND THE**
4 **STANDARD BRED RACING** Commission shall periodically be assured by permit
5 holders that facilities continue to meet the requirements of this section.

6 (2) (i) The **THOROUGHBRED RACING COMMISSION AND THE**
7 **STANDARD BRED RACING** Commission shall inspect satellite simulcast facilities at
8 least four times each year to determine if the permit holders are continuing to comply
9 with the provisions of this section.

10 (ii) The inspections under this subsection shall include
11 evaluations of the financial and physical conditions of each satellite simulcast facility.

12 (3) If the **THOROUGHBRED RACING COMMISSION AND THE**
13 **STANDARD BRED RACING** Commission [finds] **FIND** that a permit holder is not
14 complying with the provisions of this section, the **THOROUGHBRED RACING**
15 **COMMISSION AND THE STANDARD BRED RACING** Commission may impose a
16 penalty on the permit holder similar to those penalties levied on licensees as provided
17 under § 11-308 of this title.

18 11-829.

19 Except for betting on races of national or international prominence which have
20 been approved by the **THOROUGHBRED RACING COMMISSION AND THE**
21 **STANDARD BRED RACING** Commission, satellite simulcast betting may not be
22 conducted:

23 (1) on any day other than Sunday between 1:30 a.m. and 10:00 a.m.;
24 and

25 (2) between 1:30 a.m. and 11:00 a.m. on Sunday.

26 11-831.

27 The **THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED**
28 **RACING** Commission shall include in [its] **THEIR** annual [report] **REPORTS** to the
29 Legislative Policy Committee of the Maryland General Assembly:

30 (1) the effect of satellite simulcast betting on the racing industry in
31 the State;

32 (2) an appraisal of each permit holder, taking into consideration the
33 results of inspections required under this section and any financial information that is

1 submitted to the **THOROUGHBRED RACING COMMISSION OR THE**
 2 **STANDARD BRED RACING** Commission;

3 (3) if any additional permit has been granted under this section:

4 (i) the reasons for granting the permit; and

5 (ii) the anticipated impact of the new facility on existing permit
 6 holders and racing licensees; and

7 (4) if an application for a permit or permit renewal has been denied:

8 (i) the reasons for denying the permit or renewal; and

9 (ii) the impact on racing licensees if the **THOROUGHBRED**
 10 **RACING COMMISSION AND THE STANDARD BRED RACING** Commission denied a
 11 permit renewal application.

12 11-832.

13 The **THOROUGHBRED RACING COMMISSION ALONG WITH THE**
 14 **STANDARD BRED RACING** Commission shall adopt regulations to:

15 (1) define the criteria for applicants for a satellite simulcast betting
 16 permit, which may include a nonrefundable application fee;

17 (2) define allowable costs of operations under § 11-827 of this part;
 18 and

19 (3) otherwise carry out this part.

20 11-904.

21 (b) The Board of Directors of the Jockey Fund consists of [the members of the
 22 Commission]:

23 (1) **THREE MEMBERS OF THE THOROUGHBRED RACING**
 24 **COMMISSION; AND**

25 (2) **TWO MEMBERS OF THE STANDARD BRED RACING**
 26 **COMMISSION.**

27 11-906.

28 (a) (1) The **THOROUGHBRED RACING COMMISSION ALONG WITH THE**
 29 **STANDARD BRED RACING** Commission shall assess each licensed owner and licensed

1 trainer of a thoroughbred horse an amount sufficient to pay the cost of workers'
2 compensation insurance that the Jockey Fund gets.

3 (2) The **THOROUGHBRED RACING COMMISSION AND THE**
4 **STANDARD BRED RACING** Commission shall pay each assessment that the
5 **THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED RACING**
6 Commission collects under this subsection to the Jockey Fund.

7 (b) (1) The **THOROUGHBRED RACING COMMISSION AND THE**
8 **STANDARD BRED RACING** Commission shall suspend or revoke the license of each
9 owner or trainer who fails to pay the assessment under subsection (a)(1) of this
10 section.

11 (2) The **THOROUGHBRED RACING COMMISSION AND THE**
12 **STANDARD BRED RACING** Commission may not reinstate or renew the license of the
13 owner or trainer during the period of default.

14 11-909.

15 (a) There is a Maryland Standardbred Horsemen's Assistance Fund, Inc.,
16 and a Maryland Horsemen's Assistance Fund, Inc.

17 (b) The clerk of the course at each thoroughbred track and at each harness
18 track shall:

19 (1) collect each overpayment on a tote machine and each fine and
20 penalty that is not imposed on a licensee; and

21 (2) pay that money to the **STANDARD BRED RACING** Commission
22 within 10 days after the close of each race meeting.

23 (c) The **STANDARD BRED RACING** Commission shall pay the money
24 collected under subsection (b) of this section from each harness track to the Maryland
25 Standardbred Horsemen's Assistance Fund, Inc., and the money collected from each
26 thoroughbred track to the Maryland Horsemen's Assistance Fund, Inc., on or before
27 December 31 of each year, if the **STANDARD BRED RACING** Commission is satisfied
28 that:

29 (1) the recipient fund is operated entirely for the charitable purposes
30 consistent with the interests of racing; and

31 (2) money that the **STANDARD BRED RACING** Commission sends to a
32 recipient fund or net earnings of a recipient fund is not used for the benefit of a
33 director, member, or officer of that fund, or for the benefit of any private individual
34 who is not an object of the charitable purposes of that fund.

1 9-1A-28.

2 (a) There is a Purse Dedication Account under the authority of the [State]
3 Racing [Commission] **DIVISION OF THE DEPARTMENT OF LABOR, LICENSING,**
4 **AND REGULATION.**

5 (c) Subject to subsections (d) and (e) of this section, the [State] Racing
6 [Commission] **DIVISION** shall allocate funds in the Account as follows:

7 (1) [80%] **70%** to the thoroughbred industry; and

8 (2) [20%] **30%** to the standardbred industry.

9 9-1A-29.

10 (a) There is a Racetrack Facility Renewal Account under the authority of the
11 [State] Racing [Commission] **DIVISION OF THE DEPARTMENT OF LABOR,**
12 **LICENSING, AND REGULATION.**

13 (b) (1) The Account shall receive money as required under § 9-1A-27 of
14 this subtitle.

15 (2) Money in the Account shall be invested and reinvested by the
16 Treasurer and interest and earnings shall accrue to the Account.

17 (3) The Comptroller shall:

18 (i) account for the Account; and

19 (ii) on a properly approved transmittal prepared by the [State]
20 Racing [Commission] **DIVISION**, issue a warrant to pay out money from the Account
21 in the manner provided under this section.

22 (4) The Account is a special, nonlapsing fund that is not subject to
23 § 7-302 of the State Finance and Procurement Article.

24 (5) Expenditures from the Account shall only be made on a properly
25 approved transmittal prepared by the [State] Racing [Commission] **DIVISION** as
26 provided under subsection (c) of this section.

27 (c) Funds from the Account shall be used to provide a grant to the holder of a
28 license to hold a race meeting in the State for racetrack facility capital construction
29 and improvements.

1 (d) [The] **EXCEPT AS PROVIDED IN SUBSECTIONS (F)(1) AND (G) OF**
2 **THIS SECTION, THE** amount of funds made available from the Racetrack Facility
3 Renewal Account shall be allocated [as follows:

4 (1) 80% to the Pimlico Race Course, Laurel Park, and the racecourse
5 at Timonium; and

6 (2) 20% to Rosecroft Raceway and Ocean Downs Race Course]
7 **EQUALLY TO THOSE HORSERACE TRACKS THAT DO NOT SERVE AS VIDEO**
8 **LOTTERY DESTINATION LOCATIONS UNDER § 9-1A-36(H) OF THIS SUBTITLE.**

9 (e) In order to obtain a grant, a holder of a license to hold a race meeting in
10 the State shall:

11 (1) submit a capital construction plan to be implemented within a
12 specified time frame to the [State] Racing [Commission] **DIVISION** for approval; and

13 (2) except as provided in subsection (f) of this section, provide and
14 expend a matching fund.

15 (f) (1) Of the amount provided from the Racetrack Facility Renewal
16 Account under subsection [(d)(1)] **(D)** of this section, \$1,000,000 shall be provided
17 annually for 5 years to the racecourse at Timonium for racetrack facility capital
18 construction and improvements.

19 (2) A matching fund is not required for the amount provided for the
20 racecourse at Timonium under paragraph (1) of this subsection.

21 (g) Of the amount provided from the Racetrack Facility Renewal Account
22 under subsection [(d)(1)] **(D)** of this section, the [State] Racing [Commission]
23 **DIVISION** may provide direct grant funding for the establishment of a horse racing
24 museum as part of the Pimlico Race Course.

25 (h) After a grant has been provided under this section, the [State] Racing
26 [Commission] **DIVISION** shall:

27 (1) in consultation with the Department of General Services, monitor
28 the implementation of the approved capital construction plan; and

29 (2) make provisions for recapture of grant moneys if the capital
30 construction plan is not implemented within the time frame approved by the [State]
31 Racing [Commission] **DIVISION.**

32 (i) Any unencumbered funds remaining in the Racetrack Facility Renewal
33 Account on July 1, 2018, shall be paid to the Education Trust Fund established under
34 § 9-1A-30 of this subtitle.

1 (j) The [State] Racing [Commission] **DIVISION** shall adopt regulations to
2 implement the provisions of this subsection, including regulations to address
3 minimum criteria for the types of improvements to be made by the holder of a license.

4 (k) The provisions of this section may not be construed to apply to the
5 racecourse in Allegany County.

6 SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the initial
7 members of the Thoroughbred Racing Commission and the terms of the initial
8 members of the Standardbred Racing Commission shall each expire as follows:

9 (1) two members on July 1, 2013;

10 (2) two members on July 1, 2012; and

11 (3) one member on July 1, 2011.

12 SECTION 3. AND BE IT FURTHER ENACTED, That any person who is
13 licensed or holds a permit to hold a race meeting, satellite simulcast betting, or any
14 other activity authorized under Title 11 of the Business Regulation Article on or before
15 the effective date of this Act need not obtain a new license or permit under this Act
16 until the existing license or permit expires, but shall be subject to all other provisions
17 of this Act, including all restrictions and requirements that apply to licensees and
18 holders of permits under this Act.

19 SECTION 4. AND BE IT FURTHER ENACTED, That:

20 (a) all property of any kind, including personal property, records, fixtures,
21 appropriations, credits, assets, liabilities, obligations, rights, and privileges, held by
22 the State Racing Commission or by any unit of the Commission, shall be and hereby
23 are transferred to the Thoroughbred Racing Commission or the Standardbred Racing
24 Commission, whichever is the more appropriate;

25 (b) except as otherwise provided by law, all contracts, agreements, grants, or
26 other obligations entered into before October 1, 2010, by the State Racing Commission
27 and which by their terms are to continue in effect on or after October 1, 2010, shall be
28 valid, legal, and binding obligations of the Thoroughbred Racing Commission or the
29 Standardbred Racing Commission, whichever is the more appropriate; and

30 (c) any transaction affected by any change of nomenclature under this Act,
31 and validly entered into before October 1, 2010, and every right, duty, or interest
32 flowing from the transaction, remains valid on and after October 1, 2010, as if the
33 change of nomenclature had not occurred.

34 SECTION 5. AND BE IT FURTHER ENACTED, That all employees who are
35 transferred to the Thoroughbred Racing Commission or to the Standardbred Racing

1 Commission from the State Racing Commission upon the implementation of this Act
2 shall be so transferred without diminution of their rights, benefits, or employment or
3 retirement status.

4 SECTION 6. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 2010.