

SENATE BILL 1026

C6, C7

4r3121
CF 4r3190

By: **Senators Kasemeyer, DeGrange, Madaleno, Manno, Peters, and Robey**
Introduced and read first time: February 13, 2014
Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland State Fair – Funding Extension**

3 FOR the purpose of repealing the termination of a requirement that a certain
4 racecourse receive at least a certain amount of funds from the Racetrack
5 Facility Renewal Account that is not subject to certain requirements; providing
6 that the amount of funds is equal to a certain amount each fiscal year; and
7 generally relating to a certain allocation from the Racetrack Facility Renewal
8 Account.

9 BY repealing and reenacting, with amendments,
10 Article – State Government
11 Section 9–1A–29
12 Annotated Code of Maryland
13 (2009 Replacement Volume and 2013 Supplement)

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

16 **Article – State Government**

17 9–1A–29.

18 (a) There is a Racetrack Facility Renewal Account under the authority of the
19 State Racing Commission.

20 (b) (1) The Account shall receive money as required under § 9–1A–27 of
21 this subtitle for the first 16 years of operations at each video lottery facility.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) The Comptroller shall:

2 (i) account for the Account; and

3 (ii) on a properly approved transmittal prepared by the State
4 Racing Commission, issue a warrant to pay out money from the Account in the
5 manner provided under this section.

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

8 (5) Expenditures from the Account shall only be made on a properly
9 approved transmittal prepared by the State Racing Commission as provided under
10 subsection (c) of this section.

11 (6) (i) Subject to subparagraph (ii) of this paragraph, the State
12 Racing Commission may use the services of a certified public accountant to review an
13 eligible request for a grant under this section.

14 (ii) The holder of a license to hold a race meeting in the State
15 that has requested a grant under this section shall reimburse the State Racing
16 Commission for any expenditures for services under subparagraph (i) of this
17 paragraph.

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

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

23 (1) 80% to the Pimlico Race Course, Laurel Park, and the racecourse
24 at Timonium; and

25 (2) 20% to Rosecroft Raceway and Ocean Downs Race Course.

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

28 (1) submit a capital construction plan to be implemented within a
29 specified time frame to the State Racing Commission for approval; and

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

32 (f) (1) Of the amount provided from the Racetrack Facility Renewal
33 Account under subsection (d)(1) of this section, the racecourse at Timonium shall be

1 provided [the following amounts] **\$1,000,000 IN EACH FISCAL YEAR** for racetrack
2 facility capital construction and improvements[:

3 (i) for fiscal year 2012, \$1,125,000;

4 (ii) for fiscal year 2013, \$1,250,000;

5 (iii) for fiscal year 2014, \$1,125,000;

6 (iv) for fiscal year 2015, \$1,000,000; and

7 (v) for fiscal year 2016, \$1,000,000].

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

10 (3) (i) From the [amounts] **AMOUNT** provided in paragraph (1) of
11 this subsection, the holder of a racing license to race at the racecourse at Timonium
12 may use up to \$350,000 per year to support a minimum of 7 live racing days.

13 (ii) Use of funds authorized under subparagraph (i) of this
14 paragraph must be approved by the Secretary of Labor, Licensing, and Regulation
15 under terms and a process consistent with the provisions of subsection (j) of this
16 section.

17 (g) Of the amount provided from the Racetrack Facility Renewal Account
18 under subsection (d)(1) of this section, the State Racing Commission may provide
19 direct grant funding for the establishment of a horse racing museum as part of the
20 Pimlico Race Course.

21 (h) After a grant has been provided under this section, the State Racing
22 Commission shall:

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

25 (2) make provisions for recapture of grant moneys if the capital
26 construction plan is not implemented within the time frame approved by the State
27 Racing Commission.

28 (i) Any unencumbered funds remaining in the Racetrack Facility Renewal
29 Account after a video lottery facility has been in operation for 16 years shall be paid to
30 the Education Trust Fund established under § 9–1A–30 of this subtitle.

31 (j) The State Racing Commission shall adopt regulations to implement the
32 provisions of this subsection, including regulations to address minimum criteria for
33 the types of improvements to be made by the holder of a license.

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

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 June 1, 2014.