

# HOUSE BILL 412

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By: **Delegates Krimm, Pena–Melnyk, and B. Barnes**

Introduced and read first time: January 23, 2020

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Purse Dedication Account – Maryland Horse Industry Fund – Retired**  
3 **Racehorses**

4 FOR the purpose of requiring that a certain percentage of the funds in the Purse Dedication  
5 Account be allocated to the Maryland Horse Industry Fund to be used for certain  
6 purposes; requiring the Maryland Horse Industry Board to administer certain funds;  
7 providing that at the end of a fiscal year certain unspent and unencumbered funds  
8 revert to the Purse Dedication Account; repealing an obsolete reference; and  
9 generally relating to a requirement that a certain percentage of funds in the Purse  
10 Dedication Account be allocated to the Maryland Horse Industry Fund.

11 BY repealing and reenacting, with amendments,  
12 Article – Agriculture  
13 Section 2–708.2  
14 Annotated Code of Maryland  
15 (2016 Replacement Volume and 2019 Supplement)

16 BY repealing and reenacting, without amendments,  
17 Article – State Government  
18 Section 9–1A–28(a) and (b)  
19 Annotated Code of Maryland  
20 (2014 Replacement Volume and 2019 Supplement)

21 BY repealing and reenacting, with amendments,  
22 Article – State Government  
23 Section 9–1A–28(c)  
24 Annotated Code of Maryland  
25 (2014 Replacement Volume and 2019 Supplement)

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



## Article – Agriculture

2–708.2.

(a) In this section, “Fund” means the Maryland Horse Industry Fund.

(b) There is a Maryland Horse Industry Fund in the Department.

(c) (1) The Fund is a continuing, revolving special fund to be maintained by the State Treasurer.

(2) The State Treasurer shall hold and the [State] Comptroller shall account for the Fund.

**(3) THE BOARD SHALL ADMINISTER MONEY MADE AVAILABLE TO THE FUND UNDER SUBSECTION (F)(4) OF THIS SECTION.**

(d) The Fund shall be invested and reinvested. Any interest or other investment earnings of the Fund shall be credited and paid into the Fund.

(e) **(1)** At the end of a fiscal year, any unspent or unencumbered balance in the Fund may not revert to the General Fund of the State.

**(2) AT THE END OF A FISCAL YEAR, ANY UNSPENT OR UNENCUMBERED BALANCE MADE AVAILABLE TO THE FUND UNDER SUBSECTION (F)(4) OF THIS SECTION SHALL REVERT TO THE PURSE DEDICATION ACCOUNT UNDER § 9–1A–28 OF THE STATE GOVERNMENT ARTICLE.**

(f) The Fund consists of:

(1) Money made available from an assessment on equine feed as required under § 6–107.2 of this article;

(2) Money made available to the Fund by general, federal, or special fund appropriations;

(3) Money made available to the Fund by gifts, grants or transfers from any government or unit or instrumentality of a government or from any private sector sources; [and]

**(4) MONEY MADE AVAILABLE TO THE FUND FROM THE PURSE DEDICATION ACCOUNT UNDER § 9–1A–28 OF THE STATE GOVERNMENT ARTICLE; AND**

**[(4)] (5)** Money made available from licensing and inspection of horse

1 stables as required under §§ 2–711, 2–712, and 2–713 of this subtitle.

2 (g) (1) [The] **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**  
3 **SUBSECTION, THE** Board shall use the money in the Fund in accordance with the  
4 provisions of § 2–708 of this subtitle.

5 (2) **THE BOARD SHALL USE THE MONEY MADE AVAILABLE TO THE**  
6 **FUND UNDER SUBSECTION (F)(4) OF THIS SECTION TO FUND AND AWARD GRANTS**  
7 **TO BE USED FOR:**

8 (I) **THE CARE, RETRAINING, AND PROMOTION OF RETIRED**  
9 **RACEHORSES;**

10 (II) **SANCTUARY THOROUGHBREDS; AND**

11 (III) **SUPPORT OF EQUINE–ASSISTED THERAPY PROGRAMS**  
12 **USING SANCTUARY THOROUGHBREDS.**

13 (h) Except for the purposes in § 2–708.1 of this subtitle **AND SUBSECTION (G) OF**  
14 **THIS SECTION,** the Board may not use any money in the Fund for any other purpose of the  
15 Board.

## 16 Article – State Government

17 9–1A–28.

18 (a) There is a Purse Dedication Account under the authority of the State Racing  
19 Commission.

20 (b) (1) The Account shall receive money as required under § 9–1A–27 of this  
21 subtitle.

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

24 (3) The Comptroller shall:

25 (i) account for the Account; and

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

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

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

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

6                   **(1) 0.5% TO THE MARYLAND HORSE INDUSTRY FUND ESTABLISHED**  
7 **UNDER § 2-708.2 OF THE AGRICULTURE ARTICLE; AND**

8                   **(2) FROM THE AMOUNT REMAINING AFTER THE ALLOCATION UNDER**  
9 **PARAGRAPH (1) OF THIS SUBSECTION:**

10                   **[(1)] (I)** 80% to the thoroughbred industry; and

11                   **[(2)] (II)** 20% to the standardbred industry.

12           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
13 1, 2020.