

SENATE BILL 987

C6, C7, C8

0lr0841

By: **Senators Guzzone, Beidle, Edwards, Elfreth, Ferguson, Griffith, Hayes, King, McCray, Miller, Peters, and Zucker**

Introduced and read first time: February 3, 2020

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Racing and Community Development Act of 2020**

3 FOR the purpose of requiring the State Racing Commission to consider the health, safety,
4 and welfare of certain horses; requiring the Commission to establish the Equine
5 Health, Safety, and Welfare Advisory Committee; providing for the composition and
6 chair of the Advisory Committee; requiring the Advisory Committee to report on
7 certain activities and make certain recommendations; requiring the Commission to
8 include certain information in a certain report; altering the number of live racing
9 days the Commission is required to award each year; requiring the owner of the
10 Bowie Race Course Training Center, on or before a certain date, to convey certain
11 parts of the property to certain entities; providing that certain parts of the property
12 conveyed may only be used for certain purposes; requiring the City of Bowie to enter
13 a certain agreement with Bowie State University; requiring the Mayor of Baltimore
14 City to designate the chair of the Pimlico Community Development Authority;
15 providing that certain planning, zoning, and development regulations that apply to
16 the Maryland Stadium Authority do not apply to certain racing facilities;
17 authorizing, subject to the approval of the Board of Public Works, the Authority to
18 issue up to a certain amount of bonds for certain racing facilities; requiring the
19 Authority to provide certain committees of the General Assembly a certain report
20 before seeking certain approval of the Board of Public Works; requiring the Authority
21 to obtain certain approval of the Board of Public Works; requiring the Authority,
22 before issuing certain bonds, to ensure that certain long-term agreements are
23 finalized; authorizing the Authority to enter into a certain agreement with certain
24 project entities; prohibiting the Authority from having any responsibility for a racing
25 facility after the completion of a racing facility; authorizing the Authority to assist
26 with enforcement of certain warranties and claims; authorizing the Authority, if
27 retained, to provide certain services; establishing the Racing and Community
28 Development Fund as a continuing, nonlapsing fund; specifying the purpose of the
29 Fund; requiring the Authority to administer the Fund; requiring the State Treasurer
30 to hold the Fund; specifying the contents of the Fund; specifying the purpose for

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



which the Fund may be used; providing for the investment of money in and expenditures from the Fund; requiring interest earnings of the Fund to be credited to the Fund; exempting the Fund from a certain provision of law requiring interest earnings on State money to accrue to the General Fund of the State; requiring the Comptroller to pay a certain amount from a certain fund each year that certain bonds remain outstanding and unpaid; altering the allocation of the Racetrack Facility Renewal Account; altering the distribution of proceeds from video lottery terminals; requiring that certain local impact grants are distributed in a certain manner for certain fiscal years; allowing a subtraction modification under the Maryland income tax for gain received as a result of the transfer of certain property and the amount of any income realized as the result of an expenditure by certain governmental entities; providing an exemption from the sales and use tax for the purchase of certain personal property used for certain purposes; providing an exemption from certain property taxes for certain improvements at certain locations; providing that transfers of certain property between certain entities are not subject to certain recordation and transfer taxes; prohibiting the Authority from expending funds for construction of certain surfaces until certain entities provide the Legislative Policy Committee with a certain report; requiring certain entities to enter into a certain memorandum of understanding that contains certain provisions; prohibiting the Authority from beginning construction of a certain site until it receives a certain memorandum of understanding; requiring that a certain memorandum of understanding remain in place for a certain period of time; requiring the Maryland Stadium Authority to conduct a certain feasibility study; making conforming changes; defining certain terms; providing for the application of certain provisions of this Act; and generally relating to thoroughbred horse racing in the State.

BY repealing and reenacting, with amendments,
Article – Business Regulation
Section 11–209, 11–213, 11–511, 11–519, and 11–1203(b)
Annotated Code of Maryland
(2015 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,
Article – Business Regulation
Section 11–520 and 11–521
Annotated Code of Maryland
(2015 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, without amendments,
Article – Economic Development
Section 10–601(a)
Annotated Code of Maryland
(2018 Replacement Volume and 2019 Supplement)

BY repealing and reenacting, with amendments,
Article – Economic Development
Section 10–601(q), (x), (y), (z), (aa), (bb), (cc), (dd), (ee), (ff), (gg), (hh), and (ii),

- 1 10–620(e), and 10–628(c)(1)
2 Annotated Code of Maryland
3 (2018 Replacement Volume and 2019 Supplement)
- 4 BY adding to
5 Article – Economic Development
6 Section 10–601(x), (y), (z), (hh), (ii), (jj), (kk), (ll), (mm), and (nn), 10–646.1, and
7 10–657.2
8 Annotated Code of Maryland
9 (2018 Replacement Volume and 2019 Supplement)
- 10 BY repealing and reenacting, without amendments,
11 Article – State Finance and Procurement
12 Section 6–226(a)(2)(i)
13 Annotated Code of Maryland
14 (2015 Replacement Volume and 2019 Supplement)
- 15 BY repealing and reenacting, with amendments,
16 Article – State Finance and Procurement
17 Section 6–226(a)(2)(ii)121. and 122.
18 Annotated Code of Maryland
19 (2015 Replacement Volume and 2019 Supplement)
- 20 BY adding to
21 Article – State Finance and Procurement
22 Section 6–226(a)(2)(ii)123.
23 Annotated Code of Maryland
24 (2015 Replacement Volume and 2019 Supplement)
- 25 BY repealing and reenacting, with amendments,
26 Article – State Government
27 Section 9–120, 9–1A–09, 9–1A–28(b), 9–1A–29, and 9–1A–31(a) and (b)(3)
28 Annotated Code of Maryland
29 (2014 Replacement Volume and 2019 Supplement)
- 30 BY repealing and reenacting, without amendments,
31 Article – State Government
32 Section 9–1A–27(a)(5) and 9–1A–28(a), (c), and (d)
33 Annotated Code of Maryland
34 (2014 Replacement Volume and 2019 Supplement)
- 35 BY repealing and reenacting, without amendments,
36 Article – Tax – General
37 Section 10–207(a) and 10–307(a)
38 Annotated Code of Maryland
39 (2016 Replacement Volume and 2019 Supplement)

1 BY adding to
2 Article – Tax – General
3 Section 10–207(hh) and 11–236
4 Annotated Code of Maryland
5 (2016 Replacement Volume and 2019 Supplement)

6 BY repealing and reenacting, with amendments,
7 Article – Tax – General
8 Section 10–307(g)
9 Annotated Code of Maryland
10 (2016 Replacement Volume and 2019 Supplement)

11 BY adding to
12 Article – Tax – Property
13 Section 7–246, 12–108(hh), and 13–207(a)(26)
14 Annotated Code of Maryland
15 (2019 Replacement Volume)

16 BY repealing and reenacting, with amendments,
17 Article – Tax – Property
18 Section 13–207(a)(24) and (25) and 13–410
19 Annotated Code of Maryland
20 (2019 Replacement Volume)

21 Preamble

22 WHEREAS, The thoroughbred horse racing and breeding industries in the State are
23 historically, culturally, and economically significant, and date back to the founding of the
24 Maryland Jockey Club in 1743; and

25 WHEREAS, The thoroughbred horse racing and breeding industries include the
26 agribusiness of hundreds of horse farms throughout the State, which preserve over 700,000
27 acres of open space; and

28 WHEREAS, The thoroughbred horse racing and breeding industries also provide
29 employment directly and indirectly for tens of thousands of Marylanders in various
30 capacities, including:

31 (1) owners, trainers, breeders, and others who raise and care for and train
32 horses for competition;

33 (2) employees at Pimlico Race Course in Baltimore City and Laurel Park
34 in Anne Arundel County; and

35 (3) a myriad of individuals and vendors that service the horse racing and
36 breeding industries, including veterinarians, farms, and others; and

WHEREAS, The Preakness Stakes, the middle jewel of thoroughbred racing's Triple Crown, historically conducted at Pimlico, is a civic and culturally significant event and brings national and international attention and substantial economic benefits to the State annually; and

WHEREAS, The need for modernization of the Pimlico and Laurel Park racing facilities has been recognized in master development plans adopted by the City of Baltimore in 2006 and 2008 and by Anne Arundel County in 2007, 2008, and 2009, which master development plans include but are not limited to a planned unit development plan and related planned unit development plan sketches for Pimlico, and the Park Heights Plan, and a 2008 approved sketch plan for Laurel Park; and

WHEREAS, The State has authorized funding and funded a number of the improvements contemplated pursuant to master development plans through the Racetrack Facilities Renewal Account in conjunction with industry and other funds; and

WHEREAS, The funding authorized by this Act will fund improvements arising from and related to the aforementioned master development plans, with amounts attributable to such funding being utilized pursuant to such master development plans; and

WHEREAS, It serves the State's interest in economic development, tourism, community development, and other civic, cultural, and public activities and developments to promote the Preakness Stakes and the thoroughbred horse racing and breeding industries, which in turn are highly dependent on modern, state-of-the-art thoroughbred racing facilities at Pimlico and Laurel Park; and

WHEREAS, The State's interest in advancing and promoting such activities will be served by authorizing the funding and development of the racing, training, community development, and related facilities, as set forth herein; now, therefore,

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

Article – Business Regulation

11–209.

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

(b) (1) The jurisdiction, supervision, powers, and duties of the Commission extend to each person who holds racing for a purse, reward, or stake.

(2) IN EXERCISING THE JURISDICTION, SUPERVISION, POWERS, AND DUTIES OF THE COMMISSION UNDER THIS TITLE, THE COMMISSION SHALL CONSIDER, IN ADDITION TO ANY OTHER FACTOR THE COMMISSION CONSIDERS IMPORTANT, THE HEALTH, SAFETY, AND WELFARE OF HORSES ENGAGED IN RACING

1 AND TRAINING AT TRACKS AND TRAINING FACILITIES IN THE STATE.

2 (c) (1) THE COMMISSION SHALL ESTABLISH AN EQUINE HEALTH,
3 SAFETY, AND WELFARE ADVISORY COMMITTEE.

4 (2) THE EXECUTIVE DIRECTOR OF THE COMMISSION SHALL APPOINT
5 A MEMBER OF THE COMMISSION TO CHAIR THE ADVISORY COMMITTEE.

6 (3) THE ADVISORY COMMITTEE CONSISTS OF THE FOLLOWING
7 MEMBERS:

8 (i) THREE MEMBERS OF THE COMMISSION, APPOINTED BY THE
9 EXECUTIVE DIRECTOR OF THE COMMISSION;

10 (ii) ONE REPRESENTATIVE OF THE RACING LICENSEES,
11 APPOINTED BY AN ORGANIZATION THAT REPRESENTS THE RACING LICENSEES;

12 (iii) ONE REPRESENTATIVE OF THE HORSEMEN, APPOINTED BY
13 AN ORGANIZATION THAT REPRESENTS THE HORSEMEN;

14 (iv) ONE REPRESENTATIVE OF THE HORSE BREEDERS,
15 APPOINTED BY AN ORGANIZATION THAT REPRESENTS THE HORSE BREEDERS;

16 (v) THE COMMISSION'S EQUINE MEDICAL DIRECTOR;

17 (vi) A VETERINARIAN LICENSED IN THE STATE; AND

18 (vii) ANY OTHER INDIVIDUAL WITH EXPERTISE IN EQUINE OR
19 RACING INDUSTRIES THAT THE EXECUTIVE DIRECTOR OF THE COMMISSION
20 APPOINTS.

21 (4) THE EXECUTIVE DIRECTOR OF THE COMMISSION SHALL
22 DETERMINE THE TIME AND LOCATION OF ADVISORY COMMITTEE MEETINGS.

23 (5) THE ADVISORY COMMITTEE SHALL SERVE AS AN ADVISORY BODY
24 TO THE COMMISSION ON MATTERS RELATED TO THE HEALTH, SAFETY, AND
25 WELFARE OF HORSES ENGAGED IN RACING AND TRAINING AT TRACKS AND TRAINING
26 FACILITIES IN THE STATE.

27 (6) THE CHAIRMAN OF THE ADVISORY COMMITTEE SHALL REPORT
28 REGULARLY TO THE COMMISSION ON THE ACTIVITIES OF THE ADVISORY
29 COMMITTEE, INCLUDING ANY RECOMMENDATIONS FOR CHANGES TO RULES,
30 REGULATIONS, LAWS, OR OTHER CONDITIONS OF RACING.

1 11–213.

2 (a) On or before September 15 of each year, the Commission shall submit a report
3 to the Secretary and the Legislative Policy Committee about the preceding calendar year.

4 (b) Each report shall include:

5 (1) a statement of receipts and disbursements of the Commission;

6 (2) a summary of major events that occurred the preceding year that
7 affected horse racing in the State, including any significant changes at tracks in the region
8 as well as a discussion of legislative initiatives in the State;

9 (3) a 5–year assessment of each track regarding:

10 (i) attendance;

11 (ii) purse distributions;

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

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

15 1. betting conducted at the live track;

16 2. betting conducted at other Maryland tracks;

17 3. betting conducted at satellite simulcast facilities in the
18 State; and

19 4. betting conducted through out–of–state satellite
20 simulcasting;

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

23 (vi) betting that is conducted at the live track on races simulcast from
24 out–of–state tracks;

25 (4) information on all simulcast betting at satellite simulcast facilities in
26 the State, including information on how much is wagered on in–State races and how much
27 is bet on out–of–state races;

28 (5) information on all simulcast betting that is conducted out of state on
29 races being run live in this State;

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

(i) the number of breeders in the State;

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

(iii) the average sales prices of foals; and

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

(7) all other information that is currently provided by the Commission in its annual report;

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

(9) **A SUMMARY OF THE ACTIVITIES OF THE EQUINE HEALTH, SAFETY, AND WELFARE ADVISORY COMMITTEE AND ANY RECOMMENDATIONS BY THE COMMISSION FOR CHANGES TO STATE LAW NECESSARY FOR THE ENHANCEMENT OF THE HEALTH, SAFETY, OR WELFARE OF HORSES ENGAGED IN RACING AND TRAINING AT TRACKS AND TRAINING FACILITIES IN THE STATE; AND**

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

11-511.

(a) (1) On or before December 1, the Commission shall award all racing days for the next calendar year.

(2) However, the Commission may meet after December 1 to award racing days that are requested in applications.

(b) (1) Except as provided in paragraph (2) of this subsection, the Commission may award for any calendar year up to the number of racing days requested by an applicant.

(2) The Commission shall award at least [40] **180** live racing days [to be run at the] **COMBINED BETWEEN LAUREL PARK IN ANNE ARUNDEL COUNTY AND Pimlico Race Course in Baltimore City** in each calendar year unless:

(I) otherwise agreed to by the racing licensee [and], the organization that represents the majority of licensed thoroughbred owners and trainers in

1 the State, AND A GROUP THAT REPRESENTS A MAJORITY OF THE THOROUGHBRED
2 BREEDERS IN THE STATE; or [unless]

3 (II) the racing licensee is prevented by weather, acts of God, or other
4 circumstances beyond the racing licensee's control.

5 (c) The decision of the Commission on the award of a racing day is final.

6 11-519.

7 (a) [The] UNTIL THE CONVEYANCE REQUIRED UNDER SUBSECTION (D) OF
8 THIS SECTION, THE owner of the Bowie Race Course Training Center shall operate the
9 Center as a thoroughbred training facility to provide more stall space for a race meeting
10 that a licensee holds.

11 (b) [The] UNTIL THE CONVEYANCE REQUIRED UNDER SUBSECTION (D) OF
12 THIS SECTION, THE owner of the Bowie Race Course Training Center is responsible for
13 the cost to improve, maintain, and operate the Center.

14 (c) As long as the Bowie Race Course Training Center is used for the purpose
15 specified in subsection (a) of this section, the Commission shall have general regulatory
16 jurisdiction over the Center to:

17 (1) provide enough stalls;

18 (2) maintain safe operating conditions;

19 (3) require the owner of the Center to submit an annual operating financial
20 statement; and

21 (4) order reasonable improvements.

22 (D) (1) ON OR BEFORE JULY 1, 2024, THE OWNER OF THE BOWIE RACE
23 COURSE TRAINING CENTER SHALL CONVEY:

24 (I) THE PORTION OF THE BOWIE RACE COURSE TRAINING
25 CENTER PROPERTY THAT IS WITHIN 100 FEET OF THE TOP OF THE PATUXENT RIVER
26 BANK TO THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
27 TO BE USED FOR PASSIVE RECREATIONAL ACTIVITIES, INCLUDING HIKING,
28 WILDLIFE VIEWING, PICNICKING, AND WALKING; AND

29 (II) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE
30 REMAINING PORTION OF THE BOWIE RACE COURSE TRAINING CENTER PROPERTY
31 TO THE CITY OF BOWIE.

**(2) (I) THE PROPERTY TRANSFERRED UNDER PARAGRAPH (1)(II)
OF THIS SUBSECTION MAY ONLY:**

**1. BE USED FOR ACTIVE RECREATIONAL ACTIVITIES,
INCLUDING BASEBALL, FOOTBALL, SOCCER, AND CRICKET; AND**

**2. HAVE ONE STRUCTURE THAT IS UP TO 50,000 SQUARE
FEET CONSTRUCTED ON THE PROPERTY.**

**(II) THE CITY OF BOWIE SHALL ENTER INTO A JOINT USE
AGREEMENT WITH THE BOWIE STATE UNIVERSITY FOR THE USE OF THE ACTIVE
RECREATIONAL ACTIVITY FACILITIES ON THE PROPERTY.**

11-520.

(a) The requirements of this section are established in recognition of the
significance of the Preakness Stakes to the State.

(b) The Preakness Stakes may be transferred to another track in the State only
as a result of a disaster or emergency.

(c) If the Preakness Stakes is transferred out of the State, the Commission may:

(1) revoke any racing days awarded to the Maryland Jockey Club of
Baltimore City, Inc., or its successor; and

(2) award these racing days to another licensee, notwithstanding §
11-511(b) of this subtitle.

(d) (1) If the Preakness Stakes is offered for sale, the State has the option to
buy the Preakness Stakes for the amount of any offer that the licensee wishes to accept.

(2) Within 30 days after receiving an offer that it wishes to accept, the
licensee shall give the State notice of the offer.

(3) If the State wishes to exercise the option, it shall so notify the licensee
within 60 days after it receives the notice.

11-521.

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

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

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

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

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

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

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

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

(b) All proceedings for the condemnation for public use of the private property described under subsection (a) of this section shall be in accordance with the provisions of Title 12 of the Real Property Article and Title 12, Chapter 200 of the Maryland Rules.

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

11–1203.

(b) The [Baltimore City Planning Director shall serve as] **MAYOR SHALL DESIGNATE THE** Chair of the Authority.

Article – Economic Development

10–601.

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

(q) “Facility” means:

(1) a structure or other improvement developed at Camden Yards;

(2) a convention facility;

(3) the Hippodrome Performing Arts facility;

(4) a sports facility; [or]

(5) a Baltimore City public school facility; **OR**

(6) A RACING FACILITY.

(X) (1) “LAUREL PARK RACING FACILITY SITE” MEANS THE PORTION OF THE LAUREL PARK SITE DESIGNATED TO CONTAIN THE RACING FACILITY.

(2) “LAUREL PARK RACING FACILITY SITE” INCLUDES THE PORTION OF THE SITE DESIGNATED TO CONTAIN:

(I) THE BARNS;

(II) THE CLUBHOUSE;

(III) THE DIRT, TURF, OR SYNTHETIC RACETRACKS;

(IV) THE INFIELD AND IMMEDIATELY ADJACENT SURROUNDING PERIMETER OF THE RACETRACKS;

(V) THE BACKSTRETCH, DORMITORIES AND HOUSING, EQUINE DIAGNOSTIC AND HEALTH CENTER, STABLES, AND TRAINING FACILITIES;

(VI) THE TRACKSIDE APRONS; AND

(VII) THE ASSOCIATED ROADWAYS, WALKWAYS, SIDEWALKS, PARKING AREAS, GREEN SPACE, FENCING, AND RELATED STRUCTURES AND AREAS AS DESIGNATED IN THE PLANS APPROVED BY THE AUTHORITY.

(Y) “LAUREL PARK SITE” MEANS THE SITE IN ANNE ARUNDEL COUNTY

1 GENERALLY BOUNDED BY STATE ROUTE 198, WHISKEY BOTTOM ROAD, BROCK
2 RIDGE ROAD, AND THE CSX RAILWAY.

3 (Z) (1) “MJC ENTITIES” MEANS THE MARYLAND JOCKEY CLUB OF
4 BALTIMORE CITY, INC., LAUREL RACING ASSOCIATION LIMITED PARTNERSHIP,
5 LAUREL RACING ASSOCIATION, INC., AND TSG DEVELOPMENTS INVESTMENTS,
6 INC.

7 (2) “MJC ENTITIES” INCLUDES AN AFFILIATE, AN ASSIGNEE, A
8 DESIGNEE, A SUCCESSOR, OR A TRANSFEREE OF AN MJC ENTITY.

9 [(x)] (AA) “Montgomery County” includes the Montgomery County Revenue
10 Authority.

11 [(y)] (BB) (1) “Montgomery County Conference facility” means the Conference
12 Center facility located at the Montgomery County Conference site used for conferences,
13 trade shows, meetings, displays, or similar events.

14 (2) “Montgomery County Conference facility” includes, at the Montgomery
15 County Conference site, offices, parking lots and garages, access roads, food service
16 facilities, and other functionally related property, structures, improvements, furnishings,
17 or equipment.

18 (3) “Montgomery County Conference facility” does not include the privately
19 owned hotel adjacent to the Montgomery County Conference Center.

20 [(z)] (CC) “Montgomery County Conference Fund” means the Montgomery
21 County Conference Financing Fund established under § 10–654 of this subtitle.

22 [(aa)] (DD) “Montgomery County Conference site” means the site of the
23 Montgomery County Conference Center located in Rockville at the address generally
24 known as 5701 Marinelli Road, identified in the State Department of Assessments and
25 Taxation Real Property database as tax identification number District 04, Account Number
26 03392987.

27 [(bb)] (EE) (1) “Ocean City Convention facility” means:

28 (i) a convention center, trade show facility, meeting hall, or other
29 structure in Ocean City used to hold conventions, trade shows, meetings, displays, or
30 similar events; and

31 (ii) offices, parking lots or garages, access roads, food service
32 facilities, and any other structures, improvements, equipment, furnishings, or other
33 property functionally related to the facilities described in item (i) of this paragraph.

34 (2) “Ocean City Convention facility” includes the following, if used, useful,

or usable in the future as, or in connection with, an Ocean City Convention facility:

(i) land, structures, equipment, property, property rights, property appurtenances, rights-of-way, franchises, easements, and other interests in land;

(ii) land and facilities that are functionally related to an Ocean City Convention facility; and

(iii) patents, licenses, and other rights necessary or useful to construct or operate an Ocean City Convention facility.

[(cc)] (FF) “Ocean City Convention Fund” means the Ocean City Convention Financing Fund established under § 10–655 of this subtitle.

[(dd)] (GG) “Ocean City Convention site” means the site of the Ocean City Convention Center located in Ocean City at the address generally known as 4001 Coastal Highway, identified in the State Department of Assessments and Taxation Real Property database as tax identification numbers District 10, Account Number 055237; District 10, Account Number 066301; District 10, Account Number 247942; and District 10, Account Number 280346.

(HH) (1) “PIMLICO RACING FACILITY SITE” MEANS THE PORTION OF THE PIMLICO SITE CONTAINING THE RACING FACILITIES.

(2) “PIMLICO RACING FACILITY SITE” INCLUDES THE PORTION OF THE SITE DESIGNATED TO CONTAIN:

(I) THE CLUBHOUSE AND EVENTS CENTER;

(II) THE DIRT, TURF, OR SYNTHETIC RACETRACKS;

(III) THE INFIELD AND IMMEDIATELY ADJACENT SURROUNDING PERIMETER OF THE RACETRACKS;

(IV) THE STABLES, BARNS, AND TRAINING FACILITIES;

(V) THE TRACKSIDE APRONS; AND

(VI) ASSOCIATED ROADWAYS, WALKWAYS, PARKING AREAS, GREEN SPACE, FENCING, AND RELATED STRUCTURES AND AREAS AS DESIGNATED IN THE PLANS APPROVED BY THE AUTHORITY.

(II) “PIMLICO SITE” MEANS THE SITE IN BALTIMORE CITY GENERALLY BOUNDED BY NORTHERN PARKWAY, PARK HEIGHTS AVENUE, BELVEDERE AVENUE, AND PIMLICO ROAD.

(JJ) “PROJECT ENTITIES” MEANS EACH ENTITY OR ENTITIES OR A JOINT VENTURE ENTITY OR ENTITIES, THAT EXISTS OR IS FORMED BY ANY COMBINATION OF MJC ENTITIES, AN ENTITY OWNED BY THE CITY OF BALTIMORE (THE BALTIMORE CITY ENTITY), OR AN ENTITY OWNED BY ANNE ARUNDEL COUNTY (THE ANNE ARUNDEL COUNTY ENTITY) FOR:

(1) THE MJC ENTITIES’ CONVEYANCE OF THE PIMLICO SITE AND THE LAUREL PARK RACING FACILITY SITE;

(2) THE OPERATION OF THE PIMLICO RACING FACILITY SITE AND THE LAUREL PARK RACING FACILITY SITE; AND

(3) THE CONSTRUCTION, DEVELOPMENT, OWNERSHIP, MANAGEMENT, AND OPERATION OF THE RACING AND COMMUNITY DEVELOPMENT PROJECTS.

(KK) “RACING AND COMMUNITY DEVELOPMENT FUND” MEANS THE FUND ESTABLISHED UNDER § 10-657.2 OF THIS SUBTITLE.

(LL) (1) “RACING AND COMMUNITY DEVELOPMENT PROJECTS” MEANS IMPROVEMENTS TO THE PIMLICO RACING FACILITY SITE, PIMLICO SITE, LAUREL PARK RACING FACILITY SITE, AND LAUREL PARK SITE.

(2) “RACING AND COMMUNITY DEVELOPMENT PROJECTS” INCLUDES:

(I) PREDESIGN AND DESIGN WORK;

(II) ARCHITECTURAL AND ENGINEERING SERVICES;

(III) PROJECT CONSULTING SERVICES;

(IV) DEMOLITION, CLEAN-UP, SITE WORK, AND GRADING AND SITE DRAINAGE;

(V) LANDSCAPING;

(VI) SIGNAGE;

(VII) PARKING, ROADWAYS, FENCING, WALKWAYS, SIDEWALKS, AND GREEN SPACE;

1 (VIII) SECURITY SYSTEMS;

2 (IX) LIGHTING, SOUND, VIDEO, AND COMMUNICATION SYSTEMS;

3 (X) PARI-MUTUEL AND TOTE SYSTEMS;

4 (XI) PLUMBING, ELECTRIC, FIBER, CABLE, UTILITIES, AND
5 OTHER INFRASTRUCTURE;

6 (XII) WATER, SEWER, AND STORM WATER MANAGEMENT
7 SYSTEMS;

8 (XIII) CONSTRUCTION AND EQUIPPING OF BARNs, CLUBHOUSES,
9 DORMITORIES OR OTHER HOUSING, AN EQUINE DIAGNOSTIC AND HEALTH FACILITY,
10 A PIMLICO THOROUGHBRED RACING MUSEUM, STABLES, TRACKS, TRAINING
11 FACILITIES, AND OTHER RACING AND COMMUNITY FACILITIES;

12 (XIV) DESIGN AND PROJECT CONTINGENCIES, PROJECT
13 ALLOWANCES, AND COST ESCALATORS AND OTHER SPECIFICATIONS FOR THE
14 PROJECTS; AND

15 (XV) TEMPORARY OR PERMANENT IMPROVEMENTS AND
16 FACILITIES, INCLUDING AT ON- OR OFF-SITE LOCATIONS, USED TO MAINTAIN
17 YEAR-ROUND RACING AND TRAINING.

18 (MM) (1) "RACING AND COMMUNITY DEVELOPMENT PROJECT COSTS"
19 MEANS COSTS AND EXPENSES ASSOCIATED WITH OR THAT RELATE TO THE RACING
20 AND COMMUNITY DEVELOPMENT PROJECTS.

21 (2) "RACING AND COMMUNITY DEVELOPMENT PROJECT COSTS"
22 INCLUDES:

23 (I) TRANSITION COSTS AND THE RECYCLING OF PROJECT COST
24 SAVINGS FOR THE BENEFIT OF THE RACING AND COMMUNITY DEVELOPMENT
25 PROJECTS; OR

26 (II) EXPENSES INCURRED BEFORE JUNE 1, 2020, IF APPROVED
27 BY THE AUTHORITY.

28 (NN) "RACING FACILITY" MEANS THE PIMLICO RACING FACILITY SITE AND
29 THE LAUREL PARK RACING FACILITY SITE AND ANY FACILITIES OR OTHER
30 IMPROVEMENTS ON THE PIMLICO RACING FACILITY SITE OR THE LAUREL PARK
31 RACING FACILITY SITE.

1 [(ee)] (OO) (1) “Sports facility” means:

2 (i) a stadium primarily for professional football, major league
3 professional baseball, or both, in the Baltimore metropolitan region, as defined in § 13–301
4 of this article;

5 (ii) practice fields or other areas where professional football or major
6 league professional baseball teams practice or perform; and

7 (iii) offices for professional football and major league professional
8 baseball teams or franchises.

9 (2) “Sports facility” includes parking lots, garages, and any other property
10 adjacent and directly related to an item listed in paragraph (1) of this subsection.

11 [(ff)] (PP) “Supplemental Facilities Fund” means the Supplemental Facilities
12 Fund established under § 10–657.1 of this subtitle.

13 [(gg)] (QQ) (1) “Supplemental facility” means a structure or other improvement
14 developed in Baltimore City outside Camden Yards.

15 (2) “Supplemental facility” does not include the Baltimore Convention
16 facility or the Hippodrome Performing Arts facility.

17 [(hh)] (RR) “Supplemental facility site” means the site of any supplemental facility.

18 [(ii)] (SS) “Tax supported debt” has the meaning stated in § 8–104 of the State
19 Finance and Procurement Article.

20 10–620.

21 (e) (1) This subsection does not apply to the Camden Yards site, Baltimore
22 Convention site, Ocean City Convention site, Hippodrome Performing Arts site, any
23 Baltimore City public school site, **ANY RACING FACILITY**, or any supplemental facility site.

24 (2) The Authority and any Authority affiliate is subject to applicable
25 planning, zoning, and development regulations to the same extent as a private commercial
26 or industrial enterprise.

27 10–628.

28 (c) (1) Unless authorized by the General Assembly, the Board of Public Works
29 may not approve an issuance by the Authority of bonds, whether taxable or tax exempt,
30 that constitute tax supported debt or nontax supported debt if, after issuance, there would
31 be outstanding and unpaid more than the following face amounts of the bonds for the

purpose of financing acquisition, construction, renovation, and related expenses for construction management, professional fees, and contingencies in connection with:

- (i) the Baltimore Convention facility – \$55,000,000;
- (ii) the Hippodrome Performing Arts facility – \$20,250,000;
- (iii) the Montgomery County Conference facility – \$23,185,000;
- (iv) the Ocean City Convention facility – \$24,500,000;
- (v) Baltimore City public school facilities – \$1,100,000,000; [and]
- (vi) supplemental facilities – \$25,000,000; AND
- (VII) RACING FACILITIES – \$375,000,000.

10-646.1.

(A) EXCEPT AS ALLOWED BY § 10-639 OF THIS SUBTITLE, TO FINANCE THE SITE ACQUISITION AND CONSTRUCTION OF ANY SEGMENT OF A RACING FACILITY, THE AUTHORITY SHALL COMPLY WITH THIS SECTION.

(B) AT LEAST 45 DAYS BEFORE SEEKING APPROVAL OF THE BOARD OF PUBLIC WORKS FOR EACH BOND ISSUE OR OTHER BORROWING, THE AUTHORITY SHALL PROVIDE, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, TO THE FISCAL COMMITTEES OF THE GENERAL ASSEMBLY:

(1) A COMPREHENSIVE FINANCING PLAN FOR THE RELEVANT SEGMENT OF THE FACILITY, INCLUDING THE EFFECT OF THE FINANCING PLAN ON FINANCING OPTIONS FOR OTHER SEGMENTS OF THE FACILITY; AND

(2) FOR ANY PLANNED EXPENDITURES AT THE LAUREL PARK RACING FACILITY SITE, A PLAN FOR THE IMPROVEMENTS NECESSARY TO ENSURE THAT THE CONDITION OF ANY PART OF THE SITE WHERE INDIVIDUALS RESIDE IS SATISFACTORY FOR HUMAN HABITATION AND MEETS THE MINIMUM HOUSING AND SANITATION STANDARDS IN ANNE ARUNDEL COUNTY.

(C) (1) THE AUTHORITY SHALL OBTAIN THE APPROVAL OF THE BOARD OF PUBLIC WORKS OF THE PROPOSED BOND ISSUE AND THE FINANCING PLAN.

(2) THE FINANCING PLAN OR PLANS REQUIRED UNDER SUBSECTION (B)(1) OF THIS SECTION FOR RACING AND COMMUNITY DEVELOPMENT PROJECT COSTS SHALL PROVIDE FOR AT LEAST:

(I) \$180,000,000 AT THE PIMLICO SITE; AND

(II) \$155,000,000 AT THE LAUREL PARK SITE.

(D) (1) IN THIS SUBSECTION, “LONG-TERM AGREEMENT” INCLUDES A LEASE, OPERATING, JOINT VENTURE, OR MANAGEMENT AGREEMENT.

(2) BEFORE ISSUING ANY BONDS FOR ANY SEGMENT OF A RACING FACILITY, THE AUTHORITY SHALL ENSURE THAT THE FOLLOWING LONG-TERM AGREEMENTS HAVE BEEN FINALIZED:

(I) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A LONG-TERM AGREEMENT REGARDING MANAGEMENT AND OPERATIONS AT THE PIMLICO RACING FACILITY SITE; AND

(II) SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION, A LONG-TERM AGREEMENT REGARDING MANAGEMENT AND OPERATIONS AT THE LAUREL PARK RACING FACILITY SITE.

(3) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE LONG-TERM AGREEMENT REQUIRED UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION SHALL:

**1. ENSURE THE CONTINUITY OF THE PREAKNESS
STAKES AT THE PIMLICO RACING FACILITY SITE;**

2. ENSURE THE MJC ENTITIES' SOLE, EXCLUSIVE, AND UNCONDITIONAL RIGHTS TO:

A. MANAGE AND OPERATE THE PIMLICO RACING FACILITY SITE SUBJECT TO THE EXCLUSIONS AND CONDITIONS IN THE LONG-TERM AGREEMENT;

**B. CONDUCT AT THE PIMLICO RACING FACILITY SITE
THOROUGHBRED TRAINING AND RACING, SATELLITE SIMULCAST WAGERING,
ADVANCED DEPOSIT WAGERING, AND ANY OTHER LAWFUL ACTIVITIES;**

C. DESIGNATE ANNUALLY EXCLUSIVE USE PERIODS FOR THE CONDUCT OF LIVE THOROUGHBRED TRAINING AND RACING;

D. MAINTAIN THE TRACK SURFACES:

1 **E. OPERATE SATELLITE SIMULCAST WAGERING,**
2 **ADVANCED DEPOSIT WAGERING, AND ANY OTHER LAWFUL ACTIVITIES; AND**

3 **F. AN OPTION TO REACQUIRE THE PIMLICO RACING**
4 **FACILITY SITE AT THE TERMINATION OF THE LONG-TERM AGREEMENT ON**
5 **MUTUALLY AGREEABLE TERMS AND CONDITIONS;**

6 **3. REQUIRE THE CONVEYANCE OR CONVEYANCES IN FEE**
7 **SIMPLE OF THE PIMLICO SITE, IN WHOLE OR IN PART, TO BALTIMORE CITY OR AN**
8 **ENTITY OR ENTITIES DESIGNATED BY BALTIMORE CITY, INCLUDING ANY**
9 **DESIGNATED PROJECT ENTITY, AT THE TIME AND ON THE CONDITIONS**
10 **ESTABLISHED IN THE LONG-TERM AGREEMENT AND SUBJECT TO THE AUTHORITY**
11 **SECURING ALL THE NECESSARY DEVELOPMENT APPROVALS AND FUNDING FOR THE**
12 **RACING AND COMMUNITY DEVELOPMENT PROJECT COSTS;**

13 **4. ESTABLISH THE MJC ENTITIES' RIGHTS TO:**

14 **A. DESIGNATE ANNUALLY EXCLUSIVE USE PERIODS FOR**
15 **THE CONDUCT OF LIVE THOROUGHBRED TRAINING AND RACING;**

16 **B. MAINTAIN THE TRACK SURFACES; AND**

17 **C. OPERATE SATELLITE SIMULCAST WAGERING,**
18 **ADVANCED DEPOSIT WAGERING, AND ANY OTHER LAWFUL ACTIVITIES;**

19 **5. PRESERVE THE MJC ENTITIES' TANGIBLE,**
20 **INTANGIBLE, MANAGEMENT, PERFORMANCE, DISTRIBUTION, INTELLECTUAL**
21 **PROPERTY, ADVERTISING, CONCESSION, MERCHANDISING, SPONSORSHIP, MEDIA,**
22 **STREAMING, NAMING, LICENSING, AND COMMERCIAL DEVELOPMENT RIGHTS, AND**
23 **ANY OTHER RIGHTS IDENTIFIED BY THE MJC ENTITIES';**

24 **6. SUBJECT TO THE OPERATING AGREEMENTS OF THE**
25 **PROJECT ENTITIES, PRESERVE THE MJC ENTITIES' RIGHT TO RETAIN OR**
26 **DESIGNATE REVENUES AND PROFITS ASSOCIATED WITH THE MJC ENTITIES'**
27 **RIGHTS AND LAWFUL ACTIVITIES; AND**

28 **7. SUBJECT TO SUBPARAGRAPH (III) OF THIS**
29 **PARAGRAPH, ESTABLISH:**

30 **A. THE RIGHT OF BALTIMORE CITY OR AN ENTITY**
31 **DESIGNATED BY BALTIMORE CITY TO MANAGE AND OPERATE THE PIMLICO**
32 **CLUBHOUSE AND EVENTS FACILITY, GROUNDS, AND ANY FACILITY NOT**
33 **DESIGNATED FOR THE MJC ENTITIES' YEAR-ROUND USE;**

1 **B. THE OBLIGATION OF BALTIMORE CITY OR AN ENTITY**
2 **DESIGNATED BY BALTIMORE CITY TO OPERATE, MAINTAIN AS A FIRST-CLASS**
3 **FACILITY, IN GOOD CONDITION, REPAIR, AND SECURE THE PIMLICO RACING**
4 **FACILITY SITE DURING PERIODS IDENTIFIED IN THE LONG-TERM AGREEMENT; AND**

5 **C. THE OBLIGATION OF BALTIMORE CITY OR AN ENTITY**
6 **DESIGNATED BY BALTIMORE CITY TO COOPERATE WITH RESPECT TO THE**
7 **PROVISION OF ADEQUATE PARKING AND EFFICIENT TRANSPORTATION PLANS**
8 **AROUND THE PIMLICO RACING FACILITY SITE.**

9 **(II) UNLESS THOROUGHBRED RACING IS NO LONGER A LAWFUL**
10 **ACTIVITY, OR IS OTHERWISE RENDERED NOT COMMERCIALY VIABLE AS A RESULT**
11 **OF A CHANGE IN LAW OR REGULATION, THE LONG-TERM AGREEMENT UNDER THIS**
12 **TITLE MAY NOT EXPIRE WHILE ANY BOND, DEBT, OR OTHER FINANCIAL INSTRUMENT**
13 **ISSUED BY THE AUTHORITY FOR THE IMPROVEMENT OF A RACING FACILITY**
14 **REMAINS UNPAID.**

15 **(III) THE MJC ENTITIES SHALL HAVE:**

16 **1. PRIORITY OF USE OVER THE PIMLICO CLUBHOUSE**
17 **AND EVENTS FACILITY AND GROUNDS FOR MJC ENTITIES' PURPOSES RELATED TO**
18 **RACING, WAGERING, OR OTHER AGREED-ON USES; AND**

19 **2. THE RIGHT TO ACCESS AND EGRESS FROM THE**
20 **PIMLICO RACING FACILITY SITE DURING PERIODS IDENTIFIED IN THE AGREEMENT.**

21 **(4) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE**
22 **LONG-TERM AGREEMENT REQUIRED UNDER PARAGRAPH (2)(II) OF THIS**
23 **SUBSECTION SHALL:**

24 **1. ENSURE THE MJC ENTITIES' SOLE, EXCLUSIVE, AND**
25 **UNCONDITIONAL RIGHTS TO:**

26 **A. MANAGE AND OPERATE THE LAUREL PARK RACING**
27 **FACILITY SITE; AND**

28 **B. CONDUCT AT THE LAUREL PARK RACING FACILITY**
29 **SITE YEAR-ROUND THOROUGHBRED TRAINING AND RACING, SATELLITE SIMULCAST**
30 **WAGERING, ADVANCED DEPOSIT WAGERING, AND ANY OTHER LAWFUL ACTIVITIES;**

31 **2. PROVIDE FOR THE MJC ENTITIES:**

1 **A. GRANT OF AN INTEREST IN THE LAUREL PARK**
2 **RACING FACILITY SITE, IN WHOLE OR IN PART, TO ANNE ARUNDEL COUNTY OR AN**
3 **ENTITY OR ENTITIES DESIGNATED BY ANNE ARUNDEL COUNTY AT THE TIME AND**
4 **ON THE CONDITIONS ESTABLISHED IN THE LONG-TERM AGREEMENT AND SUBJECT**
5 **TO THE AUTHORITY SECURING ALL NECESSARY DEVELOPMENT APPROVALS AND**
6 **FUNDING FOR THE RACING AND COMMUNITY DEVELOPMENT PROJECT COSTS;**

7 **B. ACCESS TO THE LAUREL PARK RACING FACILITY SITE**
8 **FOR PARKING AND ROADWAYS;**

9 **C. AN OPTION FOR THE RIGHT TO REACQUIRE THE**
10 **LAUREL PARK RACING FACILITY SITE AT THE TERMINATION OF THE LONG-TERM**
11 **AGREEMENTS ON MUTUALLY AGREEABLE TERMS AND CONDITIONS; AND**

12 **D. PAYMENT TO ANNE ARUNDEL COUNTY, OR AN ENTITY**
13 **DESIGNATED BY ANNE ARUNDEL COUNTY, OF AN AMOUNT AT LEAST EQUAL TO THE**
14 **PRORATED AMOUNT OF REAL PROPERTY TAXES PAID IN FISCAL YEAR 2020 FOR THE**
15 **LAUREL PARK RACING FACILITY SITE AND ANY IMPROVEMENTS ON THE SITE,**
16 **UNLESS OTHERWISE AGREED TO BY THE MJC ENTITIES AND ANNE ARUNDEL**
17 **COUNTY;**

18 **3. PRESERVE THE MJC ENTITIES' TANGIBLE,**
19 **INTANGIBLE, MANAGEMENT, PERFORMANCE, DISTRIBUTION, INTELLECTUAL**
20 **PROPERTY, ADVERTISING, CONCESSION, MERCHANDISING, SPONSORSHIP, MEDIA,**
21 **STREAMING, NAMING, LICENSING, COMMERCIAL DEVELOPMENT, AND ANY OTHER**
22 **RIGHTS IDENTIFIED BY THE MJC ENTITIES; AND**

23 **4. SUBJECT TO THE OPERATING AGREEMENTS OF THE**
24 **PROJECT ENTITIES, PRESERVE THE MJC ENTITIES' RIGHT TO RETAIN OR**
25 **DESIGNATE REVENUES AND PROFITS ASSOCIATED WITH THE MJC ENTITIES'**
26 **RIGHTS AND LAWFUL ACTIVITIES.**

27 **(II) UNLESS THOROUGHBRED RACING IS NO LONGER A LAWFUL**
28 **ACTIVITY, OR IS OTHERWISE RENDERED NOT COMMERCIALY VIABLE AS A RESULT**
29 **OF A CHANGE IN LAW OR REGULATION, THE LONG-TERM AGREEMENT UNDER THIS**
30 **TITLE MAY NOT EXPIRE WHILE ANY BOND, DEBT, OR OTHER FINANCIAL INSTRUMENT**
31 **ISSUED BY THE AUTHORITY FOR THE IMPROVEMENT OF A RACING FACILITY**
32 **REMAINS UNPAID.**

33 **(E) (1) THE AUTHORITY MAY ENTER INTO AN AGREEMENT WITH**
34 **PROJECT ENTITIES FOR CONSTRUCTION OF THE RACING AND COMMUNITY**
35 **DEVELOPMENT PROJECTS AT A RACING FACILITY SITE DURING THE PERIODS OF**
36 **PLANNING, DESIGN, AND CONSTRUCTION OF THE RACING FACILITY.**

1 (2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPHS (II) AND (III) OF
2 THIS PARAGRAPH, AFTER THE COMPLETION OF A RACING FACILITY, THE
3 AUTHORITY MAY NOT HAVE ANY ROLE OR RESPONSIBILITY WITH REGARD TO THE
4 RACING FACILITY.

5 (II) THE AUTHORITY MAY ASSIST WITH ENFORCEMENT OF
6 WARRANTIES, CLAIMS AGAINST CONTRACTORS OR SUPPLIERS, OR REPAIRING
7 DEFECTS IN THE CONSTRUCTION AT A RACING FACILITY.

8 (III) WITH THE CONSENT OF THE AUTHORITY, BALTIMORE CITY
9 OR AN ENTITY DESIGNATED BY BALTIMORE CITY, OR ANNE ARUNDEL COUNTY OR
10 AN ENTITY DESIGNATED BY ANNE ARUNDEL COUNTY, MAY RETAIN THE SERVICES
11 OF THE AUTHORITY.

12 (3) IF THE AUTHORITY IS RETAINED TO PROVIDE SERVICES
13 DIRECTLY RELATED TO RACING AND COMMUNITY DEVELOPMENT PROJECTS, THE
14 AUTHORITY MAY BE PAID FROM THE RACING AND COMMUNITY DEVELOPMENT
15 FUND FOR SERVICES PERFORMED AND EXPENSES INCURRED BEFORE JUNE 1, 2020.

16 10-657.2.

17 (A) THERE IS A RACING AND COMMUNITY DEVELOPMENT FUND.

18 (B) (1) THE RACING AND COMMUNITY DEVELOPMENT FUND IS A
19 CONTINUING, NONLAPSING FUND THAT SHALL BE AVAILABLE IN PERPETUITY TO
20 IMPLEMENT THIS SUBTITLE CONCERNING RACING AND COMMUNITY DEVELOPMENT
21 PROJECTS.

22 (2) THE AUTHORITY SHALL:

23 (I) USE THE RACING AND COMMUNITY DEVELOPMENT FUND
24 AS A REVOLVING FUND FOR IMPLEMENTING THIS SUBTITLE RELATING TO RACING
25 AND COMMUNITY DEVELOPMENT PROJECTS; AND

26 (II) PAY ANY AND ALL EXPENSES FROM THE RACING AND
27 COMMUNITY DEVELOPMENT FUND THAT ARE INCURRED BY THE AUTHORITY, OR
28 OTHERWISE SPECIFICALLY APPROVED BY THE AUTHORITY, CONCERNING RACING
29 AND COMMUNITY DEVELOPMENT PROJECTS.

30 (C) (1) TO THE EXTENT CONSIDERED APPROPRIATE BY THE AUTHORITY,
31 THE RECEIPTS OF THE RACING AND COMMUNITY DEVELOPMENT FUND SHALL BE
32 PLEDGED TO AND CHARGED WITH THE FOLLOWING RELATING TO RACING AND

COMMUNITY DEVELOPMENT PROJECTS:

(I) THE PAYMENT OF DEBT SERVICE ON AUTHORITY BONDS;

**(II) ALL REASONABLE CHARGES AND EXPENSES RELATED TO
AUTHORITY BORROWING; AND**

(III) THE MANAGEMENT OF AUTHORITY OBLIGATIONS.

**(2) THE PLEDGE SHALL BE EFFECTIVE IN THE SAME MANNER AS
PROVIDED IN § 10-634 OF THIS SUBTITLE.**

(D) THE RACING AND COMMUNITY DEVELOPMENT FUND CONSISTS OF:

**(1) FUNDS APPROPRIATED FOR DEPOSIT TO THE RACING AND
COMMUNITY DEVELOPMENT FUND;**

**(2) PROCEEDS FROM THE SALE OF BONDS CONCERNING RACING AND
COMMUNITY DEVELOPMENT PROJECTS;**

**(3) REVENUES COLLECTED OR RECEIVED FROM ANY SOURCE UNDER
THIS SUBTITLE CONCERNING RACING AND COMMUNITY DEVELOPMENT PROJECTS;**

(4) INVESTMENT AND INTEREST EARNINGS;

**(5) MONEY PAID TO THE RACING AND COMMUNITY DEVELOPMENT
FUND UNDER § 9-120 OF THE STATE GOVERNMENT ARTICLE;**

**(6) THE UNENCUMBERED FUND BALANCE, INCLUDING ACCRUED
INTEREST, EXISTING AS OF JUNE 1, 2020, THAT IS ALLOCATED TO THOROUGHBRED
TRACKS UNDER THE RACETRACK FACILITY RENEWAL ACCOUNT; AND**

**(7) ANY ADDITIONAL MONEY MADE AVAILABLE FROM ANY PUBLIC OR
PRIVATE SOURCES FOR THE PURPOSES ESTABLISHED FOR THE RACING AND
COMMUNITY DEVELOPMENT FUND.**

**(E) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE
RACING AND COMMUNITY DEVELOPMENT FUND IN THE SAME MANNER AS OTHER
STATE FUNDS.**

**(2) ANY INVESTMENT OR INTEREST EARNING SHALL BE CREDITED TO
THE RACING AND COMMUNITY DEVELOPMENT FUND.**

1 **(3) NO PART OF THE RACING AND COMMUNITY DEVELOPMENT FUND**
2 **MAY REVERT OR BE CREDITED TO THE GENERAL FUND OF THE STATE OR ANY**
3 **SPECIAL FUND OF THE STATE.**

4 **Article – State Finance and Procurement**

5 6–226.

6 (a) (2) (i) Notwithstanding any other provision of law, and unless
7 inconsistent with a federal law, grant agreement, or other federal requirement or with the
8 terms of a gift or settlement agreement, net interest on all State money allocated by the
9 State Treasurer under this section to special funds or accounts, and otherwise entitled to
10 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
11 Fund of the State.

12 (ii) The provisions of subparagraph (i) of this paragraph do not apply
13 to the following funds:

14 121. the Markell Hendricks Youth Crime Prevention and
15 Diversion Parole Fund; [and]

16 122. the Federal Government Shutdown Employee Assistance
17 Loan Fund; AND

18 **123. THE RACING AND COMMUNITY DEVELOPMENT FUND.**

19 **Article – State Government**

20 9–120.

21 (a) The Comptroller shall distribute, or cause to be distributed, the State Lottery
22 Fund to pay:

23 (1) on a pro rata basis for the daily and nondaily State lottery games, the
24 expenses of administering and operating the State lottery, as authorized under this subtitle
25 and the State budget; and

26 (2) then, except as provided in § 10–113.1 of the Family Law Article, §
27 11–618 of the Criminal Procedure Article, and § 3–307 of the State Finance and
28 Procurement Article, the holder of each winning ticket or share.

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

31 (i) into the Maryland Stadium Facilities Fund established under §
32 7–312 of the State Finance and Procurement Article from the money that remains in the

State Lottery Fund, after the distribution under subsection (a) of this section, an amount not to exceed \$20,000,000 in any fiscal year;

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

(iii) after June 30, 2014, into the Baltimore City Public School Construction Financing Fund established under § 10–656 of the Economic Development Article the money that remains in the State Lottery Fund from the proceeds of all lotteries after the distributions under subsection (a) of this section and items (i) and (ii) of this paragraph, an amount equal to \$20,000,000 in each fiscal year that bonds are outstanding and unpaid, to be paid in two installments with at least \$10,000,000 paid no later than December 1 of each fiscal year; [and]

(IV) AFTER JUNE 30, 2020, INTO THE RACING AND COMMUNITY DEVELOPMENT FUND ESTABLISHED UNDER § 10–657.2 OF THE ECONOMIC DEVELOPMENT ARTICLE FROM THE MONEY THAT REMAINS IN THE STATE LOTTERY FUND, AFTER THE DISTRIBUTION UNDER SUBSECTION (A) OF THIS SECTION, AN AMOUNT EQUAL TO \$17,000,000 IN EACH FISCAL YEAR THAT BONDS ARE OUTSTANDING AND UNPAID; AND

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

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

(c) The regulations of the Agency shall apportion the money in the State Lottery Fund in accordance with subsection (b) of this section.

9–1A–09.

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

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

(1) **[(i)]** for Laurel Park and Pimlico Race Course, conduct a minimum of 220 annual live racing days combined between Laurel Park and Pimlico Race Course unless otherwise agreed to by the racing licensee and the organization that represents the majority of licensed thoroughbred owners and trainers in the State or unless the racing licensee is

prevented by weather, acts of God, or other circumstances beyond the racing licensee's control;]

[(ii)] (I) for Rosecroft Raceway, conduct a minimum of **[90] 60** annual live racing days unless otherwise agreed to by the racing licensee and the organization that represents the majority of licensed standardbred owners and trainers in the State or unless the racing licensee is prevented by weather, acts of God, or other circumstances beyond the racing licensee's control; and

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

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

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

(i) the Pimlico Race Course; or

(ii) if the Pimlico Race Course no longer exists, the Preakness Stakes Race is prevented from being conducted at the Pimlico Race Course, or the State Racing Commission, under § 11-513 of the Business Regulation Article, deems an emergency exists, another track located in the State that is approved by the State Racing Commission;

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

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

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

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

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

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

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

2. an ongoing investment in capital maintenance and improvements in the horse racing facilities;

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

[(7)] (3) for each year that funding is requested, spend at least the following minimum amounts for capital maintenance and improvements, which may include amounts provided as a matching fund as required under § 9-1A-29(e)(2) of this subtitle:

(i) [for Laurel Park and Pimlico Race Course, a combined total of \$1,500,000;

(ii)] for Rosecroft Raceway, \$300,000; and

[(iii)] (II) for Ocean Downs Racetrack, \$300,000.

(c) As part of the capital maintenance and improvement items in the plan submitted under subsection [(b)(5)] (B)(2) of this section, a racing licensee shall include any improvements necessary to ensure that the condition of any part of the racetrack facility where individuals reside is satisfactory for human habitation and meets minimum housing and sanitation standards in the county where the facility is located.

(d) The plans required under subsection (b) of this section shall also be provided to the Department of General Services and to the Legislative Policy Committee of the General Assembly.

[(e) (1) If a video lottery operation license has been issued for a racetrack location at Laurel Park, the video lottery operation license for the location shall be revoked if the name, common law and statutory copyrights, service marks, trademarks, trade names, or horse racing events that are associated with the Preakness Stakes Race or the Woodlawn Vase are transferred to a location outside the State.

(2) As an additional condition of a video lottery operation license, if a racetrack licensee holds a video lottery operation license for Laurel Park, the licensee shall be required to:

(i) promote and conduct the Preakness Stakes Race at the Pimlico Race Course each year; or

(ii) if the Pimlico Race Course no longer exists, the Preakness Stakes Race is prevented from being conducted at the Pimlico Race Course, or the State Racing Commission, under § 11–513 of the Business Regulation Article, deems an emergency exists, promote and conduct the Preakness Stakes Race each year at another track located in the State that is approved by the State Racing Commission.

(3) If a racetrack licensee has been issued a video lottery operation license for a racetrack location at Laurel Park, the licensee shall permit the event known as the Maryland Million to be run annually at Laurel Park unless:

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

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

(4) If a video lottery operation license is issued to a racetrack location at Laurel Park, the video lottery operation licensee shall:

(i) maintain the operation of the Bowie Training Center; or

(ii) if State law no longer requires the Bowie Training Center to operate as a training facility, convey the property associated with the Bowie Training Center to the State as preserved land under Program Open Space.]

9–1A–27.

(a) Except as provided in subsections (b) and (c) of this section and § 9–1A–26(a)(3) of this subtitle, on a properly approved transmittal prepared by the Commission, the Comptroller shall pay the following amounts from the proceeds of video lottery terminals at each video lottery facility:

(5) (i) until the issuance of a video lottery operation license in Baltimore City, 1.75% to the Racetrack Facility Renewal Account established under § 9–1A–29 of this subtitle and distributed in accordance with that section; and

(ii) on or after the issuance of a video lottery operation license in Baltimore City, 1% to the Racetrack Facility Renewal Account established under § 9–1A–29 of this subtitle and distributed in accordance with that section, not to exceed a total of \$20,000,000 to the Account annually;

9–1A–28.

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

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

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

(3) The Comptroller shall:

(i) account for the Account; [and]

(ii) **FOR FISCAL YEAR 2021 AND EACH FISCAL YEAR THEREAFTER, ON A PROPERLY APPROVED TRANSMITTAL PREPARED BY THE MARYLAND STADIUM AUTHORITY, ISSUE A WARRANT TO PAY OUT \$5,000,000, FROM THE PORTION OF THE PROCEEDS IN THE ACCOUNT ALLOCATED TO THOROUGHBRED PURSES UNDER SUBSECTION (C)(1) OF THIS SECTION, TO THE STATE LOTTERY FUND ESTABLISHED UNDER § 9–120 OF THIS ARTICLE UNTIL ANY BONDS, DEBT, OR OTHER FINANCIAL INSTRUMENTS ISSUED OR MADE AVAILABLE BY THE MARYLAND STADIUM AUTHORITY FOR A RACING FACILITY UNDER TITLE 10, SUBTITLE 6 OF THE ECONOMIC DEVELOPMENT ARTICLE ARE PAID IN FULL; AND**

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

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

(5) **[Expenditures] EXCEPT AS PROVIDED IN PARAGRAPH (3)(II) OF THIS SUBSECTION, EXPENDITURES** from the Account shall only be made on a properly approved transmittal prepared by the State Racing Commission as provided under subsection (c) of this section.

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

(1) 80% to the thoroughbred industry; and

(2) 20% to the standardbred industry.

(d) The amount of funds allocated to thoroughbred purses and the Maryland–bred Race Fund shall be allocated as follows:

(1) 89% to thoroughbred purses at the Pimlico Race Course, Laurel Park,

the racecourse in Allegany County, and the racecourse at Timonium; and

(2) 11% to the Maryland-bred Race Fund.

9-1A-29.

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

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

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

(3) The Comptroller shall:

(i) account for the Account; and

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

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

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

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

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

(c) **[Funds] EXCEPT AS PROVIDED IN SUBSECTION (D)(1) OF THIS SECTION, FUNDS** from the Account shall be used to provide a grant to the holder of a license to hold a race meeting in the State for racetrack facility capital construction and improvements.

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

(1) 80% to [the Pimlico Race Course, Laurel Park, and the racecourse at Timonium] **THE STATE LOTTERY FUND ESTABLISHED UNDER § 9-120 OF THIS**

1 **ARTICLE**; and

2 (2) 20% to Rosecroft Raceway and Ocean Downs Race Course **ACCORDING**
3 **TO A FORMULA ESTABLISHED IN REGULATIONS ADOPTED BY THE STATE RACING**
4 **COMMISSION.**

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

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

9 (2) [except as provided in subsection (f) of this section,] provide and expend
10 a matching fund.

11 [(f) (1) Of the amount provided from the Racetrack Facility Renewal Account
12 under subsection (d)(1) of this section, the racecourse at Timonium shall be provided the
13 following amounts for racetrack facility capital construction and improvements:

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

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

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

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

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

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

24 (ii) Use of funds authorized under subparagraph (i) of this
25 paragraph must be approved by the Secretary of Labor under terms and a process
26 consistent with the provisions of subsection (j) of this section.

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

30 (h)] **(F)** After a grant has been provided under this section, the State Racing
31 Commission shall:

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

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

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

9 **[(j)] (H)** The State Racing Commission shall adopt regulations to implement the
10 provisions of this subsection, including regulations to:

11 **(1)** address minimum criteria for the types of improvements to be made by
12 the holder of a license; **AND**

13 **(2) ESTABLISH A FORMULA TO ALLOCATE FUNDS UNDER SUBSECTION**
14 **(D)(2) OF THIS SECTION BETWEEN ROSECROFT RACEWAY AND OCEAN DOWNS RACE**
15 **COURSE.**

16 **[(k)] (I)** The provisions of this section may not be construed to apply to the
17 racecourse in Allegany County.

18 9–1A–31.

19 (a) (1) Except as provided in paragraph (8) of this subsection, the local impact
20 grants provided under § 9–1A–27 of this subtitle shall be distributed as provided in this
21 subsection.

22 (2) The following amounts shall be distributed to the following
23 jurisdictions:

24 (i) Allegany County – \$200,000;

25 (ii) Cecil County – \$130,000;

26 (iii) Town of Forest Heights – \$120,000;

27 (iv) Town of Perryville – \$70,000; and

28 (v) Worcester County – \$200,000.

29 (3) The remaining funds for local impact grants shall be distributed in the
30 following manner:

(i) 82% to the local jurisdictions with video lottery facilities, based on each jurisdiction's percentage of overall gross revenues from video lottery terminals; and

(ii) except as provided in paragraph (4) of this subsection, for operations at a video lottery facility starting in fiscal year 2012 and ending in fiscal year 2032, 18% to Baltimore City with the Pimlico Community Development Authority acting as the local development council in accordance with subsection (d) of this section, to be distributed primarily for capital projects benefiting economic and community development in the following manner:

1. at least 75% in a manner that is consistent with the Park Heights Master Plan; and

2. the remainder dedicated to the needs of:

A. any census blockgroup that Baltimore City identifies as being located partly or entirely within 1 mile of Pimlico Race Course but not within the boundaries of the Park Heights Master Plan in a manner that is consistent with adopted neighborhood priorities;

B. any neighborhood included in the Northwest Community Planning Forum Strategic Neighborhood Action Plan in a manner that is consistent with the adopted Northwest Community Planning Forum Strategic Neighborhood Action Plan priorities; and

C. beginning after a video lottery operation license is issued to a video lottery facility in Baltimore City, any neighborhood within an area bounded by Liberty Heights Avenue, Northern Parkway, Druid Park Drive, and Wabash Avenue in a manner that is consistent with adopted neighborhood priorities.

(4) (i) Of the amount specified under paragraph (3)(ii) of this subsection:

1. \$1,000,000 shall be provided annually to Prince George's County to be used for public safety projects in the community within 5 miles surrounding Rosecroft Raceway; [and]

2. \$500,000 shall be provided annually for impact aid to be distributed as provided under § 11-404(d) of the Business Regulation Article to help pay for facilities and services in communities within 3 miles of the Laurel Race Course;

3. FOR FISCAL YEARS 2021 THROUGH 2032, \$3,500,000 SHALL BE PROVIDED ANNUALLY TO THE STATE LOTTERY FUND ESTABLISHED UNDER § 9-120 OF THIS ARTICLE; AND

1 **4. FOR FISCAL YEARS 2021 THROUGH 2032, THE**
2 **GREATER OF \$2,400,000 OR 24% OF THE TOTAL AMOUNT DISTRIBUTED FOR THE**
3 **FISCAL YEAR UNDER PARAGRAPH (3)(II) OF THIS SUBSECTION SHALL BE PROVIDED**
4 **ANNUALLY TO PARK HEIGHTS RENAISSANCE, INC.**

5 (ii) The Legislative Policy Committee shall report its findings and
6 recommendations concerning the advisability of the continuation of the distribution of
7 funds after fiscal year 2032 to the Comptroller and, in accordance with § 2–1257 of this
8 article, the General Assembly, on or before November 1, 2030.

9 (5) Anne Arundel County, Howard County, Prince George’s County, and
10 the City of Laurel shall report to the Legislative Policy Committee by December 31 of each
11 year as to the distribution of the funds provided under this section.

12 (6) Baltimore City shall:

13 (i) except as provided in subsection (b)(3)(i) of this section, establish
14 a schedule for the distribution and expenditure of funds provided under this section; and

15 (ii) provide a quarterly report to the Legislative Policy Committee on
16 the distribution of the funds provided under this section.

17 (7) (i) The distribution under paragraph (3)(i) of this subsection to
18 Anne Arundel County, Baltimore City, and Prince George’s County equals the sum of the
19 amounts to be distributed to Anne Arundel County, Baltimore City, and Prince George’s
20 County divided by three.

21 (ii) Notwithstanding subparagraph (i) of this paragraph, the amount
22 distributed to Anne Arundel County and Baltimore City under paragraph (3)(i) of this
23 subsection may not be less than the amount received in the fiscal year before the video
24 lottery operation license for a video lottery facility in Prince George’s County was issued.

25 (8) Beginning after a video lottery operation license is issued to a video
26 lottery facility in Baltimore City, 100% of the local impact grants provided under §
27 9–1A–27 of this subtitle from the proceeds of the video lottery facilities located in Allegany,
28 Cecil, and Worcester counties shall be distributed to the local jurisdictions in which those
29 video lottery facilities are located.

30 (b) (3) **(I) In Baltimore City FROM THE LOCAL IMPACT GRANTS**
31 **PROVIDED UNDER SUBSECTION (A)(3)(I) OF THIS SECTION:**

32 [(i)] 1. beginning in fiscal year 2018, at least 50% [of the local
33 impact grants provided under subsection (a)(3)(i) of this section] shall be distributed
34 directly to the South Baltimore Gateway Community Impact District Management
35 Authority; and

2. BEGINNING IN FISCAL YEAR 2033 AND EACH FISCAL YEAR THEREAFTER, \$3,500,000 SHALL BE PAID ANNUALLY TO THE STATE LOTTERY FUND ESTABLISHED UNDER § 9–120 OF THIS ARTICLE UNTIL ANY BONDS, DEBT, OR OTHER FINANCIAL INSTRUMENTS ISSUED OR MADE AVAILABLE BY THE MARYLAND STADIUM AUTHORITY FOR A RACING FACILITY UNDER TITLE 10, SUBTITLE 6 OF THE ECONOMIC DEVELOPMENT ARTICLE ARE PAID IN FULL.

(ii) EXCEPT AS PROVIDED IN SUBPARAGRAPH (I)2 OF THIS PARAGRAPH, local impact grants provided under subsection (a)(3)(i) of this section shall be used for improvements in the communities in immediate proximity to the video lottery facility and may be used for the following purposes:

1. infrastructure improvements;
2. facilities;
3. public safety;
4. sanitation;
5. economic and community development, including housing;
6. other public services and improvements.

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

Article – Tax – General

10–207.

(a) To the extent included in federal adjusted gross income, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

(HH) (1) IN THIS SUBSECTION, “LAUREL PARK SITE” AND “PIMLICO SITE” HAVE THE MEANINGS STATED IN § 10–601 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(2) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES:

(I) THE AMOUNT OF GAIN RECEIVED AS A RESULT OF THE TRANSFER OR CONVEYANCE OF ANY PROPERTY WITHIN THE LAUREL PARK SITE OR

PIMLICO SITE; AND

(II) THE AMOUNT OF INCOME REALIZED AS A RESULT OF ANY EXPENDITURE OF FUNDS BY THE STATE, BALTIMORE CITY, OR ANNE ARUNDEL COUNTY WITH RESPECT TO THE LAUREL PARK SITE OR PIMLICO SITE.

10–307.

(a) To the extent included in federal taxable income, the amounts under this section are subtracted from the federal taxable income of a corporation to determine Maryland modified income.

(g) The subtraction under subsection (a) of this section includes the amounts allowed to be subtracted for an individual under:

(1) § 10–207(i) of this title (Profits on sale or exchange of State or local bonds);

(2) § 10–207(k) of this title (Relocation and assistance payments);

(3) § 10–207(m) of this title (State or local income tax refunds); [or]

(4) § 10–207(c–1) of this title (State tax–exempt interest from mutual funds); **OR**

(5) § 10–207(HH) OF THIS TITLE (GAIN ON THE TRANSFER OF PROPERTY WITHIN THE LAUREL PARK SITE OR PIMLICO SITE AND INCOME REALIZED AS RESULT OF GOVERNMENTAL EXPENDITURES).

11–236.

(A) IN THIS SECTION, “LAUREL PARK SITE” AND “PIMLICO SITE” HAVE THE MEANINGS STATED IN § 10–601 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(B) THE SALES AND USE TAX DOES NOT APPLY TO THE PURCHASE OF TANGIBLE PERSONAL PROPERTY TO BE USED IN FURTHERANCE OF THE PROVISIONS OF TITLE 10, SUBTITLE 6 OF THE ECONOMIC DEVELOPMENT ARTICLE FOR THE CONSTRUCTION, FURNISHING, EQUIPPING, OR REDEVELOPMENT AT THE LAUREL PARK SITE OR PIMLICO SITE.

(C) THE COMPTROLLER SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – Tax – Property**7–246.**

(A) IN THIS SECTION, “LAUREL PARK RACING FACILITY SITE” AND “PIMLICO RACING FACILITY SITE” HAVE THE MEANINGS STATED IN § 10–601 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(B) AN INTEREST OF A PERSON IN AN IMPROVEMENT MADE AFTER JUNE 1, 2020, AT THE LAUREL PARK RACING FACILITY SITE OR PIMLICO RACING FACILITY SITE IS NOT SUBJECT TO PROPERTY TAX.

12–108.

(HH) (1) IN THIS SUBSECTION, “LAUREL PARK RACING FACILITY SITE”, “MJC ENTITIES”, “PIMLICO RACING FACILITY SITE”, “PIMLICO SITE”, AND “PROJECT ENTITIES” HAVE THE MEANINGS STATED IN § 10–601 OF THE ECONOMIC DEVELOPMENT ARTICLE.

(2) AN INSTRUMENT OF WRITING IS NOT SUBJECT TO RECORDATION TAX IF THE INSTRUMENT OF WRITING TRANSFERS OR GRANTS A SECURITY INTEREST IN PROPERTY THAT IS WITHIN THE LAUREL PARK RACING FACILITY SITE, PIMLICO RACING FACILITY SITE, OR PIMLICO SITE AND THE TRANSFER OR GRANT IS BY ANY COMBINATION OF PROJECT ENTITIES, MJC ENTITIES, BALTIMORE CITY, AN ENTITY DESIGNATED BY BALTIMORE CITY, ANNE ARUNDEL COUNTY, OR AN ENTITY DESIGNATED BY ANNE ARUNDEL COUNTY.

13–207.

(a) An instrument of writing is not subject to transfer tax to the same extent that it is not subject to recordation tax under:

(24) § 12–108(ff) of this article (Transfer from a certified community development financial institution); [or]

(25) § 12–108(gg) of this article (Transfer of principal residence surrendered in bankruptcy); OR

(26) § 12–108(HH) OF THIS ARTICLE (TRANSFER OF REAL PROPERTY WITHIN THE LAUREL PARK RACING FACILITY SITE, PIMLICO RACING FACILITY SITE, OR PIMLICO SITE).

13–410.

1 An instrument of writing [that is exempt from recordation tax under § 12–108(cc) of
2 this article (Certain transfers to land trusts)] is not subject to the county transfer tax **TO**
3 **THE SAME EXTENT THAT IT IS NOT SUBJECT TO THE RECORDATION TAX UNDER:**

4 (1) § 12–108(CC) OF THIS ARTICLE (CERTAIN TRANSFERS TO LAND
5 TRUSTS); OR

6 (2) § 12–108(HH) OF THIS ARTICLE (TRANSFER OF REAL PROPERTY
7 WITHIN THE LAUREL PARK RACING FACILITY SITE, PIMLICO RACING FACILITY SITE,
8 OR PIMLICO SITE).

9 SECTION 4. AND BE IT FURTHER ENACTED, That, except for planning, design,
10 engineering, architectural, professional, demolition, site work, other pre–construction
11 services, or maintenance and repairs, the Maryland Stadium Authority may not expend
12 funds under this Act for construction or reconstruction of racing surfaces, at Pimlico or
13 Laurel Park, until:

14 (1) the State Racing Commission, in conjunction with the Maryland Jockey
15 Club and the Maryland Thoroughbred Horsemen’s Association, consults with national
16 experts in thoroughbred racetrack surfaces and equine safety; and

17 (2) provides a report to the Legislative Policy Committee describing the
18 proposed racetrack surfaces and measures taken to enhance equine safety.

19 SECTION 5. AND BE IT FURTHER ENACTED, That:

20 (a) On or before August 1, 2020, the Baltimore Development Corporation, the
21 Maryland Jockey Club, and LifeBridge Health shall enter into a memorandum of
22 understanding that contains the following provisions:

23 (1) reasonable collaboration activity among the parties during the early
24 stages of development of the Pimlico site;

25 (2) reasonable notification requirements among the parties to identify
26 material construction schedules related to planned infrastructure and improvements,
27 including timing and types of work contemplated by the parties and any potential
28 interruption to utilities serving the properties;

29 (3) an agreement to cooperate during construction to avoid, as much as
30 practical, disruption to the business activities and operations of the parties; and

31 (4) any other provisions agreed to by the parties.

32 (b) (1) The Maryland Stadium Authority may not begin construction on the
33 Pimlico site unless the memorandum of understanding required under subsection (a) of this

1 section is entered into.

2 (2) The parties required to enter the memorandum of understanding shall
3 provide the Maryland Stadium Authority with a copy of the memorandum of understanding
4 that the parties enter into.

5 (c) The memorandum of understanding required under subsection (a) of this
6 section shall continue until the completion of:

7 (1) construction at the Pimlico site; and

8 (2) development and construction on the LifeBridge Health property
9 adjacent to the Pimlico site.

10 SECTION 6. AND BE IT FURTHER ENACTED, That:

11 (a) On or before February 15, 2021, the Maryland Stadium Authority, after
12 consulting with the State Racing Commission, the owner of Laurel Park, representatives
13 of the thoroughbred racing industry, and other advisors determined by the Authority, shall
14 report on the feasibility of creating an Equine Health, Safety, and Research Center at
15 Laurel Park.

16 (b) The report required under this section shall include:

17 (1) an estimate of the costs of constructing, equipping, and operating the
18 center;

19 (2) a summary of the activities to be conducted at the center, including
20 diagnostic tests, data collection, and research;

21 (3) identification of parties capable of and interested in operating the
22 center or engaging in research activities, including academic research centers;

23 (4) a timeline for the development of the center; and

24 (5) any other information the Authority determines is important.

25 SECTION 7. AND BE IT FURTHER ENACTED, That, notwithstanding any other
26 provision of law, on or before June 30, 2020, the unencumbered fund balance, including
27 accrued interest, existing as of May 31, 2020, that is allocated to thoroughbred tracks under
28 the Racetrack Facility Renewal Account shall be transferred to the Racing and Community
29 Development Fund established under § 10–657.2 of the Economic Development Article, as
30 enacted by Section 1 of this Act.

31 SECTION 8. AND BE IT FURTHER ENACTED, That:

32 (a) Section 2 of this Act applies to all taxable years beginning after December 31,

1 2019.

2 (b) Section 3 of this Act applies to all taxable years beginning after June 30, 2020.

3 SECTION 9. AND BE IT FURTHER ENACTED, That this Act shall take effect June
4 1, 2020.