

Honorable Marvin Mandel
Speaker of the House
State House
Annapolis, Maryland

April 7, 1964

Dear Mr. Speaker :

In accordance with the provisions of Article II, Section 17, of the Maryland Constitution, I am returning herewith House Bill No. 170 which has been vetoed by me today.

House Bill No. 170 directs the Maryland Racing Commission to refuse to license, or to suspend or revoke the existing license of, any person, persons, association or corporation which is or are licensed in any "adjoining" state for the conduct of racing in such other state. The prohibition of the Bill is made expressly applicable where a majority of the officers of any association or corporation licensed for racing in Maryland, or the owners of a majority of the stock of any such association or corporation, or the "families" of such officers or such owners of stock are the same persons who are majority officers of, or owners of a majority of the stock of, any association or corporation licensed for the conduct of racing in an adjoining state.

Article 78B of the Annotated Code of Maryland sets out a comprehensive plan for the regulation of racing in Maryland. This Article creates the Maryland Racing Commission and delegates defined powers to it. Included in these powers is the authority to grant licenses and to suspend or revoke licenses. However, Article 78B at present does not contain specific prohibitions relating to the granting of licenses, such as those set forth in House Bill No. 170. Rather, the issuance, suspension and revocation of licenses is left to the sound discretion of the Commission acting consistently with the standards expressed in Article 78B. Moreover, Article 78B affords licensees the right of appeal in the case of suspension or revocation.

House Bill No. 170 is clearly inconsistent with the basic regulatory approach reflected in Article 78B. House Bill No. 170 identifies a particular set of circumstances as disqualifying. The conflict between these circumstances and the best interests of Maryland racing is indeed obscure. On the other hand, Article 78B leaves such matters to the considered judgment of the Maryland Racing Commission, which would be familiar with the effect of specific situations on racing in Maryland.

If House Bill No. 170 were to become law, it would simply be an encouragement for special interests to seek patchwork legislation in particular situations involving Maryland racing, rather than to entrust such matters to the discretion of the Commission, which has been established for the very purpose of providing a knowledgeable forum for the decision of racing matters.

House Bill No. 170 presents obvious problems of construction. For example, the word "families" is not limited in its scope and could cause unwarranted discrimination in the issuance of racing licenses.

Assuming the applicability of House Bill 170 to an existing Maryland licensee or licensees, enforcement of the Bill would interfere with the management of licensees of neighboring states and could