

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

Article 78B – Racing Commission

11.

(b) Each mile thoroughbred licensee licensed under § 7 of this article shall deduct the breakage computed to the 10 cents and the following amounts on all races conducted by it: 17 percent of the regular mutuel pool, 19 percent of the multiple mutuel pool involving two horses, and 25 percent of the multiple mutuel pool involving three or more horses. Regular mutuel pool means a separate wagering pool in which an interest is represented by a single ticket evidencing a single wager on one horse. Multiple mutuel pool means a separate wagering pool in which an interest is represented by a single wager on two or more horses. Each licensee shall apply the amounts deducted as follows:

(1) Breakage shall be allocated:

(i) 50 percent to the licensee;

(ii) 45 percent to purses; and

(iii) 5 percent to the Maryland-Bred Race Fund.

(2) Except as provided in SUBSECTION (K) OF THIS SECTION AND paragraph (3) of this subsection:

(i) 0.50 percent of the mutuel pools shall be paid to the Maryland Racing Commission for the use of the State;

(ii) 1.10 percent of the mutuel pools on all races conducted during the year shall be allocated to the Maryland-Bred Race Fund;

(iii) 1. 7.70 percent of the regular mutuel pools, 8.70 percent of the multiple mutuel pools involving two horses, and 11.70 percent of the multiple mutuel pools involving three or more horses shall be allocated for purse money. The Commission may authorize a deduction from purse money of 0.25 percent of all mutuel pools to a Maryland Backstretch Employees' Pension Fund, if this Fund is established and administered by the organization representing a majority of the horsemen racing in the State.

2. The formula for distribution of the purse money shall be determined by an agreement between an organization representing the horsemen and the tracks, the agreement to be subject to the approval of the Commission. It is the intention that the allocation shall be made in the approximate amount of 85 percent to the current year's overnight races and 15 percent not to exceed 17 percent to the current year's stake races.

3. An amount to be determined by the organization, equal to not less than 1 percent but not more than 2 percent, shall be deducted from all open purses and paid to the organization representing a majority of the horsemen in the State; and