(iv) 1. 7.70 percent of the regular mutuel pools, 8.70 percent of the multiple mutuel pools involving 2 horses, and 11.70 percent of the multiple mutuel pools involving 3 or more horses shall be retained by the licensee. The licensee shall pay from its share 0.25 percent of all mutuel pools to the Maryland Race Track Employees Pension Fund, to be administered by representatives of the licensee and the employees.

2. The increased funds allocated to licensees commencing July 1, 1985 pursuant to paragraph (2) of this subsection are provided so that each licensee shall improve the facilities and services of its track and increase its promotional and marketing activities, in order that attendance and wagering may be increased and the well-being of the thoroughbred racing industry enhanced. Exclusive of the increased funds allocated to licensees commencing on July 1, 1985 pursuant to paragraph (2) of this subsection, in no year shall the licensee's expenditure for capital improvements, marketing, public relations, promotions and maintenance be less than the average expenditure of the licensee for the three fiscal years preceding the enactment of this legislation for each of the above listed areas. Each licensee shall submit to the Commission and the General Assembly:

A. By August 1, 1985 a report on the proposed use of the increased funds for the licensees' current fiscal year;

B. By August 1, 1986 and each year thereafter a report, reviewed by the independent certified public accountants approved by the Commission to audit such licensee, specifying the manner in which the increased funds were expended or committed in the prior fiscal year of the licensee and an unaudited report on the proposed use of the funds for the current fiscal year of the licensee; [and]

C. Any additional information the General Assembly deems appropriate; AND

D. ON OR BEFORE AUGUST 1 OF EACH YEAR, THE AMOUNT AND MANNER IN WHICH FUNDS WERE EXPENDED IN THE PRIOR FISCAL YEAR FOR IMPROVEMENTS, REHABILITATION, MAINTENANCE, AND MARKETING OF THE BOWIE RACE COURSE TRAINING CENTER.

3. In the event that the General Assembly finds that a licensee's proposed use of the increased funds is inconsistent with the purposes specified in this section or the licensee has not expended the funds consistent with the proposed use of the funds, as determined by the General Assembly in its sole discretion, the General Assembly may, by joint resolution, direct that the Commission, notwithstanding any other provision of the law, shall not award in the following calendar year any part of or all of the additional 80 days of racing authorized in § 7(b) of this article to the licensee whose proposed use or expenditure of the increased funds is found inconsistent by the General Assembly with the purposes specified in this section.

(3) In recognition of the significance of the stakes race known as the Preakness Stakes to the State of Maryland, and in addition to any action that the Maryland Racing Commission may take under § 7 of this article: