

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 786 (Senator Kasemeyer)

Finance

Referred to Ways and Means

Racing - Uncashed Tickets - Maryland Million, Ltd.

This enrolled bill provides that \$500,000 from uncashed tickets from bets made into the mutuel pools of mile thoroughbred licensees shall be granted to the Maryland Million, Ltd., to support the Maryland Million races. The bill also requires the Office of Legislative Audits to audit each racing licensee every two years.

This bill is effective June 1, 1997. The provisions regarding distributions to the Maryland Million, Ltd., are effective for one year.

Fiscal Summary

State Effect: General fund revenues would decline an estimated \$500,000 in FY 1998. Expenditures could increase by an estimated \$49,200 in FY 1999; future year expenditures reflect salary growth and inflation.

(in dollars)	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
GF Revenues	(\$500,000)	\$0	\$0	\$0	\$0
GF Expenditures	0	\$49,200	\$51,100	\$59,200	\$54,700
Net Effect	(\$500,000)	(\$49,200)	(\$51,100)	(\$59,200)	(\$54,700)

Note: () - decrease; GF - general funds; FF - federal funds; SF - special funds

Local Effect: None.

Small Business Effect: Potential meaningful effect on small businesses as discussed below.

Fiscal Analysis

State Revenues: Under current law, about \$1.2 million of uncashed pari-mutuel winnings are credited to a special fund each year, along with wagering tax revenues and funds from other sources. At the end of each fiscal year, the surplus in the fund reverts to the general fund. The special fund has generally reverted about \$2.0 million per year to the general fund. Thus, under this bill, reversions to the general fund would be \$500,000 lower in fiscal 1998.

Small Business Effect: Assuming that the \$500,000 received by the Maryland Million, Ltd. would be used at least in part to enhance purses, increased income could be received by horse owners, breeders, and trainers.

Information Source(s): Department of Labor, Licensing, and Regulation (State Racing Commission); Department of Fiscal Services

Fiscal Note History: First Reader - February 24, 1997
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Revised - Enrolled Bill - May 13, 1997

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