

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 557 (Senators Lawlah and Currie)
Finance

Referred to Ways and Means

Racing - Restriction on Racing Time

This amended emergency bill provides that a harness licensee may not hold racing after 2 a.m. unless circumstances beyond the licensee's control cause a delay. The bill also allows thoroughbred licensees to receive simulcast races held at out-of-state tracks after 6:15 p.m., if approved by the nearest harness track licensee, the group representing a majority of owners and trainers racing horses at that harness track, and the group representing a majority of harness breeders.

Fiscal Summary

State Effect: Potential minimal increase in general fund revenue. Expenditures would not be affected.

Local Effect: None.

Small Business Effect: None. This bill would not materially affect small businesses.

Fiscal Analysis

State Revenues: Regulations currently prohibit live harness racing starts after midnight, but not the reception of simulcast races. Thus, if a harness licensee should decide to hold live racing after midnight, general fund revenue could increase through the wagering tax. Wagering tax revenue is credited to a special fund, the surplus of which is credited to the general fund at the end of each fiscal year. The special fund is expected to have a surplus of \$2.0 million in fiscal 1998, so any increase in wagering tax revenue would effectively increase general fund revenue. Any such effect, however, is expected to be minimal.

Wagering tax revenues could also increase through increased betting on simulcast races at

thoroughbred tracks after 6:15 p.m. Any revenue increase cannot be reliably estimated at this time, as it depends on the approval of the harness tracks and other harness organizations, and the extent to which the increased wagering is new, and not transferred from other races.

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

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