

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

Senate Bill 814 (Senator Bromwell)
Finance

Horse Racing - Purse Fund Enhancement

This bill requires the one-time distribution of \$10 million of net fiscal 2000 lottery revenues in excess of \$366,813,000 (that would otherwise be paid to the general fund) to a special fund to increase purses at race tracks and to supplement existing bred funds. If lottery revenues do not provide the \$10 million, the Governor may request a deficiency appropriation during the 2000 session to make up the difference.

The bill takes effect June 1, 2000, contingent upon the enactment of SB 813, and sunsets June 30, 2001.

Fiscal Summary

State Effect: The \$10 million distribution to the special horse fund could either affect general fund revenues in FY 2000 or general fund expenditures in FY 2001.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: Chapter 168 of 1999 authorized the one-time distribution of \$10 million of net fiscal 1999 lottery revenues in excess of \$352,175,000 (that would otherwise be paid to the general fund) to a special fund to increase purses at race tracks and to supplement existing bred funds.

State Fiscal Effect: If net lottery revenues in excess of \$366,813,000 are distributed to the

special horse fund, general fund revenues in fiscal 2000 could decrease by up to \$10 million. If distributions to the special fund are made through a deficiency appropriation, general fund expenditures could increase by up to \$10 million in fiscal 2001. Special fund revenues would increase by a corresponding amount in fiscal 2000 and would be distributed as follows:

Distribution of \$10 million to Purses and to the Bred Funds			
Purses (89%)		Bred Funds (11%)	
Thoroughbred	Harness	Maryland-Bred Race Fund	Maryland Standardbred Race Fund
(70%)	(30%)	(70%)	(30%)
\$6,230,000	\$2,670,000	\$770,000	\$330,000

Additional Information

Prior Introductions: None.

Cross File: HB 1055 (Delegates Hixson and C. Davis - Ways and Means) is listed as a cross file although it is different.

Information Source(s): Maryland State Lottery Agency, Maryland Racing Commission, Department of Legislative Services

Fiscal Note History: First Reader - March 12, 2000
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