

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

House Bill 866 (Delegates Hixson and C. Davis)
Ways and Means

Racing - Betting - Satellite Simulcast Facilities

This bill restricts the eligibility requirement for applying for a permit to hold simulcast betting to a racetrack licensee. The bill also provides that the Racing Commission may only award simulcast betting facility permits to different geographic regions of the State as follows:

- Western Maryland Region (Allegany, Garrett, and Washington) -- one permit.
- Capital Region (Frederick, Montgomery, and Prince George's) -- two permits.
- Central Maryland Region (Anne Arundel, Baltimore, Carroll, Harford, Howard, and Baltimore City) -- two permits.
- Southern Maryland Region (Calvert, Charles, and St. Mary's) -- two permits.
- Eastern Shore Region (Caroline, Cecil, Dorchester, Kent, Queen Anne's, Somerset, Talbot, Wicomico, and Worcester) -- one permit.

Permit holders are required to include 95% of the money bet at a satellite simulcast facility in the applicable mutuel pools at the sending track. They are also required to allocate the remaining 5% equally between: (1) counties where tracks are located; and (2) counties where satellite simulcast facilities are located.

Fiscal Summary

State Effect: Potential minimal reduction in State racing tax revenues. Bets are taxed at .32%.

Local Effect: Local government revenues would increase as a result of the requirement that 5% of the money bet at simulcast facilities be distributed to local jurisdictions. The extent of any revenue increase cannot be reliably estimated.

Small Business Effect: Potential meaningful. Two existing simulcast facilities are small businesses that are not racetrack licensees. These businesses could be impacted to the extent that they are no longer able to continue operations.

Analysis

Current Law: Simulcast betting facilities may be operated by a person other than a racetrack licensee. There are no restrictions on the number of simulcast facilities that may be operated in the State. All money bet at a satellite simulcast facility is included in the applicable mutuel pool at the sending track.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader – March 11, 2001
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