

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 80

(Cecil County Delegation)

Ways and Means

Budget and Taxation

Horse Racing at Fair Hill - Union Hospital Allocation - Repeal

This bill repeals a requirement that the Cecil County Breeders' Fair, Inc. allocate all profits earned from racing at Fair Hill, including money from pari-mutuel betting, admission charges, and other receipts, to the Union Hospital of Cecil County.

Fiscal Summary

State Effect: None. The bill does not alter revenues and expenditures of the Fair Hill Improvement Fund.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: The Maryland Racing Commission must issue a license to the Cecil County Breeders' Fair, Inc., or its successor, to hold racing on at least two, but no more than eight, one-day race meetings a year for steeplechase, hurdle, or flat racing at the Fair Hill Natural Resources Management Area.

The Cecil County Breeders' Fair, Inc. must allocate all profits earned from racing at Fair Hill, including money from pari-mutuel betting, admission charges, and other receipts, to the Union Hospital of Cecil County.

Background: The Cecil County Breeders' Fair, Inc., or its successor must deduct 25% from the handle for races held at the Fair Hill Natural Resources Management Area. From that 25%, 9% is required to be paid into the Fair Hill Improvement Fund. The Fair Hill Improvement Fund is used for the operation, maintenance, development, and improvement of the Fair Hill facilities at Fair Hill, Maryland. The Governor's proposed fiscal 2020 State budget assumes \$16,000 in revenues for the Fair Hill Improvement Fund.

The steeplechase races at Fair Hill Races were established by the late William DuPont in 1934. The Cecil County Breeders' Fair, Inc. is scheduled to run steeplechase races at Fair Hill Natural Resources Management Area on May 25, 2019.

Union Hospital is a community hospital located in Elkton, Maryland. For fiscal 2019 the hospital has 72 licensed beds and offers outpatient, surgical, and emergency services, as well as comprehensive health education programs.

The Maryland Racing Commission advises that the revenues generated, after expenses, from the races at Fair Hill in recent years have been insufficient to result in any profits being distributed to Union Hospital. To the extent the races generate profits in the future, these would be retained by the Cecil County Breeders' Fair, Inc.

Additional Information

Prior Introductions: None.

Cross File: SB 132 (Cecil County Senators) - Budget and Taxation.

Information Source(s): Department of Labor, Licensing, and Regulation; Department of Legislative Services

Fiscal Note History: First Reader - January 29, 2019
an/jrb Third Reader - March 18, 2019

Analysis by: Michael Sanelli

Direct Inquiries to:
(410) 946-5510
(301) 970-5510