

HOUSE BILL 1240

C7, C6
HB 1048/25 – W&M

6lr0860
CF SB 639

By: **Delegates Fair and Buckel**

Introduced and read first time: February 11, 2026

Assigned to: Ways and Means and Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Sports Wagering – Wagers on Historical Horse Races – Authorization**

3 FOR the purpose of altering the definition of “sporting event” for purposes of provisions of
4 law governing sports wagering to include historical horse races; authorizing certain
5 sports wagering facility licensees to accept wagers on historical horse races in a
6 certain manner and subject to certain limitations; providing for the distribution of
7 proceeds from sports wagering on historical horse races; submitting this Act to a
8 referendum of the qualified voters of the State; and generally relating to sports
9 wagering on historical horse races.

10 BY repealing and reenacting, without amendments,
11 Article – Economic Development
12 Section 5–1501(b)
13 Annotated Code of Maryland
14 (2024 Replacement Volume and 2025 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Economic Development
17 Section 5–1501(c)(1)
18 Annotated Code of Maryland
19 (2024 Replacement Volume and 2025 Supplement)

20 BY repealing and reenacting, without amendments,
21 Article – State Government
22 Section 9–1A–28(a), 9–1E–01(a), (b), (d), (h), (j) through (n), and (p), and
23 9–1E–06(a)(1) and (2)
24 Annotated Code of Maryland
25 (2021 Replacement Volume and 2025 Supplement)

26 BY repealing and reenacting, with amendments,
27 Article – State Government

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 9–1A–28(b)(1), 9–1E–01(i), 9–1E–09(a) and (b), and 9–1E–12
2 Annotated Code of Maryland
3 (2021 Replacement Volume and 2025 Supplement)

4 BY adding to
5 Article – State Government
6 Section 9–1E–09(f) and 9–1E–09.1
7 Annotated Code of Maryland
8 (2021 Replacement Volume and 2025 Supplement)

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
10 That the Laws of Maryland read as follows:

11 **Article – Economic Development**

12 5–1501.

13 (b) There is a Small, Minority, and Women–Owned Businesses Account under the
14 authority of the Department.

15 (c) (1) The Account shall receive money as required under [~~§ 9–1A–27~~] ~~§§~~
16 ~~9–1A–27 AND 9–1E–12~~ of the State Government Article.

17 **Article – State Government**

18 9–1A–28.

19 (a) There is a Purse Dedication Account under the authority of the State Racing
20 Commission.

21 (b) (1) The Account shall receive money as required under § 9–1A–27 of this
22 subtitle ~~AND § 9–1E–12 OF THIS TITLE~~.

23 9–1E–01.

24 (a) In this subtitle the following words have the meanings indicated.

25 (b) “Commission” has the meaning stated in § 9–1A–01 of this title.

26 (d) “Horse racing licensee” means the holder of a license issued by the State
27 Racing Commission under § 11–510 of the Business Regulation Article.

28 (h) “Proceeds” means the amount of money wagered on a sporting event, less:

29 (1) the amount returned to successful bettors;

1 (2) the cash equivalents of any merchandise or thing of value awarded as
2 a prize to successful bettors;

3 (3) free bets and promotional credits redeemed by bettors; and

4 (4) all excise taxes paid by a sports wagering licensee in accordance with
5 federal law.

6 (i) (1) “Sporting event” means:

7 (i) a professional sports or athletic event;

8 (ii) a collegiate sports or athletic event;

9 (iii) an Olympic or international sports or athletic event;

10 (iv) an electronic sports or video game competition in which each
11 participant is at least 18 years old;

12 (v) a motor race event sanctioned by a motor racing governing entity;

13 (vi) except as otherwise prohibited under Title 11 of the Business
14 Regulation Article or the federal Interstate Horse Racing Act, a **LIVE** horse race, held in or
15 out of the State, if consented to and approved by:

16 1. the horse racing licensee of the applicable breed;

17 2. the organization representing the majority of the owners
18 and trainers of the applicable breed in the State;

19 3. the organization representing the majority of the
20 applicable breeders in the State; and

21 4. the State Racing Commission;

22 **(VII) A HISTORICAL HORSE RACE;**

23 [(vii)] **(VIII)** any portion of a sporting event, including the individual
24 performance statistics of athletes or competitors in a sporting event; or

25 [(viii)] **(IX)** an award event or competition of national or international
26 prominence if expressly authorized by the Commission.

27 (2) “Sporting event” does not include:

28 (i) a high school sports or athletic event; or

1 (ii) a fantasy competition regulated under Subtitle 1D of this title.

2 (j) “Sports wagering” means the business of accepting wagers on any sporting
3 event by any system or method of wagering, including single-game bets, teaser bets,
4 parlays, over-under, moneyline, pools, exchange wagering, in-game wagering, in-play
5 bets, proposition bets, and straight bets.

6 (k) (1) “Sports wagering facility licensee” means a sports wagering licensee
7 who is authorized to conduct and operate sports wagering at the sports wagering facility
8 owned, leased, or occupied by the sports wagering licensee.

9 (2) “Sports wagering facility licensee” includes the holder of a Class A-1,
10 A-2, B-1, or B-2 sports wagering facility license issued under § 9-1E-06 of this subtitle.

11 (l) “Sports wagering license” means a license issued by the Commission under
12 this subtitle that authorizes the holder to accept wagers on sporting events.

13 (m) “Sports wagering licensee” means the holder of a sports wagering license.

14 (n) “Video lottery facility” has the meaning stated in § 9-1A-01 of this title.

15 (p) “Video lottery operator” has the meaning stated in § 9-1A-01 of this title.

16 9-1E-06.

17 (a) (1) On an award of a license by the Sports Wagering Application Review
18 Commission established under § 9-1E-15 of this subtitle, the Commission shall:

19 (i) issue a Class A-1 sports wagering facility license to an applicant
20 that meets the requirements for licensure under this subtitle who is:

21 1. a video lottery operator with more than 1,000 video lottery
22 terminals; or

23 (ii) issue a Class A-2 sports wagering facility license to an applicant
24 that meets the requirements for licensure under this subtitle who is:

25 1. a video lottery operator with 1,000 or fewer video lottery
26 terminals; or

27 2. a horse racing licensee;

28 (iii) subject to paragraphs (2) and (3) of this subsection, issue a Class
29 B-1 sports wagering facility license to any applicant who meets the requirements for
30 licensure under this subtitle and who is not eligible for a Class B-2 sports wagering facility
31 license;

1 (iv) subject to paragraphs (2) and (3) of this subsection, issue a Class
2 B-2 sports wagering facility license to any applicant who is a person with less than:

3 1. 25 full-time equivalent employees; or

4 2. \$3,000,000 in annual gross receipts; and

5 (v) issue not more than 60 mobile sports wagering licenses to any
6 applicant who meets the requirements for licensure under this subtitle.

7 (2) (i) The Commission shall issue a Class B-1 or Class B-2 sports
8 wagering facility license to an applicant that meets the requirements for licensure under
9 this subtitle who is:

10 1. the holder of a license issued by the State Racing
11 Commission under § 11-524 of the Business Regulation Article, including a subsidiary of
12 the license holder;

13 2. a person who is the owner or lessee of a facility approved
14 for satellite simulcast betting before January 1, 2021, unless the satellite simulcast facility
15 is located at a video lottery facility or a racetrack; and

16 3. a person who holds a commercial bingo license, if the
17 facility at which the person operates commercial bingo was permitted to operate at least
18 200 electronic bingo machines or electronic tip jar machines on January 1, 2021.

19 (ii) In addition to the Class B-1 and B-2 sports wagering facility
20 licenses issued in accordance with subparagraph (i) of this paragraph, the Commission may
21 issue not more than 30 Class B-1 and Class B-2 sports wagering facility licenses under
22 paragraph (1) of this subsection.

23 9-1E-09.

24 (a) **[A] EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION,** A sports
25 wagering facility licensee may accept wagers on sporting events that are made:

26 (1) by an individual physically present:

27 (i) at a video lottery facility, if the sports wagering licensee is a video
28 lottery operator;

29 (ii) at Pimlico Race Course or a race track located at Laurel Park, if
30 the sports wagering licensee is a horse racing licensee;

31 (iii) subject to subsection (d) of this section, at a stadium primarily
32 used for professional football (NFL), professional major league baseball, professional
33 hockey (NHL), professional basketball (NBA), or professional soccer (MLS), if the sports

1 wagering licensee is the owner or a lessee or the designee of the owner or lessee of the
2 stadium;

3 (iv) at the Maryland State Fairgrounds in Timonium, if the sports
4 wagering licensee is the holder of a license issued by the State Racing Commission under §
5 11-524 of the Business Regulation Article, or a subsidiary of the license holder;

6 (v) at a satellite simulcast facility, if the sports wagering licensee is
7 the owner or lessee of a satellite simulcast facility described under § 9-1E-06(a)(2) of this
8 subtitle;

9 (vi) at a commercial bingo facility with at least 200 electronic bingo
10 machines or electronic tip jar machines, if the sports wagering licensee is a commercial
11 bingo operator described under § 9-1E-06(a)(2) of this subtitle; or

12 (vii) subject to subsection (e) of this section, at the facility identified
13 in the application approved by the Sports Wagering Application Review Commission, if the
14 sports wagering licensee is a holder of a Class B-1 or B-2 sports wagering facility license;
15 or

16 (2) on a self-service kiosk, device, or machine, approved by the
17 Commission, located in a facility or at a location identified under item (1) of this subsection.

18 (b) **[A] EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, A** mobile
19 sports wagering licensee may accept wagers on sporting events that are made through
20 online sports wagering by an individual physically located in the State.

21 **(F) (1) SUBJECT TO § 9-1E-09.1 OF THIS SUBTITLE, A SPORTS WAGERING**
22 **FACILITY LICENSEE MAY ACCEPT WAGERS ON HISTORICAL HORSE RACES THAT ARE**
23 **MADE BY AN INDIVIDUAL PHYSICALLY PRESENT:**

24 **(I) AT A VIDEO LOTTERY FACILITY, IF THE SPORTS WAGERING**
25 **LICENSEE IS THE HOLDER OF A CLASS A-1 OR A-2 SPORTS WAGERING FACILITY**
26 **LICENSE UNDER § 9-1E-06(A)(1)(I) OR (II) OF THIS SUBTITLE;**

27 **(II) AT A THOROUGHBRED OR STANDARD BRED RACE COURSE, IF**
28 **THE SPORTS WAGERING LICENSEE IS THE HOLDER OF A CLASS A-2 SPORTS**
29 **WAGERING FACILITY LICENSE ISSUED UNDER § 9-1E-06(A)(1)(II) OF THIS**
30 **SUBTITLE;**

31 **(III) AT THE MARYLAND STATE FAIRGROUNDS IN TIMONIUM, IF**
32 **THE SPORTS WAGERING LICENSEE IS THE HOLDER OF A LICENSE ISSUED BY THE**
33 **STATE RACING COMMISSION UNDER § 11-524 OF THE BUSINESS REGULATION**
34 **ARTICLE, OR A SUBSIDIARY OF THE LICENSE HOLDER; OR**

1 (IV) AT A SATELLITE SIMULCAST FACILITY, IF THE SPORTS
2 WAGERING LICENSEE IS THE OWNER OR LESSEE OF A SATELLITE SIMULCAST
3 FACILITY DESCRIBED UNDER § 9-1E-06(A)(2) OF THIS SUBTITLE.

4 (2) A SPORTS WAGERING FACILITY LICENSEE THAT IS NOT
5 DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION OR A MOBILE SPORTS
6 WAGERING LICENSEE MAY NOT ACCEPT WAGERS ON HISTORICAL HORSE RACES.

7 9-1E-09.1.

8 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
9 INDICATED.

10 (2) "MINUS POOL" MEANS A MUTUEL POOL IN WHICH THE AMOUNT
11 OF MONEY TO BE DISTRIBUTED ON WINNING WAGERS EXCEEDS THE AMOUNT OF
12 MONEY CONTAINED IN THAT MUTUEL POOL.

13 (3) "MUTUEL POOL" HAS THE MEANING STATED IN § 11-101 OF THE
14 BUSINESS REGULATION ARTICLE.

15 (4) "PARI-MUTUEL BETTING" HAS THE MEANING STATED IN § 11-101
16 OF THE BUSINESS REGULATION ARTICLE.

17 (B) THIS SECTION APPLIES ONLY TO A SPORTS WAGERING FACILITY
18 LICENSEE AUTHORIZED TO OFFER SPORTS WAGERING ON HISTORICAL HORSE
19 RACING IN ACCORDANCE WITH § 9-1E-09 OF THIS SUBTITLE.

20 (C) SPORTS WAGERING ON HISTORICAL HORSE RACES:

21 (1) SHALL BE CONDUCTED AS PARI-MUTUEL BETTING; AND

22 (2) MAY BE CONDUCTED ON HISTORICAL HORSE RACES OF ANY
23 BREED.

24 (D) (1) SPORTS WAGERING ON HISTORICAL HORSE RACES MAY BE
25 PERMITTED ONLY IN A DESIGNATED AREA ON THE PREMISES OF THE SPORTS
26 WAGERING FACILITY LICENSEE THAT IS APPROVED BY THE COMMISSION.

27 (2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE
28 SPORTS WAGERING FACILITY LICENSEE SHALL POST IN CONSPICUOUS PLACES IN
29 THE DESIGNATED AREA A GENERAL EXPLANATION OF PARI-MUTUEL BETTING
30 OFFERED ON HISTORICAL HORSE RACES AND AN EXPLANATION OF EACH
31 PARI-MUTUEL POOL OFFERED.

1 **(II) THE SPORTS WAGERING FACILITY LICENSEE SHALL SUBMIT**
2 **THE EXPLANATION TO THE COMMISSION FOR APPROVAL BEFORE POSTING THE**
3 **EXPLANATION.**

4 **(E) A SPORTS WAGERING FACILITY LICENSEE MAY CONDUCT WAGERING ON**
5 **HISTORICAL HORSE RACES ONLY ON THE DAYS AND HOURS APPROVED BY THE**
6 **COMMISSION.**

7 **(F) BEFORE OFFERING WAGERING ON HISTORICAL HORSE RACES, A SPORTS**
8 **WAGERING FACILITY LICENSEE SHALL FIRST OBTAIN THE COMMISSION'S WRITTEN**
9 **APPROVAL OF ALL TYPES OF WAGERS OFFERED.**

10 **(G) (1) (I) AN INDIVIDUAL MAY WAGER ON HISTORICAL HORSE RACES**
11 **ONLY ON A TERMINAL APPROVED BY THE COMMISSION.**

12 **(II) SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH,**
13 **THE COMMISSION SHALL APPROVE THE TOTAL NUMBER OF TERMINALS THAT MAY**
14 **BE AVAILABLE AT THE SPORTS WAGERING FACILITY.**

15 **(III) THE COMMISSION MAY NOT AUTHORIZE THE OPERATION OF**
16 **MORE THAN 4,000 TERMINALS UNDER THIS SECTION.**

17 **(2) APPROXIMATE ODDS OR PAYOUTS FOR EACH PARI-MUTUEL POOL**
18 **SHALL BE POSTED OR MADE AVAILABLE ON EACH TERMINAL FOR VIEWING BY**
19 **INDIVIDUAL BETTORS.**

20 **(3) ONCE A BETTOR DEPOSITS AN AMOUNT IN THE TERMINAL**
21 **OFFERING WAGERING ON HISTORICAL HORSE RACES, ONE OR MORE HISTORICAL**
22 **HORSE RACES SHALL BE MADE AVAILABLE FOR WAGERING.**

23 **(4) BEFORE THE BETTOR MAKES ANY WAGER SELECTIONS, THE**
24 **TERMINAL MAY NOT DISPLAY ANY INFORMATION THAT WOULD ALLOW THE BETTOR**
25 **TO IDENTIFY THE HISTORICAL HORSE RACE OR RACES ON WHICH THE BETTOR IS**
26 **WAGERING, INCLUDING THE LOCATION OF THE RACE OR RACES, THE DATE ON**
27 **WHICH THE RACE OR RACES WERE RUN, THE NAMES OF THE HORSES IN THE RACE**
28 **OR RACES, OR THE NAMES OF THE JOCKEYS OR DRIVERS THAT RODE THE HORSES**
29 **IN THE RACE OR RACES.**

30 **(5) (I) THE TERMINAL SHALL MAKE AVAILABLE TRUE AND**
31 **ACCURATE PAST PERFORMANCE INFORMATION ON THE HISTORICAL HORSE RACE**
32 **TO THE BETTOR BEFORE THE BETTOR MAKES THE BETTOR'S WAGER SELECTIONS.**

1 **(II) THE INFORMATION PROVIDED UNDER SUBPARAGRAPH (I)**
2 **OF THIS PARAGRAPH SHALL BE:**

3 1. **CURRENT AS OF THE DAY THE HISTORICAL HORSE**
4 **RACE WAS ACTUALLY RUN; AND**

5 2. **DISPLAYED ON THE TERMINAL IN DATA OR**
6 **GRAPHICAL FORM.**

7 **(6) (I) AFTER A BETTOR FINALIZES THE BETTOR'S WAGER**
8 **SELECTIONS, THE TERMINAL SHALL DISPLAY:**

9 1. **THE BETTOR'S SELECTIONS;**

10 2. **THE OFFICIAL RESULTS OF EACH RACE; AND**

11 3. **A REPLAY OF THE RACE OR RACES, OR A PORTION**
12 **THEREOF, WHETHER BY DIGITAL OR ANIMATED DEPICTION OR BY WAY OF A VIDEO**
13 **RECORDING.**

14 **(II) THE IDENTITY OF EACH RACE SHALL BE REVEALED TO THE**
15 **BETTOR AFTER THE BETTOR HAS PLACED THE BETTOR'S WAGER.**

16 **(H) (1) A WAGER ON A HISTORICAL HORSE RACE OR ON MULTIPLE**
17 **HISTORICAL HORSE RACES SHALL BE PLACED IN PARI-MUTUEL POOLS APPROVED**
18 **BY THE COMMISSION.**

19 **(2) A PAYOUT TO A WINNING BETTOR SHALL BE PAID FROM MONEY**
20 **WAGERED BY BETTORS AND MAY NOT CONSTITUTE A WAGER AGAINST THE SPORTS**
21 **WAGERING FACILITY LICENSEE.**

22 **(3) A SPORTS WAGERING FACILITY LICENSEE CONDUCTING**
23 **WAGERING ON HISTORICAL HORSE RACES MAY NOT CONDUCT WAGERING IN A**
24 **MANNER THAT RESULTS IN BETTORS WAGERING AGAINST THE SPORTS WAGERING**
25 **FACILITY LICENSEE, OR IN A MANNER SO THAT THE AMOUNT RETAINED BY THE**
26 **SPORTS WAGERING FACILITY LICENSEE IS DEPENDENT ON THE OUTCOME OF ANY**
27 **PARTICULAR RACE OR THE SUCCESS OF ANY PARTICULAR WAGER.**

28 **(I) (1) A SPORTS WAGERING FACILITY SHALL OPERATE A HISTORICAL**
29 **HORSE RACING PARI-MUTUEL POOL OR POOLS IN A MANNER AND METHOD**
30 **APPROVED BY THE COMMISSION.**

1 **(2) A SPORTS WAGERING FACILITY LICENSEE OFFERING WAGERING**
2 **ON HISTORICAL HORSE RACES MAY OPERATE A PLAYER-FUNDED POOL OR POOLS IN**
3 **A MANNER AND METHOD APPROVED BY THE COMMISSION FOR THE PURPOSE OF**
4 **ENSURING THAT SUFFICIENT FUNDS ARE AVAILABLE AT ALL TIMES TO PAY ANY**
5 **WINNING WAGERS IN SITUATIONS WHERE A PARI-MUTUEL POOL BECOMES A MINUS**
6 **POOL.**

7 **(3) FOR EACH WAGER MADE, A SPORTS WAGERING FACILITY**
8 **LICENSEE MAY ASSIGN A PERCENTAGE OF THE WAGER TO A PLAYER-FUNDED POOL**
9 **OR POOLS.**

10 **(J) (1) THE MINIMUM WAGER THAT A SPORTS WAGERING FACILITY**
11 **LICENSEE MAY ACCEPT ON A WAGER BASED ON THE OUTCOME OF A HISTORICAL**
12 **HORSE RACE OR RACES IS 10 CENTS.**

13 **(2) THE MINIMUM PAYOUT ON ANY WAGER MAY NOT BE LESS THAN**
14 **THE AMOUNT WAGERED.**

15 9-1E-12.

16 (a) **[(1)]** The Commission shall account to the Comptroller for all of the revenue
17 under this subtitle.

18 **[(2)] (B) (1)** The proceeds from sports wagering **ON ANY SPORTING**
19 **EVENT OTHER THAN HISTORICAL HORSE RACES**, less the amount retained by the
20 licensee under [subsection (b)(1) of this section] **PARAGRAPH (2) OF THIS SUBSECTION**,
21 shall be under the control of the Comptroller and distributed as provided under
22 **PARAGRAPH (3) OF THIS** subsection [(b) of this section].

23 **[(b) (1)] (2)** (i) Except as provided in subparagraphs (ii), (iii), and (iv) of
24 this paragraph, all proceeds from sports wagering shall be electronically transferred
25 monthly into the State Lottery Fund established under Subtitle 1 of this title.

26 (ii) A Class A-1 and A-2 sports wagering facility licensee shall
27 retain 85% of the proceeds from sports wagering conducted at the locations described in §
28 9-1E-09(a) of this subtitle.

29 (iii) A Class B-1 and B-2 sports wagering facility licensee shall
30 retain 85% of the proceeds from sports wagering conducted at the location described in the
31 licensee's application.

32 (iv) A mobile sports wagering licensee shall retain 80% of the
33 proceeds from online sports wagering received by the licensee.

1 **[(2)] (3)** (i) Except as provided in subparagraph (ii) of this paragraph,
2 all proceeds from sports wagering in the State Lottery Fund established under Subtitle 1
3 of this title shall be distributed on a monthly basis, on a properly approved transmittal
4 prepared by the Commission to the Blueprint for Maryland's Future Fund established
5 under § 5–206 of the Education Article.

6 (ii) For fiscal year 2026 and each fiscal year thereafter, 5% of the
7 proceeds attributable to mobile sports wagering shall be deposited in the General Fund.

8 (c) **(1) THE PROCEEDS FROM SPORTS WAGERING ON HISTORICAL HORSE**
9 **RACES, LESS THE AMOUNT RETAINED BY THE LICENSEE UNDER PARAGRAPH (2) OF**
10 **THIS SUBSECTION, SHALL BE UNDER THE CONTROL OF THE COMPTROLLER AND**
11 **DISTRIBUTED AS PROVIDED UNDER PARAGRAPH (3) OF THIS SUBSECTION.**

12 **(2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPHS (II) AND (III) OF**
13 **THIS PARAGRAPH, ALL PROCEEDS FROM SPORTS WAGERING ON HISTORICAL HORSE**
14 **RACES SHALL BE TRANSFERRED ELECTRONICALLY MONTHLY INTO THE STATE**
15 **LOTTERY FUND ESTABLISHED UNDER SUBTITLE 1 OF THIS TITLE.**

16 **(II) IF THE SPORTS WAGERING FACILITY LICENSEE IS A VIDEO**
17 **LOTTERY OPERATOR, THE SPORTS WAGERING FACILITY LICENSEE SHALL RETAIN**
18 **THE SAME PERCENTAGE OF THE PROCEEDS FROM HISTORICAL HORSE RACES THAT**
19 **THE VIDEO LOTTERY OPERATOR RETAINS FROM PROCEEDS FROM VIDEO LOTTERY**
20 **TERMINALS UNDER § 9–1A–27(A)(2), (7), AND (8), (B), AND (C)(1)(II) AND (2) OF THIS**
21 **TITLE.**

22 **(III) A SPORTS WAGERING FACILITY LICENSEE THAT IS NOT A**
23 **VIDEO LOTTERY OPERATOR SHALL RETAIN 60% OF THE PROCEEDS FROM**
24 **HISTORICAL HORSE RACES WAGERS AT THE SPORTS WAGERING FACILITY.**

25 **(3) ON A MONTHLY BASIS, THE COMPTROLLER SHALL DISTRIBUTE**
26 **THE PROCEEDS FROM SPORTS WAGERING ON HISTORICAL HORSE RACES IN THE**
27 **STATE LOTTERY FUND ESTABLISHED UNDER SUBTITLE 1 OF THIS TITLE IN THE**
28 **FOLLOWING MANNER:**

29 **(I) THE SAME PERCENTAGE OF PROCEEDS SHALL BE**
30 **DISTRIBUTED AS LOCAL IMPACT GRANTS AND TO THE STATE LOTTERY AND GAMING**
31 **CONTROL AGENCY, THE PURSE DEDICATION ACCOUNT, AND THE SMALL,**
32 **MINORITY, AND WOMEN–OWNED BUSINESSES ACCOUNT IN THE SAME MANNER AS**
33 **PROCEEDS FROM VIDEO LOTTERY TERMINALS UNDER § 9–1A–27 OF THIS TITLE;**

34 **(II) 5% OF THE PROCEEDS SHALL BE DEPOSITED IN THE**
35 **GENERAL FUND; AND**

1 **(III) THE REMAINDER OF THE PROCEEDS SHALL BE**
2 **DISTRIBUTED TO THE BLUEPRINT FOR MARYLAND’S FUTURE FUND ESTABLISHED**
3 **UNDER § 5-206 OF THE EDUCATION ARTICLE.**

4 **(D)** A winning wager on a sporting event that is not claimed by the winner within
5 182 days after the wager is won shall:

6 (1) become the property of the State; and

7 (2) be distributed to the Problem Gambling Fund established under §
8 9-1A-33 of this title.

9 **[(d)] (E)** If a sports wagering licensee returns to successful players more than
10 the amount of money wagered in any month, the licensee may subtract that amount from
11 the proceeds of up to the three following months.

12 **[(e)] (F)** The admissions and amusement tax may not be imposed on any
13 proceeds from sports wagering.

14 **SECTION 2. AND BE IT FURTHER ENACTED,** That before this Act, which
15 authorizes additional forms or expansion of commercial gaming, becomes effective, it first
16 shall be submitted to a referendum of the qualified voters of the State at the general
17 election to be held in November 2026, in accordance with Article XIX, § 1(e) of the Maryland
18 Constitution. The State Board of Elections shall do those things necessary and proper to
19 provide for and hold the referendum required by this section. If a majority of the votes cast
20 on the question are “For the referred law”, this Act shall become effective on January 1,
21 2027, but if a majority of the votes cast on the question are “Against the referred law”, this
22 Act, with no further action required by the General Assembly, shall be null and void.

23 **SECTION 3. AND BE IT FURTHER ENACTED,** That, subject to Section 2 of this
24 Act and for the sole purpose of providing for the referendum required by Section 2 of this
25 Act, this Act shall take effect July 1, 2026.