

HOUSE BILL 1581

C6, C7, C8

6lr0348

By: **Chair, Appropriations Committee (By Request – Departmental – Stadium Authority) and Delegates Beauchamp, Harrison, Ivey, D. Jones, Ruff, Shetty, and Toles**

Introduced and read first time: February 13, 2026

Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 8, 2026

CHAPTER _____

1 AN ACT concerning

2 ~~Horse Racing – Facility Ownership, Development, Licensing, and Operations~~
3 Economic Development – Horse Racing Facilities, Prince George’s County Blue
4 Line Corridor Facilities, and Bus Rapid Transit – Alterations

5 FOR the purpose of altering the entities to which the State Racing Commission may issue
6 a license and award racing days for racing at mile tracks; altering the circumstances
7 under which the Preakness Stakes may be transferred to another track in the State;
8 altering the definitions of “Prince George’s County Blue Line Corridor” and “Prince
9 George’s County Blue Line Corridor facility” for the purposes of expanding the
10 location of the corridor and types of facilities that may be located in the corridor;
11 altering certain requirements for the thoroughbred racetrack operator of and certain
12 long-term agreements related to the Pimlico racing facility site; providing that the
13 Maryland Stadium Authority is the successor of the Maryland Thoroughbred
14 Racetrack Operating Authority for the operation of a certain racing and community
15 development project; requiring the thoroughbred racetrack operator to prepare
16 certain financial statements and provide those statements to the Maryland Stadium
17 Authority in a certain manner; requiring certain income of the thoroughbred
18 racetrack operator to be distributed in a certain manner; increasing the amount of
19 bonds that the Maryland Stadium Authority may issue for the Prince George’s
20 County Blue Line Corridor; increasing the amount that the Comptroller is required
21 to distribute from the State Lottery Fund to certain funds; requiring the Governor
22 to include in the annual budget bill an appropriation to a certain fund for backstretch
23 housing facilities at Laurel Park; altering certain distributions from the Purse

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Dedication Account; altering a grant program for certain bus rapid transit systems
 2 to require that Montgomery County, instead of other counties or municipal
 3 corporations, be the grantee under the program; providing for the duration of a grant
 4 agreement under a certain bus rapid transit grant program; increasing the amount
 5 of an appropriation that the Governor is required to include in the annual budget
 6 bill each year for the Bus Rapid Transit Fund; and generally relating to horse racing
 7 in the State.

8 BY repealing and reenacting, without amendments,
 9 Article – Business Regulation
 10 Section 11–510(a) and 11–520(a)
 11 Annotated Code of Maryland
 12 (2024 Replacement Volume and 2025 Supplement)

13 BY repealing and reenacting, with amendments,
 14 Article – Business Regulation
 15 Section 11–510(b) and 11–520(b)
 16 Annotated Code of Maryland
 17 (2024 Replacement Volume and 2025 Supplement)

18 BY repealing and reenacting, without amendments,
 19 Article – Economic Development
 20 Section ~~10–601(b)~~ 10–601(a) and (b), (vv)(1), and (xx) and 10–657.3(a)
 21 Annotated Code of Maryland
 22 (2024 Replacement Volume and 2025 Supplement)

23 ~~BY adding to~~
 24 ~~Article – Economic Development~~
 25 ~~Section 10–601(hhh) and 10–646.1(j)~~
 26 ~~Annotated Code of Maryland~~
 27 ~~(2024 Replacement Volume and 2025 Supplement)~~

28 BY repealing and reenacting, with amendments,
 29 Article – Economic Development
 30 Section ~~10–601(hhh) and 10–646.1(d) and (i)~~ 10–601(mm), (nn), and (hhh),
 31 10–628(c)(1)(xi), 10–646.1(d) and (i), 10–646.4(f), and 10–657.3(c)
 32 Annotated Code of Maryland
 33 (2024 Replacement Volume and 2025 Supplement)

34 ~~BY repealing and reenacting, without amendments,~~
 35 ~~Article – State Government~~
 36 ~~Section 9–1A–28(a)~~
 37 ~~Annotated Code of Maryland~~
 38 ~~(2021 Replacement Volume and 2025 Supplement)~~

39 BY adding to
 40 Article – Economic Development

1 Section 10–601(hhh), 10–646.1(j), and 10–657.3(g)
 2 Annotated Code of Maryland
 3 (2024 Replacement Volume and 2025 Supplement)

4 BY repealing and reenacting, with amendments,
 5 Article – State Government
 6 Section 9–120(b)(1)(iv) and (xii) and 9–1A–28(b)
 7 Annotated Code of Maryland
 8 (2021 Replacement Volume and 2025 Supplement)

9 BY repealing and reenacting, without amendments,
 10 Article – State Government
 11 Section 9–120(b)(1)(xi) and (xv) and 9–1A–28(a)
 12 Annotated Code of Maryland
 13 (2021 Replacement Volume and 2025 Supplement)

14 BY repealing and reenacting, with amendments,
 15 Article – Transportation
 16 Section 2–802, 2–802.1(c), and 7–205.1
 17 Annotated Code of Maryland
 18 (2020 Replacement Volume and 2025 Supplement)

19 BY repealing and reenacting, without amendments,
 20 Article – Transportation
 21 Section 2–802.1(a) and (b)
 22 Annotated Code of Maryland
 23 (2020 Replacement Volume and 2025 Supplement)

24 BY repealing and reenacting, with amendments,
 25 Chapter 604 of the Acts of the General Assembly of 2025
 26 Section 25

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

29 **Article – Business Regulation**

30 11–510.

31 (a) Except as provided in subsection (b) of this section, the Commission may not
 32 issue a license, or award racing days, for racing at a mile track.

33 (b) The Commission may issue a license and award racing days only to[:

34 (1)] the Maryland Jockey Club [of Baltimore City], Inc.[: and

(2) the Laurel Racing Assoc., Inc.], OR A SUCCESSOR THOROUGHBRED RACETRACK OPERATOR DESIGNATED BY THE MARYLAND STADIUM AUTHORITY UNDER § 10-646.1 OF THE ECONOMIC DEVELOPMENT ARTICLE.

11-520.

(a) The requirements of this section are established in recognition of the significance of the Preakness Stakes to the State.

(b) The Preakness Stakes may be TEMPORARILY transferred to another track in the State only:

(1) as a result of a disaster or emergency; or

(2) during the reconstruction of Pimlico Race Course, subject to the approval of the [Maryland Thoroughbred Racetrack Operating Authority] **MARYLAND STADIUM AUTHORITY.**

Article – Economic Development

10-601.

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

(b) “Authority” means the Maryland Stadium Authority.

(mm) “Prince George’s County Blue Line Corridor” means an area[,]:

(1) the specific boundaries of which are designated by public local law, in central Prince George’s County in the intersections of Maryland Route 704, Maryland Route 214, and Maryland Route 202; OR

(2) THAT IS DESIGNATED AS AN ENTERPRISE ZONE IN PRINCE GEORGE’S COUNTY UNDER § 5-704 OF THIS ARTICLE.

(nn) [(1)] “Prince George’s County Blue Line Corridor facility” means a facility located within the Prince George’s County Blue Line Corridor that is:

[(i)] (1) a convention center;

[(ii)] (2) an arts and entertainment amphitheater; [and]

(3) A MARKET HALL;

(4) A SPORTS-RELATED FACILITY, INCLUDING A SPORTS STADIUM, PRACTICE FIELD, OR TEAM HEADQUARTERS;

1 **(5) A MIXED-USE DEVELOPMENT;**

2 **(6) A TECHNOLOGY INNOVATION CENTER;**

3 **(7) RELATED TO COMMERCIAL DEVELOPMENT AND**
 4 **REVITALIZATION; AND**

5 **[(iii) (8) any other functionally related structures,**
 6 **improvements, infrastructure, furnishings, or equipment of the facility, including parking**
 7 **garages.**

8 **[(2) “Prince George’s County Blue Line Corridor facility” does not include a**
 9 **sports facility.]**

10 (vv) (1) “Racing and community development projects” means improvements to
 11 the Pimlico racing facility site, Pimlico site, and training facility site.

12 (xx) “Racing facility” means the Pimlico site and the training facility site and any
 13 facilities or other improvements on the Pimlico site or the training facility site.

14 **(HHH) “THOROUGHBRED RACETRACK OPERATOR” MEANS THE**
 15 **MARYLAND JOCKEY CLUB, INC., OR A SUCCESSOR BUSINESS ENTITY DESIGNATED**
 16 **BY THE AUTHORITY IN ACCORDANCE WITH § 10-646.1 OF THIS SUBTITLE.**

17 **[(hhh) (III) “Training facility site” means a site for training thoroughbred**
 18 **racehorses selected or acquired by the [Maryland Thoroughbred Racetrack Operating]**
 19 **Authority.**

20 10-628.

21 (c) (1) Unless authorized by the General Assembly, the Board of Public Works
 22 may not approve an issuance by the Authority of bonds, whether taxable or tax exempt,
 23 that constitute tax supported debt or nontax supported debt if, after issuance, there would
 24 be outstanding and unpaid more than the following face amounts of the bonds for the
 25 purpose of financing acquisition, construction, renovation, and related expenses for
 26 construction management, professional fees, and contingencies in connection with:

27 (xi) Prince George’s County Blue Line Corridor facilities –
 28 [\$400,000,000] \$450,000,000.

29 10-646.1.

30 (d) (1) In this subsection, “long-term agreement” includes a lease, operating,
 31 joint venture, or management agreement with a minimum term established by the
 32 Authority.

1 (2) The Authority shall ensure that the following agreements are executed:

2 (i) subject to paragraph (3) of this subsection, a long-term
3 agreement regarding management and operations [at] OF the Pimlico racing facility site;
4 and

5 (ii) agreements between the Authority and project entities for the
6 planning, design, and construction of a racing facility.

7 (3) (i) Subject to subparagraph (ii) of this paragraph, the long-term
8 agreement required under paragraph (2)(i) of this subsection shall:

9 1. ensure the continuity of the Preakness Stakes at the
10 Pimlico racing facility site **AFTER RECONSTRUCTION BY THE AUTHORITY; AND**

11 2. [be contingent on the conveyance or conveyances in fee
12 simple of the Pimlico site, in whole or in part, to the Maryland Thoroughbred Racetrack
13 Operating Authority, Baltimore City, the Baltimore Development Corporation or its
14 successor or assigns, or any designated project entity; and

15 3.] establish:

16 A. the right of the [Authority or an entity designated by the
17 Authority] **THOROUGHBRED RACETRACK OPERATOR** to manage and operate the Pimlico
18 [Clubhouse and Events Facility, grounds, and any] **RACING facility SITE;**

19 B. the obligation of the [Authority or an entity designated by
20 the Authority] **THOROUGHBRED RACETRACK OPERATOR** to operate, maintain as a
21 first-class facility, in good condition, repair, and secure the Pimlico racing facility site
22 during periods identified in the long-term agreement; and

23 C. the obligation of the [Authority or an entity designated by
24 the Authority] **THOROUGHBRED RACETRACK OPERATOR** to cooperate with respect to
25 the provision of adequate parking and efficient transportation plans around the Pimlico
26 racing facility site.

27 (ii) 1. If thoroughbred racing is no longer a lawful activity, or is
28 otherwise rendered not commercially viable as a result of a change in law or regulation, the
29 parties to the long-term agreement shall notify the Board of Public Works at least 180 days
30 before the expiration or termination of the long-term agreement.

31 2. The notice required under subparagraph 1 of this
32 subparagraph shall contain a [wind-down] plan **FOR ALTERNATIVE USES FOR THE**
33 **PIMLICO RACING FACILITY SITE THAT PROVIDE A NECESSARY OR BENEFICIAL**

1 PUBLIC PURPOSE AND A PROCESS FOR COMMUNITY INPUT THAT IS FACILITATED BY
2 THE PIMLICO COMMUNITY ADVISORY BOARD.

3 3. The long-term agreement required under paragraph (2)(i)
4 of this subsection shall [contain dispute resolution provisions, including expedited review,
5 in the event that] **PROVIDE THAT IF** there is a dispute among the parties regarding the
6 existence of the conditions described in subsubparagraph 1 of this subparagraph or the
7 contents of the [wind-down] plan **FOR ALTERNATIVE USES, THE AUTHORITY IS**
8 **AUTHORIZED TO ADJUDICATE THE DISPUTE AS A CONTESTED CASE UNDER TITLE**
9 **10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE, INCLUDING**
10 **AUTHORIZATION TO DELEGATE ALL OR A PORTION OF THE ADJUDICATION TO THE**
11 **OFFICE OF ADMINISTRATIVE HEARINGS AS DETERMINED IN THE SOLE DISCRETION**
12 **OF THE AUTHORITY.**

13 (i) (1) For the purpose of the planning, design, construction, and ownership of
14 a racing and community development project under this subtitle, the Authority is the
15 successor entity to the Maryland Thoroughbred Racetrack Operating Authority.

16 (2) For the purpose of the operation of a racing and community
17 development project under this subtitle, the [Maryland Economic Development
18 Corporation] **AUTHORITY** is the successor entity to the Maryland Thoroughbred Racetrack
19 Operating Authority.

20 (3) The Authority [and the Maryland Economic Development Corporation]
21 may enter into any agreements necessary to carry out the provisions of this section.

22 (4) [A nonprofit operator of a racing and community development project]
23 **THE THOROUGHBRED RACETRACK OPERATOR:**

24 (i) **SHALL BE A NONSTOCK CORPORATION FORMED UNDER THE**
25 **LAWS OF THE STATE AND NOT OPERATED FOR PROFIT;**

26 (ii) **(II)** may not be construed to be an agency or instrumentality of the
27 State or a unit of the Executive Branch for any purpose;

28 (iii) **(III)** may be replaced with another business entity [with the
29 concurrent approval of] **DESIGNATED BY** the Authority [and the Maryland Economic
30 Development Corporation] **IN ACCORDANCE WITH THE TERMS OF THE**
31 **LONG-TERM AGREEMENT;** and

32 (iv) **(IV)** shall reimburse the Authority for the cost of a full-time
33 auditor responsible for overseeing the financial transactions and records relating to racing
34 and community project costs and ongoing operations.

(J) (1) THE THOROUGHBRED RACETRACK OPERATOR SHALL PREPARE ACCRUAL BASIS FINANCIAL STATEMENTS AT THE CLOSE OF EACH FISCAL YEAR AND PROVIDE A COPY OF THOSE FINANCIAL STATEMENTS TO THE AUTHORITY ANNUALLY.

(2) THE ACCRUAL BASIS FINANCIAL STATEMENTS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL DESCRIBE THE CURRENT FINANCIAL CONDITIONS OF THE THOROUGHBRED RACETRACK OPERATOR AND INCLUDE A STATEMENT OF OPERATING PROFIT OR LOSS.

(3) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, BEGINNING WITH THE FIRST FULL FISCAL YEAR OF THOROUGHBRED RACING OPERATIONS AT THE RECONSTRUCTED PIMLICO RACING FACILITY, 10% OF THE ANNUAL NET INCOME OF THE THOROUGHBRED RACETRACK OPERATOR SHALL BE DISTRIBUTED EACH YEAR ~~IN THE MANNER DESCRIBED UNDER § 9-1A-31(A)(3)(II) OF THE STATE GOVERNMENT ARTICLE AS LOCAL IMPACT GRANTS TO THE PIMLICO COMMUNITY DEVELOPMENT AUTHORITY TO BE DISTRIBUTED TO DESIGNATED COMMUNITY DEVELOPMENT ORGANIZATIONS ASSIGNED TO THE IMPACTED COMMUNITIES FOR COMMUNITY DEVELOPMENT ACTIVITIES OUTLINED IN THE ADOPTED PIMLICO AREA JOINT PLAN.~~

(II) BEFORE CALCULATING THE AMOUNT TO BE DISTRIBUTED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE ANNUAL NET INCOME OF THE THOROUGHBRED RACETRACK OPERATOR SHALL BE REDUCED BY ~~ALL STATE GRANTS~~, CONTRIBUTIONS FROM ANY THOROUGHBRED PURSE ACCOUNT, AND THE CUMULATIVE OPERATING LOSSES CARRIED FORWARD, IF ANY, FROM THE PRIOR YEARS OF OPERATION.

10-646.4.

(f) For fiscal year [2024] 2027 and each fiscal year thereafter, until the bonds that have been issued to finance Prince George's County Blue Line Corridor facilities are no longer outstanding and unpaid, the Comptroller shall deposit into the Prince George's County Blue Line Corridor Facility Fund an amount not to exceed [\$27,000,000] \$31,000,000 from the State Lottery Fund under § 9-120(b)(1)(xi) of the State Government Article.

10-657.3.

(a) There is a Racing and Community Development Facilities Fund.

(c) Subject to [subsection (f)] SUBSECTIONS (F) AND (G) of this section and to the extent considered appropriate by the Authority, the money in the Racing and

1 Community Development Facilities Fund shall be used to pay the following costs relating
 2 to racing facilities projects:

3 (1) debt service on Authority bonds;

4 (2) design and construction costs relating to racing facilities projects;

5 (3) to the extent authorized by federal tax law, transition costs and
 6 reimbursements, costs of start-up, administration, overhead, and operations related to the
 7 management of improvements to racing facilities projects authorized under this subtitle
 8 and undertaken by the Authority; and

9 (4) all reasonable charges and expenses related to the Authority's
 10 administration of the Racing and Community Development Financing Fund and the Racing
 11 and Community Development Facilities Fund and the management of the Authority's
 12 obligations.

13 **(G) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, FOR FISCAL**
 14 **YEAR 2028, THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN**
 15 **APPROPRIATION OF \$5,000,000 TO THE RACING AND COMMUNITY DEVELOPMENT**
 16 **FACILITIES FUND.**

17 **(2) THE AUTHORITY SHALL USE THE FUNDS INCLUDED IN THE**
 18 **ANNUAL BUDGET BILL UNDER PARAGRAPH (1) OF THIS SUBSECTION FOR THE**
 19 **ACQUISITION, PLANNING, DESIGN, CONSTRUCTION, REPAIR, RENOVATION,**
 20 **RECONSTRUCTION, SITE IMPROVEMENT, AND CAPITAL EQUIPPING OF**
 21 **BACKSTRETCH HOUSING FACILITIES AT LAUREL PARK.**

22 Article – State Government

23 9–120.

24 (b) (1) By the end of the month following collection, the Comptroller shall
 25 deposit, cause to be deposited, or pay:

26 (iv) after June 30, [2021] 2026, into the Racing and Community
 27 Development Financing Fund established under § 10–657.2 of the Economic Development
 28 Article from the money that remains in the State Lottery Fund, after the distribution under
 29 subsection (a) of this section, an amount equal to [at least \$17,000,000] \$27,000,000 in
 30 each fiscal year until the bonds issued for a racing facility have matured;

31 (xi) after June 30, 2024, into the Bus Rapid Transit Fund established
 32 under § 2–802.1 of the Transportation Article for bus rapid transit system grants in
 33 accordance with § 2–802 of the Transportation Article from the money that remains in the
 34 State Lottery Fund from the proceeds of all lotteries after the distributions under
 35 subsection (a) of this section and items (i) through (x) of this paragraph;

1 1. for fiscal year 2025, an amount equal to \$27,000,000 in
2 each fiscal year; and

3 2. for each fiscal year thereafter, an amount equal to
4 \$17,000,000 in each fiscal year;

5 (xii) after June 30, [2024] 2026, into the Prince George's County Blue
6 Line Corridor Facility Fund established under § 10-657.6 of the Economic Development
7 Article from the money that remains in the State Lottery Fund from the proceeds of all
8 lotteries after the distributions under subsection (a) of this section and items (i) through
9 (xi) of this paragraph, [\$27,000,000] \$31,000,000;

10 (xv) into the General Fund of the State the money that remains in the
11 State Lottery Fund from the proceeds of all lotteries after the distributions under
12 subsection (a) of this section and items (i) through (xiv) of this paragraph.

13 9-1A-28.

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

16 (b) (1) The Account shall receive money as required under § 9-1A-27 of this
17 subtitle.

18 (2) Money in the Account shall be invested and reinvested by the Treasurer
19 and interest and earnings shall accrue to the Account.

20 (3) The Comptroller shall:

21 (i) account for the Account;

22 (ii) [for fiscal year 2021, transfer \$5,000,000, from the portion of the
23 proceeds in the Account allocated to thoroughbred purses under subsection (c)(1) of this
24 section, to the Racing and Community Development Facilities Fund established under §
25 10-657.3 of the Economic Development Article;

26 (iii)] for fiscal year 2022 and each fiscal year thereafter, on a properly
27 approved transmittal prepared by the Maryland Stadium Authority, issue a warrant to pay
28 out \$5,000,000, from the portion of the proceeds in the Account allocated to thoroughbred
29 purses under subsection (c)(1) of this section, to the State Lottery Fund established under
30 § 9-120 of this title until any bonds, debt, or other financial instruments issued or made
31 available by the Maryland Stadium Authority for a racing facility under Title 10, Subtitle
32 6 of the Economic Development Article reach final maturity;

1 [(iv)] (III) beginning with the first full FISCAL year of thoroughbred
 2 racing operations at the [newly constructed] RECONSTRUCTED Pimlico racing facility, for
 3 any fiscal year that the [Maryland Thoroughbred Racetrack Operating Authority]
 4 THOROUGHbred RACETRACK OPERATOR reports an operating loss [under § 10–1003(c)
 5 of the Economic Development Article], INCLUSIVE OF ~~ALL STATE GRANTS AND~~
 6 THOROUGHbred PURSE ACCOUNT CONTRIBUTIONS, IN ACCORDANCE WITH §
 7 10–646.1 OF THE ECONOMIC DEVELOPMENT ARTICLE, on a properly approved
 8 transmittal prepared by the MARYLAND STADIUM Authority, issue a warrant to pay out
 9 the amount of the operating loss, from the portion of the proceeds in the Account allocated
 10 to thoroughbred purses under subsection (c)(1) of this section, to the [Authority]
 11 THOROUGHbred RACETRACK OPERATOR; and

12 [(v)] (IV) on a properly approved transmittal prepared by the State
 13 Racing Commission, issue a warrant to pay out money from the Account in the manner
 14 provided under this section.

15 (4) The Account is a special, nonlapsing fund that is not subject to § 7–302
 16 of the State Finance and Procurement Article.

17 (5) Except as provided in paragraph (3)(ii) [through (iv)] AND (III) of this
 18 subsection, expenditures from the Account shall only be made on a properly approved
 19 transmittal prepared by the State Racing Commission as provided under subsection (c) of
 20 this section.

21 Article – Transportation

22 2–802.

23 (a) [(1)] In this section [the following words have the meanings indicated.

24 (2) “Bus], “BUS rapid transit system” means a bus line that operates on at
 25 least some portion of roadway dedicated to buses and offers off–board fare collection or
 26 another form of high efficiency fare collection if a fare is charged.

27 [(3)] “Eligible grantee” means a county or municipal corporation that has:

28 (i) A bus rapid transit system that operates in the county or
 29 municipal corporation; and

30 (ii) No ongoing or completed facility, as that term is defined in §
 31 10–601(s)(1), (4), (9), (10), or (11) of the Economic Development Article.]

32 (b) (1) [Subject to paragraph (2) of this subsection, when] WHEN a deposit or
 33 payment is made in accordance with § 9–120(b)(1)(xi) of the State Government Article into
 34 the Bus Rapid Transit Fund established under § 2–802.1 of this subtitle, [and there is only

1 one eligible grantee, then] the Department shall award a grant to [the eligible grantee]
2 MONTGOMERY COUNTY equal to [the]:

3 (I) THE amount distributed to the Department under §
4 9–120(b)(1)(xi) of the State Government Article; AND

5 (II) THE AMOUNT APPROPRIATED UNDER § 7–205.1 OF THIS
6 ARTICLE.

7 (2) (i) If there are two eligible grantees, and one eligible grantee is
8 Montgomery County, the Department shall distribute \$25,000,000 to Montgomery County
9 and the remaining amount of the deposit or payment under § 9–120(b)(1)(xi) of the State
10 Government Article to the remaining eligible grantee.

11 (ii) If more than three counties or municipal corporations are eligible
12 grantees, and one eligible grantee is Montgomery County, then the Department shall
13 distribute:

14 1. Not less than \$20,000,000 to Montgomery County if
15 Montgomery County remains an eligible county; and

16 2. The total remaining amount of the deposit or payment
17 under § 9–120(b)(1)(xi) of the State Government Article to the remaining eligible grantees
18 based on each eligible grantee’s pro rata share of the statewide population.

19 (iii) If Montgomery County is not an eligible grantee, and more than
20 one county or municipal corporation are eligible grantees, then the Department shall
21 distribute the total amount of the deposit payment under § 9–120(b)(1)(xi) of the State
22 Government Article to the eligible grantees based on each eligible grantee’s pro rata share
23 of the statewide population.

24 (3) (i) [Eligible grantees receiving funds in accordance with this
25 subsection and § 2–802.1 of this subtitle] MONTGOMERY COUNTY may use the grant
26 funds for the:

27 1. Financing and refinancing of the costs related to the
28 DESIGN, construction, acquisition, improvement, equipping, rehabilitation, and expansion
29 of bus rapid transit system projects AND OTHER NECESSARY FACILITIES, EQUIPMENT,
30 AND INFRASTRUCTURE FOR BUS RAPID TRANSIT SYSTEM PROJECTS;

31 2. Payment of debt service on bonds issued to finance bus
32 rapid transit system projects;

33 3. Payment of all reasonable expenses and charges related to
34 bond issuance and borrowing; and

1 4. Payment of costs relating to the management and
2 operation of bus rapid transit system projects.

3 (ii) If [an eligible grantee] MONTGOMERY COUNTY uses funds
4 under this section for the payment of debt service on bonds issued to finance bus rapid
5 transit system projects, [the eligible grantee] MONTGOMERY COUNTY shall issue bonds
6 in accordance with an ordinance or resolution which may specify all matters relating to the
7 advertisement, sale, issuance, delivery, and payment of the bonds, including:

8 1. The forms, dates, and denominations of the bonds;

9 2. The principal maturities;

10 3. The methods to be used in determining interest payable
11 on the bonds; and

12 4. Any provisions for registration, redemption before stated
13 maturity, or the use of facsimile signatures or seals.

14 (c) The Department:

15 (1) Shall [distribute grants]:

16 (i) DEVELOP AND IMPLEMENT A MULTI-YEAR GRANT
17 AGREEMENT TO ADMINISTER THE GRANT UNDER THIS SECTION WHICH SHALL
18 REMAIN IN EFFECT UNTIL THE PRINCIPAL OF AND INTEREST ON ANY BONDS ISSUED
19 BY MONTGOMERY COUNTY UNDER THIS SECTION ARE PAID IN FULL; AND

20 (ii) DISTRIBUTE THE GRANT under this section to [eligible
21 grantees] MONTGOMERY COUNTY in a timely manner; and

22 (2) May not impose any additional conditions on [an eligible grantee]
23 MONTGOMERY COUNTY on receipt of a grant under this section.

24 2-802.1.

25 (a) In this section, "Fund" means the Bus Rapid Transit Fund.

26 (b) There is a Bus Rapid Transit Fund.

27 (c) The purpose of the Fund is to:

28 (1) Provide grants to [eligible grantees, as defined under § 2-802 of this
29 subtitle] MONTGOMERY COUNTY; and

30 (2) Make funding commitments for the issuance of bus rapid transit bonds.

1 7-205.1.

2 [For fiscal year 2026 and each fiscal year thereafter, the] THE Governor shall
3 include in the State budget an appropriation [of \$10,000,000] from the Transportation
4 Trust Fund to the Bus Rapid Transit Fund established under § 2-802.1 of this article for
5 bus rapid transit system grants in accordance with § 2-802 of this article IN THE
6 FOLLOWING AMOUNTS:

7 (1) FOR FISCAL YEAR 2026, \$10,000,000; AND

8 (2) FOR FISCAL YEAR 2027 AND EACH FISCAL YEAR THEREAFTER,
9 \$12,000,000.

10 **Chapter 604 of the Acts of 2025**

11 SECTION 25. AND BE IT FURTHER ENACTED, That, except as otherwise
12 provided by law, all existing laws, regulations, proposed regulations, standards and
13 guidelines, policies, orders and other directives, forms, plans, memberships, contracts,
14 property, investigations, administrative and judicial responsibilities, rights to sue and be
15 sued, and all other duties and responsibilities associated with the functions of Maryland
16 Thoroughbred Racetrack Operating Authority prior to the taking effect of the termination
17 provision of Section 6 of Chapter 111 of 2023, as amended by Section 6 of this Act, shall
18 continue in effect and, as appropriate, are legal and binding on the [Maryland Economic
19 Development Corporation] **MARYLAND STADIUM AUTHORITY** until completed,
20 withdrawn, canceled, modified, or otherwise changed under the law.

21 SECTION 2. AND BE IT FURTHER ENACTED, That, within 45 days after the
22 effective date of this Act, all of the functions, powers, duties, books and records (including
23 electronic records), personal property, equipment, fixtures, assets, liabilities, obligations,
24 credits, rights, agreements, and privileges previously held by the Maryland Thoroughbred
25 Racetrack Operating Authority, including those related to the Maryland Jockey Club, Inc.,
26 and transferred to the Maryland Economic Development Corporation under Section 23 of
27 Chapter 604 of the Acts of the General Assembly of 2025, shall be transferred to the
28 Maryland Stadium Authority.

29 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~June~~
30 July 1, 2026.