



March 5, 2026

Chair Jheanelle Wilkins
House Ways and Means Committee
120 Taylor House Office Building
Annapolis, Maryland 21401

Re: House Bill 1343

The Maryland Thoroughbred Horsemen's Association ("MTHA") **supports House Bill 1343** (Internet Gaming – Authorization and Implementation) **with amendments.**

Created in statute, the Purse Dedication Account ("PDA") currently receives a percentage of brick-and-mortar video lottery terminal ("VLT") net proceeds from the State's six land-based casinos. These revenues are statutorily allocated to thoroughbred racing purses and breeder incentives.

The MTHA respectfully requests that the same percentage-based brick-and-mortar VLT allocation to the thoroughbred PDA applies to iGaming under HB 1343 to mitigate any digital cannibalization.

The 2023 Joint Chairmen's Report required the Maryland Lottery and Gaming Control Agency ("MLGCA") to submit a report on iGaming to the budget committees, that, among other things, examines "the impact of iGaming on revenue generated by brick-and-mortar casinos." In the [Innovation Group's November 2023 Report](#) to MLGCA, Table 21 notes that iGaming "cannibalizes existing brick and mortar revenue streams by approximately 10.2%:"

For the period between 2019 and 2022, non-iGaming states grew at 2% relative to baseline, while iGaming states grew at -8.2% relative to baseline, **implying an impact of -10.2% on brick-and-mortar gross gaming revenue from iGaming.**

Table 21: iGaming Impact on Brick & Mortar GGR

	Growth
Net GGR Growth, iGaming States	-8.2%
Net GGR Growth, Non-iGaming States	2.0%
Impact of iGaming on B&M GGR	-10.2%

Source: The Innovation Group

The first-reader fiscal note for last year’s iGaming legislation (House Bill 17 of 2025) reflected the potential ongoing reduction to the Purse Dedication Account – which, as introduced, would continue in perpetuity beyond Fiscal 2030:

	Exhibit 2				
	Revenue Effects under the Bill				
	Fiscal 2026-2030				
	(\$ in Millions)				
	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>	<u>FY 2030</u>
Purse Dedication Account	0.0	(1.7)	(5.8)	(7.2)	(8.8)

The MTHA appreciates the Sponsor’s efforts to offset these projected PDA revenue losses in the amended bill with actual, hard-coded distributions for five years to the PDA in fiscal years 2028 through 2032.

As the industry has embarked on the unprecedented Pimlico Plus redevelopment program underwritten in large part by the PDA, any reduction in gaming revenues caused by cannibalization could detrimentally impact racing dates and purses – and thereby threaten the overall plan and health of the industry at a critical time. Maintaining the industry’s share to include iGaming would positively impact the overall redevelopment plan.

For the long-term success of the State’s racing program, the **MTHA believes the General Assembly should consider a 1.0%, percentage-based approach that is consistent with the current brick-and-mortar percentage-based VLT distributions to the PDA.**

With this amendment, the MTHA supports House Bill 1343.

Very truly yours,



Katharine M. Voss
President, MTHA