

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1598
Appropriations

(Delegates McCaskill and Toles)

Horse Racing - Racetrack Facility Renewal Account Grants - Alterations

This bill allows standardbred racing licensees to receive a grant for a capital construction plan from the Racetrack Facility Renewal Account (RFRA) without providing and expending a matching fund, as required under current law. The bill requires a racing licensee that receives the grant without providing and expending a matching fund to conduct live racing in the State for at least 10 years after completion of the capital construction plan. The Maryland Racing Commission (MRC) must calculate, on a *pro rata* basis, and recapture grant funds if the licensee does not conduct live racing in the State for at least 10 years as required. **The bill takes effect July 1, 2026.**

Fiscal Summary

State Effect: None. The bill allows a standardbred racing licensee to access RFRA funds without providing matching funds but does not alter the overall funding for RFRA.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: Except for the video lottery facility in Allegany County, 1% of video lottery terminal (VLT) proceeds from each video lottery facility is distributed to RFRA, which is under the authority of MRC, for the first 16 years of operations at each video lottery facility. Grants from RFRA are provided to racing licensees for racetrack facility capital construction and improvements. MRC must allocate 80% of RFRA funds to the thoroughbred tracks (Pimlico Race Course, Laurel Park, and the racecourse in Timonium)

and 20% to the standardbred tracks (Rosecroft Raceway and Ocean Downs Race Course). The amount of VLT proceeds distributed to RFRA for the standardbred tracks is estimated at \$2.4 million in both fiscal 2027 and 2028. The current RFRA balance is \$17.1 million.

Generally, in order to obtain a grant, a holder of a license to hold a race meeting in the State must submit a capital construction plan to MRC and provide matching funds. After a grant has been provided, MRC must, in consultation with the Department of General Services, monitor the implementation of the approved capital construction plan and make provisions for the recapture of funds under specified circumstances.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 762 (Senator Guzzone) - Budget and Taxation.

Information Source(s): Maryland Department of Labor; Department of Legislative Services

Fiscal Note History: First Reader - March 10, 2026
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