HOUSE BILL 1598

C6 6lr3640
CF SB 762

By: **Delegates McCaskill and Toles**
Introduced and read first time: February 16, 2026
Assigned to: Rules and Executive Nominations
Re–referred to: Appropriations, February 26, 2026

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 23, 2026

CHAPTER _____

AN ACT concerning

Horse Racing – Racetrack Facility Renewal Account Grants – Alterations

FOR the purpose of authorizing, rather than requiring, a certain racing licensee to receive a grant for a capital construction plan from the Racetrack Facility Renewal Account without providing and expending a matching fund; requiring the racing licensee that receives the grant without providing and expending a matching fund to conduct live racing in the State for a certain number of years; requiring the State Racing Commission to recapture certain grant funds under certain circumstances and in a certain manner; <u>altering the amount of the balance in the Racetrack Facility Renewal Account that is required to be made available to certain racing licensees if certain racetracks are closed and no longer used for live racing;</u> and generally relating to grants from the Racetrack Facility Renewal Account.

BY renumbering
Article – State Government
Section 9–1A–01(w–1) and (w–2)
to be Section 9–1A–01(w–2) and (w–3), respectively
Annotated Code of Maryland
(2021 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, without amendments,
Article – State Government
Section 9–1A–01(a) and 9–1A–29(a)
Annotated Code of Maryland

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
[Brackets**]** indicate matter deleted from existing law.
<u>Underlining</u> indicates amendments to bill.
~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

(2021 Replacement Volume and 2025 Supplement)

BY adding to
Article – State Government
Section 9–1A–01(w–1)
Annotated Code of Maryland
(2021 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, with amendments,
Article – State Government
Section 9–1A–09, 9–1A–28(h)(1), and 9–1A–29(b)(6), (c), (e), (f), and (h)
Annotated Code of Maryland
(2021 Replacement Volume and 2025 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 9–1A–01(w–1) and (w–2) of Article – State Government of the Annotated Code of Maryland be renumbered to be Section(s) 9–1A–01(w–2) and (w–3), respectively.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – State Government

9–1A–01.

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

(W–1) "RACING LICENSEE" MEANS THE HOLDER OF A LICENSE ISSUED BY THE STATE RACING COMMISSION TO HOLD A RACE MEETING IN THE STATE UNDER TITLE 11 OF THE BUSINESS REGULATION ARTICLE.

9–1A–09.

[(a) In this section, "racing licensee" means the holder of a license issued by the State Racing Commission to hold a race meeting in the State under Title 11 of the Business Regulation Article.**]**

[(b)**] (A)** As a condition of eligibility for funding under § 9–1A–29 of this subtitle, a racing licensee shall:

(1) (i) **1.** for Rosecroft Raceway**, FOR ANY YEAR THAT FUNDING IS PROVIDED**, conduct a minimum of 60 annual live racing days unless otherwise agreed to by the racing licensee and the organization that represents the majority of licensed standardbred owners and trainers in the State or unless the racing licensee is prevented by weather, acts of God, or other circumstances beyond the racing licensee's control; and

[(ii)**] 2.** for Ocean Downs Racetrack**, FOR ANY YEAR THAT FUNDING IS PROVIDED**, conduct a minimum of 40 annual live racing days unless otherwise agreed to by the racing licensee and the organization that represents the majority of licensed standardbred owners and trainers in the State or unless the racing licensee is prevented by weather, acts of God, or other circumstances beyond the racing licensee's control; **AND**

(II) IF THE RACING LICENSEE RECEIVES FUNDING WITHOUT PROVIDING AND EXPENDING A MATCHING FUND, ~~AGREE TO~~ **CONDUCT LIVE RACING DAYS IN THE STATE FOR AT LEAST 10 YEARS AFTER THE CONSTRUCTION PLAN REQUIRED UNDER 9–1A–29(E) OF THIS SUBTITLE IS COMPLETE;**

(2) develop and submit to the State Racing Commission a multiyear plan to improve the quality and marketing of horse racing at racetrack locations owned or operated by the racing licensee in Maryland, which shall include:

(i) goals, indicators, and timelines for specific actions that will be taken by the racing licensee to improve the quality and marketing of the horse racing industry in Maryland; and

(ii) a master plan for capital improvements that reflects, at a minimum:

1. commitments that have been made to the State Racing Commission;

2. updates to any prior master plan specifically identifying capital improvements and expenditures made on or after January 1, 2018; and

3. an ongoing investment in capital maintenance and improvements in the horse racing facilities; **AND**

(3) for each year that funding is requested, spend at least the following minimum amounts for capital maintenance and improvements, which may include amounts provided as a matching fund **[**as required**] IF THE RACING LICENSEE ELECTS TO PROVIDE AND EXPEND A MATCHING FUND** under § 9–1A–29(e)(2) of this subtitle:

(i) for Rosecroft Raceway, $300,000; and

(ii) for Ocean Downs Racetrack, $300,000.

[(c)**] (B)** As part of the capital maintenance and improvement items in the plan submitted under subsection **[**(b)(2)**] (A)(2)** of this section, a racing licensee shall include any improvements necessary to ensure that the condition of any part of the racetrack facility where individuals reside is satisfactory for human habitation and meets minimum housing and sanitation standards in the county where the facility is located.

[(d)**] (C)** The plans required under subsection **[**(b)**] (A)** of this section shall also be provided to the Department of General Services and to the Legislative Policy Committee of the General Assembly.

9–1A–28.

(h) (1) To obtain operating assistance under this section:

(i) a **[**holder of a racing license to race**] RACING LICENSEE** at Ocean Downs Race Course or Rosecroft Raceway may apply to the Secretary of Labor for the reimbursement of expenditures made by the racing licensee to conduct the annual live racing schedule; and

(ii) a **[**holder of a racing license to race**] RACING LICENSEE** at Rosecroft Raceway shall:

1. agree to rehire workers employed at the facility prior to the end of live racing on June 27, 2008; and

2. recognize collective bargaining agreements that were in place as of June 1, 2008.

9–1A–29.

(a) There is a Racetrack Facility Renewal Account under the authority of the State Racing Commission.

(b) (6) (i) Subject to subparagraph (ii) of this paragraph, the State Racing Commission may use the services of a certified public accountant to review an eligible request for **OR THE EXPENDITURES OF** a grant under this section.

(ii) **[**The holder of a license to hold a race meeting in the State**] A RACING LICENSEE** that has requested a grant under this section shall reimburse the State Racing Commission for any expenditures for services under subparagraph (i) of this paragraph.

(c) Except as provided in subsection (d)(1) of this section, funds from the Account shall be used to provide a grant to the **[**holder of a license to hold a race meeting in the State**] RACING LICENSEE** for racetrack facility capital construction and improvements.

(e) **(1)** In order to obtain a grant, a **[**holder of a license to hold a race meeting in the State**] RACING LICENSEE** shall**[**:

(1)**]** submit a capital construction plan to be ~~implemented~~ **COMPLETED** within a specified time frame to the State Racing Commission for approval**[**; and**].**

(2) **SUBJECT TO § 9–1A–09(A)(1)(II) OF THIS SUBTITLE AND THE APPROVAL OF THE GRANT FOR THE CAPITAL CONSTRUCTION PLAN BY THE STATE RACING COMMISSION, THE RACING LICENSEE MAY** provide and expend a matching fund.

(f) **(1)** After a grant has been provided under this section, the State Racing Commission shall:

[(1)**]** **(I)** in consultation with the Department of General Services, monitor the implementation of the approved capital construction plan; ~~and~~

(II) ON WRITTEN REQUEST FROM THE GRANTEE, IN CONSULTATION WITH THE DEPARTMENT OF GENERAL SERVICES, CERTIFY IN WRITING THAT THE GRANTEE HAS COMPLETED THE APPROVED CAPITAL CONSTRUCTION PLAN; AND

[(2)**]** ~~(II)~~ **(III)** make provisions for recapture of grant money if the capital construction plan is not ~~implemented~~ **COMPLETED** within the time frame approved by the State Racing Commission.

(2) IF A RACING LICENSEE RECEIVES A GRANT FOR A CAPITAL CONSTRUCTION PLAN WITHOUT EXPENDING A MATCHING FUND AND DOES NOT COMPLETE THE CAPITAL CONSTRUCTION PLAN OR CONDUCT LIVE RACING DAYS IN THE STATE FOR AT LEAST 10 YEARS AFTER THE CONSTRUCTION PLAN IS COMPLETE, THE STATE RACING COMMISSION SHALL:

(I) IF THE RACING LICENSEE DOES NOT CONDUCT LIVE RACING DAYS IN THE STATE FOR AT LEAST 10 YEARS AFTER THE CONSTRUCTION PLAN IS COMPLETE, CALCULATE THE AMOUNT TO BE REPAID ON A PRO RATA ~~BASIS; AND~~ BASIS AND RECAPTURE THE GRANT MONEY; OR

(II) RECAPTURE THE GRANT MONEY ~~IN THE AMOUNT AS CALCULATED UNDER ITEM (I) OF THIS PARAGRAPH~~.

(h) (1) The State Racing Commission shall adopt regulations to implement the provisions of this section, including regulations to:

(i) address minimum criteria for the types of improvements to be made by the **[**holder of a license**]** **RACING LICENSEE**; **[**and**]**

(ii) establish a formula to allocate funds under subsection (d)(2) of this section between Rosecroft Raceway and Ocean Downs Race Course**; AND**

(III) ESTABLISH GUIDELINES FOR A RACING LICENSEE THAT REQUESTS A GRANT FOR A CAPITAL CONSTRUCTION PLAN WITHOUT EXPENDING A MATCHING FUND.

(2) **(I)** If Rosecroft Raceway is closed and no longer used for live racing**, 75% OF** the unencumbered fund balance, including accrued interest, of the amount available to Rosecroft Raceway from the Racetrack Facility Renewal Account under subsection (d)(1)(ii) of this section shall be made available to Ocean Downs Race Course.

(II) IF OCEAN DOWNS RACE COURSE IS CLOSED AND NO LONGER USED FOR LIVE RACING, 75% OF THE UNENCUMBERED FUND BALANCE, INCLUDING ACCRUED INTEREST, OF THE AMOUNT AVAILABLE TO OCEAN DOWNS FROM THE RACETRACK FACILITY RENEWAL ACCOUNT UNDER SUBSECTION (D)(1)(II) OF THIS SECTION SHALL BE MADE AVAILABLE TO ROSECROFT RACEWAY.

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

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.