

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE

Senate Bill 79

(Chair, Finance Committee)(By Request - Departmental -
Labor, Licensing and Regulation)

Finance

Commissioner of Labor and Industry - Inflatable Amusement Attractions

This departmental bill repeals the requirement that inflatable amusement attractions in the State be inspected prior to initial operation and annually thereafter. Instead, the bill authorizes the Commissioner of Labor and Industry to issue a registration certificate allowing the operation of an inflatable amusement attraction without prior inspection and requires the commissioner to inspect all inflatable amusement attractions on a random basis. The commissioner may establish registration certificate specifications by regulation.

Fiscal Summary

State Effect: None. However, the bill's changes may enhance operational efficiencies.

Local Effect: None.

Small Business Effect: The Department of Labor, Licensing, and Regulation (DLLR) has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment as discussed below.

Analysis

Current Law: Amusement attractions in the State, including inflatable attractions, may not be operated without a certificate of inspection issued by the Commissioner of Labor and Industry. The commissioner must inspect all inflatable amusement attractions annually. The inspection certificate issued by the commissioner must be renewed annually pending the outcome of a subsequent inspection. The commissioner is

authorized to issue citations and impose civil penalties for infractions related to the operation of amusement attractions. The commissioner may delegate inspection authority to a municipal corporation, political subdivision, or unit of State government. There is no fee for inspections or inspection certificates.

Each amusement owner is required to keep records of the operations of amusement attractions and report an accident that results in death or serious physical injury within 24 hours of the incident. The commissioner may prohibit the use of an attraction that violates State law or poses a risk to the public. When notified of an accident involving any amusement ride, or on receipt of a complaint that involves such a device, the commissioner must investigate the accident or complaint or conduct an inspection. An amusement owner is required to maintain liability insurance for an injury that arises out of the use of an amusement attraction.

Background: Chapter 21 of 2009 created separate standards for inflatable amusement attractions and other amusement rides by specifying that inflatable rides are to be inspected annually. Prior to Chapter 21, inflatable amusement rides were subject to the same inspection requirements as mechanical carnival rides or amusement park rides. Thus, inflatable amusement rides were required to be inspected by DLLR each time they were set up at a new location. DLLR advises that this standard is necessary for carnival rides, which are usually relocated once or twice a month, complicated to assemble, and pose serious risks to rider safety if assembled incorrectly. Inflatable amusement attractions, for instance inflatable slides or “moon bounces,” are inexpensive to purchase, easy to set up, often moved multiple times per day, and considered safer than traditional amusement rides.

Despite Chapter 21, DLLR advises that changes to the regulation of inflatable amusement attractions are needed to improve the inspection processes for these types of rides. According to DLLR, the Division of Labor and Industry – which is responsible for inspecting amusement rides – struggles to accommodate the growing number of inspection requests for inflatable amusement rides. Meanwhile, owners of inflatable attractions must wait for a DLLR inspector to certify the device before it may be operated legally. This has resulted in owners having to forgo business opportunities because an inspection has not been conducted certifying the safety of their devices. Due to inspection delays, some owners may operate their inflatable rides without certification.

DLLR advises that inspectors are hesitant to certify inflatable attractions in advance of the busy summer season due to concerns that an inspection in cold weather may not give a fair assessment of the device’s safety when operated in warmer weather. The bill allows the inspector to observe the operation of the inflatable amusement device at a time when operational safety challenges are most likely to exist. The regulatory model preferred by DLLR is one where initial registrations are issued to owners without

inspection; DLLR would then conduct a random, on-site inspection after registration is submitted. Follow-up inspections would also be conducted randomly. No fees are proposed for the certificate of registration.

DLLR conducted about 4,260 inspections of amusement rides in fiscal 2010. About 28% of these inspections (1,190) were inflatable units. DLLR advises that the random inspection program would be targeted to inflatable amusement attractions that operate independently, typically on the weekends. Inspection standards for fairs and carnivals that offer mechanical rides are unchanged by the bill. Since a DLLR inspector is already dispatched to these sites as current practice, inspectors would easily be able to conduct an inspection of any inflatable devices on a site that also has mechanical rides.

Small Business Effect: Small businesses that operate inflatable amusement attractions in the State may experience increased operational efficiencies as a result of the bill's changes to inspection and certification procedures. Businesses that had to forgo opportunities because timely inspections were not conducted may also reap financial benefits. The impact on these small businesses is not expected to be significant.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Labor, Licensing, and Regulation; Department of Legislative Services

Fiscal Note History: First Reader - February 1, 2011
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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Commissioner of Labor and Industry – Inflatable Amusement Attractions

BILL NUMBER: SB 79

PREPARED BY: Department of Labor, Licensing, and Regulation

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation may have a small positive impact on Maryland small business owners who will be permitted to operate inflatable amusement attractions immediately upon registration.