

Department of Legislative Services
Maryland General Assembly
2012 Session

FISCAL AND POLICY NOTE

House Bill 590

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

Ways and Means

Finance

**Horse Racing - Maryland Standardbred Race Fund Advisory Committee -
Registration of Horses**

This departmental bill alters one of the criteria by which a horse is registered with the Maryland Standardbred Race Fund Advisory Committee to enable the horse to start in a Foaled Stakes Program race. The bill specifies that a horse is eligible, provided it was foaled in Maryland, if it was conceived during the previous season by the horse's dam having been covered by a Maryland stallion registered with the advisory committee.

Fiscal Summary

State Effect: None. The bill does not materially affect operations or finances of the Maryland Racing Commission.

Local Effect: None.

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

Analysis

Current Law: In order to be registered with the Maryland Standardbred Race Fund Advisory Committee and start in a Foaled Stakes Program race, a horse must be foaled in Maryland as shown by a foal certificate from the U.S. Trotting Association and (1) the breeder of the horse resided in Maryland for more than nine months prior to the registration; (2) the breeder of the horse keeps breeding stock continually in Maryland;

(3) the horse was conceived *in Maryland* in the previous season; or (4) the horse's dam was sent to Maryland to foal and after foaling was covered by a Maryland stallion during the season of the horse's birth.

Background: The Maryland Standardbred Race Fund was established in 1971 to encourage the standardbred industry in the State. The fund consists primarily of revenue from the percentage of the takeout from harness tracks as well as fees paid by owners, breeders, and stallion owners. Funds are allocated to purses for two sets of races, the Maryland Standardbred Fund (or the Foaled Stakes Program) and the Maryland Sire Stakes Program. Only standardbred horses foaled in Maryland may start in races under the Foaled Stakes Program, and only standardbred horses that are sired by a Maryland stallion may start in races under the Maryland Sire Stakes Program. A small percentage of funds are also allocated to very limited breeder and stallion awards.

The bill allows a foal conceived outside the State by artificial insemination, provided that the stallion being used is registered with the Maryland Standardbred Race Fund Advisory Committee, to be eligible for the Foaled Stakes Program. The bill enables the standardbred breeding industry to expand their breeding programs by making a Maryland stallion available to those individuals in other jurisdictions to have their foals eligible for the Maryland Foaled Stakes Program.

Additional Information

Prior Introductions: HB 598 of 2010 received a hearing in the House Ways and Means Committee, but no further action was taken.

Cross File: None.

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

Fiscal Note History: First Reader - March 11, 2012
ncs/rhh

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Horse Racing – Maryland Standardbred Race Fund Advisory
Committee – Registration of Horses

BILL NUMBER: HB 590

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 will have no impact on small business in Maryland.