

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 463
Finance

(Senators Klausmeier and Smith)

State Racing Commission - Equine Medical Director - Employment and Costs

This bill authorizes the Maryland Racing Commission (MRC) to employ, on the recommendation of the executive director, an equine medical director. MRC must direct that the cost of employing the equine medical director be paid 80% by specified thoroughbred track licensees and groups and 20% by specified standardbred track licensees and groups. **The bill takes effect July 1, 2018.**

Fiscal Summary

State Effect: The bill does not materially affect State finances because the cost of hiring an equine medical director is covered by thoroughbred and standardbred licensees and groups and not by the State.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: With the approval of MRC, the executive director must appoint a staff of the commission. MRC may employ four stewards and four harness judges. On the recommendation of the executive director of the commission, MRC may employ additional employees or agents, including auditors, experts, guards, inspectors, a breathalyzer operator at each harness racing track, scientists, MRC secretaries, specimen collectors, veterinarians, and others whom MRC considers to be essential at or in connection with a race meeting in the best interests of racing.

The licensee who holds the race meeting for which an additional employee is used must pay specified retirement costs. A licensee who holds a race meeting must employ and pay the officials at the race meeting, other than stewards and harness judges, including each clerk of the course, clerk of the scales, handicapper, paddock judge, patrol judge, placing judge, racing secretary, starter, assistant starter, and timer.

In addition to its regulatory activities, MRC administers the Maryland-Bred Race Fund and the Maryland Standardbred Race Fund. The Maryland-Bred Race Fund was created in 1962 as an incentive program to encourage the improvement of thoroughbred horse breeding and racing in Maryland. The Standardbred Race Fund, created in 1971, serves as an incentive program to promote the breeding and racing of standardbred horses in Maryland.

MRC administers the two bred funds with the assistance and advice of separate advisory committees. Each advisory committee recommends to MRC the number, date, distance, and purse amount of fund races and the amounts of breeders' awards. The administrator of the Maryland-Bred Race Fund works for the Maryland Horse Breeders Association, while the administrator of the Standardbred Race Fund is employed by the Division of Racing in the Department of Labor, Licensing, and Regulation.

Background: The Department of Legislative Services conducted a sunset review of the [Maryland Racing Commission](#) in 2013. The report stated that an equine medical director could provide valuable oversight, direction, and advice on the complex drugs and medications used in horse racing, and employing an equine medical director would put Maryland on par with other racing states such as California, Kentucky, and New York. The evaluation recommended that MRC pursue hiring an equine medical director to implement and enforce equine testing and drug policies.

MRC estimates hiring an equine medical director costs \$207,349 in fiscal 2019 and \$223,196 in fiscal 2023. Salaries of individuals performing the functions of an equine medical director in California, Kentucky, and New York are \$219,000, \$143,282, and \$231,700, respectively.

Additional Information

Prior Introductions: HB 481 of 2017 was withdrawn without a hearing in the House Ways and Means Committee. Its cross file, SB 578, likewise was withdrawn without a hearing in the Senate Finance Committee.

Cross File: HB 421 (Delegates Turner and Hill) - Ways and Means.

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

Fiscal Note History: First Reader - January 31, 2018
md/jrb

Analysis by: Heather N. Ruby

Direct Inquiries to:
(410) 946-5510
(301) 970-5510