

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 1177
Ways and Means

(Delegates Kaiser and Turner)

Finance

Horse Racing – Interstate Compact on Anti-Doping and Drug Testing Standards

This bill enters Maryland into the Interstate Anti-Doping and Drug Testing Standards Compact. The purpose of the compact is to create more uniform, efficient, and effective rules and regulations relating to the use of drugs and medications in horse racing. The bill establishes the composition, powers, and responsibilities of the Interstate Anti-Doping and Drug Testing Standards Compact Commission.

Fiscal Summary

State Effect: None. To the extent that other states enter the compact with Maryland, any travel expenses incurred by the Maryland Racing Commission related to participation in the compact are assumed to be minimal and can be absorbed within existing budgeted resources.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Bill Summary: The purpose of the compact is to enable member states to act jointly and cooperatively to create more uniform, effective, and efficient breed-specific rules and regulations relating to the permitted and prohibited use of drugs and medications for the health and welfare of the horse and the integrity of racing, and testing for such substances. The bill authorizes the Maryland Racing Commission to participate in the compact.

The compact will become effective when it is enacted by any two eligible states. The compact commission comprises one delegate (the chair of the state racing commission or the person's designee) from each member state who is entitled to one vote in the compact commission, and the commission has the power and duty to elect annually a chair, vice-chair, and treasurer from among the delegates. The bill specifies the procedures and voting requirements for adopting rules; receiving and distributing any funds; and adopting, amending, or rescinding the bylaws.

The bill specifies the powers and duties of the compact commission necessary to achieve its purpose, such as to act jointly and cooperatively to standardize rules for the permitted and prohibited use of drugs and medications for race horses and to collaborate with national industry stakeholders and organizations.

The compact commission must have a standing committee that reviews at least quarterly the participation in and value of compact rules, and when appropriate or requested, submit a revising proposed compact rule. The compact commission must be exempt from all taxation in and by the member states. Each member state must reimburse or pay the expenses of its delegate in the compact commission. The compact dissolves and becomes null and void when the membership of the compact is reduced to one state.

Each member state must accept the decisions of the compact commission in regard to compact rules and rulemaking. The bill specifies the liability of the member states in legal actions taken against the compact commission. Maryland laws applicable to pari-mutuel horse racing and wagering must remain in full force and effect.

Current Law/Background: The Maryland Racing Commission oversees and regulates the harness and thoroughbred horse racing industries in Maryland. The Maryland Racing Commission also maintains its own lab to test for drugs in horses to maintain the integrity of the sport. Regulations establish the permitted and prohibited use of drugs and medications in race horses, and the Maryland Racing Commission has medication [guidelines](#) posted on its website.

Maryland adopted the National Racing Compact in 2006, which creates uniform requirements among member states for the licensure of participants in live horse racing with pari-mutuel wagering. The Maryland Thoroughbred Horsemen's Association was advised that the National Racing Compact cannot be amended to provide for a medication and drug testing compact, but rather a new compact to do so needs to be entered.

There is no currently existing interstate compact on anti-doping and drug testing standards, although some mid-Atlantic states have expressed interest in joining such a compact.

The Department of Legislative Services (DLS) conducted a sunset review of the Maryland Racing Commission in 2013. As part of the sunset review, DLS examined issues regarding race horse safety both nationally and in Maryland.

Additional Information

Prior Introductions: None.

Cross File: SB 1115 (Senator Middleton) - Finance.

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

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