

MARYLAND REGISTER

Proposed Action on Regulations

Transmittal Sheet PROPOSED OR REPROPOSED Actions on Regulations	Date Filed with AELR Committee	TO BE COMPLETED BY DSD
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2. COMAR Codification

Title Subtitle Chapter Regulation

09 10 01 25

09 10 02 19

3. Name of Promulgating Authority

Department of Labor, Licensing, and Regulation

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Title 09
DEPARTMENT OF LABOR, LICENSING, AND
REGULATION

Subtitle 10 RACING COMMISSION

09.10.01 Thoroughbred Rules

Subtitle 10 RACING COMMISSION

09.10.02 Harness Racing

Authority: Business Regulation Article, Title 11-210, Annotated Code of Maryland

Notice of Proposed Action

[]

The Maryland Racing Commission proposes to amend Regulation .25 under COMAR 09.10.01 Thoroughbred Rules and Regulation .19 under COMAR 09.10.02 Harness Racing.

This action was considered by the Maryland Racing Commission at a public meeting held on May 6, 2016, notice of which was given by posting notice on the agency website, pursuant to General Provisions Article, § 3-302(c), Annotated Code of Maryland.

Statement of Purpose

The purpose of this action is to eliminate the license fee an individual must pay when applying for a license with the Maryland Racing Commission.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

I. Summary of Economic Impact.

It is estimated that the elimination of these license fees would reduce the general fund of the State by \$240,000.00 per year.

II. Types of Economic Impact.	Revenue (R+/R-)	Magnitude
	Expenditure (E+/E-)	
A. On issuing agency:	NONE	
(1) Thoroughbred and Standardbred license fees	(R-)	\$240,000.00
B. On other State agencies:	NONE	
C. On local governments:	NONE	

	Benefit (+) Cost (-)	Magnitude
D. On regulated industries or trade groups:	NONE	
(1) Thoroughbred and Standardbred license fees	(-)	\$240,000.00
E. On other industries or trade groups:	NONE	
F. Direct and indirect effects on public:	NONE	

III. Assumptions. (Identified by Impact Letter and Number from Section II.)

A(1). By eliminating these fees the general fund of the State would be decreased.

D(1). By eliminating these fees, all individuals who are required to have a license issued by the Maryland Racing Commission would not be required to pay the fee associated with the particular license applied for.

Economic Impact on Small Businesses

The proposed action has minimal or no economic impact on small businesses.

Impact on Individuals with Disabilities

The proposed action has no impact on individuals with disabilities.

Opportunity for Public Comment

Comments may be sent to J. Michael Hopkins, Executive Director, Maryland Racing Commission, 300 E. Towsontown Boulevard, or call Towson, Maryland 21286, or email to mike.hopkins@maryland.gov, or fax to 410-296-9687. Comments will be accepted through July 25, 2016. A public hearing has not been scheduled.

Open Meeting

Final action on the proposal will be considered by the Maryland Racing Commission during a public meeting to be held on September 20, 2016, at Laurel Park, Laurel, Maryland.

Economic Impact Statement Part C

A. Fiscal Year in which regulations will become effective: FY 2017

B. Does the budget for the fiscal year in which regulations become effective contain funds to implement the regulations?

Yes

C. If 'yes', state whether general, special (exact name), or federal funds will be used:

General

D. If 'no', identify the source(s) of funds necessary for implementation of these regulations:

E. If these regulations have no economic impact under Part A, indicate reason briefly:

F. If these regulations have minimal or no economic impact on small businesses under Part B, indicate the reason and attach small business worksheet.

The elimination of these fees impact individuals only.

G. Small Business Worksheet:

Impact Statement Part C — Legislative Information

Part C requests agencies to provide information required by the Department of Legislative Services in its report to the AELR Committee. Answer the questions in the space provided. Part C is not printed in the Maryland Register.

Small Business Analysis Worksheet

This worksheet is designed to assist the agency in determining if and how the proposal impacts small businesses. Quantify the number of affected small businesses and estimates of costs and benefits to small businesses if possible. State Government Article, §2-1505.2, includes the following definitions which are relevant to the analysis:

“Economic impact analysis” means an estimate of the cost or the economic benefit to small businesses that may be affected by a regulation proposed by an agency pursuant to Title 10, Subtitle 1 of this article.

“Small business” means a corporation, partnership, sole proprietorship, or other business entity, including its affiliates, that: (i) is independently owned and operated; (ii) is not dominant in its field; and (iii) employs 50 or fewer full-time employees.

1a. Intended Beneficiaries. Who are the intended beneficiaries of the proposed regulation? Are these intended beneficiaries primarily households or businesses?
No.

1b. Intended Beneficiaries: Households. If households are the primary intended beneficiaries, will the proposal affect their income or purchasing power such that the volume or patterns of their consumer spending will change? If so, what directions of change would you anticipate? Will these expected spending changes have a disproportionate impact on small businesses? Can you descriptively identify the industries or types of business activities that are impacted?

1c. Intended Beneficiaries: Businesses. If businesses are the intended beneficiaries, identify the businesses by industry or by types of business activities. How will businesses be impacted? Are these Maryland establishments disproportionately small businesses? If so, how will these Maryland small businesses be affected? Can you identify or estimate the present number of small businesses affected? Can you estimate the present total

payroll or total employment of small businesses affected?

2a. Other Direct or Indirect Impacts: Adverse. Businesses may not be the intended beneficiaries of the proposal. Instead, the proposal may direct or otherwise cause businesses to incur additional expenses of doing business in Maryland. Does this proposal require Maryland businesses to respond in such a fashion that they will incur additional work-time costs or monetary costs in order to comply? Describe how Maryland establishments may be adversely affected. Will Maryland small businesses bear a disproportionate financial burden or suffer consequences that affect their ability to compete? Can you estimate the possible number of Maryland small businesses adversely affected? (Note that small business compliance costs in the area of regulation are the sum of out-of-pocket (cash) costs plus time costs — usually expressed as payroll, akin to calculations for legislative fiscal notes. Precise compliance costs may be difficult to estimate, but the general nature of procedures that businesses must accomplish to comply can be described.)

These proposed amendments only impact individuals who are required to obtain a license from the racing Commission.

2b. Other Direct or Indirect Impacts: Positive. Maryland businesses may positively benefit by means other than or in addition to changed consumer spending patterns. How may Maryland businesses be positively impacted by this initiative? Will Maryland small businesses share proportionately or disproportionately in these gains? Can you estimate the possible number of Maryland small businesses positively affected? N/A

3. Long-Term Impacts. There are instances where the longer run economic impact effect from regulations differ significantly from immediate impact. For example, regulations may impose immediate burdens on Maryland small businesses to comply, but the overall restructuring of the industry as a consequence of monitoring and compliance may provide offsetting benefits to the affected small businesses in subsequent years. Can you identify any long run economic impact effects on Maryland small businesses that over time (a) may compound or further aggravate the initial economic impact described above, or (b) may mitigate or offset the initial economic impact described above? N/A

4. Estimates of Economic Impact. State Government Article, §2-1505.2 requires that an agency include estimates, as appropriate, directly relating to: (1) cost of providing goods and services; (2) effect on the work force; (3) effect on the cost of housing; (4) efficiency in production and marketing; (5) capital investment, taxation, competition, and economic development; and (6) consumer choice.

These proposed amendments would eliminate the cost of a license to those individuals who are required to obtain a license from the Maryland Racing Commission to participate in horse racing. It is anticipated that by eliminating the license fee, it may encourage individuals who work at racetracks outside the State of Maryland or participate in horse racing to apply in Maryland and offer their skills to employers at the various tracks in Maryland and bring their horses to run in Maryland.

Attached Document:

Title 09 Department of Labor, Licensing and Regulation

Subtitle 10 Racing Commission

Chapter 01 Thoroughbred Rules

Authority: Business Regulation Article, § 11-210, Annotated Code of Maryland

.25 Licenses and Registrations.

A. The following persons are required to take out a license from, or register with, the Commission[, and the annual fee is as follows]:

(1) Licenses:

- (a) Owner [(original) ----- \$50;
- (b) Owner (renewal) ----- \$25];
- [(c)] (b) Trainer [(original) ----- \$50;
- (d) Trainer (renewal) ----- \$25];
- [(e)] (c) Assistant trainer [----- \$25];
- [(f)] (d) Jockey [----- \$25];
- [(g)] (e) Apprentice jockey [----- \$25];
- [(h)] (f) Jockey agent [----- \$25];
- [(i)] (g) Pari-mutuel employee [----- \$5];
- [(j)] (h) Stable employee [----- \$5];
- [(k)] (i) Track employee [----- \$5];
- [(l)] (j) Vendor [----- \$5];
- [(m)] (k) Veterinarian [----- \$25];
- [(n)] (l) Farrier [----- \$10];
- [(o)] (m) Exercise rider [----- \$5].

(2) Registrations:

- (a) Authorized agent [----- \$10];
- (b) Stable name [----- \$75].

B. [The appropriate fee shall accompany each application for licensure or registration.

C.] License and Registration Expiration.

(1) A license or registration issued under §A(1)(a)—[(h)] (f) or §A(2) of this regulation shall expire on December 31 of the year for which it was issued.

(2) A license issued under §A(1)[(i)—(o)] (g)-(m) of this regulation *shall expire on June 30 of each year*[:].

[(a)] Before June 30, 1998, shall expire on June 30, 1998;

[(b)] After June 30, 1998, shall expire on June 30 of the year following its issuance.]

Title 09 Department of Labor, Licensing and Regulation

Subtitle 10 Racing Commission

Chapter 02 Harness Racing

Authority: Business Regulation Article, §§ 11-210 and 11-634, Annotated Code of Maryland

.19 Licenses and Registrations.

A. The following persons are required to take out a license from, or register with, the Commission[, and the annual fee is as follows]:

(1) Licenses:

- (a) Trainer [----- \$25];
- (b) Owner — [renewal ----- \$25;
- (c) Owner — original ----- \$50;]
- [(d)] (c) Driver [----- \$25];
- [(e)] (d) Farrier [----- \$10];
- [(f)] (e) Pari-mutuel employee [----- \$5];
- [(g)] (f) Stable employee [----- \$5];
- [(h)] (g) Track employee [----- \$5];
- [(i)] (h) Veterinarian [----- \$25];
- [(j)] (i) Vendor [----- \$5];
- [(k)] (j) Track manager [----- \$50].

(2) Registrations:

- (a) Authorized agent [----- \$10];
- (b) Corporate or stable name [----- \$75].

B. [The appropriate fee shall accompany each application for licensure or registration.

C.] License and Registration Expiration.

(1) A license or registration issued under §A(1)(a)—[(d)] (c) or §A (2) of this regulation shall expire on December 31 of the final year for which it was issued.

(2) A license issued under §A(1)[(e)—(k)] (d)-(j) of this regulation shall expire on June 30 of each year[.].

[(a) Before June 30, 1998, shall expire on June 30, 1998; and

(b) After June 30, 1998, shall expire on June 30 of the year following its issuance.]

J. Michael Hopkins
Executive Director