

**Maryland General Assembly  
Department of Legislative Services**

**Proposed Regulations  
Department of Labor, Licensing, and Regulation  
(DLS Control No. 16-087)**

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**Overview and Legal and Fiscal Impact**

The regulations eliminate thoroughbred and harness racing license and registration fees that an individual must pay when applying for various licenses or registrations with the Maryland Racing Commission.

The regulations present no legal issues of concern.

General fund revenues decrease by \$240,000 annually due to the elimination of thoroughbred and harness racing license and registration fees.

**Regulations of COMAR Affected**

**Department of Labor, Licensing, and Regulation:**

Racing Commission: Thoroughbred Rules: COMAR 09.10.01.25

Harness Racing: COMAR 09.10.02.19

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**Legal Analysis**

**Background**

On September 15, 2015, Governor Larry Hogan announced a plan to reduce or eliminate a number of fees across State government. Governor Hogan announced a second round of fee reductions or eliminations on May 12, 2016. These regulations are part of the second round of reductions or eliminations. Additional information regarding Governor Hogan's fee reduction initiative may be found [here](#).

**Summary of Regulations**

The regulations repeal thoroughbred and harness racing license fees imposed by the commission. The repealed fees include those for owners, trainers, assistant trainers, jockeys, apprentice jockeys, jockey agents, drivers, pari-mutuel employees, stable employees, track employees, track managers, vendors, veterinarians, farriers, and exercise riders. The regulations also repeal registration fees for authorized agents and corporate and stable names.

## **Legal Issues**

The regulations present no legal issues of concern.

## **Statutory Authority and Legislative Intent**

The Department of Labor, Licensing, and Regulation cites § 11-210 of the Business Regulation Article as statutory authority for the regulations. More specifically, § 11-210(a)(1) authorizes the commission to adopt regulations and conditions to govern racing and betting on racing in the State.

This authority is correct and complete. The regulations comply with the legislative intent of the law.

## **Fiscal Analysis**

General fund revenues decrease by \$240,000 annually due to the elimination of thoroughbred and harness racing license and registration fees.

## **Agency Estimate of Projected Fiscal Impact**

The regulations eliminate thoroughbred and harness racing license and registration fees (while maintaining the requirement for annual licensure or registration). The department advises that the regulations decrease general fund revenues by approximately \$240,000 annually. The Department of Legislative Services concurs because the Maryland Racing Commission received \$230,220 from license and registration fees in fiscal 2014 and these revenues grew by 1.7% in fiscal 2013 and 2014.

## **Impact on Budget**

There is no material impact on the State operating or capital budget as general fund revenues decrease by approximately \$240,000 annually.

## **Agency Estimate of Projected Small Business Impact**

The department advises that the regulations have minimal or no economic impact on small businesses in the State. The Department of Legislative Services concurs as the fees being eliminated range from \$5 to \$75 annually, with most fees set at \$25 or less.

## **Contact Information**

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