

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 653 (Senator Dorman)

Finance

Maryland Horse Industry Board and Fund

This bill changes the name of the State Board of Inspection of Horse Riding Stables to the Maryland Horse Industry Board and expands the membership of the board from 5 to 12, of whom 11 are appointed by the Governor. The bill also establishes a Maryland Horse Industry Fund within the Maryland Department of Agriculture (MDA). The bill requires that any unspent or unencumbered balance remaining in the fund at the end of each fiscal year revert to the general fund.

The Maryland Horse Industry Board is required to use the money in the Maryland Horse Industry Fund to: (1) carry out the licensing, inspection, and enforcement of horse stables; (2) support research related to equine health and related issues; (3) promote the development and use of horses in the State; (4) create public awareness of the value of equine activities as they relate to the preservation of green space and agricultural land; and (5) develop and disseminate information concerning the equine industry, including the history and tradition of breeding and the role of horses in recreational activities.

The Maryland Horse Industry Board is required to report to the Senate Finance Committee and the Senate Budget and Taxation Committee by September 30, 2001 regarding the activities, revenues, and expenditures supported by this bill.

Fiscal Summary

State Effect: Potential indeterminate increase in special fund revenue. Minimal increase in expense reimbursements.

Local Effect: None.

Small Business Effect: Minimal.

Fiscal Analysis

State Effect: Under current law, the State Board of Inspection of Horse Riding Stables is responsible for the licensing and inspection of all horse riding stables where five or more horses are boarded or sold in a one-year period. The board also performs these duties when one or more horses or ponies are let for hire or a lesson is given in a one-year period. The fiscal 1999 budget allowance for the board is \$41,252. The board collects approximately \$24,000 annually from licensing and inspection fees. Under the bill these fees would continue to be paid into the general fund. The bill alters the composition of the board and changes the name but does not change its responsibilities.

The bill also creates the Maryland Horse Industry Fund. The fund consists of moneys made available from a nominal fee, not exceeding \$10 per service, imposed on the industry and collected by MDA, pursuant to regulation; general, special, or federal fund appropriations; and gifts, grants, or transfers from any government entity or from any private sources. MDA advises that it has no plans to charge the service fee at this time. Special fund revenues could increase by an indeterminate amount if MDA decides to charge a nominal service fee.

Board members would be reimbursed for expenses under the standard State travel regulations. Any such expenditures would depend upon the time, location, and frequency of the board's meetings. These expense reimbursements are expected to be minimal and absorbable within existing MDA resources.

Information Source(s): Maryland Department of Agriculture; Department of Legislative Services

Fiscal Note History: First Reader - March 4, 1998
Inc Revised - Senate Third Reader - April 3, 1998
Revised - Enrolled Bill - May 6, 1998

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