

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 741

(Senator Pipkin)

Finance

Economic Matters

Commissioner of Labor and Industry - Regulatory Authority - Amusement Rides

This bill alters the definition of amusement ride to include a ride, not intended for use by a minor, that is designed to simulate a rodeo bull ride or similarly challenging ride upon another type of animal by subjecting the rider to a wide range of abrupt motion produced by mechanical, electrical, or hydraulic means. The bill prohibits the Commissioner of Labor and Industry from adopting regulations that would require the owner or operator of such an amusement ride to equip the ride with any type of restraining device.

Fiscal Summary

State Effect: General fund expenditure increase of approximately \$48,100 in FY 2006. Out-years reflect annualization and inflation.

(in dollars)	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	48,100	65,700	69,200	73,000	77,000
Net Effect	(\$48,100)	(\$65,700)	(\$69,200)	(\$73,000)	(\$77,000)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The definition of amusement ride does not include a ride, not intended for use by children, that is designed to simulate a rodeo bull ride or similarly challenging

ride upon another type of animal by subjecting the rider to a wide range of abrupt motion produced by mechanical, electrical, or hydraulic means. An amusement ride must be equipped with a restraining device or safety harness.

Background: Section 3-102 of the Business Regulation Article states that the General Assembly finds that unsafe attractions are likely to cause serious and preventable injuries to members of the public. Also, the purpose of this section is to ensure public safety, to the extent possible, in the use of amusement attractions at carnivals, fairs, and amusement parks, and as a result, the Department of Labor, Licensing, and Regulation (DLLR) is authorized to adopt regulations, create an enforcement and compliance program, and establish a reporting procedure on the safety of amusement attractions.

In addition, the Code of Maryland Regulations provides that specified amusement rides must have a restraining device.

State Fiscal Effect: The bill could significantly increase the number of amusement rides that would need to be inspected by DLLR. Prior to operation, an amusement ride requires a certificate of inspection from DLLR. Amusement rides receive a certificate of inspection valid for a specified period of time determined by DLLR. Under the bill, bull simulators would be subject to the same inspection and certification requirements as amusement rides. Amusement rides can be situated at a fixed location or they can be moved from location to location. A ride that can be moved requires a certificate of inspection for each location, provided it is located at a public access facility.

DLLR estimates that it would need to conduct approximately 520 additional regular inspections at different remote locations, 50 inspections at permanent locations, and approximately 15 complaint and accident inspections annually.

As a result, DLLR's general fund expenditures could increase by an estimated \$48,084 in fiscal 2006, which accounts for the bill's October 1, 2005 effective date. This estimate reflects the cost of hiring one elevator inspector to inspect bull simulators. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salary and Fringe Benefits	\$41,476
Operating Expenses	<u>6,608</u>
Total FY 2006 State Expenditures	\$48,084

Future year expenditures reflect: (1) full salaries with 4.6% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

Amusement ride inspections are currently conducted at no cost to the owner or operator. As a result, revenues would not be affected by the bill.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 15, 2005
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