

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

1

HOUSE BILL 756*

Short Title: Equine Industry Commission. (Public)

Sponsors: Representatives Cole; Braxton, Crawford, Dickson, Hill, Lucas, McLawhorn, Rapp, Underhill, R. Warren, and Wray.

Referred to: Agriculture, if favorable, Finance, if favorable, Appropriations.

March 25, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH THE EQUINE INDUSTRY COMMISSION AND TO
3 APPROPRIATE FUNDS TO SUPPORT THE WORK AND STAFFING OF THE
4 EQUINE INDUSTRY COMMISSION.

5 Whereas, there are 306,889 head of equine in the State and 53,095 households with
6 equine in the State; and

7 Whereas, the average equine operation has 39 acres of land associated with its
8 operation; and

9 Whereas, a total of 2,123,800 acres of land are dedicated to equine operations in the
10 State; and

11 Whereas, the equine industry provides a total of 19,183 full- and part-time jobs in
12 the State; and

13 Whereas, total spending on goods and services by equine owners is over \$1.4
14 billion, with 89.7% of these expenditures occurring within the State; and

15 Whereas, 27% of horse show exhibitors at the three State-operated horse show
16 facilities were nonresidents of North Carolina and these exhibitors spent \$66.6 million while
17 attending horse show events in the State; and

18 Whereas, a total of \$196 million in federal, State, and local tax revenue is provided
19 by the North Carolina equine industry; and

20 Whereas, the total value of the equine industry in North Carolina is estimated at
21 \$2.2 billion, and the total additional economic impact of the industry is \$1.9 billion; Now,
22 therefore,

23 The General Assembly of North Carolina enacts:

24 **SECTION 1.** Article 9 of Chapter 143B of the General Statutes is amended by
25 adding a new Part to read:

26 "Part 30. Equine Industry Commission.

27 **"§ 143B-426.50. Equine Industry Commission established; membership.**

28 (a) Establish Commission. – The Equine Industry Commission is established. The
29 Commission shall be an independent agency located within the Department of Administration
30 for organizational, budgetary, and administrative purposes.

31 (b) Purpose. – The purpose of the Equine Industry Commission is to promote and
32 expand the equine industry in North Carolina.

33 (c) Membership. – The Commission shall consist of 15 members, three of whom shall
34 serve as nonvoting ex officio members. The members of the Commission who are appointed
35 shall be chosen from among individuals who have demonstrated their ability and commitment



1 to promote and fulfill the purposes of the Commission under subsection (b) of this section. The
2 members shall be as follows:

3 (1) Four members appointed by the Governor.

4 (2) Four members appointed by the President Pro Tempore of the Senate.

5 (3) Four members appointed by the Speaker of the House of Representatives.

6 (4) The Chairman of the North Carolina Horse Council or the Chairman's
7 designee.

8 (5) The Commissioner of Agriculture or the Commissioner's designee.

9 (6) The President of the North Carolina Farm Bureau Federation or the
10 President's designee.

11 (d) Terms. – The members of the Commission, except those members serving in an ex
12 officio capacity, shall be appointed for terms of two years and shall serve until their successors
13 are appointed and qualified. Members who are appointed may be reappointed indefinitely.

14 (e) Chair. – The Commission shall have one Chair. The Commission shall by a majority
15 of appointed, voting members select the Chair every other year from among those members of
16 the Commission that are not ex officio members.

17 (f) Vacancies. – Any vacancy on the Commission resulting from the resignation of a
18 member or otherwise shall be filled in the same manner in which the original appointment was
19 made, and the term shall be for the balance of the unexpired term of the member who created
20 the vacancy.

21 (g) Compensation. – The Commission members shall receive no salary as a result of
22 servicing on the Commission but shall receive per diem, subsistence, and travel expenses in
23 accordance with G.S. 120-3.1, 138-5, or 138-6, as applicable. When approved by the
24 Commission, members may be reimbursed for subsistence and travel expenses in excess of
25 these statutory amounts.

26 (h) Removal. – Members may be removed in accordance with G.S. 143B-13 as if that
27 section applied to this Part.

28 (i) Scheduling Meetings. – The Chair shall call the meetings and shall notify the
29 members of each meeting being called at least seven days before the date on which the meeting
30 is to occur. Meetings shall be held as often as the Chair deems necessary, but not less than four
31 times each calendar year.

32 (j) Quorum. – A quorum of the Commission shall consist of eight members of the
33 Commission for the transaction of business.

34 (k) Assignment of Property. – Upon request of the Commission, the head of any State
35 agency may assign property, equipment, and personnel of such agency to the Commission to
36 assist the Commission in carrying out its duties under this Part. The Commission shall not
37 compensate or reimburse any agency for any assignment under this subsection. In the event the
38 Commission is terminated by the General Assembly, any property or equipment that remains in
39 the possession of the Commission at the time of its termination shall revert to the agency from
40 which the property was assigned.

41 (l) Office Space. – The Department of Administration shall provide office space in
42 Raleigh for use as offices by the Commission, and the Department of Administration shall
43 receive no compensation from the Commission for the use of this property.

44 **§ 143B-426.51. Equine Industry Commission; duties and authority.**

45 (a) Duties. – The Equine Industry Commission shall review and evaluate the
46 recommendations as contained in the report to the Joint Legislative Commission on
47 Governmental Operations, which report resulted from the Equine Industry Study conducted by
48 the Rural Economic Development Center, Inc., under Section 13.14A of S.L. 2007-323, and
49 included an assessment of the numbers, composition, and value of the equine industry in North
50 Carolina, an analysis of the direct and indirect impacts of the industry on the State's economy,

1 and the development of a comprehensive plan to maximize the economic opportunities
2 presented by the equine industry.

3 (b) Additional Duties. – The Commission shall have the following additional duties:

- 4 (1) To appoint a director to serve as a legislative liaison for the Commission; to
5 employ other staff as the Commission deems necessary and to fix their
6 compensation; and to manage the affairs of the Commission or to contract
7 with another entity to manage the affairs of the Commission.
8 (2) To develop bylaws, to be adopted by a majority vote of the Commission.
9 (3) To adopt guidelines under which the Commission may accept donations of
10 money, property, or personal services, and to determine the value of
11 donations of property or personal services.
12 (4) To accept and retain in an account with the State Treasurer grants and
13 contributions to be used for the costs of supporting the Commission.
14 (5) To accept devises, bequests, gifts, and services provided to the Commission
15 for its support.
16 (6) To develop plans, in cooperation with other State agencies and other entities
17 that represent different aspects of the equine industry, for initiatives,
18 incentives, tax credits, or appropriations that would promote the retention of
19 equine facilities, events, and other equine industry entities in the State.
20 (7) To develop plans to attract new equine facilities, events, and equine industry
21 entities to the State.
22 (8) To act as an advocacy group for the enactment or implementation of any
23 recommendations, legislative proposals, or administrative action
24 recommended by the Commission in its report under G.S. 143B-426.52.

25 (c) Contract Authority. – The Commission may procure supplies, services, and property
26 as appropriate, and may enter into contracts, leases, or other legal agreements to carry out the
27 purposes of this Part. All contracts, leases, or legal agreements entered into by the Commission
28 shall terminate upon the termination of the Commission. Disputes or causes of action of the
29 Commission that arise before the Commission is terminated shall not be affected by the
30 termination of the Commission, and the Department of Administration may prosecute or defend
31 any causes of action arising before the date of termination on behalf of the Commission. All
32 property acquired by the Commission that remains in the possession of the Commission on the
33 date of its termination shall become the property of the Department of Administration.

34 (d) The Director of the Equine Industry Commission appointed under subdivision (1) of
35 subsection (b) of this section shall be exempt from the State Personnel Act. Any staff of the
36 Commission employed under subdivision (1) of subsection (b) of this section shall be subject to
37 the State Personnel Act.

38 (e) The salary and employment benefits of the Director of the Equine Industry
39 Commission appointed under subdivision (1) of subsection (b) of this section shall not exceed
40 the salary and employment benefits of a State employee with an assigned pay grade of 72.

41 **§ 143-426.52. Equine Industry Commission; reporting requirements.**

42 No later than October 1 of each year and more often if deemed necessary by the Equine
43 Industry Commission, the Commission shall submit to the General Assembly, the Chairs of the
44 Senate and House of Representatives Appropriations Committees, to the Office of the
45 Governor, the Commissioner of Agriculture, and the Secretary of Commerce a comprehensive
46 report incorporating specific recommendations of the Commission for retaining and expanding
47 the equine industry in the State. This report shall also include any recommendations that result
48 from the Commission's review and evaluation, under subsection (a) of G.S. 143B-426.51, of the
49 recommendations resulting from the Equine Industry Study. The report shall include findings
50 and recommendations, any legislative proposals and proposals for administrative action to

1 promote and develop the equine industry, and an accounting of funds received and expended by
2 the Commission during the previous fiscal year."

3 **SECTION 2.** The initial terms of the members of the Equine Industry Commission,
4 created under G.S. 143B-426.50, as enacted by Section 1 of this act, shall commence on July 1,
5 2009. Notwithstanding the provisions of G.S. 143B-426.50(d), as enacted by Section 1 of this
6 act, the terms for the initial appointments under G.S. 143B-426.50 shall be as follows:

7 (1) The four members appointed by the Governor shall serve two-year terms.

8 (2) Two of the four members appointed by the President Pro Tempore of the
9 Senate shall serve two-year terms and two shall serve three-year terms.

10 (3) Two of the four members appointed by the Speaker of the House of
11 Representatives shall serve two-year terms and two shall serve three-year
12 terms.

13 **SECTION 3.** The initial report required under G.S. 143B-426.52, as enacted by
14 Section 1 of this act, shall be submitted no later than October 1, 2010.

15 **SECTION 4.** There is appropriated from the General Fund to the Department of
16 Administration the sum of two hundred fifty thousand dollars (\$250,000) for the 2009-2010
17 fiscal year and the sum of two hundred fifty thousand dollars (\$250,000) for the 2010-2011
18 fiscal year to be used for the Equine Industry Commission's work and to implement this act.

19 **SECTION 5.** This act becomes effective July 1, 2009.