

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1529
Committee Substitute Favorable 6/4/98
Committee Substitute #2 Favorable 6/30/98

Short Title: Horse Promotion Assessment.

(Public)

Sponsors:

Referred to:

May 27, 1998

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE FOR A HORSE PROMOTION ASSESSMENT.
3 The General Assembly of North Carolina enacts:

4 Section 1. Chapter 106 of the General Statutes is amended by adding a new
5 Article to read:

6 **“ARTICLE 69.**
7 **“HORSE INDUSTRY PROMOTION ACT.**

8 **“§ 106-820. Title.**

9 This Article may be cited as the Horse Industry Promotion Act.

10 **“§ 106-821. Findings.**

11 The General Assembly finds that the horse industry makes an important contribution
12 to the State's economy and that it is appropriate for the State to provide a means for horse
13 owners to voluntarily assess themselves in order to provide funds to promote the interests
14 of the horse industry.

15 **“§ 106-822. Definitions.**

16 As used in this Article:

- 17 (1) ‘Commercial horse feed’ means any commercial feed, as defined in G.S.
18 106-284.33, labeled for equine use.

- 1 (2) 'Council' means the North Carolina Horse Council.
2 (3) 'Department' means the Department of Agriculture and Consumer
3 Services.
4 (4) 'Equine' means a horse, pony, mule, donkey, or hinny.
5 (5) 'Horse owner' means a person who (i) is a North Carolina resident and
6 (ii) owns or leases an equine or has a financial interest in equines or an
7 equine operation.

8 **"§ 106-823. Referendum.**

9 (a) The Council may conduct a referendum among horse owners upon the question
10 of whether an assessment shall be levied consistent with this Article.

11 (b) The Council shall determine all of the following:

- 12 (1) The amount of the proposed assessment, not to exceed two dollars
13 (\$2.00) per ton of commercial horse feed.
14 (2) The period for which the assessment shall be levied, not to exceed three
15 years.
16 (3) The time and place of the referendum.
17 (4) Procedures for conducting the referendum and counting votes.
18 (5) Any other matters pertaining to the referendum.

19 (c) The amount of the proposed assessment and the method of collection shall be
20 set forth on the ballot.

21 (d) All horse owners are eligible to vote in the referendum. The Council must
22 send press releases of the referendum to newspapers in the State and to any appropriate
23 trade journal identified by the Council. The Council shall also have posted a notice of the
24 referendum in every place the Council identifies where commercial horse feed is sold.
25 Any questions concerning eligibility to vote shall be resolved by the board of directors of
26 the Council.

27 **"§ 106-824. Majority vote required; collection of assessment.**

28 (a) The assessment shall not be collected unless a majority of the votes cast in the
29 referendum are in favor of the assessment. If a majority of the votes cast in the
30 referendum are in favor of the assessment, the Department shall notify all commercial
31 horse feed manufacturers and distributors of the assessment. The assessment shall apply
32 to all commercial horse feed subject to the provisions of G.S. 106-284.40(b), and the
33 assessment shall be remitted to the Department with the inspection fee imposed by G.S.
34 106-284.40. The Department shall provide forms for reporting the assessment. Persons
35 who purchase commercial horse feed on which the assessment has not been paid shall
36 report these purchases and pay the assessment to the Department.

37 (b) The assessment is voluntary. A person responsible for paying the assessment
38 on a purchase may elect not to pay the assessment by filing in lieu of the report a
39 certification that the person elects not to pay.

40 (c) The Council may bring an action to collect unpaid assessments against any
41 horse owner, feed manufacturer, or distributor who fails to pay the assessment and, if
42 successful, shall recover the cost of such action, including attorneys' fees.

43 **"§ 106-825. Use of funds; refunds.**

1 (a) The Department shall remit all funds collected under this Article to the Council
2 at least quarterly. The Council shall use these funds to promote the interests of the horse
3 industry and may use these funds for those administrative expenses that are reasonably
4 necessary to carry out this function.

5 (b) Any person who purchases commercial horse feed upon which the assessment
6 has been paid has the right to refuse in writing to pay the assessment. The seller shall
7 reduce the price accordingly and may seek a refund of the refused assessment by making
8 demand in writing to the Council within 30 days of purchase of the feed. This demand
9 shall be accompanied by proof of refusal satisfactory to the Council."

10 Section 2. G.S. 106-550 reads as rewritten:

11 "**§ 106-550. Policy as to promotion of use of, and markets for, farm products.**

12 It is declared to be in the interest of the public welfare that the North Carolina farmers
13 who are producers of livestock, poultry, field crops and other agricultural products,
14 including cattle, sheep, broilers, turkeys, commercial eggs, peanuts, cotton, potatoes,
15 sweet potatoes, peaches, apples, berries, vegetables and other fruits of all kinds, as well
16 as bulbs and flowers and other agricultural products having a domestic or foreign market,
17 shall be permitted and encouraged to act jointly and in cooperation with growers,
18 handlers, dealers and processors of such products in promoting and stimulating, by
19 advertising and other methods, the increased production, use and sale, domestic and
20 foreign, of any and all of such agricultural commodities. The provisions of this Article,
21 however, shall not include the agricultural products of tobacco, strawberries, strawberry
22 plants, ~~or~~ porcine animals, or horses, with respect to which separate provisions have been
23 made."

24 Section 3. This act is effective when it becomes law.