

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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SENATE BILL 785\*

Short Title: Equine Industry Commission. (Public)

Sponsors: Senators Weinstein; Atwater, Brown, East, and Tillman.

Referred to: Appropriations/Base Budget.

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



- 1           (1)    Four members appointed by the Governor.
- 2           (2)    Four members appointed by the President Pro Tempore of the Senate.
- 3           (3)    Four members appointed by the Speaker of the House of Representatives.
- 4           (4)    The Chairman of the North Carolina Horse Council or the Chairman's  
5           designee.
- 6           (5)    The Commissioner of Agriculture or the Commissioner's designee.
- 7           (6)    The President of the North Carolina Farm Bureau Federation or the  
8           President's designee.

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

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

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

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

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

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

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

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

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

42 **"§ 143B-426.51. Equine Industry Commission; duties and authority.**

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

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

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

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

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

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

38 **"§ 143-426.52. Equine Industry Commission; reporting requirements.**

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

50       **SECTION 2.** The initial terms of the members of the Equine Industry Commission,  
51 created under G.S. 143B-426.50, as enacted by Section 1 of this act, shall commence on July 1,

1 2009. Notwithstanding the provisions of G.S. 143B-426.50(d), as enacted by Section 1 of this  
2 act, the terms for the initial appointments under G.S. 143B-426.50 shall be as follows:

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

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

6 (3) Two of the four members appointed by the Speaker of the House of  
7 Representatives shall serve two-year terms and two shall serve three-year  
8 terms.

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

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

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