

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE DRH10406-RFz-14* (04/06)

Short Title: Equine Industry Study Funds.

(Public)

Sponsors: Representative Cole.

Referred to:

A BILL TO BE ENTITLED

1
2 AN ACT TO APPROPRIATE FUNDS TO THE AGRICULTURAL
3 ADVANCEMENT CONSORTIUM TO STUDY THE ECONOMIC IMPACT OF
4 THE EQUINE INDUSTRY IN NORTH CAROLINA AND DEVELOP
5 STRATEGIES TO MAXIMIZE THE ECONOMIC IMPACT OF THIS INDUSTRY
6 IN THE STATE.

7 Whereas, the 2005 economic impact study of the horse industry in the United
8 States done by the American Horse Council showed a total impact of \$101.5 billion:
9 \$32 billion from recreation, \$28.8 billion from showing, \$26.1 billion from racing, and
10 \$14.7 billion from other activities; and

11 Whereas, that study ranked North Carolina 8th among the states in the number
12 of horses in the State; and

13 Whereas, the last survey of the equine industry in North Carolina was
14 undertaken by the North Carolina Department of Agriculture and Consumer Services in
15 1996; and

16 Whereas, no comprehensive study has ever been done to determine the
17 economic impact of the equine industry in the State; and

18 Whereas, Virginia, Maryland, Pennsylvania, Delaware, Kentucky, and other
19 states have recently conducted economic impact studies and have found that the equine
20 industry contributes substantially to each state's economy. For example, Maryland
21 determined the total economic impact of the equine industry to be \$1.5 billion dollars
22 per year, and Virginia estimated a \$1 billion dollar impact with the Virginia Horse
23 Center in Lexington alone generating in excess of \$53 million; and

24 Whereas, a number of states also have established equine industry boards and
25 are actively recruiting equine operations and activities; including the development of
26 major horse parks in Maryland and Florida; and

1 Whereas, North Carolina is well situated as to climate, geography, and
2 transportation routes for equine operations and activities and has an opportunity to
3 increase its share of the equine industry dollar; and

4 Whereas, North Carolina was the home of Janus, the foundation sire of the
5 American Quarter Horse; and

6 Whereas, Sir Archie, considered one of the foundation sires of the American
7 Thoroughbred, lived in North Carolina during the early 1800s; and

8 Whereas, expansion of the equine industry would provide jobs, alternatives to
9 tobacco production, aid in the preservation of farmland and open space, and contribute
10 to the general welfare of the State; Now, therefore,

11 The General Assembly of North Carolina enacts:

12 **SECTION 1.** There is appropriated to the Rural Economic Development
13 Center the sum of five hundred thousand dollars (\$500,000.00) to be allocated to the
14 Agricultural Advancement Consortium for the purpose of assessing the numbers,
15 composition, and value of the equine industry in North Carolina, analyzing the direct
16 and indirect impact of the industry on the State's economy and the development of a
17 comprehensive plan to maximize the economic opportunities presented by the industry.

18 **SECTION 2.** The assessment of the equine industry shall provide data on
19 both a statewide and county basis. The assessment shall include the following:

- 20 (1) A census of equines in the State, including numbers, breeds, and
21 disciplines.
- 22 (2) The value of equines in the State.
- 23 (3) The number of equine owners.
- 24 (4) The number of equine operations.
- 25 (5) The size of equine operations.
- 26 (6) The total acreage devoted to equine operations.
- 27 (7) The value of equine-related assets.
- 28 (8) The number of equines and owners participating in various activities
29 within the State.
- 30 (9) An analysis of the economic impact of the existing exhibition facilities
31 including the Hunt Horse Complex, the Senator Bob Martin Horse
32 Complex, the WNC Agricultural Center, and the Carolina Horse Park.
- 33 (10) An analysis of the programs, contributions, and industry support
34 provided by the North Carolina State University College of Veterinary
35 Medicine and other equine programs, at both private and public
36 education institutions including the College of Agriculture and Life at
37 North Carolina State University, Martin Community College, and St.
38 Andrews College.
- 39 (11) An analysis of the economic impact of breeding, training, and other
40 horse operations.
- 41 (12) An analysis of the economic impact of services provided to the equine
42 industry including farrier, veterinary, design and planning, farm
43 management and consulting, show management, and other services
44 related to equines and equine operations.

1 (13) An analysis of the economic impact, including manufacturing,
2 agricultural production and employment, and wholesale and retail
3 sales, of the purchase of equines, feed and grain, hay, tack and other
4 horse equipment, riding clothes, insurance, vehicles and trailers, farm
5 and pasture inputs, capital improvements such as barns, sheds and
6 fencing, and real estate, including planned equestrian communities.

7 (14) An analysis of the economic impact of other recreational uses of
8 equines, including trail riding, camping with horses, therapeutic riding
9 programs, other recreational activities, and equine-related agritourism.

10 (15) An analysis of the impact of the equine industry on State and local
11 governments including the generation of tax revenues.

12 **SECTION 3.** The Agricultural Advancement Consortium, in developing a
13 plan to maximize the economic impact of the equine industry, shall:

14 (1) Evaluate existing equine-related facilities, programs, and services in
15 the State and make recommendations for enhancing those facilities,
16 programs, and services so as to maximize their economic impact on
17 the State.

18 (2) Identify opportunities for the growth of the equine industry, including
19 the production of feed crops, improved pasture, and high quality horse
20 hays, attracting industry engaged in the production of horse-related
21 products, equipment, and pharmaceuticals, the addition of exhibition
22 and show facilities, including the development of a world class
23 equestrian park, and other horse-related programs, activities, and
24 facilities, and evaluate the potential economic contribution to the
25 State's economy of each of these potential undertakings.

26 (3) Evaluate the need to create an equine industry board tasked with the
27 market development, education, publicity, research, and promotion of
28 the North Carolina equine industry and other such measures it deems
29 appropriate to promote the objectives, findings, and recommendations
30 of the equine industry survey and analysis.

31 (4) Evaluate the laws, rules, and policies that impact equine owners and
32 persons engaged in equine activities, including land-use policies,
33 preservation of trails, use of State recreational facilities, and tax credits
34 and make recommendations directed toward making North Carolina
35 more attractive to equine operations and activities.

36 **SECTION 4.** The Agricultural Advancement Consortium may contract with
37 other agencies of State government, any of the constituent institutions of The University
38 of North Carolina, and private consultants as it deems necessary and advisable in its
39 conduct of the assessment and plan development. The Agricultural Advancement
40 Consortium shall complete its work within 12 months of the funds becoming available
41 and shall file a report containing the results of the assessment of the equine industry and
42 its plan for maximizing the economic impact of the equine industry with the Chairs of
43 the Joint Legislative Commission on Governmental Operations and the Chairs of the
44 Senate and House Appropriations Committees.

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SECTION 5. This act becomes effective July 1, 2006.