

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  
Fourth Edition Engrossed 7/9/98

Short Title: Horse Promotion Assessment.

(Public)

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Sponsors:

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Referred to:

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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:

- 1           (1)   'Commercial horse feed' means any commercial feed, as defined in G.S.  
2                   106-284.33, labeled for equine use.  
3           (2)   'Council' means the North Carolina Horse Council.  
4           (3)   'Department' means the Department of Agriculture and Consumer  
5                   Services.  
6           (4)   'Equine' means a horse, pony, mule, donkey, or hinny.  
7           (5)   'Horse owner' means a person who (i) is a North Carolina resident and  
8                   (ii) owns or leases an equine or has a financial interest in equines or an  
9                   equine operation.

10 **"§ 106-823. Referendum.**

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

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

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

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

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

29 **"§ 106-824. Majority vote required; collection of assessment.**

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

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

42       (c)   The Council may bring an action to collect unpaid assessments against any  
43 horse owner, feed manufacturer, or distributor who fails to pay the assessment and, if

1 successful, shall recover the cost of such action, including attorneys' fees. The Council  
2 shall not bring an action under this subsection against any person who has exercised that  
3 person's right to refuse in writing to pay the assessment under G.S. 106-825(b).

4 **"§ 106-825. Use of funds; refunds.**

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

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

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

15 **"§ 106-550. Policy as to promotion of use of, and markets for, farm products.**

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

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