

## **SUMMARY OF HB 5239, THE 2019 EQUINE PROMOTION DEVELOPMENT FUND BILL**

- The Equine Promotion Development Fund Act will provide for the collection of assessments and create an Equine Commission, which will receive and manage the funds collected for the purposes of research and promotion of the equine industry, and to increase its current \$2.6 billion economic impact on Michigan's economy.
- The Commission's eleven members will be government appointees and come from the various segments of the equine industry.
- The MDARD Director will enforce the Act.
- Assessments are \$5 per ton of feed formulated for horses and sold in Michigan; and \$3 per Coggins test administered in Michigan. Persons who collect assessments may offset the costs of collection and remittance activities for two years.
- Persons who purchase Horse Feed or a Coggins test upon which the assessment has been paid shall have the right to receive a refund of the assessment they paid within one year of their purchase.
- All business meetings of the Commission will comply with the Open Meetings Act, all writings it prepares or uses will be subject to the Freedom of Information Act and financial records will be audited at least annually.
- After the first 5 full calendar years of operation, the Commission shall conduct a referendum to equine owners to determine if the Commission shall be renewed. If more than 50% vote to terminate the Commission, the Commission shall be terminated; otherwise, it shall continue.

### **FUNDS GENERATED BY EQUINE CHECK-OFFS IN OTHER STATES:**

Six other states have Equine Check-off programs similar to that proposed in this legislation. Annual income from these programs ranges from \$105,000 to \$516,000, with the average being \$242,000. It is anticipated Michigan's proposed check-off legislation would produce \$250,000 in income annually, which is in keeping with check-offs in states with equine populations similar to Michigan's 188,000.

### **PROGRAMS FUNDED IN OTHER STATES HAVING CHECK-OFFS**

Specific programs under each of the three general expenditure categories - promotion, education and research - will be determined by the Michigan Equine Commission itself, but other states having similar programs have spent check-off funds on the following:

- Collect and analyze data on the horse industry and its economic impact in the state;
- Support state FFA, 4-H and other youth equine programs;
- Scholarship programs supporting all facets of the state's horse industry;
- Development and support of equine-assisted therapeutic programs for the handicapped, including veterans
- Charitable equine programs such as camps and rescues, including programs that re-train and re-home unwanted horses;
- Promotion of zoning and other land use regulations that appropriately reflect the horse industry's substantial contributions to local economies;
- Expansion of the horse industry by creating marketing materials and networking programs for those not yet acquainted with horses.

### **AS OF 09/20/2019, THIS BILL IS SUPPORTED BY THE FOLLOWING EQUINE ORGANIZATIONS:**

Michigan Horse Council  
Michigan Horse Show Association  
Arabian Horse Association of Michigan  
Michigan Harness Horsemen's Association

Michigan Quarter Horse Association  
Detroit Horse Power  
Macinac Horsemen's Association