**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING CHAPTER 23 TO TITLE 47 SO AS TO CREATE THE “SOUTH CAROLINA EQUINE PROMOTION ACT”, TO DEFINE NECESSARY TERMS, TO ESTABLISH THE EQUINE PROMOTION BOARD, TO PROVIDE FOR THE COMPOSITION OF THE BOARD AND THE TERMS OF THE BOARD MEMBERS, TO IMPOSE AN ASSESSMENT ON ALL COMMERCIAL FEED AND CUSTOM BLENDS LABELED FOR EQUINE USE; TO PROVIDE HOW THE FUNDS MAY BE USED TO PROMOTE THE EQUINE INDUSTRY IN SOUTH CAROLINA, AND TO REQUIRE AN ANNUAL AUDIT OF THE EQUINE PROMOTION FUND.

Whereas, the General Assembly finds that the equine industry contributes billions of dollars to South Carolina through the value of the animals, the land on which they are housed, jobs, and taxes; and

Whereas, seeking to foster this economic asset, the South Carolina Equine Promotion Act shall promote and improve economic development of this important industry through a board funded by fees collected from the sale of commercial horse feed. Now, therefore,

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Title 47 of the 1976 Code is amended by adding:

”CHAPTER 23

South Carolina Equine Promotion Act

Section 47‑23‑10. As used in this chapter:

(1) ‘Board’ means the Equine Promotion Board established pursuant to Section 47‑23‑20.

(2) ‘Commercial horse feed’ means a commercial feed, as defined in Section 46‑27‑20, and labeled for equine purposes.

(3) ‘Commissioner’ means the commissioner of the Department of Agriculture.

(4) ‘Department’ means the South Carolina Department of Agriculture.

(5) ‘Equine’ means a horse, pony, mule, donkey, or hinny.

(6) ‘Equine industry’ applies to both commercial and recreational aspects of equine activities.

Section 47‑23‑20. (A) There is established under the auspices of the department the Equine Promotion Board. The membership of the promotion board must be composed of nine members who have a direct association with the equine industry and operate and reside in this State. The members of the board must be appointed as follows:

(1) the South Carolina Commissioner of Agriculture shall appoint one member;

(2) the Chairman of the Senate Agriculture and Natural Resources Committee shall appoint one member;

(3) the Chairman of the House Agriculture, Natural Resources, and Environmental Affairs Committee shall appoint one member;

(4) the South Carolina Horsemen’s Council shall appoint one member;

(5) the President of the South Carolina Farm Bureau shall appoint one member;

(6) the Director of the South Carolina Department of Parks, Recreation and Tourism shall appoint one member;

(7) the South Carolina Veterinary Association shall appoint one member; and

(8) two at‑large members shall be appointed through a process determined by the initial seven appointees.

No one equine breed, discipline, or special interest group shall have more than two representatives on the board.

The Equine Marketing Specialist within the South Carolina Department of Agriculture and an appointed Equine Specialist from Clemson University shall serve as advisory members. These members serve ex officio in an advisory capacity with no voting privileges.

(B) Of the initial members of the Equine Promotion Board created pursuant to this section, three members shall serve terms of four years, two members shall serve terms of three years, and two members shall serve terms of two years. These initial terms randomly must be determined by a method chosen by the board chairman. After the initial terms all new members shall serve four‑year terms. The Commissioner of Agriculture shall designate the initial term of a member when the member is appointed.

(C) In making these appointments, race, gender, and other demographic factors must be considered by the appointing authorities to ensure nondiscrimination and to ensure, to the greatest extent possible, inclusion and representation of all segments of the population of the State; however, consideration of these factors in making a selection in no way creates a cause of action or the basis for a grievance by a person appointed or by a person who fails to be appointed. Vacancies must be filled in the manner of the original appointment. All members shall serve until their successors are appointed and qualify. The board shall elect a chairman, vice chairman, secretary, and treasurer from among its members. The board shall meet at least quarterly or upon the call of the chairman. Members of the board are not entitled to compensation but shall receive mileage, per diem, and subsistence as provided by law for members of state boards, committees, and commissions to be paid from the Equine Promotion Fund.

Section 47‑23‑30. There is imposed an assessment equal to two dollars a ton on all commercial feed and custom blends labeled for equine use sold in this State. The fee must be paid by those selling custom equine blends or required to register a commercial feed pursuant to Section 46‑27‑210, and those individuals and entities must be issued a manufacturer’s receipt for payment of the fee before supplying the feed to retailers. The assessment is due and payable to the Equine Promotion Board in quarterly installments due and payable on the fifteenth day of the month following the end of the calendar quarter, for the preceding quarter. The board shall prescribe the forms necessary for reporting and paying this assessment. For purposes of collection and enforcement, the provisions of Chapter 54, Title 12 apply to this assessment.

Section 47‑23‑40. (A) The revenues of the assessment imposed pursuant to this chapter must be credited to a fund in the State Treasury separate and distinct from the general fund and all other funds, entitled the ‘Equine Promotion Fund’, which must be used by the board for the sole purpose of promoting the equine industry in this State, including administrative expenses associated with this purpose. The department on an annual basis is authorized to be reimbursed from the fund for its administrative costs associated with its duties under this chapter, not to exceed fifteen percent of the total net assessments collected for that year.

(B) The funds collected must be used for research, education, and promotion of the equine industry.

Section 47‑23‑50. The State Auditor annually shall conduct an audit of the Equine Promotion Fund and the manner in which the assessments are imposed and expended to ensure that the funds are collected and used as required by this chapter.”

SECTION 2. This act takes effect upon approval by the Governor.

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