

BILL ANALYSIS

Senate Research Center
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S.B. 928
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Agriculture, Water & Rural Affairs
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 928 abolishes the Texas Equine Incentive Program and instructs the Texas Department of Agriculture (TDA) to pay back to Texas horse breeders the money that they voluntarily contributed to the program.

The Texas Equine Incentive Program was created in 2009 to encourage the development of the Texas horse industry by providing incentives for owners of Texas-bred horses to enter foals in Texas equine shows and race events.

Texas stallion owners, on a voluntary basis, provided funding for the program by paying a \$30 fee for each Texas mare bred. The resulting foal became eligible to enroll in the program and earn incentive awards based on the points the foal earned during the previous year at racing and showing events in Texas.

Fees have been collected since the 2009 breeding year (recorded as fiscal year 2010 revenue). To date, fees for over 1,300 breedings have been paid to TDA. Unfortunately, implementation of the Texas Equine Incentive Program was not successful and funds from this program were swept by the Office of the Comptroller of Public Accounts of the State of Texas into General Revenue before incentives were paid. Monies collected by the Texas Equine Incentive Program were never intended for General Revenue.

S.B. 928 addresses this issue by abolishing the Texas Equine Incentive program and providing TDA the necessary authority to pay back to breeders the money that they voluntarily contributed to the program.

As proposed, S.B. 928 amends current law relating to the abolition of the equine incentive program.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Texas Department of Agriculture is rescinded in SECTION 1 (Section 12.044, Agriculture Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Repealer: Section 12.044 (Equine Incentive Program), Agriculture Code.

SECTION 2. (a) Provides that the equine incentive program under Section 12.044, Agriculture Code, is abolished September 1, 2015.

(b) Requires the Department of Agriculture (TDA), not later than December 31, 2015, to distribute any money remaining on the effective date of this Act from fees collected under Section 12.044(b) (requiring the owner of a stallion that has bred more than five mares during the 12-month period preceding the report to submit a duplicate of the report to TDA for the sixth and any subsequent mare bred by the stallion on the filing of an annual report with the applicable breeders' association), Agriculture Code, to the applicable breeders' associations. Requires TDA to distribute to each breeders' association an amount of money determined by multiplying the amount of money

remaining on the effective date of this Act from fees collected under Section 12.044(b), Agriculture Code, by a fraction, the numerator of which is the amount of money collected under that subsection during the operation of the equine incentive program in connection with the breeding of mares registered or associated with that breeders' association and the denominator of which is the total amount of money collected under that subsection during the operation of the equine incentive program in connection with the breeding of mares registered or associated with all breeders' associations. Authorizes a breeders' association to use money received under this subsection only to promote the equine industry in this state.

SECTION 3. Effective date: September 1, 2015.