

## **BILL ANALYSIS**

C.S.H.B. 1881  
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Agriculture & Livestock  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Horse culture has been an integral part of life in Texas since the 18th century, when explorers from New Spain established missions and presidios north of the Rio Grande. Before Texas became an independent nation, Mexican vaqueros inspired the evolution of our region's most enduring icon, the American cowboy. And most Texans would agree with Will Rogers who said, "There is something wrong with a man that don't love a horse."

In addition to a legacy of pride and independence, equine culture has historically played an important part in Texas' economy. Over the past five years, however, our state's horse industry has dropped from over \$11 billion to \$5 billion as breeders have moved to states like Kentucky that offer large incentive programs.

C.S.H.B. 1881 works to reverse and prevent this loss to other states by creating an equine incentive program. The program is designed to keep this valuable industry, and the dollars it generates, in Texas, by promoting and rewarding breeders who meet its guidelines.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Department of Agriculture in SECTION 1 of this bill.

### **ANALYSIS**

C.S.H.B. 1881 amends the Agriculture Code to require the Texas Department of Agriculture (TDA) to create and administer an equine incentive program to provide an incentive for owners of certain Texas-based horses to enter them in horse events in Texas. The bill specifies that the program may only apply to Thoroughbreds, paint horses, and quarter horses.

C.S.H.B. 1881 requires the owner of a stallion, if that owner has bred more than five mares during the 12-month period preceding the filing of an annual breeding report to the applicable breeder's association, to submit a duplicate report to TDA for the sixth and any subsequent mare bred by the stallion. The bill requires an owner required to submit a duplicate report to pay an equine incentive program fee of not less than \$30 per mare bred, as determined by TDA, in connection with each such duplicate report. The bill authorizes an owner required to submit a duplicate report and program fee to elect not to participate in the program by giving written notice to TDA not later than the 30th day before the annual breeding report is due. The bill authorizes an owner of a stallion that has bred less than six mares to elect to participate in the program by submitting a duplicate breeding report and paying the incentive fee for each mare bred by the stallion.

C.S.H.B. 1881 requires TDA by rule to provide for the use of such fees to grant equine incentive awards to the owners of eligible foals that participate in horse events in Texas. The bill provides that a foal is eligible for an incentive award only if an equine incentive program fee has been paid on behalf of the foal's dam. The bill requires TDA by rule to establish a point system by

which the owner of an eligible foal may receive an equine incentive award based on the foal's participation in horse events held in Texas that are sanctioned by the applicable horse breeder's association.

**EFFECTIVE DATE**

September 1, 2009.

**COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 1881 differs from the original by requiring an incentive program for the owners of certain Texas-based horses entered in horse events, rather than for certain show horses entered in horse shows.

C.S.H.B. 1881 differs from the original by requiring an equine incentive fee for each sixth and subsequent mare bred by a stallion that has bred more than five mares during the 12 months preceding the annual report filing, rather than for each sixth and subsequent foal sired by a stallion that has sired more than five foals.

C.S.H.B. 1881 adds a provision, not in the original, allowing an owner of a stallion to opt out of the program by giving written notice by a certain date, and permitting an owner of a stallion that has bred fewer than six mares to participate by submitting the appropriate reports and paying the incentive fees.