

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: Original
POSITION: Neutral

BILL NUMBER: AB 2270
AUTHOR: Assembly Agriculture

BILL SUMMARY: Horses: Show, Competition, and Sale Events: Fees

This bill would impose additional requirements and additional potential penalties on horse event managers to improve fiscal accountability, compliance for registration of events, and enforcement capabilities of the California Department of Food and Agriculture (CDFA).

FISCAL SUMMARY

Although expenditures would not be subject to a Budget Act appropriation, the CDFA notes that any increased costs resulting from this bill would be minimal. CDFA's Equine Medication Monitoring Program, which is impacted by the amendments in this measure, is entirely industry-funded and applicable fee revenues are deposited into the Department of Food and Agriculture Fund.

COMMENTS

This bill would enable the CDFA to more effectively audit and enforce fee remittance associated with registered horse events. According to the CDFA, no method currently exists for verification of appropriate assessment fee collection and accurate remittance for registered horse events.

Existing law:

- Regulates horse events (shows, competitions, and sales, and the drugging of horses). A violation of these provisions is a crime.
Requires the event manager of every horse event to charge and collect a fee established by the Secretary of Food and Agriculture (Secretary), as provided, and to remit the fee, along with a completed assessment summary, to the CDFA, as specified, in order to provide funds for enforcement.
Requires the event manager to register every event with the CDFA, as specified. Any violation may be subject to a civil penalty of not less than \$100 and not more than \$2,500.
Defines "event" to mean any public horse show, competition (including cutting horse competitions, endurance riding competitions, competitive trail competitions, gymkhanas, and any other competition as determined by the Secretary, by regulation), or sale, in which money, goods, or services are exchanged for the right to compete for a single set of placings leading to points or awards at the show or competition, or to permit a horse to be considered for sale.

Specifically, this bill would:

- Require the event manager to remit an assessment report (instead of summary) for the registered event along with the established fee, as provided.
Require the event manager to maintain event records for two years and to make them available to the CDFA upon request, as specified.
Clarify that a show held over multiple consecutive days, as provided, shall be considered one event for the purpose of the assessment of the fee.

(Continued)

COMMENTS (Cont'd)

Analyst/Principal Date Assistant Program Budget Manager Date
(0222) J. Fitzpatrick

Department Deputy Director Date

Governor's Office: By: Date: Position Approved
Position Disapproved

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)

Assembly Agriculture

Original

AB 2270

- Authorize the Secretary to suspend an event manager from hosting or managing public horse shows or competitions for at least 90 days and up to one year, as specified, for each registration violation.
- Specify that it is unlawful for a suspended event manager to host or manage a public horse show or competition during the period of suspension. A suspended manager who hosts a public show or competition is subject to a civil penalty of not less than \$100 and not more than \$2,500 for each violation.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
	LA	(Dollars in Thousands)							
	CO	PROP							
	RV	98	FC	2009-2010	FC	2010-2011	FC	2011-2012	
8570/Food & Ag	SO	No		----- No/Minor Fiscal Impact -----					0111

<u>Fund Code</u>	<u>Title</u>
0111	Department of Agriculture Account, Ag Fd