

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1496

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact two new sections to title 36 of the North Dakota Century Code, relating to an equine assessment and to require a bond; to provide for an equine processing facility feasibility study; to create an advisory committee; to provide an appropriation; to provide a continuing appropriation; and to provide for legislative intent.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to title 36 of the North Dakota Century Code is created and enacted as follows:

Initiation of legal action - Bond - Liability for fees and costs.

1. a. If a person files an action seeking to stop or otherwise delay the construction of an equine processing facility, the court shall require the person filing the action to post a surety bond in an amount at least equal to twenty percent of the estimated cost of constructing the facility.
- b. If the person bringing the action does not ultimately prevail, that person is liable for all financial losses incurred by the facility during the time the action was pending and all attorney's fees and costs incurred by the facility in defending the action.
- c. For purposes of this subsection, construction includes the purchase and remodeling of an existing structure to serve as an equine processing facility.
2. a. If a person files an action seeking to estop the operation of an equine processing facility, the court shall require the person filing the action to post a surety bond in an amount at least equal to twenty percent of the estimated cost of operating the facility during the time the action is pending.
- b. If the court issues an injunction that estops the operation of the facility while the action is pending and if the person bringing the action does not ultimately prevail, the person bringing the action is liable for all financial losses incurred by the facility during the time the action was pending and all attorney's fees and costs incurred by the facility in defending the action.
3. If a person required to post a bond under this section does not do so within thirty days of filing the action, the court shall dismiss the action.

SECTION 2. A new section to title 36 of the North Dakota Century Code is created and enacted as follows:

Assessment - Continuing appropriation - Provision of grants.

1. For each equine processed at an equine processing facility in this state, the owner of the facility shall submit to the agriculture commissioner, at the time and in the manner directed by the commissioner, an assessment in the amount of five dollars. The commissioner shall forward the

assessment to the state treasurer for deposit in the equine processing fund.

2. All moneys in the equine processing fund are appropriated on a continuing basis to the agriculture commissioner to be used as follows:
 - a. The agriculture commissioner shall return to the state general fund the fifty thousand dollars appropriated to the department of commerce for the equine processing facility feasibility study.
 - b. Upon completion of the requirement set forth in subdivision a, the commissioner shall:
 - (1) Provide an annual grant equaling forty percent of any assessments collected to Dickinson state university in support of the equine management program;
 - (2) Provide an annual grant equaling forty percent of any assessments collected to North Dakota state university in support of the equine studies program; and
 - (3) Provide an annual grant equaling twenty percent of any assessments collected to public or private entities conducting equine research or offering hippotherapy to individuals with disabilities.

SECTION 3. EQUINE PROCESSING FACILITY FEASIBILITY STUDY.

1. During the 2009-10 interim, the department of commerce shall conduct an equine processing facility feasibility study. The study must begin with a review of federal laws, regulations, policies, and guidelines regarding equine processing and an evaluation of the potential for amendments and modifications. If an equine processing facility is determined to be permissible under existing laws, the study may proceed to:
 - a. Address the cost of constructing a new equine processing facility in this state;
 - b. Determine whether any existing structures could be converted to an equine processing facility and the cost of converting the structures;
 - c. Determine the nature and scope of existing and potential markets, both domestic and international, for equine meat and other byproducts of equine processing; and
 - d. Examine the potential for obtaining loans, grants, and other incentives in order to further the development of an equine processing facility.
2. The department shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 4. ADVISORY COMMITTEE - REIMBURSEMENT FOR EXPENSES. The department of commerce may appoint a five-member committee to provide advice and guidance to the department regarding the feasibility study provided for in section 3 of this Act. The department may use up to \$5,000 of the amount appropriated under section 5 of this Act to provide reimbursement for expenses, as allowed by law for state officers, to any member of the advisory committee who does not serve on the committee by virtue of the individual's public office or public employment.

SECTION 5. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of conducting the equine processing facility feasibility study as provided under section 3 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011. The department may expend the moneys appropriated under this section only if matching funds are obtained on a dollar-for-dollar basis.

SECTION 6. LEGISLATIVE INTENT - AGRICULTURAL PRODUCTS UTILIZATION COMMISSION - CONSIDERATION OF GRANT PROPOSAL. It is the intent of the legislative assembly that the agricultural products utilization commission consider making a grant available under section 4-14.1-03.1 to assist with the requirement for matching funds as provided under section 2 of this Act."

Renumber accordingly