



**Report of the
Equine Industry Support Measures Study
Committee
February 2022**

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Introduction

In the Spring of 2021, the South Carolina General Assembly established the South Carolina Equine Industry Support Measures Study Committee (“Committee”) to examine the state of the equine industry in South Carolina. The goal of the Committee was to determine whether or not this long time contributor to the state’s economy is still viable or, as had been anecdotally observed by members of the equine community, in decline and in need of state intervention to help it remain viable in the face of shifting economic trends which favored other states in which the equine industry was well established or was being created by favorable state sponsored subsidies. The committee consisted of seven members. Two members of the SC House of Representatives, Representative Russell Ott, who represents House District 93 and Representative Bill Hixon, who represents House District 83, two members of the SC Senate, Senator Katrina Shealy, who represents Senate District 23 and Senator Dick Harpootlian, who represents Senate District 20.

The Speaker of the SC House of Representatives appointed Mr. Jack Sadler and the President of the SC Senate appointed Ms. Deborah McCutchen. The Commissioner of Agriculture appointed Mr. Kip Elser. Representative Ott served as the Chairman of the committee. The committee traveled across the State of South Carolina to study the impact that the Equine Industry has on our state. The committee identified barriers that exist for the equine industry in our state, compared South Carolina to other states' equine industry, and worked with organization across the state to see how they vision the future of South Carolina’s equine industry.

Economic Impact of the Equine Industry in South Carolina

The Equine Support Measures Study Committee used the information from *The Economic Impact of the Equine Sector on South Carolina* study conducted by the University of South Carolina for the South Carolina Department of Agriculture to understand the significance the Equine Industry in South Carolina has on our state economically. At the time of the study, 2018, the total annual economic impact of the equine industry in South Carolina was approximately 1.9 billion dollars. Per the study, 1% of all the horses in the United States reside in South Carolina. There are approximately 28,545 jobs associated with and dependent on the equine industry.

Decline in South Carolina’s Equine Industry

While the University of South Carolina’s study referenced above indicates

a robust equine industry in South Carolina, the Committee's impressions were substantially different.

South Carolina has been blessed with a historical environment that has allowed the horse industry to thrive. South Carolina has a long history of horse racing¹ which survived the Revolutionary and Civil Wars and was enjoyed as a sport during the shortages of World War II. Because of that history, its proximity to the horse racing industry stays on the East Coast and Midwest, due to its mild year-round weather and its large areas of sandy soil it has developed as a training and rehabilitation destination.

Additionally, South Carolina has a long history of horse riding as a recreational activity and in fact, the majority of horses owned in South Carolina are owned for recreational purposes.

Both thoroughbred and recreational horses create a large support network. Farriers, trainers, stable hands, farmers, tack stores, training and housing facilities, large animal veterinarians, feed suppliers and other individuals and entities are in business to some degree to provide for the horses that are reared, trained and stabled in South Carolina. Additionally, horses support 4H programs at the high school and collegiate levels, prison to work programs, therapy programs for individuals who may suffer from physical or mental ailments, and other nonprofit organizations in South Carolina.

Horse ownership is an important economic and recreational driver in South Carolina and the Committee heard many anecdotal stories about the slow decline of some of these activities which of course creates a parallel economic decline as it relates to those individuals and businesses which depend on horses for their livelihood. The Committee has come to the conclusion that competition from other states has had a detrimental impact on the horse industry in South Carolina and that only the State of South Carolina can effectively create a more competitive economic environment for the equine industry in South Carolina. The following is a summary of this Committee's findings and recommendations about how to put the equine industry in South Carolina on a more level playing field with the equine industry in other states.

Impact of Equine Industry Programs and economic problems associated with their continued viability

One of the primary barriers for growth in the equine industry is that funding is needed to create and manage programs that are established by nonprofits, individuals or the State to that benefit the equine community and the State as a whole.

¹ The first horse race was held in Charleston in 1734.

There are many individuals and examples that the Committee heard from, and they are noted in the Committee notes attached to this Report as **Exhibit 1**. A number of programs were indicative of the impact that the equine industry has on the State of South Carolina they are highlighted hereafter.

Clint Leach, representing the South Carolina Department of Agriculture, described the economic impact of the equine industry on the State of South Carolina. Leach, relying on a study done by the University of South Carolina in 2019, stated that the impact was nearly two billion dollars. That sum was derived from the services associated with ownership of nearly 74,000 horses in South Carolina, which account for 29,000 jobs which are directly or indirectly related to the equine industry. He described four areas of growth for the industry in South Carolina; race related activities, training facilities, expos and arenas and finally recreational ownership by South Carolina residents.

John Carmichael runs the Thoroughbred Retirement Foundation Second Chances Program. This program allows prisoners the opportunity to work with horses as a part of their prison sentence. The program began in South Carolina in 2008. The program is located at Wateree Correctional Facility, and the prison has approximately 110 acres at the facility to use for the horses. Currently, there are 11 horses and 4 inmates involved in the program. The committee heard from a participant in the program, and he described his experience as life changing because it encourages self-esteem and improves the mental health of the people involved. He also believes that the program would excel in high school vocational centers to get younger people more involved and interested in the equine industry.

The Committee heard from Erica Veit, the founder of the Daufuskie Marsh Tacky Society. The Marsh Tacky, of course, was designated the South Carolina State Heritage Horse by the General Assembly in 2010. She has persevered for many years to preserve the Marsh Tacky, its history and significance to South Carolina. While the Marsh Tacky Beach Races were a substantial source of funds for the preservation of the breed, the bankruptcy of the development on Daufuskie Island has created severe financial difficulty in keeping this important part of South Carolina's heritage intact. Her full written testimony is attached as **Exhibit 2**.

Gabrielle Kuenzli, a history professor at the University of South Carolina, testified as to the importance of the industry to South Carolina's economic base, encompassing rural and urban areas alike. She also discussed the rich history of racing and training in South Carolina and that famous jockeys, trainers and horses have called South Carolina home. She was alarmed that South Carolina was losing its well-deserved place in the horse racing industry to such states as Delaware and Virginia that are establishing incentives to train there. Kentucky, Maryland, and Florida are building

training facilities that are beginning to syphon off lucrative training fees from established South Carolina facilities. Her full written testimony is attached hereto as **Exhibit 3**.

Ms. Deborah McCutchen, a member of the Committee and owner of a training center and track in Kingstree also indicated the slow decline of the racing and training industry in South Carolina and how it has adversely impacted her track and training ground but also the individuals that depend on those activities.

Members of the Committee toured the Keeneland Racetrack in Lexington, Kentucky and were impressed by the training center, the breeding program, the pasturing and rehabilitation program there. The committee met many people involved in the equine industry, along with Kentucky State Senator Damon Thayer. He informed the members how Kentucky supports its equine industry through wagering. This allows Kentucky to continue to grow its equine industry without depending on the general fund to support the non-revenue generating equine programs. It also allowed Kentucky to compete effectively with other states in the Southeast, which are helping to support their respective equine industries.

Additional testimony came from Doug Berry, DVM. Dr. Berry is a large animal veterinarian who explained the importance of the equine industry to the veterinary business and importance of the equine industry to the state as a whole. He gave numerous examples of how horses being bred and sold in South Carolina and the individual jobs that trickled down from those activities was enormous.

Lisa Zappalo, President of the South Carolina Horseman's Council testified at the last public hearing before the Committee. She related to the committee the importance that quarter horses have on South Carolina's Equine Industry. She emphasized how the quarter horses generated revenue and jobs related to their upkeep. These jobs include veterinary medicine, dental care, tack sales, and feed stores. Zappalo confirmed that many training relating jobs were going to other states because they are placing more emphasis on their equine industry than is South Carolina. She also noted that Equine assisted therapy is a very important tool for children and veterans with special needs or PTSD. Finally she stated that the number of individuals who participated in non-revenue generating equine events has a huge impact on the State's equine economy.

The Committee also heard testimony from Tom Aronson with regard to Advanced Deposit Wagering (ADW). ADW is a limited form of wagering in which funds are deposited in an account controlled by the ADW firm and wagers are placed on horse races by individuals from their smart phones or personal computers. It has substantial advantages from the State's standpoint in that the income derived from the wagers can be captured and

taxed, the operator can be taxed or required to obtain a license from the state and it keeps nefarious individuals from being involved in gaming in South Carolina.² More detail on ADW can be found in **Exhibit 4**.

Meeting the Challenge

Since April 2021, the Equine Industry Support Measures Study Committee has done substantial research on the equine industry in SC. We have heard from witnesses all around the state involved in the equine industry telling us how significant the industry is on many levels. The industry has roughly \$2 billion in economic impact every year and provides 28,545 jobs. The commission has also established that SC is facing tremendous competition from other states. Among the most pressing needs for the industry in SC:

1. Re-establish and enhance horse residency programs in SC similar to Delaware and Virginia by creating incentives for owners that place their horses at South Carolina trainingcenters. **See Exhibit 5.**
2. Establish owner, breeder & stallion awards.
3. Invest in 4H and other student programs that foster equine activities as well as education and skills training in equine care.
4. Re-establish the Groom Elite Vocational School at the Wateree Correctional Facility; establish the same type of program within the juvenile justice system, including equine job training in the state vocational curriculum.
5. Support 501(c)3 equine based entities such as South Carolina's steeplechase races in Camden, Aiken, and Charleston as well as other charitable equine events including the trail ride supporting the South Carolina state horse - °The Marsh Tacky.
6. Upgrade existing facilities and build new facilities to help attract participants and spectators for Quarter horses, American Saddlebreds and all disciplines within the equine industry.
7. Require state parks to open more trails for the trail riding community and improve amenities.
8. Establish a veterinary school (in conjunction with Clemson).

² Anecdotally the committee notes that several offshore companies are allowing access to their gaming platforms in South Carolina. South Carolina is receiving no tax revenue nor licensing any of this activity.

Recommendations

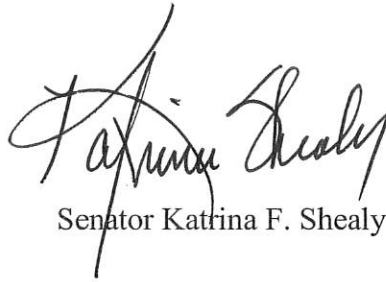
In order to accomplish these objectives, the study committee finds that South Carolina can adopt one of the following options, but the committee recommends that it select Options 1 and 4:

1. Establish an Equine Commission to determine best practices to fund and guide the State in how it best accomplishes the options listed below.
2. The General Assembly can do nothing. This seems the least beneficial result based on the impact that the equine industry has on the state. Other states are supporting their equine industries in ways in which individual horse owners cannot compete. Without some support we believe that the industry will continue on a slow downward trend, which inevitably leads to a bleak future for the equine industry in South Carolina but also an undesirable result for South Carolina's economy
3. Alternatively, the General Assembly can add a line item to the Department of Agriculture's annual budget request to be funded by the General Assembly. While the state benefits by supporting a nearly 2-billion-dollar industry, it does require all South Carolinians to involuntarily support an industry that they may perceive that they derive little benefit from.
4. Finally, the General Assembly may establish an Advanced Deposit Wagering platform to fund the above needs in SC. The full details of ADW can be seen in **Exhibit 4**.

Respectfully submitted on behalf of the Equine Study Committee and in compliance with its mandated deadline.



Representative Russell Ott, Chairman



Senator Katrina F. Shealy

Representative William M. Hixon



Senator Richard A. Harpootlian



Mr. Jack Sadler



Ms. Deborah McCutchen



Mr. Kip Elser

Exhibit 1

South Carolina Equine Industry Support Measures Study Committee
Tuesday, August 24, 2021 -12:30 PM
Rye Patch, 100 Berrie Road, Aiken, South Carolina

- Rep. Ott (Chair, South Carolina Equine Industry Support Measures Study Committee)
 - Convened Meeting
 - Purpose of committee is to study the equine industry in South Carolina
 - Believes the equine industry is a sleeping giant
 - Committee toured the Horse Racing Museum and Rye Patch

PUBLIC TESTIMONY

- John Carmichael (Former Warden, Wateree River Correctional Facility)
 - Worked with the Thoroughbred Retirement Foundation to start a vocational training program in equine fields at Wateree River Correctional Facility
 - Thanked committee
 - Was the first private-public facility in South Carolina prisons
 - Program was designed by Dr. Reid Mclellan
 - Perfect Fit for South Carolina prison system
 - Fits with what we are trying to do with young people who have no sense of accomplishment
 - The outside of a horse is good for the inside of a man
 - COVID has decimated the program
 - Started with 40 horses and 20 inmates because of the lockdowns are down to four inmates and 11 horses
 - Easily replicable in schools or technical college
 - The program has the lowest recidivism rate of any inmates in the state system

Q:(Sen. Shealy) Would this work in a juvenile justice facility?

A:(Carmichael) Yes, it has been done in other states.

Q:(Rep. Ott) Lack of resources have held the program from expanding?

A:(Carmichael) Yes.

Q:(Rep. Hixon) Do the people who donate the horses get a tax break?

A:(Carmichael) That is between the donor and their accountant.

- James Banks (Former Inmate, Horse Professional)
 - Thanked the committee
 - Grew up on the border
 - In 1996 worked for the Mexican Drug Cartel
 - Spent a lot of time in prison
 - Would have benefitted from the Wateree Program
 - This would be beneficial for the inmates learning skills and taking on responsibility
 - Owns a quarter horse operation in Aiken
 - Started as a groom
 - The equine industry offered a great opportunity for former inmates
 - Horses give former inmates responsibility
 - Quarter Horse industry in South Carolina is knocking on the door asking to be let in

Q:(Rep. Ott) What can we do to open the door for the Quarter Horse Industry?

A:(Banks) Funding will help. Bigger purses increase other fees like breeders and trainer fees. Where there is money, the horses come. Many states have a program to increase the size of purses. Maryland has such a program.

- Douglass Berry II, MS, Diplomate ACVS (Partner & Surgeon, Performance Equine Vets and Performance Vet Supply, Aiken, SC)
 - Thanked Committee
 - Provides surgery in a 3-hour radius
 - Historic Aiken and temperate climate are a drawing point for horse owners to move their operation to Aiken
 - 11-12 equine practices in South Carolina
 - Equine veterinary is in slow growth (5-10%)
 - Owners must have the resources to pay for services
 - Hours are turn off for new graduates
 - Student debt load is a problem (currently cost \$ 100-130 thousand for most graduates)
 - New graduates realistically start around \$ 35,000
 - Concerns about family/work balance are a problem
 - Overhead is a problem for small practices
 - South Carolina has an all-weather environment
 - Cost per horse can be \$ 1,000 (Conservatively) per horse per year
 - Thoroughbreds are on the decline in Aiken
 - Need to focus on getting new generation of horsemen coming to Aiken
 - Quarter horse population is a good opportunity
 - Other horses are 50% of the population
 - Support sporting facilities (Steeplechase, etc)
 - Other states have incentives for training and breeding which is drawing horses to other states

Q:(Rep. Hixon) Is the lack of a veterinary school a problem for you?

A:(Berry) Schools have increased size to accommodate out of state students due to the overhead. Clemson has a program with other states.

- Larry Byers (Treasurer, Equine Land Conservation Resource)
 - Grew up in Pennsylvania
 - Wanted to be a cowboy until he jumped a horse for the first time, then took up jumping
 - Less than nine percent of the horses in the USA are involved in racing
 - Horse owners aren't wealthy despite the perception
 - Horses are a great benefit to the economy
 - Care, feeding, and other services are the bulk of the benefit to the economy not racing
 - Horse shows add to the local economy
 - 400 (small) horse show at Bruce's Field returns \$630,0000 to the Aiken Economy
 - Urban Sprawl has pushed hors facilities to the outskirts because people don't want to live near flies and horse manure
 - Agriculture only cost 47cents per dollar of tax revenue

- Marcia Hewitt (Retired, Equine Specialist, South Carolina Department of Agriculture)
 - Offered to help with getting any information the committee needs

- Rep.Hixon
 - Wants to know what state parks provide trail riding

- Rep. Ott
 - Both Department of Natural Resources and Department Parks Recreation and Tourism will be invited to the next meeting to brief members on the trail riding opportunities on state land
 - Thanked Aiken for hosting

Equine Industry Support Measures Study

Committee Wednesday, January 5, 2022

11:00 AM – Blatt 433

- Rep. Ott (Chair, Equine Industry Support Measures Study Committee)
 - Convened meeting
 - Welcomed everyone
 - Has learned a lot about the industry from these meetings and hopes to have a

good discussion about what the legislature can do to help the industry

- Jack Sadler (Non legislative member, Equine Industry Support Measures Study Committee)
 - The Equine Industry is facing tremendous pressures from surrounding states
 - Need to look at Advanced Deposit Wagering
 - Would like to hear from experts on what needs to be done to help the industry, want to make sure that money

- Rep. Ott
 - Equine Industry is struggling because of competitiveness stresses
 - Went to Kentucky and see what they are doing and how the industry drives the economy in the Commonwealth

- Lisa Zappalo (President, South Carolina Horseman's Council)
 - This committee's study has been a long time coming
 - The Thoroughbred industry contribution is well known but we can't discount quarterhorse racing
 - The economic impact is hard to calculate because of the varied interests (breeding, cow horse, hunters, jumpers, barrel racing, and many more)
 - There are many associated industries (veterinary medicine, dental, tack sales, feed stores)
 - The state has many saddle clubs that hold multiple events
 - Three open rides held in state forests pulls 12,500 riders to the state
 - The carriage industry brings in twelve million dollars a year
 - Events are going to Florida and Georgia because of a lack of facilities
 - Equine Assisted Therapy is a very important tool for helping children and veterans with PTSD

Q:(Rep. Ott) You said we lack facilities; can you expand on this. Are these private venues or public venues that the state has let go down?

A:(Zappalo) Only facilities in the state that can hold a large event is the Carolina Equine Park and Clemson. Clemson is a multiple purpose facility. The Equine Park wouldn't work for cutting shows because it can't handle the cattle. We lost the Hippodrome as they closed last year. Some state parks allow for trial riding, but they can be hard to get access too.

Q:(Rep. Ott) Are we seeing a decline in horses in South Carolina?

A:(Zappalo) Yes, I believe we are because the big trainers don't have the facilities and are moving to other states.

- Rep. Ott
 - Thank you
- Thomas H. Lee (Vice Chair, Tennessee Sports Wagering Advisory Commission)
 - Tennessee recently changed who regulates wagering from the lottery to the commission

Q:(Rep. Ott) How is the commission made up?

A:(Lee) Three members appointed by the Speaker, three by the President of the Senate and three by the Governor.

- Lee
 - Advanced Deposit Wagering (ADW)
 - Want to focus on the word deposit
 - Like the banking industry (same protections but not FDIC insured)
 - Tennessee only online sports wagering
 - No casinos and no betting shops
 - All mobile systems use a similar system
 - Currently people are using offshore systems and the state is losing out on revenue
 - ADW would protect consumers and provide revenue
 - 43 states allow ADW wagering, many more than have horseracing
 - Federal Law is well established (1978)
 - The internet has improved the delivery ADW gives the legislature more opportunity

Q:(Sen. Harpootlian) At a horse track, it is a wonderful place to get lunch and a drink. How does betting on your phone mesh with the entertainment value? Is this off-track betting?

A:(Lee) It is hard to compete with the entertainment value of the track. The ADW does stream the race for you to watch. Not quite the same, but better than sports betting where broadcast rights can be a problem.

Q:(Sen. Harpootlian) What is the economic benefit to the localities in South Carolina?

A:(Lee) That would be a decision by the legislature. Tennessee saw \$ 41 million in the first

year. Q:(Sen. Harpootlian) How does Kentucky allocate the money?

A:(Lee) The legislature assigns it.

Q:(Sen. Harpootlian) Do we have any numbers on how much would be returned?

A:(Rep. Ott) I don't believe we have the numbers. We have heard because the incentives in other states. We can't compete with the ADW states.

- Rep. Ott
 - All the big facilities that have been built have been built on the funding from wagering
 - We are losing money to offshore betting that is currently operating virtually in the state
 - Examples (draftkings.com, fanduel.com, etc)

Q:(Rep. Ott) How is ADW different from draftkings.com and fanduel.com?

A:(Lee) Not much, the internal structure is different.

Q:(Rep. Ott) How did Tennessee handle the likes of draftkings.com and fanduel.com?

A:(Lee) The state regulates under the Secretary of State them but doesn't capture revenue.

Q:(Rep. Ott) Is the \$ 41 million you mentioned include horse racing?

A:(Lee) No our legislation does not cover horse racing (allowed under Federal Law) and fantasy sports leagues.

Q:(Rep. Ott) Tennessee created a brand-new commission. Should South Carolina establish a new commission?

A:(Lee) I would advise you to think about a new commission. This is a technical space and commission who understand the technology. I believe that at some point Tennessee will probably move the regulation of fantasy sports to the commission.

Q:(Sen. Harpootlian) Is it legal in South Carolina for someone to gamble on horse races in South Carolina?

A:(Lee) I am not expert on South Carolina Law.

Q:(Sen. Harpootlian) Is it legal under Federal Law to bet in another state on a race in South Carolina?

A:(Lee) The Federal Law allows people in states that have not prohibited ADW to bet.

Q:(Sen. Harpootlian) Is it legal in South Carolina to bet on draftkings.com and fanduel.com?

A:(Lee) You would have to speak to the Attorney General.

Q:(Sen. Harpootlian) Can you bet on college sports in Tennessee and does the state get a piece of the action?

A:(Lee) Yes, and yes. That is where the \$ 41 million come from.

Q:(Sen. Harpootlian) Does anyone have the numbers on horseracing?

A:(Lee) You could get it from Kentucky. I believe you will find most of the betting occurs off tracking.

Q:(Deborah McCutchen) Would the commission need to set how much comes back to the Equine industry?

A:(Lee) In my experience in Tennessee, the legislature needs to think ahead about they want and speak through legislation.

- Rep. Ott
 - Need to stay focused on the equine industry
 - People should not see this commission as recommending

Q:(Sen. Shealy) What do you call the commission (equine)?

A:(Lee) We don't have one.

- Sen. Shealy
 - South Carolina needs to establish an equine commission
 - Eight universities in the state have an equestrian teams or programs
 - ADW funds could go to support those programs and the equine industry
 - Don't want people to think we are only trying to bring horse racing to the state

Q:(Adler) What are the benefits of an ADW program?

A:(Lee) If setup properly it will show the taxpayers what the money is being used for. It would be public and transparent.

Q:(Adler) Did any state have an ADW negative public reaction?

A:(Lee) I can speak for Kentucky and say no. It is important that the benefits are clearly defined.

Q:(Rep. Ott) Why did Tennessee not realize the financial benefits of horseracing ADW?

A:(Lee) That is something the legislature (Tennessee) should address.

- Rep. Ott
 - If people in South Carolina are already doing ADW we should not be benefiting financially
 - There could be a constitutional argument, I don't believe it is but some will raise it

Q:(Rep. Ott) Did Tennessee have to address a constitutional change?
A:(Lee) We had to have a referendum to allow the lottery.

- Sen. Harpootlian
 - Gambling is statutorily prohibited, and the Supreme Court has spoken twice in the last two decades
 - Would not require an amendment to the constitution
- Kip Esler
 - Horseracing is a puzzle that draws young people
- Sen. Harpootlian
 - Will passionately support this
 - Must be super focused to get this through the legislature

Q:(Esler) Did you have any problems getting your legislation implemented?

A:(Lee) No but you need expertise in what you are trying to regulate.

- Rep. Ott
 - Will reach out to Tennessee to get the state enabling legislation
 - Opens the floor to discussion
 - Would like to get a recommendation drafted by staff
 - Need to look at a commission to ensure ADW money is given to the areas of the industry that could make the biggest impact
 - Need to recommend an Equine Commission
 - Should look at recommending ADW legislation

- Rep. Hixon
 - Owns a donkey, quarter horse, and walking horse
 - Wants to know what we are going for the other 91%
 - An Equine Commission is not a bad idea
 - Concerned that we need to discuss the other issues regarding the industry

- Sen. Shealy
 - The first speaker spoke to cutting horse and leisure riding

 - We chose the name Equestrian Commission because it needs to be more inclusive than racing
 - There is a lot more about this than racing
 - Believes we need to have the commission, need to decide the structure

Q:(Rep. Hixon) Did we ever get the numbers from Clemson on how many students go out of state to become a veterinarian?

A:(Staff) Yes.

- Rep. Ott
 - A rising tide raises all ships, we are talking about using the money to invest in the entire industry
 - The Department of Agriculture has a vacant position covering the equine industry
 - PRT doesn't seem to be promoting horseback riding

Q:(Rep. Hixon) Did we ever clarify where people can ride on state lands?

A:(Marcia Hewitt, Retired Equine Specialist, Department of Agriculture) Works closely with PRT. Six state parks in the state are horse friendly are usually full all the time. People come from all over the state for fox hunting. The state owns Springdale Racecourse. There is a movement in Kershaw County to add a polo field there. Goodale State Park is looking to bring back trails. Need to have horse camping sites.

Santee State Park would be another great source if they had trails and horse camping. They were closed after a large storm. Managers at the facilities don't see it as a priority. Santee has a trail that has been closed for seven years. Marketing is important, but improvements to the parks to make them more horse friendly. ADW is easy money and would be a great boom to the horse industry. Need to concentrate on what we have.

Q:(Rep. Hixon) The property at Santee is it under PRT? What is wrong with it?

A:(Hewitt) Yes, it needs some work to reopen the trails. We need management at the park that sees the revenue that can be come from horse riding.

Q:(Elser) We have only identified one revenue source ADW?

A:(Hewitt) North Carolina has a fee on horse feed. It is problematic to collect from out of

state.A:(Ott) Need to consider, would like to raise it of others not those in the industry.

- Jack Sadler
 - Breeding industry is shrinking in South Carolina

- Rep. Ott
 - Thanked speakers and staff
 - Would like to meet in a week or two after staff has worked on a report for the General Assembly
 - Meeting adjourned

Exhibit 2

Tuesday, August 24th, 2021 in Aiken, SC

Equine Industry Support Measures Study Statement by: Erica Veit

Good Afternoon. First and foremost I would like to thank the Chairman, the Committee and Staff for the opportunity to provide my testimony. My name is Erica Veit, I am here before you as the Founder and Executive Director of the Daufuskie Marsh Tacky Society, as well as a fellow equine enthusiast, living and working in the South Carolina Lowcountry for over 20 years.

The Daufuskie Marsh Tacky Society is a 501c3 charitable organization. Founded by myself in 2015, our mission is 'to preserve, promote and protect the critically endangered South Carolina State Heritage Horse in its native Lowcountry habitat through comprehensive breeding, training and sales combined with equine-oriented programming that benefits the public.'

I grew up in Ft. Worth, Texas. My father was in sales for the trucking industry and we lived in suburbia. Neither side of my family had any experience with horses or agriculture. As I recall, as soon as I could hold a pencil and read a book, I was obsessed with horses. My parents tried to steer me towards more accessible activities like swimming or volleyball lessons with no avail. When my mom would take me to the library after school, I would check out all the books on horses to study how to take care of them, the names of the parts of the horse, the saddle, the bridle. With persistent begging, the taking on of extra house chores and maintaining my good grades, I earned my first riding lessons when I was 8. I am grateful to my family for all of the opportunities that they sacrificed to afford me, but I was lucky if I had 2 group lessons a week until I was considered old enough to be independent without constant adult supervision in a stable setting. Beyond that point, I made friends with every horse person I could and was able to accelerate my riding and horsemanship abilities on some nice horses in exchange for mucking stalls, cleaning tack and braiding. I also rode every summer-camp-trail-ride-nag and rough-around-the-edges or lawn-ornament-for-years type of horse I could get my hands on. Highlights from those days were ribbons here and there in hunt seat over fences and in equitation classes at the many world-class equestrian facilities that the D/FW area has to offer. I spent many weekends wandering around the Will Rogers Coliseum complex watching all the horses and riders warm up and compete in a wide variety of classes, from reining to cutting to show jumping. For every rodeo that came to town that we could get our parents to take us to you bet I would be there, wearing my silver Justin Ropers, wondering what it was like behind the in-gate, dreaming about being like the cowgirls carrying the flags on galloping horses for the Star Spangled Banner.

Then, the summer before my freshman year of high school my parents got divorced. The childhood house was sold, my dad stayed in Texas and we moved to Wisconsin to live with my mom's sisters. My whole world was turned upside down. The horses, the barn, the horse friends, the structure that I had, everything was suddenly gone. I tried to cope but internalized so much that I started to struggle with depression and anxiety. I lost interest in everything. Feelings of blame and helplessness turned to anger, then rebellion. I

made some awfully self-destructive choices as a teenager, and likewise suffered the consequences. Finally, before high school graduation, I found horses again. There is a healing power that horses possess which I firmly believe all youth, but especially at-risk youth, can benefit from. Through horsemanship the critical life skills of responsibility, compassion, accountability, confidence, respect and so much more can be taught. Then there are the feelings of accomplishment, independence and freedom. I remain hopeful that I endured the tough experiences I've had so that I can help others be healthy through horses.

I came to the Lowcountry to attend the Savannah College of Art and Design in 1999. I studied graphic design and competed on their equestrian team. To support myself while in school I worked for one of the carriage companies. I was a city certified tour guide, a carriage driver and eventually a part time barn manager. The carriage industry continues to face controversy, however I am a supporter of their operations as long as equine welfare policies are in place.

After college I spent a year in Sedona, Arizona working as a trail boss for a dude ranch. We had about 70 head of horses on lands that were adjacent to the Red Rock National Forest. Each trail boss was responsible for a string of 7 horses. Twice a day, we would take out huge groups of 40 or so guest riders for a 4 hour ride through switchbacks and canyons. Halfway through the ride, at the bottom of the canyon on a creek, we would dismount for a cowboy cookout, then mount back up and ride back to the ranch. Many great memories and experiences made there but the horses and trail bosses were overworked and the pay was next to nothing. Eventually I became homesick enough for South Carolina and returned home.

Now residing in Bluffton, minding my own business running errands one day, I came across a flyer for 'Marsh Tacky Beach Races' at Mitchelville Beach on Hilton Head. A photo of horses running on the flyer caught my eye. I thought to myself, 'what the heck is a Marsh Tacky?' and I began to do some research. The more I learned, the more fascinated I became. These horses are about so much more than meets the eye. The history, heritage and culture that they represent for South Carolina belongs to all of us and it should be celebrated by everyone.

Designated the 'SC State Heritage Horse' in 2010 in honor of their historical contributions to wartime, agricultural, transportation and development efforts, today the Marsh Tacky is critically endangered and one of the rarest breeds of horse in the world. Brought on ships by the Spanish conquistadores and settlers in the 1500's, they thrived independently on the barrier sea islands of the Lowcountry for hundreds of years until the English plantation settlers arrived. Used to their larger European breeds like Thoroughbreds, when the English saw thousands of small, rugged ponies foraging for themselves upon the marsh grasses, they nick-named them 'tacky' which is old slang for 'cheap' or 'common.' However, once they domesticated them it became obvious that they could outperform the big imported breeds that could not tolerate the heat, bugs or swampy conditions. Because they were relatively isolated on the barrier islands, the so-called Tackies did not cross with other breeds of horses. Therefore they are very near the exact same horses that came from Spain in the 1500's which are thought to be extinct in Spain. The Marsh Tacky is a treasure chest of genetic importance. They are smart, strong, sure footed, and

versatile. They are easy keepers, make excellent kids horses, can go in almost any discipline and are prized as gun horses for hunting hog and quail.

The earliest beach races originated as a Gullah heritage post-harvest tradition for fun, betting and bragging rights. In those days, everyone had a Marsh Tacky in their yard and they were used for everything from pulling the plow to delivering the milk. The Carolina Marsh Tacky Association is the members-based organization that exists to maintain the Marsh Tacky stud book and registry (in cooperation with the American Livestock Breeds Conservancy) besides promoting the breed to the public. They resurrected the Marsh Tacky Beach Races in 2009 on Hilton Head and it quickly became such a wildly popular event that in 2012 the town of Hilton Head refused to renew their special event permit again.

In the summer of 2012 I applied for and was hired to the position of Equestrian Director at Melrose Resort on Daufuskie Island. Our program offerings included trail riding, lessons, pony rides, hay rides and day camps to guests on the island. The Carolina Marsh Tacky Association contacted me inquiring about the possibility of hosting their beach race event with us since they lost their venue on Hilton Head. We had a short time to plan, but the 5th Annual Marsh Tacky Beach Races were held on Daufuskie in April of 2013 and I was the head coordinator for the event. It was and still is the largest special event in the history of the island with over 1,500 people in attendance and an estimated economic impact of over \$1M. The island was packed. There was not a sleeping bag on a floor to be borrowed, not a single dock space or golf cart available for rent. The event was intended to be annually recurring until Melrose fell into financial struggles and eventual bankruptcy again. My department was the first to go, I had to re-home all of the horses and I was laid off with a going away party and promises for re-hire and on and on. Melrose for the most part is still closed and for sale to this day.

Determined to persevere with my vision and convictions for opportunity with the Marsh Tackies on Daufuskie, I founded the Daufuskie Marsh Tacky Society in September of 2015. Please visit our website at www.daufuskiemarshtackysociety.org to see more about us, our horses, our programs, projects, and all of the accomplishments and press mentions (such as the recent USA Today article which is how I got here) that we have made to date. We are grassroots with humble beginnings and have had to make do without. We have had to work hard for everything. We started with nothing more than a vision and lots and lots of work for it to materialize. If I had to pick, our top three accomplishments to date are as follows:

1. Having the first Marsh Tacky foal to be born on Daufuskie in 50 years. The last Marsh Tackies were removed from Daufuskie in the 80's due to resort development. We brought them 'home' in 2015 when my stallion was just a 4 month old stud colt. He is the proud father of Estelita, the first Marsh Tacky to be born on Daufuskie in (the elders estimate, no real written record) 50 years. Estelita, born in 2018, has grown up to be purchased as a 3-year old by a Clemson student and they are a match made in Heaven! It is so rewarding to see them progressing together.
2. The renovation of the historically significant Simmons house and purchase of the adjacent 7 acres on Daufuskie Island.

We partnered with investors in 2017 and again in 2020 to purchase both the 2 acres with the Gullah cottage known as the Simmons house and the adjacent 7 acres to be the permanent home of the Daufuskie Marsh Tacky Society. (From 2015-2020 we occupied property with an agricultural land lease that prevented us from growing and developing to a certain extent.) The Simmons house, built around 1920 is one of the finest standing examples of Gullah architecture today. It was abandoned for decades but of such historical significance so we are very proud of the house restoration project which is almost complete today. Now that we have the adjacent 7 acres we can begin building our permanent forever barn so we can finally increase our programming, with a focus on ramping up our breeding program (more foals per year) and increasing our youth lesson program (accessible riding lessons for youth who would not otherwise be exposed to horses). Collectively, the entire property with the Simmons House on 2 acres plus the adjacent 7 acres are known as 'Selmont Hall.'

3. Executed lease agreement with Beaufort County for 40 acre conservation easement known as Duncan Farms in Dale, SC which we have subsequently renamed 'Heritage Acres.'
In 2019, I competed with other nonprofit organizations through a formal Request for Proposals (RFP) process to occupy 40 acres lying in the northern part of Beaufort County that were recently, generously donated to the county in a conservation easement. After multiple readings, our plan for the property, approved by the county, consists of three phases. The lease term is for 25 years with the option to renew. Phase one is basic property improvements so that it can be utilized by us on a rotational basis and most importantly for hurricane season. We will always need a dedicated place to go for mandatory barrier island hurricane evacuation, this is especially important for us when having a stallion makes us unwelcome at most barns with other horses. The 40 acres is a blank slate. It's all cleared fields that were once farmed but completely unimproved. No water, no power, no fencing, no improvements exist on the property currently. Phase two includes a passive park where the public, during regular park hours, can visit, see Marsh Tackies and learn about SC history, heritage and culture through the narrative of the Marsh Tacky on signage, brochures and by visiting interactive web links for more info and ways to get involved. Phase 3 consists of building a covered riding arena and living quarters on the property so we can conduct tours, host special events and increase the number of equine-oriented programs that the public can benefit from. The property has potential to be a true tourist destination with multiple revenue stream opportunities and it could be a flagship venue to benefit the SC State Horse into perpetuity. Additionally we (not just my organization but the Marsh Tacky community) will be able to attend more special events, lectures and demonstrations with our horses as well as exchange horses for breeding/genetic diversity purposes. The property also has potential for hay/forage production, which is one of our single largest overhead expenses, the cost (plus barging costs) for routine horse care such as hay.

In addition to our efforts to complete our two major capital improvement projects at Selmont Hall on Daufuskie and Heritage Acres in Dale, we are also looking forward to bringing an annually recurring Marsh Tacky event back to Daufuskie in the fall of 2022. Unlike previous race events, this will be more of a competitive cross-country course or trail ride with obstacles that will ensure a safer event for participants and spectators alike, plus it will alleviate crowd and traffic challenges and really showcase the horses and riders' versatility as well as the island's beautiful natural surroundings and local businesses. There will be multiple revenue streams incorporated into this event that should facilitate growth for funds raised year over year.

If greater access to and/or increased avenues for funding sources were available that we could put towards the capital improvements we need at Selmont Hall, Heritage Hall and for getting our 2022 special event off the ground, we will become self-sustaining into the future. We will be empowered to carry out our mission statement of saving the critically endangered South Carolina State Heritage Horse and serving the public with a focus on the at-risk and underserved populations that can benefit from being exposed to and interacting with horses. In my experience it seems that there is such a barrier to entry for youth who have an interest in horses but who don't have access to them. My parents tried their best to support my passion. I have talked to so many parents who are at a loss because where they live they simply do not have the faintest idea, resources or connections to know how to begin getting their child into riding. I believe that the sport of equestrian should be within reach for every youth, and it should be a quality experience. That should not be reserved for youth that are more fortunate than others. I can't help but think about all the BLM mustangs that are rounded up and in holding facilities waiting to be adopted or shipped away, then I think about all of the youth whose lives could be forever impacted for the positive (not to mention the mustangs and surplus horses out there) if somehow we could combine the two in a realistic way? With some funding support, perhaps someday a viable business model could be created to overlap the needs of both of these at-risk and equally deserving demographics...

I hope that by taking a more narrative approach to addressing the committee today and after you've learned more about my personal journey in life through horses that you can see how many different equine industries, disciplines and exposures have impacted me to date. I hope my unique perspective is valuable to the committee. I'm just one average girl who grew up 'horse crazy' in suburban Texas that was blessed enough to wind up in South Carolina. Furthermore, like everyone else in an equine profession and on their journey in the pursuit of horsemanship, I have spent a lot of money in a lot of different categories which has a big ripple effect that deserves to be recognized.

Please let me know how else I can assist with efforts to promote the equine industry as a whole in South Carolina. I will remain available to serve the committee in any capacity that presents itself as fit for me to work in. I served on the board of directors for the South Carolina Agritourism Association and represented the Lowcountry Region from 2018-2019. I am also a member of the Lowcountry Hunt and a licensed Realtor since 2014.

Thank you again for your time.

Respectfully,

Exhibit 3

I am a professor in the History Department at the University of South Carolina and a turf writer. I write to address the many ways supporting the equine industry in South Carolina will benefit the state, its inhabitants, and generate revenue for the state. I strongly support the efforts of the legislative committee to remove barriers and increase support for the equine industry in South Carolina.

The equine industry generates nearly 2 billion dollars for South Carolina and it also serves as an important source of identity for the state historically, dating back to the 1940s. Our state boasts a series of important training centers for two-year-old horses just beginning their racing career, located in smaller towns such as Aiken, Elloree, St. Matthews, and Camden, among others. These equine training centers are some of the biggest employers in the rural areas of their respective counties, and they maximize the talent of South Carolinians and provide a sense of pride, skill, and identity. In addition to racing, there is a sizable population who ride, own for pleasure, or teach others to ride, as well as an important polo colony. Equine sports and science are also central to our state's youth; several 4H clubs are based on horses and institutions such as Clemson University's Horse Project, which offers a series of classes for young people ages 5-18.

The equine industry has also generated local heroes, both human and animal, that hail from the rural sectors of the state. Chris Antley, for example, of Elloree, was an extremely talented jockey who serves as a local example and hero. Palace Malice, who won the Belmont Stakes as well as many others, is a product of the Aiken training track. He currently stands as a stallion in the heart of Kentucky, and people travel from all over the world to see this shining example trained in South Carolina. Ruffian, one of the best female horses of the twentieth century, was trained in Camden. Full-feature movies have been made about Ruffian and tributes to her are still held. The South Carolina-trained equine champion continues to represent the gold-standard in racing. The talented Edward Sweat, who served as Secretariat's groom, was from Vance, South Carolina. His tombstone in Vance has received national attention for his extraordinary service to the industry.

I will outline a series of opportunities and contributions concerning the equine industry in South Carolina in the following section and make a few recommendations to support the industry:

-The equine industry is central to South Carolina's rural sectors, providing not only important jobs but also as a source of pride. It would be useful to open Elite Groom classes, so that South Carolinians can earn a certificate that documents their abilities and which is recognized nationally for employment. Such programs already exist and could be opened in our state

-The industry is important to the state's past as well as to its present and is an iconic and positive symbol of South Carolina. The Post and Courier Newspaper, for example, recently resurrected the Charleston Steeplechase in Stono Ferry that dates from the eighteenth century in order to preserve South Carolina's history of excellence in the horse world

-The industry is central to tourism in our state and has the potential to grow. The Thoroughbred Racing Hall of Fame in Aiken, SC has already been recognized as one of the top attractions for tourists, and the

races many of the training tracks host in the spring (Elloree, Aiken, St. Matthews) attracts an audience from several states. South Carolina could grow its equine past and present through greater efforts to map out all the racetracks that existed historically in our state and their significance for visitors, as well as to coordinate the spring races at the training tracks in Elloree, Aiken, and St. Matthews. This might best be done through the development of a statewide equine commission

-The equine industry is central to youth development and making additional connections could bring additional benefits. South Carolina just opened the Governor's School for Agriculture and establishing additional links with the equine industry could produce mutual benefit. KY, for example, has entire fields of study in equine science and equine management. Such options currently do not exist in our state

-If the equine industry benefits our rural zones, it also serves to connect South Carolina nationally, in that the horses trained in South Carolina go on to race at tracks in NY, FL, KY, and elsewhere. To support the horses, trainers, and owners in South Carolina, it would be beneficial to allow our state's residents to engage in advance-deposit wagering to support their favorite equine athletes. In addition, advance-deposit wagering would generate revenue for South Carolina that could be used, among other purposes, for creating incentives for trainers to come work in our state

-South Carolina is a recognized training center for horses. However, more training tracks have been established in KY and MD that run competition to the facilities in our state. South Carolina is still competitive because of its historic success training horses, and because of its climate and sandy soil mix that is especially good for maintaining a good track surface. However, South Carolina needs to offer incentives to trainers to come to this state. States such as MD and DE already offer incentives in the form of additional purses for horses trained in their respective states. In addition, having horses trained in South Carolina in the winner's circle winning additional purses from our state generates pride and respect for South Carolina

Exhibit 4

Potential Equine Growth Opportunities:

One of the potential equine growth opportunities discussed was establishing advanced deposit wagering in South Carolina.

States that allow Advanced Deposit Wagering (ADW):

Alabama	Arizona	Arkansas
California	Colorado	Connecticut
Delaware	Florida	Idaho
Illinois	Indiana	Iowa
Kansas	Kentucky	Louisiana
Maryland	Massachusetts	Michigan
Montana	Nebraska	New Hampshire
New Mexico	New York	North Dakota
Ohio	Oklahoma	Oregon
Pennsylvania	Rhode Island	South Dakota
Tennessee	Vermont	Virginia
Washington	West Virginia	Wisconsin
Wyoming		

Advance Deposit Account Wagering: A form of pari-mutuel wagering in which an individual may establish an account with a person or entity licensed by the established group and may place a pari-mutuel wager through that account that is permitted by law

Advance Deposit Account Wagering Licensee: A person or entity licensed to conduct advanced deposit account wagering and accept deposits and wagers, issue a receipt or other confirmation to the account holder evidencing such deposits and wagers, and transfer credits and debits to and from accounts

Intertrack Wagering: Pari-Mutuel wagering on simulcast horse races from host track by patrons at a receiving track

Interstate Wagering: Pari-mutuel wagering on simulcast horse races from a track located in another state or foreign country by patrons at a receiving track or simulcast facility

Receiving Track: A track where simulcasts are displayed for wagering purposes

Advanced Deposit Wagering in Other States

ADW Tax Rates in Pari-Mutuel States

- Around the United States today, state tax rates on pari-mutuel wagering typically are relatively low compared to other forms of gaming.
 - This is because other revenue from betting horses-generally known as pari-mutuel takeout, often characterized as a tax - is reinvested in each state's horse agribusiness. Those dollars support horse ownership through purse (prize money) payments,; breeding farms through success based awards; employment of people who are most qualified for and productive in animal care; horse health research; higher education in animal- related sciences and business; and so forth.
- Specific to Advance Deposit Wagering (ADW), tax rates are low, generally less than 5% with a weighted average under 1.4%, for a variety of good business reasons. ADWs are private enterprises, and they receive a portion of the "takeout" (revenue) from a pari-mutuel pool as compensation for facilitating interstate and in-state wagering transactions via laptops and mobile phones. Because of this, states that have approved ADW have chosen to keep taxes on those enterprises low, usually in the 1-2% range, if they tax ADW at all.
 - Not all states specify a tax on ADW, instead leaving ADW revenue distribution to contractual relationships between the private stakeholders generally the race tracks involved, their horsemen's groups (similar to the player's association in other pro sports) and the contracting ADW facilitator.
 - Because these private contracts are typically not publicly available, information about revenue attributable to ADW handle is not always available, and when it is, as in the case of the states below, may not be fully reflective of the positive dollar flow from ADW.
- In Kentucky, for example, ADW annually generates approximately \$2.5 million in direct tax revenue (a relatively small portion of overall wagering-related revenue) which is considered an "excise" tax and is largely earmarked by statute for racing associations and prize monies in the state. Kentucky's General Fund realizes, by design, approximately 15% of the ADW-specific tax the state assesses, or less than \$400,000 per year from its direct tax on ADWs, while the horse agribusiness receives roughly five times that amount from ADW alone.
- Other states that have instituted a direct tax on ADW most often have done so in similar fashion, assessing a low share of takeout because they see greater economic value in the largest share of revenue going back into the industry. Even then, states often specifically allocate that ADW tax back to the business of horses.
 - A large portion of any ADW related tax is often allocated to the administration and programming of the regulatory agency that oversees the sport, in effect another payment back into the horse industry rather than a general tax receipt.
 - For example:

Sample ADW Specific Taxes and Allocations in Pari-Mutuel States*							
				ADW	ADW	\$	%
Year		State	ADW Handle	Tax Rate	Tax	Allocated to Horse Funds**	Allocated to Horse Funds**
2019		IL	217,147,633	1.75%	3,800,084	3,800,084	100%
2021	Est	KY	450,000,000	0.50%	2,250,000	1,912,500	85%
2021	Est	AZ	31,704,342	0.55%	174,947	174,947	100%
2021	Est	WV	16,196,860	2.00%	323,937	80,984	25%
2021	Est	MN	76,059,764	4.89%	3,715,645	3,715,645	100%
*Does not include amounts allocated by private contract							
**Includes funding of regulatory commission and programming							

- Racing Resource Group, Inc. (RRG) is a professional analytics business specializing in horse racing. RRG has generated hundreds of business projections over 30 years of work in the industry.
 - In this case, RRG factors in the business results of other states that allow both pari-mutuel betting on horse racing and ADW, along with other South Carolina market considerations, to arrive at the financial scenarios below. Major assumptions include that enabling legislation will allow for ADW transacted by one or more entities licensed by an Equine Commission or other state agency
- RRG sees the following preliminary range of economic scenarios for ADW in South Carolina:
 - Moderate Performance: Baseline annual ADW handle projection of \$40 million per year, resulting in approximately \$8 million in gross takeout/revenue.
 - High Performance: Baseline annual ADW handle projection of \$70 million per year, resulting in approximately \$14 million in gross takeout/revenue.
 - These are estimates only, predicated on known and anticipated market conditions that are subject to change. Actual results may vary and those variations may be material.

Exhibit 5

South Carolina:

Training Center Incentive Program

South Carolina's Horse training centers have remained a focus of attention for decades, providing warm weather venues for performance horse trainers and owners to rest their equine athletes and bring along young stock just starting professional careers. From Aiken to Camden to Ellore and beyond to numerous others that dot the scenic landscape of the state, these centers accommodate hundreds of Thoroughbred, Standardbred and Arabian horses along with other performance breeds and disciplines each season. They have been uniquely able to attract out-of-state horse business and associated vacation traffic over the years in the face of increasingly difficult economic times for farms.

But, the future of these South Carolina fixtures is far from guaranteed. Competition from out of state incentive programs has significantly reduced the number of horses that are sent to South Carolina to train.

A Training Center Incentive Program designed to reward the operators and users of these vital horse businesses could include a number of elements and could significantly increase the number of horses coming to SC to train.

- Fee discounts for out-of-state owners and trainers choosing to winter their horses at an accredited South Carolina Training Center;
- Transportation credit for shipping to and from a Center
- Purse bonuses to owners of young (pre-racing age) horses stabled for a minimum period of time at a South Carolina Training Center who then go on to compete successfully anywhere in the United States; and
- Capital improvement funding for training center renovation, expansion and creation to meet new business

Training Centers applying for and receiving accreditation will benefit enormously from the training center incentive program through:

- Increased stabling/ training traffic throughout the state;
- Optimized facility use- demand matching stall capacities;
- Improvement and expansion subsidies

An ADW could provide support to the South Carolina Equine Industry through grants. The primary activity of any grants would be the support of the equine events and facilities throughout the state of South Carolina. Specifically, a grant maker would work with charitable organizations to support existing significant equine events held throughout the state, such as steeplechase, quarter horse, hunter/jumper, etc as well as smaller equine (any breed) events hosted by nonprofits, industry groups, and government organizations. The grant maker would anticipate providing support for these events through promotion and education regarding the event and through grants to support the event itself. By supporting such equine events, industry awareness could be raised as a whole; opportunities could be provided for associated industries to participate in the economic impact of such events, and industry conditions could be improved by allowing opportunities to participate in the industry for a variety of businesses and individuals. Further, to the extent funding is providing for an event, the host nonprofit organizations may be able to increase purse/ prize money available to participants. This is extremely important, as this money not only serves as an award to the horse's owners (the vast majority of which reinvest substantially all of any prize money back into equine activities) but serves as a means of funding for all those involved in the industry, from breeder and trainers to jockeys, facility staff, feed stores, veterinarians and more.

Additionally, an ADW could partner with organizations actively involved in the education and support of the industry. Partnerships could provide both awareness of these important industry organizations as well as funding to improve important industry infrastructure and programming. A number of these organization operate public equine facilities and preserve the industry's rich tradition in the state. Appropriate industry partnerships will improve facilities and access to the industry, and encourage the public to learn about the importance of the industry and see the industry in action.

An ADW could also engage in industry educational and support activities. Specifically, supporting and/or coordination a number of activities that will lead to the improvement of industry conditions, both for businesses and individuals in the industry and the horses themselves. For example, supporting or helping coordinate educational clinics at which veterinarians and others will teach proper methods of caring for horses as well as publicizing and supporting rehoming and rescue activities, helping abandoned, abused and neglected horses find appropriate care and homes, and assisting with disaster relief efforts as it relates to horse rescue.