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One Common Bond: The Horse One Common Voice: The Horse Council

In the House Environment & Transportation Committee, February 15, 2023

Testimony of the Maryland Horse Council on HB 389

Department of Agriculture - State Ombudsman for Value-Added Agriculture - FAVORABLE WITH AMENDMENT

The Maryland Horse Council (MHC) is a membership-based trade association that represents the state-wide horse industry in Maryland. Our members include horse farms; horse related businesses; equestrian competitors; trainers; individual enthusiasts; equine-assisted therapy programs; and breed, interest, and discipline associations. We represent over 30,000 Marylanders who make their living with horses, or who just own and love them.

MHC applauds the idea of creating an Ombudsman to support value-added agriculture in Maryland. Value-added agriculture is engaged in by innovative entrepreneurs, and an Ombudsman can provide critical assistance in navigating the often arcane world of state and federal regulation.

According to Grow & Fortify's February 2020 *Economic Analysis of Value-Added Agriculture in Maryland*, value-added agriculture in Maryland supports close to 74,000 jobs, has a total economic impact of over \$20.6 billion annually and adds nearly \$875 million to the state's fiscal resources. The analysis also recognized that enhancement of "social value" to the consumer, while increasing profitability to the farmer, is "the very essence of 'value-added agriculture.' "

Maryland state law provides that "equine activities," defined as "teaching equestrian skills, participating in equestrian competitions, exhibitions or other displays of equestrian skills, and caring for, breeding, boarding, renting, riding, or training horses," (Ag. Article Sec. 2-701) are "agricultural activities" (Sec. 2-702.1). These activities inherently require the husbanding, training and conditioning of horses to be useful in providing activities and services of "social value" to consumers. Indeed, the Grow & Fortify study includes equine as part of its analysis of value-added agriculture in Maryland.

MHC supports amending HB 389 to make clear that equine activities are included in the Ombudsman's jurisdiction. We suggest the following amendment:

SUBTITLE 22. STATE OMBUDSMAN FOR VALUE-ADDED AGRICULTURE.

2-2201

IN THIS SUBTITLE, "VALUE-ADDED AGRICULTURE":

- (1) MEANS THE ALTERATION <u>OR ENHANCEMENT</u> OF A RAW AGRICULTURAL PRODUCT, <u>INCLUDING LIVESTOCK</u>, <u>OR AN AGRICULTURAL SERVICE</u> IN A WAY THAT INCREASES THE PRODUCT'S <u>OR SERVICE'S</u> WORTH TO A CONSUMER AND BRINGS MORE REVENUE TO A FARMER, PRODUCER, OR PROCESSOR; AND
- (2) INCLUDES ALL ENTERPRISES, <u>INCLUDING THOSE PROVIDING EQUINE</u>
  <u>ACTIVITIES</u>, IN WHICH AN AGRICULTURAL BUSINESS OR THE AGRICULTURAL
  BUSINESS'S PRODUCTS <u>OR SERVICES</u> ARE
  ALTERED, MARKETED, PRODUCED, OR PROCESSED IN A WAY THAT ADDS
  INCOME TO A FARMER, PRODUCER, OR PROCESSOR.

With the above amendments, MHC urges a favorable report on HB 389.

Respectfully submitted,

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