

Texas Equine Incentive Program (TEIP) Overview

Purpose: To provide incentives for horse owners to breed and show their Appaloosa, Paint or Quarter horses in Texas.

Which breeders are covered?

Owners of stallions who breed six or more mares in the 12 months preceding the filing of their annual breeding report with their respective breed associations are automatically enrolled in the program. Breeders of fewer than six mares may choose to opt into the program by submitting a TEIP opt-in form, a breeding report and applicable fees.

What fees are associated with participation, and when are they due?

At the time of filing the annual breeding report with the applicable breed association, a stallion owner must also submit a duplicate breeding report to the Texas Department of Agriculture (TDA), along with a TEIP form and a fee of \$30 for each mare listed on the report. Fees are due November 30 of each calendar year.

Is participation mandatory?

No. Currently, the owner of a stallion that has bred six or more mares in the 12 months preceding the filing of a breeding report with the applicable breed association may elect not to participate in the program by submitting an opt-out notice, on TDA's form, to TDA at least 30 days before the breeding report is due. If you are an owner of a stallion that has bred six or more mares, and you do not want to participate in the program, you must complete and return the opt out form on or before October 31 of the calendar year in which your breeding report is due. The opt-out form serves as written notice to TDA that you do not want to participate in the program and allows you to opt out for one year. A new opt-out form must be submitted to TDA each year you choose to opt out.

The owner of a stallion who has bred less than six mares in the 12 months preceding the filing of an annual breeding report with the applicable breed association may opt into the program by submitting a TEIP opt-in form and a duplicate breeding report to TDA, along with payment of the required fees.

In the new proposed rule 17.510, if an owner of a stallion fails to file breeding reports and pay program fees on or before December 31st of the applicable calendar year, no foal sired by that stallion during that breeding year will be eligible to participate in the program. Proposed rule 17.510 acts as a "default" opt-out provision.

How will the fees be used?

The bill requires that the fees be used to provide incentive awards to owners of eligible foals who participate in horse events in Texas.

Which foals are eligible to receive an award under TEIP?

Under adopted and proposed rules, to be eligible for the incentive awards, a foal must:

- Be the offspring of a stallion and mare registered with their respective breed associations;

- Be a Texas-based horse (“Texas-based” is defined as a registered Appaloosa, Quarter or Paint horse that is conceived and born in Texas) (proposed rule 17.508);
- Have a sire that stood in Texas during the entire breeding season in which the foal was conceived;
- Have the TEIP fee paid on behalf of the foal’s dam at the time the stallion’s breeding report was submitted (proposed rule 17.508);
- Participate in Texas horse events (proposed rule 17.508);
- Be at least one year old to compete in non-racing events (proposed rule 17.508); and
- Be at least two years old to compete in racing events (proposed rule 17.508).

How will awards be calculated, and when will they be made?

The department will determine the amount and type of incentive awards to be paid to eligible foals on a calendar year basis. On or before December 31st, 2010, and on or before December 31st of each calendar year thereafter, the department shall notify the breed associations of the estimated amount and type of incentive awards available under the program for the succeeding calendar year. When a foal is born, proof of registration with the applicable national breed association must be sent to TDA before the foal is eligible to begin earning incentive awards. Based on current TEIP participation, it is anticipated that foals paid into the program based on the 2010 breeding reports will begin to receive the first incentive payouts commencing in January 2013.

How can I learn more about this program?

To access a complete set of program rules and to download a TEIP form, please go to TDA’s Web site, www.TexasAgriculture.gov/EquineIncentive.

If you have any questions, please e-mail TexasLivestock@TexasAgriculture.gov or call (877) 99-GOTEX.