



# EQUINE

The Kansas equine industry is made up of many different types and uses of horses. Historically, horses were a significant part of the original cattle ranching infrastructure in Kansas. Horses remain an important part of the animal industry in Kansas today and opportunities exist to significantly expand support and visibility.

The need for current data to demonstrate the breadth and economic impact of the equine population in Kansas was met with the completion of an equine economic impact survey in 2021.

A high priority for the equine industry that has been identified is the need for equine facility improvements and new facility developments across the state, capable of hosting larger or combined shows. These are necessary to support, recruit and retain equine exhibitors and event producers in Kansas, which serve as an economic driver to the host communities.

The industry also recognizes the need for a state equine extension specialist. This position would enhance education and outreach to horse owners of all ages and all stages of knowledge and experience. It would be responsible for providing support, consultation, education and outreach for established businesses as well as those working with horses for the first-time horse experience, all of which would be paramount for positive outcomes for this sector.

Stakeholders in the Kansas equine industry will focus on the challenges that prevent growth, and will work to overcome them by input and discussion among key partners who are committed to long-term strategic growth. The strategic growth plan created through these collaborative efforts from both public entities and private stakeholders is critical to the future success of the equine industry in Kansas.

# STATUS

The Kansas horse industry is vast, representing many different types and uses of horses. Kansas has a long-standing history with horses, as they were a major component of the original cattle ranching infrastructure in the state. Horses continue as a natural part of the rural landscape. According to the latest equine economic impact survey, Kansas has a healthy number of horses and horse activities to maintain and offer growth potential in the industry.

According to the 2021 Equine Economic Impact survey, the Kansas horse population is approximately 70,000 horses valued at \$260 million. This figure is probably low as new data has been introduced showing one registered breed association reported 73,000 head were registered in Kansas in 2021, indicating the survey has been underestimated. IMPLAN reports the tallied economic impact of Kansas' equine industry (with direct, indirect and induced effects) is about 2,600 jobs, \$150 million of all types of income, and \$280 million of total economic activity.

# OPPORTUNITIES

In order to develop a strategic growth plan for the equine industry, it is important to identify and understand the areas where Kansas has a comparative advantage and the best opportunities for growth or expansion.

Factor	Implications for Growth and Development Opportunities
<b>Consumer Demand</b>	Horses and other equids have broad appeal for both pleasure and work uses. There are horses located throughout the state to serve many interests.
<b>Facilities</b>	The American Royal offers space for international, national, regional and local shows. The Kansas State Fair, Stormont Vail Events Center – Domer Livestock Arena, Kingman Expo Center, Western State Bank Expo, and Saline County Expo Center all offer space for regional and local shows, and Celebration Centre offers space for smaller regional and many local shows.
<b>Feed Supply and Land Availability</b>	<p>Kansas is home to abundant feedstock supplies, including high quality hay demanded by many horse owners.</p> <p>Kansas has the third most farm land of any state, with roughly 90 percent of the state devoted to agriculture. Horse operations demand relatively less land than other animal facilities. These two factors together equate to a relatively available and affordable base for expanding operations.</p>
<b>Human Capital</b>	The Kansas State University department of animal sciences and industry houses respected faculty with expertise in equine nutrition and reproduction. Colby Community College offers an associate degree in equine science with 60 percent of graduates employed in the region following graduation. Studies cover reproduction and equine business management, including all facets of the equine business from breeding and foaling to training and selling.
<b>Supporting Infrastructure</b>	Kansas boasts many stables, arenas, horse breeders, farriers, veterinarians, trainers and other professionals available to offer services to horse owners.

Policies in this document are a reflection of industry discussion and not a representation of state government.

# CHALLENGES

While Kansas is poised for expansion of the equine industry, the following factors represent challenges serving as barriers to achieving the objective of the equine industry growth plan.

Challenge	Details of Challenge
<b>Air Transportation</b>	The Kansas City International Airport is not currently equipped to handle the shipment of horses via air freight, a common practice with world class equine events. However, horses may be shipped through KCI by contracting a horse shipper, a.k.a. a “freight forwarder,” to provide the shipping stalls, book the airfare, and supervise the load and the unloading and trailering out process.
<b>Capital</b>	Equine facilities such as arenas and stables can become expensive, making it difficult for undercapitalized entrepreneurs to start up. Deferred maintenance funding is also a continual issue.
<b>Checkoff Funds</b>	Currently, no checkoff programs exist to promote, educate and conduct research on the equine industry despite past efforts to achieve a statewide feed checkoff program. Other states have horse checkoffs, and the Kansas horse industry joins only the goat industry as a major livestock species lacking a checkoff program. One challenge that exists to doing a checkoff on feed bags is feed distributors look at this as another “tax” or a paperwork obligation. Thus, the industry may need to review an option on horse sales like the beef checkoff program for cattle.
<b>Differing Definitions</b>	The presence of differing definitions of equids and the equine industry under state statutes and regulatory documents creates confusion and inconsistency with taxation and liability. In particular, there is an inconsistency with defining horses (and all Equidae, including mules, donkeys and zebras) as livestock.
<b>Economic Impact Information</b>	With completion of the 2021 Equine Economic Impact Survey in Kansas, economic analysis is currently being conducted to estimate the true value the Kansas horse industry provides to local communities and the state. The American Horse Council’s 2017 economic impact study did not have Kansas-specific information, but some information from the study may prove to be useful.
<b>Equine Market</b>	Since the last horse slaughter facility was closed in the United States, the market for horses crashed, creating an explosion of unwanted horses that cannot be disposed of in any other manner. This creates animal welfare issues for those unwanted, old and neglected animals, as animals have excessively long trips to slaughter facilities.

Challenge	Details of Challenge
<b>Horse Racing</b>	Kansas' pari-mutuel licenses for horse racing lapsed and have been revoked since 2008. The percentage paid by horse track slot machines to the state is 40%, which is higher than standalone casinos at 22%. As such, race tracks are not a viable business in their current condition. This has led to horse breeders exiting the state and reduced economic activity from horse breeding and racing. With the newly legalized sports betting, the extra competition for betting dollars could also negatively impact bets on horse racing, declining track purses further, unless tracks "harness" opportunities of mobile sports betting and allocate funds back to track maintenance and purses. With these multiple challenges, it's unlikely Kansas will see resumed horse racing in this state.
<b>Insurance</b>	Despite the availability of commercial insurance for equine-related business, premiums are often cost prohibitive.
<b>Sales Tax Exemption</b>	Despite some supplies truly being utilized for farm and ranch work, many retailers do not offer the farm sales tax exemption on equine products out of concern that their sales are for hobbyist purposes, making the seller responsible for remittance.
<b>Trail Maintenance</b>	Weather-related incidences, natural overgrowth, and trail use erosion, create an ongoing need for required attention and upkeep to equestrian trails. Governing agencies supply routine maintenance staff and volunteers make up the balance. Due to the vastness of trails and ever-changing needs, there is a funding and staffing shortfall to maintain continuous oversight. Additional opportunities for new trail development exist, but with concerns over current trail maintenance challenges, these opportunities are not pursued ambitiously.

## SUCCESSSES

Key successes in the equine industry:

- The Kansas State Fair has recently had some arena improvements to insulation, lighting, heating, and air circulation in the Expo, making the venue more aesthetically pleasing. Year-round sales tax from any facility rentals across the campus are able to be retained by KSF for improvements and maintenance as needed. This, coupled with recent additional funding, is allowing for some impressive campus-wide improvements to occur. For equine, there's still a need for stall barn improvements which may require special fundraising and directing of gifts.
- The Back Country Horsemen of Kansas is developing some new chapters of trail supporters to help with maintenance and development of trails across the state.
- An equine economic impact survey was completed and is currently being analyzed. The last report was done 26 years ago.
- American Royal plans are underway for a 5,000+ seat arena, over 300,000+ square feet of exhibition/stalling space, a flexible auxiliary arena space allowing for two side-by-side arenas or additional exhibition space, outdoor festival space, and a 40,000+ square foot high-end exhibit floor. The over one million indoor square feet facility will be able to accommodate 1,500 indoor, climate-controlled horse stalls and will host a variety of events year-round. Plans may also include an outdoor equestrian trail. Design options are being drafted and fundraising will commence soon. An official groundbreaking ceremony will hopefully occur in 2022.
- The Stormont Vail Events Center – Domer Livestock Arena renovations are nearly complete. The warmup arena was fully enclosed, water hydrants were added to every stall row, electrical drop downs will be added to service every two stalls, some new stalls will be added soon, and the floor will be groomed and leveled. Also, there was improved lighting to Domer which will allow highlighting or dimming for special effects; large commercial fans were installed throughout the stall barn, warmup arena and Domer Arena for improved air circulation; and the café and restrooms were updated.



## Equine

# GROWTH OBJECTIVE:

Enable an environment that encourages growth in the equine industry, and eliminate barriers that prevent investment in equine facilities and enterprises.



## OUTCOMES & ACTION ITEMS

Leaders from throughout the Kansas equine industry will continue to collaborate in the development and implementation of a long-term strategic growth strategy with input and discussion among key partners. Industry-identified desired growth outcomes, initially developed in 2016 and expanded to include action items, will be implemented by industry and key partners, then updated annually at the Kansas Governor's Summit on Agricultural Growth. Following are the proposed action items to continue building on the achievement of the equine sector desired outcomes.

### High Priority Outcomes

**Detailed understanding of economic impact of Kansas horse industry and potential impact through completion of an in-depth survey of the Kansas horse industry capturing horse breeds, head count, activities of work and recreation, dollars spent and direct jobs associated. Currently, no information exists on the impact of horses on Kansas' economy, which makes it difficult to convey the importance of the industry to the state.**

#### ACTION ITEMS:

- Kansas Horse Council to work with Kansas State University agricultural economics department to help formulate survey including timeline, distribution, etc. Survey was made available in spring 2021, and final result tabulations will be expected by fall 2022.
- KHC to work on funding options for the survey.
- Need marketing plan completed that details stakeholders' involvement, timing, method of reaching, validity of project, bullet point list of "why" to complete and incentive plan.

**Equine exposition destinations throughout the state capable of hosting significant, world-class horse events, ranging from large events to smaller events with more specific needs.**

#### ACTION ITEMS:

- Advocate strongly in support of the new American Royal "world class" multi-use event center with supporting features like stalls, camping, multi-arenas, etc.
- Help communities assess current facilities and identify potential revenue-generating events that could be held if facilities were kept in top shape.
- Create plan for future investment in equine exposition facilities across Kansas to match anticipated needs.
- Organize grassroots groups to adopt equine arena venues who can fundraise for facility improvements.
- Identify funding sources for upgrading Kansas State Fair equine facilities.
- Collaborate with Travel Industry Association of Kansas (TIAK) to help with the promotion and marketing of equine venues throughout Kansas and beyond.

## **Statewide equine extension specialist position for enhanced education and outreach.**

### **ACTION ITEMS:**

- Set up a meeting to discuss extension specialist position needs. Include: Kansas Horse Council, Kansas Department of Agriculture, other industry groups like 4-H, head of K-State's department of animal sciences and industry and/or K-State's Dean of the College of Agriculture.
- Explore possible funding support for extension specialist position at K-State, including possibly establishing an equine industry checkoff program.

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## **Medium Priority Outcomes**

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### **Restoration of federal appropriation funding for inspection of horse slaughter facilities.**

#### **ACTION ITEMS:**

- Create consumer-facing materials to correctly inform the public about current slaughter practices. Kansas Horse Council will work with industry and vocational/educational programs.
- KHC will reach out to the other coalition members to see if they have a similar interest in pursuing federal changes.
- Work with congressional delegation to restore federal appropriations, then work with state legislature to set state specifics.

### **Defining horses as livestock for all state departments to recognize in statute interpretations and administrative regulatory guidelines.**

#### **ACTION ITEMS:**

- Request all state regulatory departments (e.g., Kansas Department of Revenue for sales and property tax) provide a statement of summary on how equine is interpreted by their respective departments for regulatory administrative action.
- Task the Kansas Office of the Revisor of Statutes or another accountability task force with sorting these summaries to determine discrepancies. Request a bill to be drafted that will interpret equine uniformly to be treated as livestock like cattle.
- Conduct a thorough review of all equine language in statutes and administrative guidelines.
- Work through legislative channels to ensure horses are consistently defined as livestock in statutes and within administrative regulatory guidelines.

### **Supportive trail maintenance, trail riding promotion and opening of new trails for equestrian use, along with increased emphasis on agritourism related to equine activities.**

#### **ACTION ITEMS:**

- Allow advanced reservation of corrals for equestrians only at state parks, such as Wildhorse Campground at Perry & Saddle Ridge Campground at Perry. Kansas Department of Wildlife, Parks and Tourism to work on passing regulations to allow and then incorporate equestrian designated campgrounds into their reservation system.
- Form additional chapters of Back Country Horsemen of Kansas to target specific trails to maintain. This volunteer group is establishing a great working partnership with state, Corps of Engineers, and local public land managements to meet the needs of trail maintenance with local grassroots efforts.
- Create advanced mapping details including miles, level of difficulty, equestrian campground designations and amenities by KDWPT and Kansas Horse Council, to update on both websites and in future editions of the Equestrian Trails in Kansas book.
- Include a list of horse-friendly bed & breakfasts in Kansas in the Kansas Equine Directory with a link in the KDWPT website. See TravelKS Agritourism list for possible related businesses to add.
- Grow agritourism opportunities in Kansas. Encourage private guest ranches to become public facing. Identify obstacles preventing start-ups, such as liability concerns or property tax reclassification issues. (KDWPT, KDA, KHC, Kansas Livestock Association).
- Increase promotion of trails using social media and advertisements. KDWPT to identify funding and support. Partner with Kansas Agritourism Advisory Council for equestrian trail promotions and support and to promote agritourism businesses who have by-the-hour trail rides.
- Build working relationship with Corps of Engineers project managers to determine lease agreement arrangement that would support agritourism, equestrian trails, and camping amenities on Corps properties for ongoing maintenance, or to foster involvement of Back Country Horsemen of Kansas in Corps property trail maintenance.
- Investigate and promote insurance options for equine-related businesses.

## **Incorporation of an equine industry checkoff program to promote education and research.**

### **ACTION ITEMS:**

- Receive input from the equine industry regarding services and promotional activities that could be funded by a checkoff and would be beneficial to the industry.
- Create a well-defined vision of what a statewide checkoff program would offer and how it may be funded (i.e., through feed sales, equine sales, etc.).
- Work with Kansas legislators to establish a statewide equine checkoff program.
- Develop effective branding for equine checkoff.

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## **Low Priority Outcomes**

**Kansas pari-mutuel betting laws that align horse tracks and standalone casinos with an equal percentage from slot machines paid to the state. Current laws have forced race horses out of the state.**

### **ACTION ITEMS:**

- Work with Kansas legislators to amend laws to create uniformity.