

## HOUSE BILL No. 2167

By Committee on Agriculture

2-4

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AN ACT concerning livestock; relating to ownership of such livestock by packers; prescribing penalties therefor.

*Be it enacted by the Legislature of the State of Kansas:*

Section 1. As used in this act:

(a) "Animal unit" means a unit of measurement calculated by adding the following numbers: The number of beef cattle weighing more than 700 pounds multiplied by 1.0; plus the number of cattle weighing less than 700 pounds multiplied by 0.5; plus the number of swine weighing more than 55 pounds multiplied by 0.4; plus the number of swine weighing 55 pounds or less multiplied by 0.1.

(b) "Livestock" means live cattle or swine.

(c) "Packer" means a person or agent of such person, engaged in the business of slaughtering livestock in Kansas in excess of 1,000,000 animal units per year.

(d) "Person" shall include individuals, firms, trusts, partnerships, limited liability companies, corporations and associations.

Sec. 2. (a) (1) Except as otherwise provided, it shall be unlawful for a packer to directly or indirectly be engaged in the ownership of livestock for the production of livestock or livestock products, other than temporary ownership for no more than 14 days prior to slaughter.

(2) Livestock owned by the packer on the effective date of this act shall be sold or slaughtered on or before July 1, 2004.

(b) (1) It shall be unlawful for a packer to enter into a contract to purchase cattle for slaughter using a formula or grid pricing mechanism if the packer fails to negotiate a base price prior to the livestock being committed or scheduled for slaughter.

(2) Any contract to purchase livestock for slaughter that is in violation of this section is voidable by the seller.

(c) The provisions of this section shall not apply to persons entering into a marketing contract pursuant to K.S.A. 17-1616, and amendments thereto.

(d) Any packer acting in violation of this section shall be guilty of a class A nonperson misdemeanor, and in addition to any term of imprisonment, shall be fined \$500 per violation.

1 Sec. 3. Any person who suffers a financial loss as a result of a violation  
2 of this act may bring a civil action against any packer to recover treble  
3 damages sustained by reason of such violation.

4 Sec. 4. (a) Whenever the attorney general or a county or district at-  
5 torney has reason to believe that a packer is violating subsection (a) of  
6 section 2, and amendments thereto, such attorney shall commence an  
7 action in district court to enjoin the livestock operation.

8 (b) The court, upon making a determination that such packer is in  
9 violation of subsection (a) of section 2, and amendments thereto, shall  
10 order such livestock to be sold and shall assess the packer a fine of not  
11 less than \$1,000 for each day of violation.

12 (c) The proceeds from any livestock ordered to be sold pursuant to  
13 subsection (b) shall not be distributed until all fines and costs associated  
14 with such action have been paid. If the attorney general prosecuted such  
15 violation, recovered costs, including but not limited to attorney fees, shall  
16 be credited to the attorney general's antitrust special revenue fund. If the  
17 county or district attorney prosecuted such violation, recovered costs,  
18 including but not limited to attorney fees, shall be credited to the county  
19 general fund.

20 Sec. 5. (a) In order to enforce the provisions of this act, the attorney  
21 general shall have the investigative authority to administer oaths and af-  
22 firmations, subpoena witnesses or matter and collect evidence prior to  
23 filing suit.

24 (b) The attorney general shall have the power and authority to enter  
25 into reciprocal agreements with other states for the exchange of infor-  
26 mation on a cooperative basis which may assist in the proper administra-  
27 tion of this act.

28 Sec. 6. This act shall take effect and be in force from and after its  
29 publication in the statute book.

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