

MINUTES

SPECIAL COMMITTEE ON AGRICULTURE AND LIVESTOCK

July 28 - 29, 1977
Room 528 - State House

Members Present

Representative Ambrose Dempsey, Chairman
Senator Fred Kerr, Vice-Chairman
Representative Richard Adams
Representative Ralph Bussman
Representative Dean Hinshaw
Representative John J. Maloney
Representative John Vogel
Representative George Works
Senator Neil Arasmith
Senator Joe Norvell
Senator Larry Rogers

Staff Present

Ron Smith, Kansas Legislative Research Department
Hank Avila, Kansas Legislative Research Department
John Rowe, Kansas Legislative Research Department
Chris Badger, Kansas Legislative Research Department
Don Hayward, Revisor of Statutes Office

Conferees and Others Present

Bill Grier, Department of Taxation
W.W. Duijtsman, Secretary of Agriculture
Charles Briscoe, Assistant Attorney
Bud Cornish, Attorney, Milnot Company
William Adams, President, Milnot Company
Bill Hand, Director of State Governmental Relations, Pet, Inc.
Helen Lietz, United Farm Wives of America
Marvin Smith, Dairyman
Ivan Wyatt, Kansas Farmers Union
Kenneth Stewart, Attorney, Associated Milk Producers, Inc., and Mid-America Dairymen
Kenneth Wilke, Attorney for the Kansas Board of Agriculture
Frances Kastner, Legislative Assistant, Kansas Food Dealers Association
Bob Pence, Pence Food Stores
Dr. Richard Bassette, Kansas State University
Kathleen Koehler, Registered Dietician for Dairy Council of Greater Kansas City
Dr. Mary Carey, Nutritionist, University of Kansas Medical Center
Sarah Bonam, Nutritionist, Department of Health and Environment
John O. Miller, Committee of Kansas Farm Organizations
Robert Guntert, Control Division, Kansas Board of Agriculture
Art Sommers, Kansas Seed Dealers Association
Richard Koent, Division of Budget
Bud Grant, Kansas Association of Commerce and Industry
John Blythe, Kansas Farm Bureau
Representative William Beezley, Dairy Farmer
Representative Robin Leach, Dairy Farmer
Robert G. Harper, Milnot
Don Jacka, Kansas Board of Agriculture
Brace Rowley, Dairy Commissioner
Jim Moore, Associated Milk Producers

Conferees and Others Present (cont'd.)

Norman Barker, Associated Milk Producers
Evan Wright, Kansas Department of Health and Environment
P.D. Turner, Mid-America Dairymen
Tom Townsend, Mid-America Dairymen
C.F. Norton, Kansas State University

July 28, 1977
Morning Session

The Chairman called the meeting to order at 10:00 a.m. to continue consideration on Proposal No. 3 - Seed Laboratory and Seed Laws, and to begin hearings on Proposal No. 4 - Filled Milk and Filled Milk Products.

The previous minutes of the June 8 and 9 meeting and the June 27 meeting of the trip to Nebraska were reviewed. Senator Kerr moved that the minutes for the June 8 and 9 meeting, as sent out in the final draft to the Committee members be approved. Senator Rogers seconded and the motion carried. On the June 27 minutes a correction was made to include Don Hayward from the Revisor of Statutes Office in the section of "Staff Present." Representative Vogel then made the motion that these minutes be approved, with Senator Norvell seconding the motion, and the motion carried.

Discussion of Nebraska Trip

The Chairman called on the various Committee members to express their opinions on the trip to the Nebraska Seed Laboratory for the benefit of those members who could not attend. Some of these comments were: Representative Vogel noted that the operation seemed efficient and suggested that perhaps some of the Nebraska programs could be initiated in Kansas, adding that overall he thought that the Kansas laboratory was doing a fine job, however. Representative Adams concurred with the comments of Representative Vogel, and Representative Works said that the Nebraska Weights and Measures facilities exceeded those in Kansas but that mainly shows what a little money will do.

Representative Hinshaw's comment was that the Kansas operation surprised him in that he felt it was superior in a number of respects to the Nebraska operation. Senator Norvell commented that the Nebraska Department of Agriculture had excellent facilities and new offices which had brought all the various divisions within one central location. Senator Arasmith, Senator Rogers, and Representative Maloney felt that any questions that they might have had been answered by the comments made by the other members who had gone to Nebraska.

Proposal No. 3 - Seed Laboratory and Seed Laws

The Chairman called on the staff to review a new memorandum on Proposal No. 3 concerning the Kansas seed laws and the agricultural seed laboratory. The memo dated July 14, 1977, covered questions and supplied additional information asked for by the Committee pertaining to regulatory sample collection, the cost of the program, temporary laboratory personnel, and various funding alternatives that could be considered by the Committee if needed. The six funding alternatives were presented as follows:

1. A flat permit fee on individual seed dealers.
2. A sliding fee scale based upon the dollar amount of seed sold.
3. A fixed license fee based upon the dollar sale of seeds sold.
4. A sliding fee scale based upon per hundred weight of seed sold.
5. A flat charge per sample for noxious weed examination.
6. An increase in the current fee schedule.

The memo also included a chart on selected seed varieties which were developed in order to calculate the possible revenue that could be derived from a program similar to Ohio's sliding fee scale. It was also noted in calculating the Nebraska fees based on the number of tests completed in Kansas, that the Nebraska fees are roughly 30 percent to 40 percent higher than Kansas fees. If Kansas were to raise their fees to a level comparable to that of Nebraska's, it could raise \$23,414 in additional revenue.

Attention was called to the survey that was sent out by Mr. Lowell Burchett of the Kansas Crop Improvement Association to the seed dealers. Of 75 questionnaires that were mailed, only 11 responses were received. In summary, the survey revealed that the seed dealers desired to keep the fees as low as possible. Many do not project that they will increase their usage of the laboratory and most objected to any type of flat permit fee unless evenly applied to all dealers, including farmer dealers. Mr. Art Sommers responded to a question as to the low questionnaire return rate and stated that he felt the seed dealers were just a group who did not enjoy government intervention and largely ignored questionnaires plus the fact that the questionnaires were sent out during the peak harvest season.

Mr. William Grier, Department of Taxation in charge of the audit division, next appeared before the Committee and reported that there would be no technical problems for his department regardless of the possible funding alternatives that the Committee may wish to adopt in raising additional revenue. Mr. Grier added that he thought the largest problem his department could have in auditing procedures would result from Alternative No. 4, the sliding fee scale. In answer to a question as to which would be the simplest one for his department to audit, Mr. Grier stated that the first alternative, the flat permit fee on individual seed dealers would be the simplest method.

Representative Vogel commented that he would oppose a flat permit fee on individual seed dealers because he thought many problems can arise from this one being chosen as another type of license requirement upon individual farmers that are overburdened now. As an example he cited the new pesticide application permits. He urged the Committee to consider one of the other alternatives if additional revenue is necessary.

Mr. William Duitsman, Secretary of the Kansas Board of Agriculture, stated that his department had taken a somewhat different position since the last Committee meeting and since the visit to the Nebraska Seed Laboratory. He reiterated again that there are two functions of the seed laboratory: (1) a regulatory program; and (2) a service program. In the regulatory program, seed is collected to determine the mechanical purity, rate of germination, and the presence of prohibited and restricted noxious weeds. About 15 percent of the samples analyzed in FY 1976 were official samples. No fees are received to cover this cost because the program is considered one of consumer protection. The other 85 percent of the samples are service samples. Of this 85 percent, Mr. Duitsman speculated that roughly 60 percent of those are coming from bona fide seed dealers to test seed that is sampled for sale.

Mr. Duitsman concluded that after consultation with the seed industry and after the trip to the Nebraska Seed Laboratory, it was the opinion of the State Board of Agriculture that the improvements needed in the seed laboratory could be taken care of by the purchase of two new germinators and one electronic balance scale with a table. The purchase of this equipment would cost approximately \$20,000. Mr. Duitsman also indicated that the department had developed a new fee schedule similar to that of Nebraska with a 30 to 40 percent increase in most categories, but a 100 percent increase in several of the native grass categories.

Mr. Duitsman also indicated that in the next two future fiscal years there was the possibility of a reduction in the laboratory staff personnel by one person through voluntary reduction. Mr. Duitsman then estimated the seed laboratory budget for FY 1978 would be short approximately \$17,000, and he indicated that he would like to begin the new fee increases as of January 1, 1978 to help defray this shortage of money. This can be achieved through rule and regulation to increase the proposed fees. He added that he would like to obtain the support of the Committee in initiating this program to upgrade the seed laboratory and also called for the cooperation of the seed industry.

The Committee adjourned for lunch.

Afternoon Session

The Chairman reconvened the meeting at 1:30 p.m. There was considerable Committee discussion about the value of an interim study such as this one on the seed laboratory. It was the consensus of the Committee that this interim study had been very informative both for the Committee and staff, the industry, and the Board of Agriculture, and that it would probably be especially helpful to the Board of Agriculture at budget time. Representative Vogel stated that he understood the department's hesitency to make changes without the approval and study by the Legislature and that it was an effective way for an agency such as the Board of Agriculture to continually upgrade its programs and yet keep everyone informed of the new programs. Several Committee members commended the staff for their excellent job in obtaining information and the Board of Agriculture was commended for not raising the fees excessively or for increasing job positions unnecessarily.

Representative Vogel moved that the Committee go on record as approving the Board of Agriculture's proposal as set forth in the written testimony presented by Secretary of Agriculture Duitsman. Senator Norvell seconded the motion and the motion carried.

The Chairman called the Committee's attention to the bill draft pertaining to the plant variety protection act in Kansas and called on Mr. Don Hayward of the Revisor's Office to explain the bill. Following the explanation of the bill and Committee discussion, Representative Vogel moved that the Committee approve the bill for introduction by the Committee, with Senator Roger's seconding the motion. The motion carried. The Committee then instructed the staff to prepare the interim Committee's report on Proposal No. 3.

Proposal No. 4 - Filled Milk and Filled Milk Products

The hearing on Proposal No. 4, Filled Milk and Filled Milk Products, began with a staff review of a memo dated July 11, 1977 regarding the Kansas filled milk statute and the Kansas filled dairy products act. Reference was also made to a May 27 memo and a May 31 memo. The two previous memorandums detailed the case histories of the Kansas statutes that had been involved in litigation and a review of the federal statutes and other state statutes that had come under litigation which were similar to the Kansas filled milk statutes.

It was reported that S.B. 453 was introduced in the final weeks of the 1977 Legislative Session, but there was not sufficient time or information available for the Committee to act on the legislation. As a result, an interim committee was requested on the subject. The two major questions that were proposed for the Committee to consider are: (1) would the amending of the present filled milk laws to allow for the sale of properly labeled filled milk products significantly affect the economic situation of the dairy industry in Kansas; and (2) is there still just cause for preventing the sale of all or some filled milk products in Kansas based upon the question of the nutritional value to consumers and the possible effects on the consumer's health.

Senator Norvell, in regard to his request for an Attorney General's opinion on the statutes under consideration, commented that the Attorney General had reported that, because the case is currently pending, he did not feel he could give an opinion on the subject at this time. However, it was noted that the Attorney General did issue an opinion at the request of the Kansas Board of Agriculture on the filled milk statute and filled dairy products act in February, 1976.

The first person to appear before the Committee was Mr. Charles Briscoe, Assistant Attorney General. Mr. Briscoe stated that the case was presently in limbo and that no pretrial conference had been set. Mr. Briscoe stated that the conferees were working out the stipulation of facts. The remainder of Mr. Briscoe's statement referred to the past cases which involved Milnot and Milnot's predecessors.

The Chairman next called on Mr. Bud Cornish, attorney for the Milnot Company, who in turn introduced Mr. Bill Adams, President of the Milnot Company, Litchfield, Illinois. Mr. Adams presented a written statement to the Committee. Mr. Adams stated that the ingredients in Milnot make it a wholesome and nutritious product. He felt that Milnot as advertised and presented is a superior product for cooking and creaming purposes. It was pointed out that over one billion cans of Milnot have been sold to the public at large. He felt that this represented prima facie evidence as to Milnot's nutritional value to the consumer.

Mr. Adams also pointed out that at the peak of filled milk sales in 1968 in the United States it accounted for only .3 of 1 percent of the total dairy fluid milk sales at its high point. In recent years, filled milk products have only accounted for .08 of 1 percent of the total volume of dairy fluid milk sales in the United States. He concluded by stating that he felt the consumers in Kansas should have the opportunity to buy the products that they want to as those consumers are able to do in the bordering states of Iowa and Missouri, Oklahoma, Colorado and Nebraska.

Following Mr. Adams' statement to the Committee, Mr. Cornish made a few comments pertaining to the two Kansas statutes under study in Proposal No. 4. Mr. Cornish felt that the two statutes need updating and need to take a more modern approach to the problem of filled milk sales in Kansas. He stated that the Milnot Company supports the concept of S.B. 453 but distributed to the Committee members a letter dated March 19, 1977 which set forth some suggested changes in the bill.

Mr. Hand representing Pet Inc., of St. Louis, Missouri, next offered a prepared statement to the Committee on Proposal No. 4. Mr. Hand pointed out that its product Dairymate is similar to Milnot and is not presently sold in Kansas because of the filled milk statute. Mr. Hand did say, however, that if the statute were amended, his company would introduce Dairymate into the Kansas market. He concurred with Mr. Adams in supporting S.B. 453. He also concluded with the statement that he felt the citizens of Kansas should be given the opportunity to decide what products they want to use without government inter-ference.

The meeting adjourned for the day.

July 29, 1977
Morning Session

The Chairman called the meeting to order at 9:00 a.m. The first conferee was Mrs. Helen Lietz, representing the United Farm Wives of America. Mrs. Lietz and her husband operate a 60 cattle dairy farm in Paxico, Kansas. She presented a written statement to the Committee on Proposal No. 4. Briefly, Mrs. Lietz objected to S.B. 453. She said her organization opposes the unrestricted sale of filled milk products in Kansas. She mentioned that standards of high quality have been established for production of Grade A milk in Kansas and questioned whether or not there would be the same standards of high quality required for the production of vegetable oils which would be used to replace milk fat in filled milk products.

Following Mrs. Lietz, Mr. Marvin Smith, a Shawnee County dairyman, expressed his concern over S.B. 453. He stated that it seems unrealistic for dairy producers to be required to meet such high standards in producing Grade A milk while processors and handlers may be allowed to substitute lower quality ingredients in Grade A milk. Mr. Smith pointed out that if the American public wanted Grade A milk at a reasonable price, then it would not be feasible for dairy farmers to continue producing excess amounts of butter fat which would depress the market and therefore depress the total market for dairy products.

Mr. Ivan Wyatt, Vice-President of the Kansas Farmers Union, called attention to the labeling of filled dairy products. He said that he felt labeling requirements would be meaningless since few people today read the labels, and that, in any respect, an extensive advertising campaign could virtually nullify the effects of any labeling. He said the Kansas Farmers Union opposes the change in the present Kansas law dealing with filled milk products and, in closing, stated that Kansas has a good law on the books and he believes that it should be enforced as presently written.

Mr. Kenneth Steward, an attorney representing the Associated Milk Producers, Inc., and Mid-America Dairymen, presented the Committee members with numerous exhibits and outlined his clients reasons for their opposition to allowing for the unrestricted sale of filled milk products in Kansas. In his statement, Mr. Steward indicated that they believe the dairy industry produces nature's most perfect food — milk. Mr. Steward pointed out that proponents for the bill would like to do away with the protection afforded this most perfect food. He said that the legislation proposed to eliminate the integrity of pure milk by permitting its mixture with any product that would allow it to be labeled as a filled milk product. Mr. Steward concluded his testimony by pointing out that Milnot has twice been rejected in the state as violating Kansas statutes. He asked the Committee to consider seriously the economic impact that allowing for the sale of filled milk products in the state could have upon the dairy industry. Mr. Steward also felt that the citizens of Kansas needed the protection afforded them by the present statutes because he believes that filled milk products are nutritionally inferior to that of whole milk products.

Next to appear before the Committee was Mr. Kenneth Wilke, attorney for the Kansas Board of Agriculture. Mr. Wilke's prepared statement included a summary of the Kansas legislation beginning in 1927 and the challenges to this act which first occurred in 1940. He pointed out that Milnot first appeared on the market place in Kansas in 1975. Since 1975 there have been three conferences with the dairy commissioner, representatives of the Milnot Company, and the Attorney General's Office regarding the position of Milnot as a marketable product in Kansas. The first meeting occurred on March 10, 1975, in which Milnot was informed that the company was in violation of the law and were asked to remove this product.

The next meeting occurred on August 26, 1975. Following this second meeting, the Board of Agriculture requested an Attorney General's opinion on the filled milk statute and the filled dairy products act. The opinion was received on February 6, 1976, which resulted in the Board of Agriculture asking for the assistance of the Attorney General's Office to enforce the act.

The Attorney General's Office was requested by the Board of Agriculture to prepare a statement of accusation to be taken before the Kansas Supreme Court so that the original injunction handed down in the 1944 case could be enforced. Subsequently, a petition was filed in Shawnee County District Court on August 2, 1976, by the Attorney General seeking an injunction to prevent the sale of Milnot in Kansas. At the present time no further action has been taken in this action by the Shawnee County District Court. Mr. Wilke expressed the opinion he believes the Board of Agriculture has faithfully carried out its duties to date in the enforcement of the law. Following Mr. Wilke's presentation, the Committee adjourned for lunch.

Afternoon Session

The Committee reconvened at 1:30 p.m.

The Chairman called on Mrs. Frances Kastner, Legislative Assistant, for the Kansas Food Dealers Association, who stated that the Food Dealers Association has no formal position on the filled milk bill. Mrs. Kastner then introduced Mr. Robert Pence, President of Pence IGA in Ottawa, Kansas.

Mr. Pence stated that as a grocery store owner he asked the Committee to consider favorably endorsing legislation similar to S.B. 453 in order to allow customers the full freedom of choosing from a wide selection of grocery store items on the shelves. Mr. Pence expressed his concern to the Committee that if the laws were not changed and if baby food formulas were taken off the shelf, it could create a severe economic hardship on grocery store dealers. Mr. Pence gave examples of several stores being within a 50 mile radius of the Missouri border and pointing out that if baby food formulas or other filled milk products were declared illegal in the state and a customer was to drive to Missouri specifically for those products, a customer would also probably buy the remainder of his groceries there instead of making separate trips. As a result of this, the Kansas grocery store would lose money and in addition Mr. Pence felt that the state would lose money through a loss of tax revenue.

Mr. Charles Briscoe, Assistant Attorney General, reappeared before the Committee to answer several questions that had been posed to him the previous day. Senator Kerr directed the first question of Mr. Briscoe regarding the Attorney General's position on S.B. 453. Mr. Briscoe stated that the Attorney General's office has no position on the

bill. Mr. Briscoe continued by saying that he felt the 1944 injunction would probably not be enforced because of an informal conference with the Supreme Court Justice in deciding that the product is not the same, a different defendant was involved, and there is a question as to the constitutionality of the statutes. In response to another question regarding proceeding with the present case in Shawnee County, Mr. Briscoe replied that it would require scheduling and perhaps the earliest that the case could be finalized would be within the next six months.

The staff read a letter from Mr. Joseph Hile, Associate Commissioner for Compliance, Department of Health, Education and Welfare pertaining, to the pending regulations by the Food and Drug Administration in relation to what is termed substitute analogs. The letter from Mr. Hile stated that because the regulations are pending, the agency believes it would be inappropriate at this time for a representative to appear before the Committee and testify on the subject. It did, however, state that the FDA would be willing to come back at a later date after publication and appear before the Committee bringing any information regarding its decisions for rules and regulations of substitute analogs.

The Chairman next called on Dr. Richard Bassette, Professor of Dairy and Poultry Science, Kansas State University. Dr. Bassette's testimony before the Committee set forth his reservations regarding the nutritional merits of greater amounts of polyunsaturated fats in the diets of people and pointed out that recent research has shown that the reduction of heart attacks due to an increase in polyunsaturated fats is unfounded except for limited success in the middle age categories. He also directed his attention to research that has found that polyunsaturated fats in excess in the human diet have potential carcinogenic effects on tumor inducing properties of other carcinogens. Dr. Bassette also commented on the economic aspects of the question in stating that if milk fat is replaced by vegetable fat, the replaced milk fat becomes a surplus that will consequently command a lower price at the market place. He felt that, in order to compensate for this lower value in the milk fat, the dairymen had two prospects: (1) to increase the price of the non-fat portion comparable with the loss suffered from milk fat; or (2) to put his effort into other agricultural enterprises, with an ultimate reduction in milk supply which would result in short supply and increases in milk prices.

In conclusion, Dr. Bassette opposed the repeal of the Kansas filled milk laws because he believes that there are risks to human lives which may not show up for ten years. He also pointed out that he felt that these risks have been well documented. He indicated that there is a need for further research in order to answer the questions regarding the role of fats in the diet before there is a wholesale change in our dietary patterns.

Mrs. Kathleen Koehler, a Registered Dietician for the Dairy Council of Greater Kansas City next gave a presentation to the Committee concerning the nutritional aspects of filled milk. Mrs. Koehler indicated that it was necessary to recognize that filled milk should not be considered as an equal nutrient replacement for milk in the normal diet. She pointed out the danger of filled milk being used solely as the basis of nutrition in the diets of infants. In concluding her testimony, Mrs. Koehler stated that if filled milks are legalized, there are several questions that the Committee would need to deal with. One of the questions she raise was who would control the composition and the labeling of filled milks. She stressed the importance of a need for an educational program to benefit the consumer in understanding the difference between filled milks and whole milk if filled milk is legalized.

Mrs. Koehler asked whether or not food labeling was really a beneficial tool that could be used to help educate the consumer. In a question from the Committee regarding this aspect of food labeling, Mrs. Koehler replied she felt that probably 90 percent of the populace does not know how to read food labels or understand the nutritional information supplied on them. Therefore, she continued, if the Committee were to amend the filled milk act, she felt the Committee should also implement a nutritional education program and a system of product labeling for filled milk products which would identify the composition within the filled milk.

The Chairman next called on Dr. Mary Carey, Registered Dietician and Associate Professor for the Department of Dietetics and Nutrition, University of Kansas Medical Center in Kansas City. Dr. Carey reiterated many of the statements Dr. Bassette had made earlier concerning the nutritional aspects of filled milk. She expressed the concern that research has not demonstrated completely the hypothesis that a reduction of unsaturated fatty acids with substitution by polyunsaturated fats will reduce the rate of coronary heart disease overall age categories. Dr. Carey cited several studies in which persons have been given increased amounts of polyunsaturated fats and reduced amounts of saturated fats and the results have shown that polyunsaturated fats do lower the total serum cholesterol count, but that total mortality rates were not reduced even though the mortality rates for coronary heart disease were reduced. Dr. Carey also noted that in these studies research has shown that an increase in polyunsaturated fats coincide with the human body needing an increase in vitamin E and several other vitamins as a result of a reduction in the other types of fat intake of the body.

Dr. Carey next reviewed the U.S. Senate Select Committee on Nutrition and Human Needs, a prepared document on dietary goals for the United States. Three of these goals relate to fat consumption. An examination of these three goals relates that it is evident that what the select committee is recommending is a decrease in total fat, including a decrease in polyunsaturated and monounsaturated fats. As pointed out by Dr. Bassette, however, Dr. Carey also indicated that several noted scientists in the United States have challenged the decisions made by the Committee on human nutrition. In summary, Dr. Carey pointed out it would appear that filled milk products provide no advantage to the consumer with respect to nutritional status and health status. In addition, she also felt that further research was necessary to determine the potential harmful effects of polyunsaturated fats in the human diet.

The final conferee to appear before the Committee was Ms. Sarah Bonam, Registered Dietician and Nutritionist with the Bureau of Maternal Child Health, Department of Health and Environment. Ms. Bonam's statements reflected those of the two previous persons in her concern over the nutritional quality of filled milk as a substitute for whole milk. Specifically, Ms. Bonam addressed her comments to the question relating to substitution of filled milk for either infant food formulas or while milk in the feeding of infants. She cautioned that research has shown that filled milk is not nutritionally equal to either of the other two products in the feeding of infants.

Following the scheduled appearance of conferees, the Chairman asked Mr. Cornish and Mr. Adams from Milnot if they had any additional comments on the testimony that had been presented. The first item that was brought up was the letter that had been introduced by the Board of Agriculture relating to a product guarantee by the Milnot Company to any of those store owners who would market its product. The product guarantee also indicated that the Milnot Company would assume all liability or cost of fines imposed on their product in order to maintain the marketing of that product. Mr. Cornish commented that the Milnot product guarantee was a standard format used by many other food companies within the industry. Mr. Cornish then stated that Milnot would support passage of S.B. 453 and suggested again that this Committee has the opportunity to consider updating the statutes in consideration of modern times. In a final comment, Mr. Adams stated that Milnot was presently marketed in 25 states and said that the Committee needs to remember that present day products fall into three categories: (1) genuine dairy products; (2) filled milk products; and (3) imitation or combination of same.

Following the discussion with the conferees, the Committee engaged in a discussion about the pending proposal and the authorship of S.B. 453. In the discussion of Proposal No. 4, the Committee considered the problems of present enforcement and the apparent lack of ability to enforce these statutes. Although no firm answer was given to any of the questions that the Committee members asked among themselves, the Committee did call on Don Hayward to try and help clarify the basic differences between the two statutes. Following the discussion the Committee instructed the staff to seek additional information on several points regarding Proposal No. 4. The next meeting of the Special Committee on Agriculture and Livestock was scheduled for August 23 and 24, 1977 in Room 510 of the State House.

Prepared by Ronald D. Smith

Approved by Committee on:

(Date)