

Approved: 2-7-00
Date

MINUTES OF THE SENATE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairperson Steve Morris at 10:00 a.m. on February 4, 2000, in Room 423-S of the Capitol.

All members were present except: Senator David Corbin (E)

Committee staff present: Raney Gilliland, Legislative Research Department
Jill Wolters, Revisor of Statutes
Nancy Kippes, Committee Secretary

Conferees appearing before the committee:
George Teagarden, Livestock Commissioner, Animal Health Department
Mike Beam, Kansas Livestock Association

Others attending: (See Attached)

Senator Umbarger made a motion to approve the minutes of the February 3, 2000 meeting as submitted. Senator Stephens seconded. The motion carried.

Hearing on: **SB 532 - concerning livestock; relating to electronic auctions**

George Teagarden, Livestock Commissioner, Animal Health Department, testified in support of **SB 532**, explaining that **SB 532** would require video and internet auctions to be licensed, collect a per head fee from the Kansas producers using those services, and require health certificates for livestock consigned and sold out of state provide veterinarian inspection for the livestock consigned and sold (Attachment 1).

Senator Umbarger made a motion to adopt the proposed amendment to SB532 offered by the Livestock Commissioner in Attachment 1. Senator Tyson seconded. The motion carried.

Mike Beam, Kansas Livestock Association, testified in support of **SB 532**, stating there appeared to be a strong consensus in the Kansas Livestock Association membership that electronic auctions be required to pay the same fees as traditional auction markets (Attachment 2).

Hearing on: **SB 533 - concerning livestock; relating to brand inspection areas; fees**

George Teagarden, Livestock Commissioner, Animal Health Department, testified in support of **SB 533**, which would allow for a minimum fee and mileage charge for brand inspections (Attachment 3).

Mike Beam, Kansas Livestock Association, testified in support of **SB 533** to collect a minimum on-site inspection fee and a mileage fee to cover the expense of brand inspection services (Attachment 2).

The next meeting will be February 7, 2000.

SENATE AGRICULTURE COMMITTEE GUEST LIST

DATE: 2-4-00

NAME	REPRESENTING
Tom Bruns	Allen + Assoc.
GEORGE TEAGARDEN	Ks Animal Health

STATE of KANSAS

KANSAS ANIMAL HEALTH DEPARTMENT

George Teagarden, Livestock Commissioner

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February 4, 2000

Senate Agriculture Committee

Mr. Chairman and members of the committee, I am George Teagarden, Livestock Commissioner, Kansas Animal Health Department. Thank you for your time today, in hearing SB 533.

Kansas has county option brand inspection law. Determination of a brand inspection area is made by cattle producers within the county by petitioning the county commission to adopt brand inspection by resolution. We currently have three (3) brand inspection areas in the state; Kearny, Hamilton and Wichita counties.

KSA 47-436 indicates that the commissioner and brand inspectors shall provide for inspection in these areas, within the limits of funds provided. This activity is a self supporting function of our department through the county option fee fund.

Current law allows for only a per head fee of not more than \$.75. This bill amends the statute to allow for a minimum fee and mileage.

We are currently making some inspections that do not even pay enough to cover mileage, let alone any wages for the inspector. I have not determined what the minimum might be, but would suspect it to be +or- \$25. Mileage would be the same as the Central Motor Pool charges our agency, currently \$.22 per mile for pickups.

In FY '99 we conducted 31 inspections were a minimum might apply. One month we had 8 inspections that averaged \$1.06 per stop. I don't know how far the inspector drove to get to the site. Another month, 11 inspections netted us \$4.22 per stop.

Thank you! I will stand for questions.

Senate Agriculture

2-4-00

Attachment 1



Since 1894

To: The Senate Agricultural Committee

From: Mike Beam, Executive Secretary, Cow-Calf/Stocker Division

Subj: **Senate Bill 532** – Electronic Livestock Auctions
Senate Bill 533 – Brand Inspection Fees

Date: February 4, 2000

Commissioner Teagarden discussed these issues with KLA's Animal Health and Brand Committee at our Annual Meeting last December. KLA members voted to endorse both proposals and I appear today in support of SB 532 and SB 533.

Electronic Livestock Auctions – SB 532

Developing and updating the fee schedule to fund disease control activities of the Kansas Animal Health Department (KAHD) has long been an effort of KLA members. We have had many internal debates about the fee sources of the agency and KLA will continue to study the issue and prepare for the year when the legislature and agency will be forced to make substantial changes.

In the mean time, there appears to be strong consensus on one minor change or update to the statutes requiring auction markets to pay a license fee and collect a per head disease control fee on animals consigned to such markets. This bill defines electronic auctions and requires these businesses to pay the same fees as traditional auction markets.

Brand Inspection Fees – SB 533

Current law limits KAHD's collections of brand fees to 75 cents per head. It is apparent the agency loses substantial money if they are called to send an inspector to inspect one animal or a small lot of livestock. It makes sense to us to amend KSA 47-437 and allow the agency to collect a minimum on-site inspection fee and a mileage fee to cover the expense of brand inspection services.

Again, KLA supports these bills and I will be happy to respond to any questions. Thank you.

*Senate Agriculture
2-4-00
Attachment 2*

STATE of KANSAS

KANSAS ANIMAL HEALTH DEPARTMENT

George Teagarden, Livestock Commissioner
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February 4, 2000

Senate Agriculture Committee

Mr. Chairman and members of the committee, I am George Teagarden, Livestock Commissioner, Kansas Animal Health Department. Thank you for your time and patience in hearing SB 532.

Our department currently licenses the traditional livestock market/sale barn. At these markets, a fee of \$.15 per head sold is collected by the market operator from the consignor and remitted to our department and deposited into the Disease Control Fund. This fund provides 46% of the funding for our largest function, disease control. The trend in total market numbers is down and the financial support for our disease control function is likewise diminishing.

Market fees have been a major source of funds for the KAHD for many years. Market numbers have declined, in part, because other options for the marketing of livestock have developed. The Kansas Animal Health Board, a group of seven livestock producers from across the state, believes that livestock auctions, conducted by electronic means, should provide support to the department, just as the "sale barns" do.

SB 532 would require video and internet auctions to license, collect a per head fee from the Kansas producers using their services and provide veterinarian inspection for the livestock consigned and sold. I do have an amendment that would require veterinarian inspection for all exported livestock and those sold intrastate, if requested.

Thank you and are there questions for me.

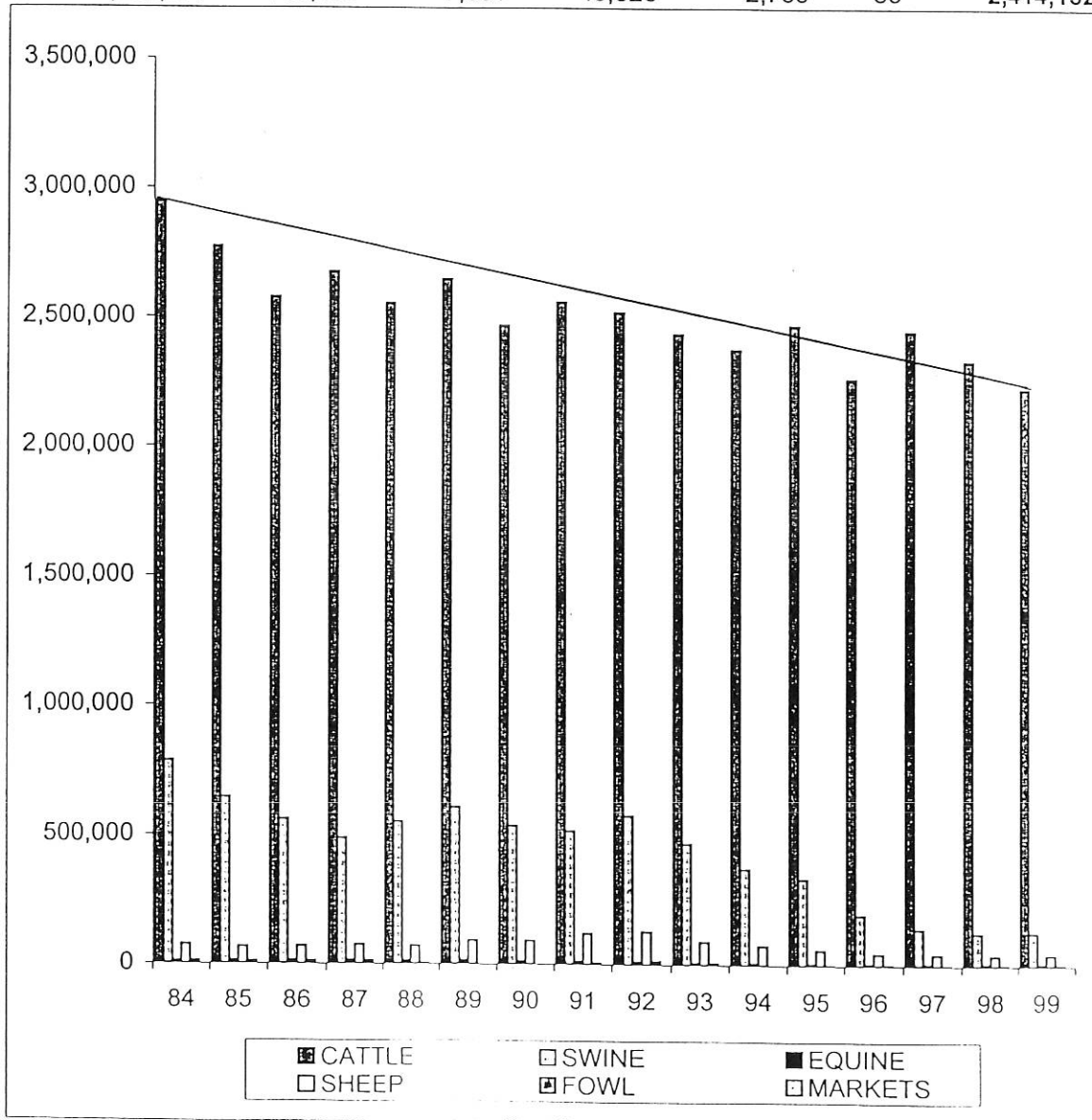
Senate Agriculture

2-4-00

Attachment 3

NUMBER OF ANIMALS SOLD PER FISCAL YEAR

FY	CATTLE	SWINE	EQUINE	SHEEP	FOWL	MARKETS	TOTAL
84	2,947,813	785,404	11,407	76,781	11,638	77	3,833,043
85	2,773,201	645,424	13,916	67,660	11,741	73	3,511,942
86	2,577,841	560,997	15,373	70,738	13,084	74	3,238,033
87	2,675,963	489,207	16,321	75,900	14,094	72	3,271,485
88	2,554,635	552,705	14,809	72,419	3,320	69	3,197,888
89	2,649,689	609,036	16,896	94,199	0	69	3,369,820
90	2,468,749	537,832	13,755	93,287	0	68	3,113,623
91	2,561,472	518,397	13,047	121,418	6,485	65	3,220,819
92	2,520,921	577,763	11,946	129,847	14,256	65	3,254,733
93	2,437,501	470,137	8,688	90,192	7,552	61	3,014,070
94	2,377,878	374,032	8,354	75,904	0	62	2,836,168
95	2,472,385	336,411	7,111	60,033	1,892	63	2,877,832
96	2,265,530	197,058	6,391	46,416	1,868	62	2,517,263
97	2,450,244	143,655	7,036	44,718	748	67	2,646,401
98	2,335,762	126,829	7,898	40,767	2,941	65	2,514,197
99	2,232,295	130,150	7,881	43,826	2,768	55	2,414,152



SB 532 proposed amendment

Sec. 3, (f) to read: All livestock sold by a licensed electronic auction, before being delivered to an out-of-state buyer, shall have a health certificate issued by a licensed, accredited veterinarian. Kansas buyers shall be furnished a health certificate upon request.