

Approved: 2/7/07
Date

MINUTES OF THE SENATE AGRICULTURE COMMITTEE

The meeting was called to order by Chairman Mark Taddiken at 8:30 a.m. on January 30, 2007 in Room 423-S of the Capitol.

All members were present except:
Derek Schmidt- excused

Committee staff present:
Becky Krahl, Kansas Legislative Research
Art Griggs, Office of Revisor of Statutes
Judy Seitz, Committee Assistant

Conferees appearing before the Committee:
John Donley, Government Affairs, Kansas Livestock Association
Brad Harrelson, State Policy Director - Governmental Relations, Kansas Farm Bureau
Constantine Cotsoradis, Deputy Secretary, Kansas Department of Agriculture
Donn Teske, President, Kansas Farmers Union

Others attending:
See attached list.

Chairman Taddiken asked for bill introductions. There were none.

Hearings on **SCR 1604 - Concurrent resolution urging Congress to allow interstate sale of state inspected meat** were opened.

John Donley, Government Affairs, Kansas Livestock Association (KLA), spoke in favor of **SCR 1604 (Attachment 1)**. He said that KLA's position is that as long as a state-inspected plant meets the equivalent standards of inspection that are required by HACCP requirements, they should be allowed to sell the meat in interstate commerce.

Mr. Donley offered to stand for questions.

Brad Harrelson, State Policy Director - Governmental Relations, Kansas Farm Bureau, offered testimony in favor of **SCR 1604 (Attachment 2)**. He stated that since the state inspection programs must meet or exceed federal inspection requirements, it makes little sense to exclude state-inspected meat from interstate markets.

Mr. Harrelson offered to stand for questions.

Constantine Cotsoradis, Deputy Secretary, Kansas Department of Agriculture (KDA), presented testimony in favor of **SCR 1604 (Attachment 3)**. He introduced Dr. Rebecca Pfannenstiel who is the new Program Manager for Meat and Poultry and Food Safety at the KDA. Mr. Cotsoradis said that removing the ban on interstate sales of state-inspected meat products would level the economic playing field for small businesses, spur more competition in the marketplace and create a more uniform inspection system. He also stated that current law allows products from meat processors in other countries greater access to American markets than is our state-inspected plants.

Mr. Cotsoradis took questions from the Committee.

Dr. Pfannenstiel also responded to Committee questions.

Donn Teske, President, Kansas Farmers Union, spoke in support of **SCR 1604 (Attachment 4)**. He said that it makes no sense when state inspection regulations that meet, or in Kansas's case exceed, Federal standards won't be allowed by the Federal government to legally market across state lines.

Mr. Teske offered to stand for questions.

There were no opponents to **SCR 1604**.

CONTINUATION SHEET

MINUTES OF THE Senate Agriculture Committee at 8:30 a.m. on January 30, 2007 in Room 423-S of the Capitol.

Hearings were closed on SCR 1604.

Senator Bruce moved to report SCR 1604 favorably. Senator Francisco seconded the motion. There was discussion.

The Committee discussed the ramifications of states not enforcing the Federal law dealing with the interstate of sale of state inspected meat

Motion passed to report SCR 1604 favorably out of Committee.

Chairman Taddiken asked the Committee's desire on SB 19 - County fairs levy for buildings and grounds and maintenance. Senator Lee moved that SB 19 be moved out favorably, seconded by Senator Ostmeyer. There was discussion on the motion.

Senator Francisco suggested there be a Subcommittee to study statutes which are no longer applicable to county fairs. The county fairs were regulated by the Board of Agriculture. When the Board of Agriculture was abolished and the Department of Agriculture formed, the regulations of county fairs was not addressed.

Motion passed and SB 19 will be reported passed favorably out of Committee.

Meeting adjourned at 9:05 a.m.

The next Committee meeting will be held on January 31 in Room 423-S.



Since 1894

TESTIMONY

To: Senate Agriculture Committee
Senator Mark Taddiken, Chair

From: John Donley, Kansas Livestock Association

Date: January 30, 2007

Re: SCR 1604

The Kansas Livestock Association (KLA), formed in 1894, is a trade association representing over 6,000 members on legislative and regulatory issues. KLA members are involved in many aspects of the livestock industry, including seed stock, cow-calf and stocker production, cattle feeding, grazing land management and diversified farming operations.

Good morning Mister Chairman and members of the Committee. My name is John Donley, and I serve in the Government Affairs department for the Kansas Livestock Association. I appreciate the opportunity to testify this morning to discuss KLA's support for SCR 1604.

KLA has policy that supports federal legislation to authorize interstate shipment of state-inspected meat that meets HACCP requirements. It is KLA's position that as long as a state-inspected plant meets the equivalent standards of inspection that are required by HACCP requirements, they should be allowed to sell the meat in interstate commerce.

Adoption of federal legislation of this type will give producers another outlet in which they would be able to market their safe and wholesome product to consumers. KLA has always supported allowing producers the freedom to market their product as they see fit. This resolution is one step in continuing to allow producers to utilize more marketing options while not hindering the overall safety of the safe product that they produce.

In conclusion, KLA supports SCR 1604. I appreciate the chance to discuss this issue with you this morning, and KLA stands ready to assist the Committee in any way we can with this important issue. Thank you.

*Senate Agriculture Committee
1-30-07
Attachment 1*



KANSAS FARM BUREAU
The Voice of Agriculture

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PUBLIC POLICY STATEMENT

SENATE COMMITTEE ON AGRICULTURE

RE: SCR 1604 – a resolution urging Congress to allow interstate marketing of state inspected meat.

January 30, 2007
Topeka, Kansas

Testimony provided by:
Brad Harrelson
State Policy Director
KFB Governmental Relations

Chairman Taddiken, and members of the Senate Committee on Agriculture, thank you for the opportunity to appear before you today. I am Brad Harrelson, State Policy Director—Governmental Relations for Kansas Farm Bureau. KFB is the state's largest general farm organization representing more than 40,000 farm and ranch families through our 105 county Farm Bureau Associations.

Farm Bureau strongly supports the state Meat and Poultry Inspection Program administered by the Kansas Department of Agriculture. The state inspection program meets a vital need in supporting local meat processing facilities and ensuring the safety of our state's food supply. This program benefits all consumers and should be supported with State General Fund appropriations.

As you know, state inspection programs must meet or exceed federal inspection requirements. Thus, it makes little sense to exclude state-inspected meat from interstate markets. It is extremely important to open interstate markets to producers and processors who prefer the state inspection system. We encourage the committee to act favorably on SCR 1604, and urge Congress to take swift action.

Senate Agriculture Committee
1-30-07

Attachment 2

Thank you, once again, for the opportunity to appear before you and share the policy of our members. KFB stands ready to assist you as you consider this important measure. Thank you.

**Testimony on SCR 1604: Interstate shipment of state-inspected meat
to
the Senate Agriculture Committee**

**by Constantine Cotsoradis
Deputy Secretary
Kansas Department of Agriculture**

January 30, 2007

Good morning Chairman Taddiken and members of the committee. I am Constantine Cotsoradis, deputy secretary of agriculture. Thank you for the opportunity to testify today regarding Senate Concurrent Resolution 1604.

Currently, Kansas and 27 other states have meat and poultry inspection programs that typically cover small establishments that don't have the volume of business to justify the expense of a full-time USDA inspector.

State inspection programs have a strong record for effectiveness and food safety, and they appeal to farmers because they provide more marketing choices. Farmers say they like the marketing flexibility our inspection program offers, and meat processors are attracted to the program because state inspectors can help them update their food handling procedures and technologies.

It's hard to see any sense to blocking a farmer or small business from selling locally processed beef, pork or poultry to eager customers just across the state line when there is no difference in food safety. Even more puzzling is the fact that the ban has remained in place despite three USDA advisory committees finding that its removal would create jobs and stimulate rural economies.

Current law allows products from meat processors in other countries greater access to American markets than is afforded our state-inspected plants, as long as their products come from plants that meet food safety standards equal to USDA's. State meat inspection programs must be equal to federal inspection, but state-inspected products may only be sold in the state where they were produced.

Removing the ban on interstate sales of state-inspected meat products is an economic fairness issue. It will level the economic playing field for small businesses, spur more competition in the marketplace and create a more uniform inspection system.

*Senate Agriculture Committee
1-30-07*

The National Association of State Departments of Agriculture and a coalition of 20 farm and agriculture groups, including the Kansas Meat Processors Association, launched a grassroots campaign in 2006 to urge the House and Senate to pass bills to ensure that all meat and poultry products are inspected under a seamless national inspection system and to eliminate the prohibition on interstate sales of state-inspected meat and poultry products.

Although the bills did not pass by the end of the last Congress, we expect substitute bills to be reintroduced soon. We will continue to lend our support to the National Association of State Departments of Agriculture and their grassroots effort to rectify the disparity caused by outdated federal laws governing interstate sales of state-inspected meat.

Thank you for supporting SCR 1604 regarding interstate sales of state-inspected meat.

FSIS Review of State Programs

Summary Report

Food Safety and Inspection Service
United States Department of Agriculture
January 2007

Executive Summary

The purpose of this report is to summarize the review results from the Food Safety and Inspection Service comprehensive reviews of the 28 States that currently operate State Meat and Poultry Inspection (MPI) programs. These reviews, which were conducted using the updated comprehensive State review process, occurred between the spring of 2003 and the fall of 2006.

The 28 States that currently operate State MPI programs are: Alabama, Arizona, Delaware, Georgia, Illinois, Indiana, Iowa, Kansas, Louisiana, Maine, Minnesota, Mississippi, Missouri, Montana, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, South Carolina, South Dakota, Texas, Utah, Vermont, Virginia, West Virginia, Wisconsin, and Wyoming. These 28 State programs provide inspection to more than 1900 small and very small establishments.

Each State MPI program operates under a cooperative agreement with FSIS. Under the cooperative agreement, a State's program must enforce requirements "at least equal to" those imposed under the Federal Meat Inspection Act (FMIA), the Poultry Products Inspection Act (PPIA), and the Humane Methods of Slaughter Act (HMSA). This cooperative agreement, as well as an annual certification of each State's MPI program, is conditional upon FSIS conducting a comprehensive review process and determining that the State is enforcing requirements "at least equal to" those imposed under the Acts. If any State MPI establishment or program is deemed unable to enforce these requirements, the Secretary of Agriculture may designate the establishment/State as not being "at least equal to." Following regulatory procedures, the establishment/State will be subject to Federal inspection.

The comprehensive State review process is based on FSIS Directive 5720.2, Revision 3 – *State Cooperative Inspection Programs*¹ and the *FSIS Manual for State Meat and Poultry Inspection Program Reviews*². The manual provides direction to State management and FSIS officials and describes the current FSIS approach for conducting the comprehensive reviews of State MPI programs and the methodology, criteria, and process used to determine whether each State program meets the mandated "at least equal to" requirements. The comprehensive State review consists of a two-part methodology – self-assessment and on-site review – and evaluates the following nine components: Statutory Authority and Food Safety Regulations, Inspection, Product Sampling, Staffing and Training, Humane Handling, Other Consumer Protection, Enforcement, Civil Rights, and Funding and Financial Accountability.

Based on the self-assessments received during Federal Fiscal Year 2006, FSIS determined that 28 of the 28 State programs provided adequate documentation to support an initial "at least equal to" finding. Combining these initial findings with results from on-site reviews conducted between 2003 – 2006, FSIS determined that 27 of the 28 State programs supported an "at least equal to" determination. One State program (New Mexico) is deferred, pending verification of their implementation of corrective actions.

¹ Available at <http://www.fsis.usda.gov/OPPDE/rdad/FSISDirectives/5720-2Rev3.pdf>.

² All previous versions of the *FSIS Manual for State Meat and Poultry Inspection Program Reviews* (August 2003, November 2004, or July 2005) as well as the current version of the manual (August 2006) are available by contacting the FSIS Federal State Audit Branch at (402) 344 -5000.

Conclusion

FSIS determined that the Kansas Department of Agriculture provided adequate documentation to show it was operating its program “at least equal to” the Federal requirements. This determination was based on: (1) a self-assessment determination, resulting from a review of the submitted documentation conducted from December 6 – 20, 2005 and (2) an on-site determination, resulting from an on-site review conducted from October 21 – November 4, 2003.

Table 1: Kansas Self-Assessment Determinations by Component

Component	Same As	Supported “at least equal to” finding	Did Not Support “at least equal to” finding	Deferred
1. Statutory Authority and Food Safety Regulations		√		
2. Inspection		√		
3. Product Sampling		√		
4. Staffing		√		
5. Humane Handling		√		
6. Other Consumer Protection		√		
7. Enforcement Regulations		√		
8. Civil Rights Requirements		√		
9. Funding and Financial Accountability		√		
Self-Assessment Determination: supported “at least equal to” finding				

Kansas On-Site Determination

The Kansas MPI program on-site determination supported an “at least equal to” finding. In accordance with the August 2003 version of the State Review manual, the on-site determination was not conducted component by component and therefore no “Determination by Component” table can be reproduced.

3-5



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Testimony in support of Senate Concurrent Resolution No. 1604
Senate Ag Committee 1-30-07
Donn Teske
Kansas Farmers Union

I would like to speak today in support of SCR 1604, a resolution urging the United States Congress to enact revisions to the Federal Meat Inspection Act and the Poultry Products Inspection Act to allow the interstate shipment and marketing of meat products by state inspected meat processing facilities.

Kansas Farmers Union has long been a supporter of allowing interstate shipment of state inspected meat.

Kansas's state inspected meat processing plants have been a solid part of Kansas agriculture, and they have a role to play in our future also.

It makes no sense whatsoever when state inspection regulations that meet, or in Kansas's case exceed, Federal standards won't be allowed by Federal government to legally market across state lines.

The long effort this has taken to try and get such a logical change into the Federal regs reeks of non-governmental influence. A change that would allow state inspected meat that matches or exceeds Federal statutes to be marketed across state lines would be such an insignificant amount in comparison to today's huge meat industry that one can't logically consider it a threat.

Niche marketing has been one of the few truly shining spots in American agricultural production over the more recent past.

The ability for niche producers to market across state lines would offer them a wider market opportunity, especially in eastern Kansas's logistical relationship to the Kansas City Mo. marketplace. Ks. Farmers Union has members that would benefit from this opportunity.

This Resolution makes sense. If enough states put pressure on Congress we can finally make this effort come to fruition.

Thank you very much for your time.

*Senate Agriculture Committee
1-30-07
Attachment 4*