

MINUTES OF THE SENATE AGRICULTURE COMMITTEE

The meeting was called to order by Chairman Mark Taddiken at 8:30 a.m. on March 3, 2009 in Room 446-N of the Capitol.

All members were present.

Committee staff present:

Raney Gilliland, Kansas Legislative Research Department
Corey Carnahan, Kansas Legislative Research Department
Jason Thompson, Revisor of Statutes Office
Kristen Kellems, Revisor of Statutes Office
Judy Seitz, Committee Assistant

Others attending:

See attached list

Chairman Taddiken mentioned that minutes of the committee for February 3, 10 and 11 were distributed to Committee members and action would be taken on them later.

Chairman Taddiken noted that the Committee had received a copy of an e-mail from Karole Lindgren and nineteen (19) other people supportive of **SB 231 - Transferring the powers and duties of the animal health department and state conservation commission to the department of agriculture, (Attachment 1)** because it would save the taxpayers money.

The Chairman opened discussion on **SB 256 - Creating the pesticide safety education fee fund.** Hearings and discussion were held on this bill on February 18. Some amendments had previously been made to **SB 256.**

Senator Francisco moved to add back the words "not to exceed" in lines 30 and 34, seconded by Senator Bruce. There was discussion on the motion. Motion carried.

Tom Phillips, Department Head of Entomology, Kansas State University and Interim Coordinator for the Pesticide Safety Education Program (PSEP), answered questions from the Committee.

Senator Francisco made a motion to charge a \$15.00 renewal fee in addition to the examination fee for commercial applicators and a \$5.00 fee for private applicators. There was no second.

There was discussion on the motion.

Senator Bruce made a motion to table action on SB 256, seconded by Senator Ostmeier. There was discussion on the motion.

Chairman Taddiken said there are so many questions on **SB 256** that work on this bill will stop and discussion and possible action will be scheduled for another date.

Discussion was opened on **SB 231.**

Chairman Taddiken noted that the Legislative Post Audit report proposing the merging of the Kansas Animal Health Department (KAHD) and the State Conservation Commission (SCC) into the Kansas Department of Agriculture (KDA) shows the savings that could be accomplished with suggestions for efficiencies. He said that during the hearings it was mentioned by many conferees that the current system is working. Chairman Taddiken mention that these are good agencies and there is great deal of support from local communities for these agencies, especially the SCC.

Chairman Taddiken has requested the SCC, KAHD and the Kansas Department of Agriculture (KDA) visit and find ways to accomplish the goals and objectives set out in the post audit report without merging the agencies. He has requested the agencies (SCC and KAHD) to present a plan of how to accomplish some efficiencies and savings.

CONTINUATION SHEET

Minutes of the Senate Agriculture Committee at 8:30 a.m. on March 3, 2009 in Room 446-N of the Capitol.

Greg Foley, Executive Director, SCC, has reviewed the audit and proposed a reorganization plan as well as a modification in the lease arrangement for their office space. He said only three of the eight temporary positions are filled. These eight temporary positions are funded one-half State Water Funds and one-half Natural Resources Conservation Service (NRCS). The NRCS is willing to dissolve this agreement. Mr. Foley said the SCC will reassess their organizational chart in 2010 and evaluate the impact of losing positions and the SCC's ability to implement programs. The SCC is very automated and has a contract with the KDA for basic IT services.

Constantine Cotsoradis, Deputy Secretary, KDA, took questions from the Committee.

Mr. Foley answered questions.

Chairman Taddiken said the SCC has been proactive and is working hard towards using some of the ideas from the Legislative Post Audit report.

George Teagarden, Livestock Commissioner, KAHD, (Attachment 2) suggest that the balances in four different funds in the amount of \$87,803 be swept into the State General Fund (SGF). This would be around 10% of the KAHD SGF allocation. The KAHD is also holding three (3) positions open at this time. Mr. Teagarden said he will be conferencing soon with the KDA on electronic transfer of information and other IT issues. He said their agency will continue to look for more efficiencies.

Mr. Cotsoradis answered questions from the Committee.

There was no further action on **SB 231** as the efficiencies by the KAHD and the SCC could be implemented without merging the agencies. Progress of the agencies in finding those efficiencies will be monitored by the Chairman.

Senator Ostmeyer moved approval of the minutes for February 3, 10 and 11; seconded by Senator Huelskamp. Motion carried.

The next meeting is scheduled for March 10, 2009.

The meeting was adjourned at 9:20 a.m.

SENATE AGRICULTURE COMMITTEE GUEST LIST

DATE: March 3, 2009

NAME	REPRESENTING
John Ponley	KS Livest. Ass'n
Erk Wisner	KDA
Lindsey Douglas	KDA
Herb Graue	SAKW
SCOTT CARLSON	SEC
CULOTCARADIS	KDA
Carl Jarboe	26th Dist.
Roberta Spencer	Jackson Co. Cons. Dist.
David W. Thompson	Osage Co.
Johnny F. Hise	Osage Co. Cons. Dist.
Steve Hargrett	Riley Co.
Nathan Lauer	Riley Co.
Norman Davidson	Riley Co.
Irvin Johnson	Riley Co. Cons. Dist.
Wayne Hubert	SHAWNEE CO. CONS. DIST
Heanille Lewis	Shawnee
Lois King Kendall	Osage Co Cons. Dist
MIKE FLOLT	DOUGLAS Co.
LEE WHALEY	DOUGLAS Co SCD

Donna Penny

Doniphan Co Cons. Dist.

Jenny Jasper

Miami Co Cons. Dist

Jim DeWeaver

Douglas Co Cons. Dist.

Keri Harris

Franklin Co. Cons. Dist

SENATE AGRICULTURE COMMITTEE GUEST LIST

DATE: 3-3-09

NAME	REPRESENTING
Susan Carnate	Lv Co Conserv District
Jessie Jones	WY CO Conserv. District
Cheri Miller	WY CO Conserv. District
Sayla Speer	SO CO Conserv District
Dolly McCalley	Mi Co Conserv Dist
Jack Boltman	Shawnee Co. Cons. Dist
Mary A. Maito	Clay Co. Cons. Dist
HARRISON McCahoy	MIAMI Co Cons. DISTRICT
Mike Schmit	Nemaha Co. (Band Member)
MELVIN STEINBERG	NEMAHA Co CONSERVATION DIST
Judy Adams	Nemaha Co. Cons. District
Bruce Guss	KACD CLAY COUNTY
Mary Alexander	Clay County Dist. Supervisor
Denis Schmidt - Wab. Co.	Wabauunsee C.C.D.
Croxann Marko " "	Wabauunsee J
Sharon Kilderman " "	Wabauunsee C.C.D.
Tom Meek	Clay Co. Conservation Dist.
Don M Ryan	Pott. Co. Conserv Dist
Becky Wise	JACO Conservation Dist

Glenn Esau - Wab. Co.

George Teagarden

Leslie Kaufman

KAND

Ks Co-op Council

Senate Agriculture Committee Guest list
3-3-09

Pat Helman	KWCD
John Warden	SCC / Jeff. Co. Cons. Dist.
Steve Swattar	KFB
Mark Heim	SCC
GREG FOLEY	SCC
Eric Banks	Natural Resources Con. Service
BRAD HANSELSON	KFB
Tommy Bruno	KPP
Rob Metz	REVENUE + Assoc.
Mark Hassman	KPCA
Tom Phillips	K-STATE - Manhattan
John C. Botterby	KPA
Hal Hudson	KPCA - se: 256
Bill + Ruby Miller	Franklin County Conservation
Gary Keen	KVMA

Mark Taddiken - SB 231

From: Karole Lindgren <flinthills2@yahoo.com>
To: <Mark.Taddiken@senate.ks.gov>
Date: 2/25/2009 1:50 AM
Subject: SB 231

Honorable Senator Taddiken,

I spoke with your secretary today about the 20 letters we have been trying to fax to the Senate Ag committee expressing our favor for SB 231.

She suggested that I put everyone's name in an email rather than fax 20 letters.

Please know that all 20 of these people signed letters in support of SB 231 and would like to see it passed and save the taxpayers some money that could be spent on medical or disabled or children or schools, etc.

We respectfully ask you to vote for this bill.

Thank you,

S.P. Loewen, Peabody, KS
Jane Cassell, Belleville, KS
Charla Cassell, Belleville, KS
Virginia Wright, Marion, KS
Bill Wright, Marion, KS
V.S. Chandler, Herington, KS
Carol Hanschu, Lost Springs, KS
Lyle Hanschu, Lost Springs, KS
Mike Regnier, Marion, KS
Kevin Hill, Marion, KS
Rick Lange, Marion, KS
Carol Statts, Herington, KS
Lois Winter, Florence, KS
Martha Phillips, Florence, KS
John Phillips, Peabody, KS
Ryon Lindgren, Marion, KS
Rocky Lindgren, Marion, KS
Kena Lindgren, Marion, KS
Ray Lindgren, Marion, KS
Karole Lindgren, Marion, KS

Thank you for your kind consideration of our views, we are just farmers and businesspeople and concerned citizens.

Karole Lindgren

*Senate Agriculture Committee
3-3-09
Attachment 1*

STATE OF KANSAS
Kansas Animal Health Department

George Teagarden, Livestock Commissioner

708 SW Jackson, Topeka, Kansas 66603-3714

Phone 785-296-2326 Fax 785-296-1765

Email - gteagarden@kahd.ks.gov

web site - www.kansas.gov/kahd

March 3, 2009

Senate Ag Committee:

In cooperation with the Kansas Legislature, the Kansas Animal Health Department offers these concessions in support of a balanced budget for FY 2010.

Balances in the:

Brucellosis/Pseudorabies Indemnity Fund	\$17,275
Attorney Fund	\$31,244
Parts and Machinery Fund	\$15,420
Greensburg Re- Imbursement	<u>\$23,864</u>
Total	\$87,803

These balances could be swept into the SGF by statutory language. This amount would be in the neighborhood of 10% of our SGF allocation.

The KAHD is also holding 3 positions open for internal budget issues.

Veterinarian

Attorney

Kennel Inspector

I have visited with the Assistant Secretary of the Kansas Department of Agriculture regarding some of the issues highlighted in the post audit report. We will be conferencing soon on electronic transfer of information and other issues.

George Teagarden
Livestock Commissioner

*Senate Agriculture Committee
3-3-09
Attachment 2*

**STATE OF KANSAS
KANSAS ANIMAL HEALTH
DEPARTMENT**

George Teagarden, Livestock Commissioner
708 SW Jackson, Topeka, Kansas 66603-3714
Phone: 785/296-2326 FAX: 785/296-1765
www.ks.gov/kahd

January 15, 2009

Agency response to PERFORMANCE AUDIT REPORT
Agriculture Related Agencies – December 2008

Post Audit Recommendations for Executive Action:

To help ensure efficient and effective operations, the Animal Health Department should:

- a. Formalize all verbal agreements with the USDA by entering into written agreements that outline each party's duties and responsibilities concerning animal disease control inspections and any other pertinent matters.

Agency Response:

The KAHD and USDA, Veterinary Services (VS) have formal cooperative agreements on all of our joint ventures except for our field staff areas of responsibility and our staffing of the State/Federal Laboratory.

The Kansas Area Veterinarian in Charge previously indicated he will not sign a document that binds their department to our staffing arrangement. Federal employees are often platooned to other states for emergency work and, like us, are subject to budget cuts so he will not sign anything that would tie them to duties in Kansas. KAHD will pursue this avenue again, including a memorandum of understanding that recognizes USDA may need to temporarily suspend its cooperative agreement in the case of an emergency in other states.

Explanation of Job Duties and the State/Federal working relationship:

State/Federal Brucellosis Laboratory:

Two KAHD laboratory technicians work with six federal employees at the state/federal brucellosis laboratory, which is run under the direction of USDA, VS. This arrangement has been in place for over 13 years. The laboratory processes tests for infectious and contagious livestock diseases in this state.

Field Staff Areas of Responsibility:

In the case of the field staff, the five livestock inspectors and three veterinarians employed by KAHD work hand- in- hand with four USDA veterinarians. To accomplish this, we have divided the state into seven regions. Two regions are covered by USDA veterinarians who work alone in their areas. In each of the other five regions a livestock inspector is paired with either a state or federal veterinarian. All field people do the same work and each group works under the direction of the Commissioner and the Kansas Area Veterinarian in charge. As far as we know this arrangement is unique to our state. At one time, the USDA, VS office had animal health technicians that worked in the two areas which are currently being handled alone by two USDA, VS veterinarians. Those positions were cut by USDA management at the federal level.

Our employees have worked under this arrangement for 15 years. It usually works well but sometimes we do not have enough veterinarians to cover every contingency field work requires. On a few occasions federal employees from other states have assisted us – at no cost to our agency. In 2003, we had 20 to 30 federal employees from other states join our staff to help TB test 85,000 dairy cows in a 30 day time-frame. We have in turn helped with two or three federal emergencies. The federal government reimbursed the KAHD for our costs.

This sharing of field forces has made the state and the federal government more efficient in our field operations and has saved the state of Kansas thousands of dollars.

- b. Develop written policy manuals describing the processes and actions that all of the Department's inspectors should take.**

Agency Response:

Animal Facility Inspectors: Our animal facilities inspectors have a 50 + page policy manual that acts as a guide for inspections of facilities licensed, or required to be licensed, under the Kansas Pet Animal Act. Rules and regulations support these policies. Inspectors also use a form inspection sheet which specifies which areas of compliance they should evaluate. The Inspectors have been routinely drilled in inspection policies since at least 1998. This policy manual is a

“living document” and revisions and additions are constantly being made.. An index has been added and final revisions (suggested at the last staff meeting by animal facility inspection program staff) have been included.

Livestock Inspectors: The title “livestock inspector” is a misnomer. They are, in reality, animal health technicians. Their primary responsibilities include working with our veterinarians in the testing of suspect animals and/or herds, tracing animals for disease control purposes and, yes, inspecting livestock markets, feedlots, disposal plants and trucks when not working on disease matters. Again, their primary responsibility is disease control; their secondary responsibility is inspections of facilities. When they do inspect facilities they use a standard form inspection sheet that is self explanatory.

Brand inspectors: The work of our contract brand inspectors is pretty much cut and dried. They work on an “as needed” basis and inspect cattle to insure they are branded with a registered brand. Under Kansas law, a registered brand is personal property. If there are questions regarding the legitimacy of the brand, the owner must provide proof of ownership. If they can't the animal cannot be sold at a livestock market or shipped out of the inspection county.

Brand Investigators: Brand investigators are law enforcement trained. They assist sheriffs and other law enforcement officials in recovering lost or stolen livestock. They receive annual training and certification hours as required by law.

- c. Develop guidance and criteria for determining whether a facility passes or fails an inspection. Separate guidance will need to be developed for each of the agency's programs.**

Agency Response:

Animal Facilities Inspection Program: An inspection “score card” to determine whether a facility has passed or failed its inspection is currently in use.

Animal Disease Control Program: Because of the variances in livestock production systems across the state, I have found it difficult to develop a written document that will fit all operations that we inspect. Our livestock facilities that are required by law to be licensed are inspected, following law, rules and regulations that primarily speak to the welfare of the animals. Our theft investigators, misclassified in the report, assist local law enforcement with livestock thefts and missing livestock. Although the investigators are duly licensed law enforcement officers, we let the local authorities take the lead in these activities. We are open to suggestions and help in developing policy documents for the disease control and brand functions of our department that fit all of the variables in livestock production.

- d. Develop a written plan which would implement a risk-based inspection model for the Companion Animal Facility Inspection program. Such a plan would provide guidance on the frequency of inspections for various facilities, how the results of federally-conducted inspections for certain establishments affect inspection-frequency standards, and the like. In turn, this plan should be used to develop a realistic model for the number and type of staff needed to carry out the program.

Agency Response:

Our companion animal facility inspection program does have such a plan and it has been in existence for at least five years, perhaps longer. It is always considered in the budgeting process. The requests for additional inspectors (included in our budget for the last seven years) have always been based on the number of inspectors it would actually take to inspect our licensees and to handle 350+ complaints a year. These numbers are based on the inspection schedule that was established when the program was implemented.

The Pet Animal Act was primarily developed to allow the state to take responsibility for regulating commercial (USDA licensed) kennels located in our state. For that reason, we do our own inspections of these facilities. USDA inspection reports are utilized to "flag" problem facilities and to determine the season an inspection is due. If, for example, the USDA inspects a facility in the winter, the KAHN inspector will try to inspect it in the summer.

For the last several years we have used risk-based inspections. The number and frequency of inspections depends on license category, past performance of the facility and complaints. The table below depicts current inspection strategies and inspections that would occur if we were fully funded and staffed.

	<u>Risk based Inspections being used now.</u>	<u>Inspections as they should be</u>
Risk Based (in current use)	All inspected on initial application and complaint	All inspected on initial application and complaint
v. Routine Inspections	18 - 24 months if routinely pass inspections. We make appointments if it is an initial inspection or licensee has passed 2 or more inspections in a row.	Appointment for initials only.

<u>LICENSE CATEGORY</u>	<u>IN PLACE NOW</u>	<u>IF WE WERE FULLY STAFFED</u>
Animal Breeder and Distributor	Once a year	State once a year & USDA once a year
Retail Breeder (USDA licensed)	Once a year	State once a year & USDA once a year
Retail Breeder (not USDA licensed)	Twice a year	Twice a year
Hobby Breeder 10 or more	complaint	Once a year
Hobby Breeder 10 or fewer animals	complaint	Complaint
Pet Shop	Twice a year (check records)	Twice a year
Pound and Shelter	Twice a year (check records)	Twice a year
Animal Rescue	complaint	Once a year
Group Foster Home	complaint	Once a year
Foster Home	complaint	Complaint
Boarding and Training	complaint	Once a year
Doggie Daycare	complaint	Once a year
Re-inspections	re-inspections range from 24 hours to 6 months.	re-inspect 60 days or less

e. Evaluate the benefits of moving from an annual licensing process to a multi-year licensing process.

We do register brands for a 5 year period (\$ 9 per year). We believe that multi-year licensing of companion animal facilities, feedlots, markets and disposal facilities would create a financial hardship on producers and such a proposal would meet with great resistance. In some cases this could amount to several thousand dollars. We will review our licenses and pursue multi-year licensing if feasible. Such a move would require several statutory changes.

f. Evaluate the benefits of computerizing various processes, such as inspection reporting, licensing and permitting. By moving from a paper-oriented process to one that makes use of modern technology, it is likely that many hours of staff time could be freed up.

Agency Response:

Disease Control Inspection Program. We agree! The KAHD wants to move towards more electronic transfer of information. We will move to electronic transfer of our inspection reports and do so to a certain extent at this time. A large volume of our paper work is in certificates of veterinary inspection. All veterinarians in the state have had electronic health papers as an option for the

last four years but most practitioners have not chosen the electronic method. While we don't want to force veterinarians to go paper-less, we hope, through education, that they will eventually embrace this change.

Technology takes capitol investment, money that we have not had at our disposal. Systems are being developed that will allow private practitioners and our disease control staff to read electronic identification devices, complete vaccination and test charts and report those actions to our office and the appropriate federal office electronically. We embrace modern technology and will move forward as our budget allows; we are not sure how to move livestock producers along with us.

Animal Facilities Inspection Program: We are experimenting with laptop generated reports by having inspectors type their inspection reports on their computers, printing copies for the licensees and then e-mailing the reports to the office when they get home or to a hotel. Primary concerns at this point are time (re-writing the notes they have already made as they walk along), cramped, uncomfortable writing conditions (using laptops in their state issued trucks) battery life, protecting the laptops and printers from extreme heat and cold and the legal issues generated by not having the licensee sign the inspection report.

- g. Compare, as its office lease agreement expires, the amount of office space the agency has been renting to the Department of Administration's recommended space standards. The agency should either make the necessary adjustments to meet the standard or seek an exemption from the Department of Administration.**

Agency Response:

The lease on our current space was and is approved by the Department of Administration. The Facilities Management Division developed our floor plan to maximize staff efficiency. We were not informed by D of A that we needed to apply for an exemption. By my calculations, using Post Audit's figures, the KAHD has an excess of 80 square feet.