

MINUTES OF THE SENATE AGRICULTURE COMMITTEE.

The meeting was called to order by Chairperson Derek Schmidt at 8:30 a.m. on March 5, 2002 in Room 423-S of the Capitol.

All members were present except: Senators Corbin, Downey and Tyson (all excused)

Committee staff present: Raney Gilliland, Legislative Research Department
Gordon Self, Revisor of Statutes
Betty Bomar, Secretary

Conferees appearing before the committee:
Mike Beam, Kansas Livestock Association
Todd Johnson, Kansas Livestock Association
Leslie Kaufman, Kansas Farm Bureau
Greg Foley, Assistant Secretary of the Department of Agriculture

Others attending: See attached list

SCR 1615 - Urging Congress to enact country of origin labeling

Leslie Kaufman, Associate Director, Public Policy Division, Kansas Farm Bureau, testified in support of the adoption of **SCR 1615**. Ms. Kaufman stated the delegates at the 83rd Annual Meeting of Kansas Farm Bureau added policy language to its 2002 state resolutions supporting mandatory country of origin labeling. The American Farm Bureau Federation policy recommends that all agricultural imports be clearly labeled as to country of origin at the retail level. The Farm Bureau further supports aggressive efforts to implement country of origin labeling programs that are both feasible and reasonable to the livestock industry which enhance demand for U. S. Meat products without creating significant industry implementation costs.

Ms. Kaufman stated that amendments to **SCR 1615** should be made in order to ensure the Resolution accurately reflects the current federal legislation presently underway in Washington, D. C. (Attachment 1)

Mike Beam, Governmental Affairs Staff, Kansas Livestock Association (KLA) testified in opposition to **SCR 1615**, stating the KLA is opposed to mandatory country-of-origin labeling legislation. KLA does support voluntary USA labeling for beef when the cattle are born, raised, and processed in the United States.

Mr. Beam stated KLA's primary concern with a mandatory labeling program is the uncertain impact such a program would have on the entire beef industry, primarily as to who will bear the additional costs imposed upon the beef distribution and retailing section at an estimated cost of \$1 billion. The USDA studied this matter in 1999 and concluded country-of-origin labeling could potentially involve far more costs than benefits for the domestic livestock and meat industry. The report further suggested there is no direct or empirical evidence that suggests consumers will pay a premium for U.S. meat, and if they would, how long that premium might persist.

There is a "**Beef:Born and Raised in the USA™**" marketing venture that is certified by USDA and registered by a cattle producer from California. This marketing program is one option for producers who want to verify their cattle as domestic and for retailers who wish to provide their customers with a guaranteed USA product. KLA favors this approach as being more productive and less disruptive than a government imposed requirement. (Attachment 2)

Senator Tim Huelskamp testified in support of **SCR 1615**, stating the Resolution is a simple and common sense resolution, asking Congress to enact country of origin labeling requirements that only allows home-grown U.S. produced and/or raised commodities to be labeled as U. S. in origin.

In 1999 the legislature overwhelmingly passed a law requiring the Attorney General to enforce the labeling of imported foods. However, due to the lack of accurate labeling on products as they enter

Kansas, the Attorney General has yet to enforce this law. Adoption of **SCR 1615** would assist the .

Senator Huelskamp stated that inasmuch as Congress is now in the midst of a conference committee debating the next farm bill, adoption of **SCR 1615** at this time may well have an impact on congressional action. (Attachment 3)

The Committee discussed the issue of voluntary labeling based on certification vs the procedure used for mandatory labeling. The time constraint presently contained in the proposed federal legislation in which to comply with the law; the cost of complying with the legislation and the desire of consumers to know from whence the product comes.

There being no additional conferees, the hearing on **SCR 1615** was closed.

HCR 5014 - Urging Congress to allow interstate marketing of state inspected meat

Todd Johnson, Kansas Livestock Association, testified in support of **HCR 5014**, stating KLA supports federal legislation allowing state inspected meat-processing plants to market their products across state lines. State inspected meat plant operators are frustrated by their inability to market their goods across state lines. The state line hurdle keeps state inspected plants from becoming more successful in that they are unable to expand markets and grow their businesses. (Attachment 4)

Greg Foley, Assistant Secretary, Department of Agriculture, testified in support of **HCR 5014**, stating that state-inspected meat and poultry processing plants in Kansas and across the nation have proven to USDA reviewers that they can meet standards equal to those imposed on federally inspected plants. Supporting interstate shipment is especially important to Kansas because the state-inspected plants produce products that are, in every sense, equal to products from federally inspected plants. Kansas state meat inspection program is doing a good job to ensure that only wholesome products enter commerce.

The National Association of State Departments of Agriculture (NASDA) provided Congress language that reiterates the benefits of a more uniform food safety system and the merits for allowing interstate meat shipment, which is contained in the Senate farm bill (S.1731), and requires USDA to conduct a comprehensive review of state meat inspection programs by September 30, 2003. NASDA and KDA continue to push for broader interstate shipment legislation. (Attachment 5)

Leslie Kaufman, Associate Director, Public Policy Division, Kansas Farm Bureau (KFB) testified in support of **HCR 5014**, stating the KFB adopted a policy at its 83rd Annual meeting, reaffirming its strong support that "State-inspected meat should be allowed to move in interstate commerce". The American Farm Bureau Federal (AFBF) also supports meat and poultry inspected under state programs that are equal to federal inspection and approved by USDA being permitted to move in interstate commerce. Ms. Kaufman stated KFB supports opening interstate markets as it benefits livestock producers, meat processors and rural communities. (Attachment 6)

There being no additional conferees, the hearing on **HCR 5014** was closed.

HB 2768 - Termination of pastureland tenancies

Mike Beam, KLA, testified in support of **HB 2768**, stating the legislation amends the farm tenant termination law to: clarify that pastureland is subject to the act, and sets an earlier termination date for this type of property. **HB 2768** is relevant only in the absence of a written contract between a landowner and tenant. KLA, as a result of the many calls it receives, is aware there is uncertainty how the present law affects the termination of verbal pasture leases. There is a debate that the current statute establishes the "30 days prior to March 1" termination notice applies to all agriculture land. KLA, however, debates that KSA 58-2506 and 58-2506a does not technically cover "pastureland". As a result of this debate, KLA proposed and is supporting **HB 2768** inasmuch as it makes the following amendments to current law: (1) provides a distinct and new definition for pastureland; (2) establishes a "30 days prior to January 1" termination notice for pastureland; (3) fixes the termination effective date as January 1 for pastureland; and (4) amends KSA 58-2506a to assure tenants of pastureland an opportunity to be reimbursed for costs associated with fertilizer, herbicides, or pest control substances.

CONTINUATION SHEET

HB 2768 makes no changes in the law regarding cultivated land. The changes contained in **HB**

2768 apply to pastureland only. (Attachment 7)

There being no additional conferees to be heard, the hearing was closed.

The meeting adjourned at 9:30 a.m.

The next meeting is scheduled for March 6, 2002.

