

MINUTES OF THE HOUSE AGRICULTURE COMMITTEE

The meeting was called to order by Chairman Dan Johnson at 10:00 a.m. on May 3, 2004, in Room 423-S of the Capitol.

All members were present except:

Representative Don Dahl- excused
Representative Bill Feuerborn- excused
Representative Larry Powell- excused

Committee staff present:

Raney Gilliland, Legislative Research Department
Gordon Self, Revisor of Statutes Office
Kay Scarlett, Committee Secretary

Conferees appearing before the committee:

Representative Joe Shriver
Mike Beam, Senior Vice President, Kansas Livestock Association
Brad Harrelson, Associate State Director, Governmental Relations, Kansas Farm Bureau
Yazmin Wood, President/CEO, Arkansas City Chamber of Commerce
Wayne Short, Mayor, City of Arkansas City

Others attending:

See attached list.

Hearing on HR 6034 - Testing for BSE

Chairman Johnson opened the hearing on **HR 6034**.

Representative Joe Shriver appeared in support of **HR 6034** introduced at his request to show support of Creekstone Farms Premium Beef, a private beef processor in Arkansas City, and their challenge of USDA's decision to deny private BSE testing. Creekstone Farms proposes voluntarily testing 100 percent of their beef for BSE in hopes of reopening trade with Japan and other export markets. He provided copies of two news releases from Creekstone Farms dated April 9th and April 13th to provide background on this issue. Representative Shriver indicated that he is in general agreement with a substitute resolution proposed by the Kansas Livestock Association. ([Attachment 1](#))

Mike Beam, Senior Vice President, Kansas Livestock Association, discussed various issues that have surfaced since the December 23, 2003, announcement of the first positive BSE case in the United States. While KLA understands and appreciates the intention of **HR 6034**, they believe it would not be in the best long-term interests of producers to support a reversal of USDA's determination that no processor may implement blanket BSE rapid testing on younger animals. KLA urged consideration of a resolution supportive of our government's mission to restore international confidence in our product and stay the course on science-based production practices. A proposed draft is included with his testimony. ([Attachment 2](#))

Brad Harrelson, Associate State Director, Governmental Relations, Kansas Farm Bureau, believes international trade requirements must be based solely on scientific standards free from unjustified constraints that create barriers to free trade. Kansas Farm Bureau supports the position of the United States Department of Agriculture and the current beef testing standards. He thought KFB would be supportive of the language in the resolution proposed by the Kansas Livestock Association. ([Attachment 3](#))

Yazmin Wood, President/CEO, Arkansas City Chamber of Commerce, appeared in support of **HR 6034** and Creekstone Farms Premium Beef's efforts to fulfill their customers' request to conduct 100 percent testing of the cattle it slaughters for BSE as a matter of free enterprise. She reported Creekstone Farms has laid off approximately 10 percent of the company's workforce in Arkansas City, with an impact of \$1.8 to \$2.8 million in reduced wages in a community of 11,800 residents. ([Attachment 4](#))

Wayne Short, Mayor, City of Arkansas City, expressed support of **HR 6034** urging the USDA to overturn its denial last month of a request by Creekstone Farms Premium Beef to test 100 percent of their beef for BSE to meet customers' demands. He stated that Creekstone Farms is critically important to the welfare of their community, providing over 600 jobs for citizens of Arkansas City and Cowley County. ([Attachment 5](#))

CONTINUATION SHEET

MINUTES OF THE HOUSE AGRICULTURE COMMITTEE at 10:00 a.m. on May 3, 2004 in Room 423-S of the Capitol.

Adrian Polansky, Secretary of Agriculture, addressed the committee stating that beef is a safe product, agreeing that science doesn't indicate a need for 100 percent testing for BSE. Sensitivity to the trade negotiations issue is important, anything that adds complexity to the clear view that Kansas and U.S. beef is safe would be very unfortunate.

Secretary Polansky reported that he has asked agriculture economists at Kansas State University to prepare a cost benefit analysis of various options of this issue that might make sense for the industry and their impact on the State of Kansas and the economy. He feels more information is needed as we move forward so we can make decisions based on rational cost benefit analysis in terms of what direction the industry may need to go. It is government's role to set minimum standards for food safety. However, the Secretary believes one hundred percent testing should be a market driven, consumer driven decision and if its economically viable and customers are willing to pay the costs, free enterprise should be able to make that decision.

Concern was expressed concerning the alternative resolution proposed by KLA being sent to Ryozo Kato, the Japanese Ambassador to the United States. **HR 6034** would go to the United States Department of Agriculture and to each member of the Kansas legislative delegation.

The Committee would like to hear from Creekstone Farms Premium Beef officials concerning **HR 6034**. Representative Shriver will contact the company and if time permits, another meeting will be scheduled.

The hearing on **HR 6034** was closed.

The meeting adjourned at 11: 07 a.m.