Testimony in Opposition to Senate Bill No. 191, An Act Concerning Agricultural Corporations Amending KSA 2012 by Donald D. Stull, Ph.D., M.P.H., Professor of Anthropology, University of Kansas, March 7, 2013.

For 25 years, I have studied the consequences of industrial meat and poultry production and processing for host communities, workers, producers, the environment, and animals. I have conducted research in southwest Kansas, Nebraska, Oklahoma, Kentucky, and two provinces in Canada. My publications include *Slaughterhouse Blues: The Meat and Poultry Industry in North America*, now in its second edition. I am also on the board of directors of the Organization for Competitive Markets, whose mission is to work for transparent, fair, and truly competitive agricultural and food markets.

If enacted as written, Senate Bill 191will allow "any agricultural business entity [to] . . . establish agricultural operations anywhere in the state." The definition of an agricultural business entity, under the proposed legislation, will be expanded to include domestic or foreign corporations organized for profit or nonprofit purposes. Senate Bill 191 would further amend Sec. 3, KSA 2012 Supp19-101a to stipulate that "Counties shall be subject to all acts of the legislature which apply uniformly to all counties." As such, county commissions, and by extension the citizens they represent, will no longer have the ability to limit, restrict, or prohibit corporate agricultural operations in their local areas.

I urge the Legislature to retain current restrictions on corporate agricultural operations and county options to limit or restrict such operations.

I also wish to draw attention to inconsistencies in the proposed requirements for waste disposal. For swine production facilities, the bill stipulates "proper disposal of liquid and solid wastes in environmentally sound amounts for crop production and to avoid nitrate buildup and for isolation of the facility to reasonably protect the confined animals from exposure to disease" (p.4, lines 27-30). However, the stipulations on poultry, rabbit, and dairy facilities do not mandate disposal of waste "in environmentally sound amounts for crop production and to avoid nitrate buildup." Furthermore, none of the stipulations for waste disposal for poultry, swine, dairy, or rabbit facilities make any mention of issues related to human exposure to air or water pollutants, nor to human risks for diseases related to improper disposal of animal wastes.

These are serious omissions because confined animal feeding and production operations generate significant amounts of solid and liquid waste. For example, a single broiler house, holding 25,000-27,000 birds per flock, produces between 140 and 200 tons of poultry litter (a mixture of rice hulls or wood shavings and manure) each year; each breeder house, where hens lay eggs to supply chicks for broiler houses, generates 80 tons of litter a year. Because poultry houses are located within a 60-70 mile radius of the plants they supply, disposal of poultry litter is concentrated, making these areas especially vulnerable to air and water pollution. *A 2007 Iowa State University study found that a single broiler house emits over 5 tons of ammonia each year–a level high enough to cause respiratory harm to those living and working nearby.*

The average hog generates about 1.5 tons of solid manure and 5,270 gallons of liquid manure each year: 2.5 times that of the average human. *The new Seaboard 100,000 hog operation in*

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Greeley County will produce 150,000 tons of solid manure and 527,000,000 gallons of liquid manure each year. It is not enough to restrict "proper disposal of liquid and solid wastes . . . to reasonably protect the confined animals from exposure to disease," as currently written. Human health must also be considered.

Corporate animal confinement facilities significantly increase the scale of production. This not only dramatically increases the problems of waste disposal. It also has serious implications for producers and local economies. A "market" for live chickens does not exist in the United States. Virtually everyone who grows chickens commercially raises them under contract to an integrator, as these companies are called. While the industry depends on more than 18,000 broiler farms, the growers who run these farms are at the mercy of fewer than 50 companies, and, of these, three own more than half of all the broilers grown in America. Under the current contract model and its tournament pay system, over *71 percent of all poultry growers earn below poverty-level wages*.

Displacement of family hog farms by confinement operations has a disastrous impact on rural economies. Studies in Missouri found that a $5 million investment in contract swine production generates 40-50 new jobs, but it displaces nearly three times that number of local jobs. And the jobs produced are often taken by newcomers, including unauthorized immigrants. Since 1980, over 600,000 swine operations, 91%, have gone out of business. Studies in Illinois, Iowa, Michigan, and Wisconsin found that fewer farmers means fewer persons to support local businesses and a decline in tax receipts.

Corporate confined feeding and production facilities destroyed the poultry market, and have all but done so for pork as well. More than 88% of U.S. hogs are committed to packers through direct ownership or contract arrangements. The same thing is happening in dairy and beef cattle production. From 1980 to 2009, the number of dairy farms in the U.S. fell by 81%; most of those losses came from farms milking 200 cows or less. Between 2000 and 2006, the number of farms with more than 2,000 cows doubled. In 1980, Kansas had 5,600 dairy operations; only 420 are left today. Of the 120,000 dairy cattle in the state, two-thirds are owned by 20 mega-dairies.

Beef cattle is the largest segment of the Kansas agricultural economy. In 2010, four firms controlled 83% of beef slaughter in the United States. Fourteen packing plants, each slaughtering more than 1 million animals a year, account for most of the nation's beef slaughter. In 2010, only 39% of the cattle slaughtered in Kansas were purchased on the cash market–the rest were controlled by meatpacking companies through what is called captive supply (forward contracts, formula pricing, packer ownership, or feeders with only one viable buyer). Not coincidently, the nation's beef cattle operations declined by 41% from 1980 to 2009, in large part because the producer's share of the beef dollar fell by 20 % during this period. Feedyards are also in serious decline–6,000 feedyards went out of business nationwide between 2003 and 2005 alone. Feedyards are an important economic engine in small-town Kansas, where they provide jobs, a market for grain, and support other community businesses and services.

I oppose Senate Bill 191 because it will encourage greater corporate control of Kansas agriculture and further erode independent agriculture, rural economies, air and water quality.

Sources

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USDA Economic Research Service. Beef Values and Price Spread Data Sets.