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**SUBSTITUTE SENATE BILL 5733**

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**State of Washington 64th Legislature 2015 Regular Session**

**By** Senate Agriculture, Water & Rural Economic Development (originally sponsored by Senators Warnick, Hatfield, and Hobbs; by request of Department of Agriculture)

AN ACT Relating to livestock transaction reporting; amending RCW 16.57.160; and adding a new section to chapter 16.57 RCW.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  A new section is added to chapter 16.57 RCW to read as follows:

(1)(a) The director may establish an electronic cattle transaction reporting system as a mechanism for reporting cattle transactions to the department. The system may be used as an alternative to mandatory inspections under RCW 16.57.160 for cattle only.

(b) Pursuant to criteria established by the director by rule, a cattle transaction that would otherwise trigger a mandatory inspection under rules adopted pursuant to RCW 16.57.160 is eligible to report electronically under this section.

(c) Transactions that may be reported electronically include any sale, trade, gift, barter, or any other transaction that constitutes a change of ownership of cattle.

(2) A person may not electronically report cattle transactions without first obtaining a license from the director. All references to a license and licensee within this section means the electronic cattle transaction reporting license and any person licensed under the provisions of this section. Applicants for a license must submit an application to the department on a form provided by the department and must include an application fee as established by the director by rule.

(3) The licensee must keep accurate records that are made available for inspection by the department upon request and during normal business hours. Records accounting for all cattle transactions of the licensed property must be retained for three years.

(4) The director may enter a property at any reasonable time to conduct examinations and inspections of cattle and records for movement verification purposes. It is unlawful for any person to interfere with the examination and inspection of cattle and records as provided for in this subsection. If the director is denied access to a property or cattle for purposes of this subsection or a person fails to comply with an order of the director, the director may apply to a court of competent jurisdiction for a search warrant. To show that access is denied, the director must file with the court an affidavit or declaration containing a description of all attempts to notify and locate the owner or owner's agent and secure consent.

(5) The director may deny, suspend, or revoke a license when the director finds that a licensee fails to meet the reporting requirements, knowingly makes false or inaccurate statements, has previously had a license revoked, denies entry as provided in subsection (4) of this section, or violates any other provision of this chapter or any rules adopted under this chapter. Any action taken must be done so under the provisions of chapter 34.05 RCW, the administrative procedure act. If a license is denied, suspended, or revoked, the mandatory cattle inspection requirements under RCW 16.57.160 apply.

(6) The director may adopt rules:

(a) Designating conditions of licensure and use of the electronic cattle transaction reporting system.

(b) Establishing an initial application and license renewal fee and fees to be paid by the licensee for reporting cattle transactions to the electronic cattle transaction reporting system. The fees must, as closely as practicable, cover the cost of the development, maintenance, fee collection, and audit and administrative oversight of the system.

**Sec.**  RCW 16.57.160 and 2013 c 313 s 1 are each amended to read as follows:

(1) The director may adopt rules:

(a) Designating any point for mandatory inspection of cattle or horses or the furnishing of proof that cattle or horses passing or being transported through the point have been inspected or identified and are lawfully being transported;

(b) Providing for issuance of individual horse and cattle identification certificates or other means of horse and cattle identification;

(c) Designating the documents that constitute other satisfactory proof of ownership for cattle and horses. A bill of sale may not be designated as documenting satisfactory proof of ownership for cattle; and

(d) Designating when inspection certificates, certificates of permit, or other transportation documents required by law or rule must designate a physical address of a destination. Cattle and horses must be delivered or transported directly to the physical address of that destination.

(2) The director may establish a process to electronically report cattle transactions under section 1 of this act as an alternative to the mandatory cattle inspections required by department rule adopted pursuant to this section.

(3) A self-inspection certificate may be accepted as satisfactory proof of ownership for cattle if the director determines that the self-inspection certificate, together with other available documentation, sufficiently establishes ownership. Self-inspection certificates completed after June 10, 2010, are not satisfactory proof of ownership for cattle.

((~~(3)~~)) (4)(a) Upon request by a milk producer licensed under chapter 15.36 RCW, the department must issue an official individual identification tag to be placed by the producer before the first point of sale on bull calves and free-martins (infertile female calves) under thirty days of age. The fee for each tag is the cost to the department for manufacture, purchase, and distribution of the tag plus the applicable beef commission assessment. As used in this subsection ((~~(3)~~)) (4), "green tag" means the official individual identification issued by the department.

(b) Transactions involving unbranded dairy breed bull calves or free-martins (infertile female calves) not being moved or transported out of Washington are exempt from inspection requirements under this chapter only if:

(i) The animal is under thirty days old and has not been previously bought or sold;

(ii) The seller holds a valid milk producer's license under chapter 15.36 RCW;

(iii) The sale does not take place at or through a public livestock market or special sale authorized by chapter 16.65 RCW;

(iv) Each animal is officially identified as provided in (a) of this subsection; and

(v) A certificate of permit and a bill of sale listing each animal's green tag accompanies the animal to the buyer's location. These documents do not constitute proof of ownership under this chapter.

(c) All fees received under (a) of this subsection, except for the beef commission assessment, must be deposited in the animal disease traceability account in the agricultural local fund created in RCW 43.23.230.

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