SENATE BILL REPORT SB 5624

As Reported by Senate Committee On: Agriculture, Water, Natural Resources & Parks, January 20, 2022

Title: An act relating to extending the expiration date of certain sections of chapter 92, Laws of 2019, regarding livestock identification.

Brief Description: Extending the expiration date of certain sections of chapter 92, Laws of 2019, regarding livestock identification.

Sponsors: Senators Warnick, Van De Wege and Nobles.

Brief History:

Committee Activity: Agriculture, Water, Natural Resources & Parks: 1/18/22, 1/20/22 [DP].

Brief Summary of Bill

- Extends livestock inspection fees that expire July 1, 2023, to July 1, 2024.
- Requires the Washington Department of Agriculture to submit a report to the Legislature and the Livestock Identification Advisory Committee by September 1, 2023.

SENATE COMMITTEE ON AGRICULTURE, WATER, NATURAL RESOURCES & PARKS

Majority Report: Do pass.

Signed by Senators Van De Wege, Chair; Salomon, Vice Chair; Warnick, Ranking Member; Honeyford, Rolfes, Short and Stanford.

Staff: Karen Epps (786-7424)

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Background: The Washington State Department of Agriculture (WSDA) Animal Health Program is charged with protecting animals and the public from communicable animal diseases. Program officials monitor movement of animals across state lines, set requirements for reporting and controlling diseases, and conduct testing and investigations.

<u>Livestock Inspection Program.</u> The Livestock Inspection Program records brands, licenses feedlots and public livestock markets, and conducts surveillance and inspection of livestock at time of sale and upon out of state movement. Cattle and horses are inspected for permanent identification such as brands and ownership documents at public livestock markets; United States Department of Agriculture (USDA) slaughter plants; licensed, certified feedlots; at change of ownership; and prior to leaving the state.

Livestock Identification Advisory Committee. Through July 1, 2023, the Livestock Identification Advisory Committee (advisory committee) is comprised of 12 members, two beef producers, two cattle feeders, two dairy producers, two livestock market owners, two meat processors, and two horse producers. The advisory committee must meet at least twice a year and a quorum of the committee consists of a majority of members. If a member has not been designated for a position described above, that position may not be counted for purposes of determining a quorum. A member may appoint an alternate who meets the same qualifications as the member to serve during the member's absence. The director may remove a member from the advisory committee if that member has two or more unexcused absences during a single calendar year.

<u>Inspection Fees.</u> The inspection fee for identified cattle is \$1.21 and the inspection fee for horses is \$3.85. A certified feed lot licensee must pay a fee of \$0.28 for each head of cattle handled through the feed lot. If inspection fees collected in any one-day sale day at a livestock market do not exceed \$150, the livestock market must pay \$150 for inspection services. A call-out fee of \$20.00 is collected for inspections, including inspections at a processing plant, certified feed lot, or livestock market. These fee changes expire July 1, 2023.

<u>Reporting.</u> WSDA must submit reports to the Legislature and the advisory committee starting September 1, 2020, and annually thereafter until July 1, 2023, that includes the amounts collected, expenditures, and recommendations for making the program more efficient, improving the program, or modifying the livestock inspection fees to cover the costs of the program.

Summary of Bill: The inspection fees that expire July 1, 2023, are extended to July 1, 2024. WSDA must submit a report to the Legislature and the advisory committee by September 1, 2023, that includes the amounts collected, expenditures, and recommendations for making the program more efficient, improving the program, or modifying the livestock inspection fees to cover the costs of the program.

Appropriation: None.

Fiscal Note: Requested on January 13, 2022.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill is a follow-up to a bill from 2019 that looked at livestock identification fees. Due to the unusual circumstances over the last couple of years, an extension is warranted so that it can be determined if the fees and funding for the livestock identification program are being assessed correctly. By extending the sunset date by one year, this bill will enable the program to remain viable and solvent for an additional year. Extending the fees for one year will give industry and WSDA the opportunity to work on identifying areas of efficiencies if there are any. The program is important because the inspections provide data for animal disease traceability, as well as asset protection, together with consumer confidence in the beef supply. The data collected in the next year will provide good data on how well the fees are working.

Persons Testifying: PRO: Senator Judy Warnick, Prime Sponsor; Robbie Parke, WSDA; Jack Field, Washington Cattle Feeders Association; MARK STREULI, Washington Cattlemen's Association; PAUL BERENDT, AGRIBEEF.

Persons Signed In To Testify But Not Testifying: No one.