

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE SENATE BILL 5959

66th Legislature
2019 Regular Session

Passed by the Senate March 7, 2019
Yeas 43 Nays 2

President of the Senate

Passed by the House April 11, 2019
Yeas 84 Nays 12

Speaker of the House of Representatives

Approved

Governor of the State of Washington

CERTIFICATE

I, Brad Hendrickson, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5959** as passed by Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 5959

Passed Legislature - 2019 Regular Session

State of Washington 66th Legislature 2019 Regular Session

By Senate Ways & Means (originally sponsored by Senator Warnick)

READ FIRST TIME 03/01/19.

1 AN ACT Relating to livestock identification; amending RCW
2 16.57.015, 16.57.020, 16.57.025, 16.57.160, 16.57.220, 16.57.450,
3 16.58.050, 16.58.130, 16.65.080, 16.65.037, 16.65.090, and 16.65.170;
4 adding a new section to chapter 16.57 RCW; and providing expiration
5 dates.

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

7 **Sec. 1.** RCW 16.57.015 and 2011 1st sp.s. c 21 s 51 are each
8 amended to read as follows:

9 (1) The director shall establish a livestock identification
10 advisory committee. The committee shall be composed of (~~six members~~
11 ~~appointed by the director. One member shall represent each of the~~
12 ~~following groups: Beef producers, public livestock market operators,~~
13 ~~horse owners, dairy farmers, cattle feeders, and meat processors~~)
14 twelve voting members appointed by the director as follows: Two beef
15 producers, two cattle feeders, two dairy producers, two livestock
16 market owners, two meat processors, and two horse producers.
17 Organizations representing the groups represented on the committee
18 may submit nominations for these appointments to the director for the
19 director's consideration. No more than two members at the time of
20 their appointment or during their term may reside in the same county.
21 Members may be reappointed and vacancies must be filled in the same

1 manner as original appointments are made. As used in this subsection,
2 "meat processor" means a person licensed to operate a slaughtering
3 establishment under chapter 16.49 RCW or the federal meat inspection
4 act (21 U.S.C. Sec. 601 et seq.). In making appointments, the
5 director shall solicit nominations from organizations representing
6 these groups statewide. The committee shall elect a member to serve
7 as chair of the committee. The committee must meet at least twice a
8 year. The committee shall meet at the call of the director, chair, or
9 a majority of the committee. A quorum of the committee consists of a
10 majority of members. If a member has not been designated for a
11 position set forth in this section, that position may not be counted
12 for purposes of determining a quorum. A member may appoint an
13 alternate who meets the same qualifications as the member to serve
14 during the member's absence. The director may remove a member from
15 the committee if that member has two or more unexcused absences
16 during a single calendar year.

17 (2) The purpose of the committee is to provide advice to the
18 director regarding livestock identification programs administered
19 under this chapter and regarding inspection fees and related
20 licensing fees. The director shall consult the committee before
21 adopting, amending, or repealing a rule under this chapter or
22 altering a fee under RCW 16.58.050, 16.65.030, 16.65.037, or
23 16.65.090. If the director publishes in the state register a proposed
24 rule to be adopted under the authority of this chapter and the rule
25 has not received the approval of the advisory committee, the director
26 shall file with the committee a written statement setting forth the
27 director's reasons for proposing the rule without the committee's
28 approval.

29 (3) The members of the advisory committee serve three-year terms.
30 However, the director shall by rule provide shorter initial terms for
31 some of the members of the committee to stagger the expiration of the
32 initial terms. The members serve without compensation. The director
33 may authorize the expenses of a member to be reimbursed if the member
34 is selected to attend a regional or national conference or meeting
35 regarding livestock identification. Any such reimbursement shall be
36 in accordance with RCW 43.03.050 and 43.03.060.

37 **Sec. 2.** RCW 16.57.020 and 2003 c 326 s 4 are each amended to
38 read as follows:

1 The director shall be the recorder of livestock brands and such
2 brands shall not be recorded elsewhere in this state. Any person
3 desiring to record a livestock brand shall apply on a form prescribed
4 by the director. The application shall be accompanied by a facsimile
5 of the brand applied for and a one hundred (~~twenty~~) thirty-two
6 dollar recording fee. The director shall, upon his or her
7 satisfaction that the application and brand facsimile meet the
8 requirements of this chapter and its rules, record the brand. The
9 director must establish a staggered brand record renewal schedule and
10 may adopt an annual or biennial renewal schedule if necessary. The
11 application to transfer a brand shall be accompanied by a notarized
12 form that includes a facsimile of the brand, a description,
13 information about the current owners, and a twenty-seven dollar and
14 fifty cent transfer fee. If the application to transfer a brand is
15 for a legacy brand, the application must be accompanied by a one
16 hundred dollar transfer fee. For purposes of this section, "legacy
17 brand" means a brand that has been in continuous use for at least
18 twenty-five years.

19 **Sec. 3.** RCW 16.57.025 and 2003 c 326 s 6 are each amended to
20 read as follows:

21 (1) The director may enter into agreements with Washington state
22 licensed and accredited veterinarians, who have been certified by the
23 director, to perform livestock inspection.

24 (2) The department must maintain a list of field livestock
25 inspectors who are certified to perform livestock inspection. The
26 list must be divided into at least six geographic regions of the
27 state. The list must be updated quarterly and must be made available
28 to the public through electronic media and by mail when requested.

29 (3) All individuals applying for certification as a field
30 livestock inspector under this section must complete training
31 provided by the department at the discretion of the director.
32 Training must include, but is not limited to, the:

33 (a) Reading of printed brands;

34 (b) Reading of brands or other marks on animals, including the
35 location of brands on animals;

36 (c) Reading of a microchip or other electronic official
37 individual identification;

38 (d) Completion of official documents; and

39 (e) Review of satisfactory ownership documents.

1 (4) In order to qualify, an individual must submit an application
2 to the director that includes:

3 (a) The full name, address, telephone number, and email address
4 of the individual applying for certification;

5 (b) The applicant's Washington state veterinary license number,
6 if the applicant is a veterinarian;

7 (c) The geographic area in which the applicant will issue
8 inspection certificates for livestock;

9 (d) A statement describing the applicant's experience with large
10 animals, especially cattle and horses; and

11 (e) A brief statement indicating that the applicant is requesting
12 certification to issue inspection certificates for cattle, horses, or
13 both.

14 (5) Fees for livestock inspection performed by a certified
15 veterinarian or field livestock inspector shall be collected by the
16 veterinarian or field livestock inspector and remitted to the
17 director. Veterinarians and field livestock inspectors providing
18 livestock inspection may charge a fee for livestock inspection that
19 is in addition to and separate from fees collected under RCW
20 16.57.220. The director may adopt (~~rules necessary to implement~~
21 ~~livestock inspection performed by veterinarians and may adopt~~)) fees
22 to cover the cost associated with certification of veterinarians and
23 field livestock inspectors.

24 (6) A veterinarian or field livestock inspector certified to
25 perform livestock inspection under this section shall not be
26 considered an employee of the department.

27 (7)(a) The director may suspend or revoke a veterinarian's or
28 field livestock inspector's certification to issue inspection
29 certificates if the veterinarian or field livestock inspector
30 knowingly:

31 (i) Makes or acquiesces in false or inaccurate statements on
32 livestock inspection certificates regarding:

33 (A) The date or location of the inspection;

34 (B) The marks or brands on the livestock inspected;

35 (C) The owner's name; or

36 (D) Any other statement about the livestock inspected.

37 (ii) Fails to properly verify the ownership status of the animal
38 before issuing an inspection certificate.

39 (iii) Issues an inspection certificate without actually
40 conducting an inspection of the livestock.

1 (iv) Fails to submit inspection fees and certificates issued to
2 the director within thirty days from the date of issue.

3 (b) Actions under this section must be taken in accordance with
4 chapter 34.05 RCW.

5 **Sec. 4.** RCW 16.57.160 and 2015 c 197 s 2 are each amended to
6 read as follows:

7 (1) The director may adopt rules:

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

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

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

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

24 (2) The director may establish a process to electronically report
25 transactions involving (~~unbranded-dairy~~) cattle under RCW 16.57.450
26 as an alternative to the mandatory cattle inspections required by
27 department rule adopted pursuant to this section.

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

34 (4)(a) Upon request by a milk producer licensed under chapter
35 15.36 RCW, the department must issue an official individual
36 identification tag to be placed by the producer before the first
37 point of sale on bull calves and free-martins (infertile female
38 calves) under thirty days of age. The fee for each tag is the cost to
39 the department for manufacture, purchase, and distribution of the tag

1 plus the applicable beef commission assessment. As used in this
2 subsection (4), "green tag" means the official individual
3 identification issued by the department.

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

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

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

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

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

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

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

24 **Sec. 5.** RCW 16.57.220 and 2010 c 66 s 7 are each amended to read
25 as follows:

26 (1) Except as provided for in RCW 16.65.090 and otherwise in this
27 section, the fee for livestock inspection is ~~((one dollar and sixty
28 cents))~~ four dollars per head for cattle and three dollars and
29 ~~((fifty))~~ eighty-five cents for horses ~~((or the time and mileage fee,
30 whichever is greater))~~, with a call out fee of twenty dollars.

31 (2) When cattle are identified with the owner's brand, electronic
32 official individual identification, or other form of identification
33 specified by the director by rule, the fee for livestock inspection
34 is one dollar and ~~((ten))~~ twenty-one cents per head ~~((or the time and
35 mileage fee, whichever is greater))~~, with a call out fee of twenty
36 dollars.

37 (3) No inspection fee is charged for a calf that is inspected
38 before moving out-of-state under an official temporary grazing permit
39 if the calf is part of a cow-calf unit and the calf is identified

1 with the owner's Washington-recorded brand or other form of
2 identification specified by the director by rule.

3 (4) The fee for inspection of cattle at a processing plant with a
4 daily capacity of no more than five hundred head of cattle where the
5 United States department of agriculture maintains a meat inspection
6 program is four dollars and forty cents per head, with a call out fee
7 of twenty dollars.

8 (5) When a single inspection certificate is issued for thirty or
9 more horses belonging to one person, the fee for livestock inspection
10 is two dollars and twenty cents per head ((or the time and mileage
11 fee, whichever is greater)), with a call out fee of twenty dollars.

12 (6) The fee for individual identification certificates is twenty-
13 two dollars for an annual certificate and sixty-three dollars for a
14 lifetime certificate ((~~or the time and mileage fee, whichever is~~
15 ~~greater~~)), with a call out fee of twenty dollars. However, the fee
16 for an annual certificate listing thirty or more animals belonging to
17 one person is five dollars and fifty cents per head ((or the time and
18 mileage fee, whichever is greater)), with a call out fee of twenty
19 dollars. A lifetime certificate shall not be issued until the fee has
20 been paid to the director.

21 (7) The minimum fee for the issuance of an inspection certificate
22 by the director is five dollars and fifty cents. The minimum fee does
23 not apply to livestock consigned to a public livestock market or
24 special sale or inspected at a cattle processing plant.

25 ((~~(8) For purposes of this section, "the time and mileage fee"~~
26 ~~means seventeen dollars per hour and the current mileage rate set by~~
27 ~~the office of financial management.))~~

28 **Sec. 6.** RCW 16.57.450 and 2015 c 197 s 1 are each amended to
29 read as follows:

30 (1)(a) The director may establish an electronic cattle
31 transaction reporting system as a mechanism for reporting
32 transactions involving ((~~unbranded dairy~~)) cattle to the department.
33 The system may be used as an alternative to mandatory inspections
34 under RCW 16.57.160. ((~~However, it may only be used as an alternative~~
35 ~~for unbranded dairy cattle that are individually identified through~~
36 ~~an identification method authorized by the department. All other~~
37 ~~livestock transactions are subject to the provisions of RCW~~
38 ~~16.57.160)) The system may be used to report the inspection of
39 animals that are being moved out-of-state.~~

1 (b) (~~Pursuant to criteria established by the director by rule,~~)
2 A cattle transaction described in (a) of this subsection, that would
3 otherwise trigger a mandatory inspection under rules adopted pursuant
4 to RCW 16.57.160, is eligible to report electronically under this
5 section.

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

9 (2) A person may not electronically report change of ownership
10 transactions involving (~~unbranded dairy~~) cattle under this section
11 without first obtaining an electronic cattle transaction reporting
12 license from the director. Applicants for an electronic cattle
13 transaction reporting license must submit an application to the
14 department on a form provided by the department and must include an
15 application fee. The amount of the application fee must be
16 established by the director by rule consistent with subsection (8) of
17 this section.

18 (3) All holders of an electronic cattle transaction reporting
19 license must transmit to the department a record of each transaction
20 containing the unique identification of each individual animal
21 included in the transaction as assigned through a department-
22 authorized identification method. The transmission required under
23 this subsection must be completed no more than twenty-four hours
24 after a qualifying transaction involving (~~unbranded dairy~~) cattle.

25 (4) All holders of an electronic cattle transaction reporting
26 license must keep accurate records of all transactions involving
27 (~~unbranded dairy~~) cattle and make those records available for
28 inspection by the department upon reasonable request during normal
29 business hours. All records of the licensed property must be retained
30 for at least three years.

31 (5)(a) The director may enter the property of the holder of an
32 electronic cattle transaction reporting license at any reasonable
33 time to conduct examinations and inspections of cattle and any
34 associated records for movement verification purposes. For purposes
35 of this section, "any reasonable time" means during regular business
36 hours or during any working shift.

37 (b) It is unlawful for any person to interfere with an
38 examination and inspection of cattle and records performed under this
39 subsection.

1 (c) If the director is denied access to a property or cattle for
2 the purposes of this subsection, or a person fails to comply with an
3 order of the director, the director may apply to a court of competent
4 jurisdiction for a search warrant. To show that access is denied, the
5 director must file with the court an affidavit or declaration
6 containing a description of all attempts to notify and locate the
7 owner or owner's agent and secure consent.

8 (6) (a) The director may deny, suspend, or revoke an electronic
9 cattle transaction reporting license issued under this section if the
10 director finds that an electronic cattle transaction reporting
11 license holder:

12 (i) Fails to satisfy the reporting requirements as provided in
13 this section;

14 (ii) Knowingly makes false or inaccurate statements;

15 (iii) Has previously had an electronic cattle transaction
16 reporting license revoked;

17 (iv) Denies entry to property, cattle, or records as provided in
18 subsection (5) of this section; or

19 (v) Violates any other provision of this chapter or any rules
20 adopted under this chapter.

21 (b) Any action taken under this subsection must be consistent
22 with the provisions of chapter 34.05 RCW, the administrative
23 procedure act.

24 (c) If an electronic cattle transaction reporting license is
25 denied, suspended, or revoked, then the mandatory cattle inspection
26 requirements under RCW 16.57.160 apply to any future transactions.

27 (7) The department must submit an annual report to the
28 legislature, consistent with RCW 43.01.036, that documents all
29 examinations and inspections of cattle and records of electronic
30 cattle transaction reporting license holders performed by the
31 department either since the department's last report or since the
32 adoption of the electronic cattle transaction reporting system. The
33 annual report must also include details regarding any actions the
34 department took following the examinations and inspections. All
35 reports required under this section must be submitted by July 31st of
36 each year.

37 (8) (a) The director may adopt rules:

38 (i) Designating the conditions of licensure under this section
39 and the use of the electronic cattle transaction reporting system
40 authorized by this section;

1 (ii) Establishing an initial application fee and a license
2 renewal fee applicable to the electronic cattle transaction reporting
3 license; and

4 (iii) Establishing any fees that must be paid by the holder of an
5 electronic cattle transaction reporting license for reporting cattle
6 transactions through the electronic cattle transaction reporting
7 system.

8 (b) All fees established under this section must, as closely as
9 practicable, cover the cost of the development, maintenance, fee
10 collection, and audit and administrative oversight of the electronic
11 cattle transaction reporting system.

12 **Sec. 7.** RCW 16.58.050 and 2003 c 326 s 49 are each amended to
13 read as follows:

14 (1) The application for an annual license to engage in the
15 business of operating one or more certified feed lots shall be
16 accompanied by a license fee of (~~eight hundred fifty~~) nine hundred
17 thirty-five dollars.

18 (2) Upon approval of the application by the director and
19 compliance with the provisions of this chapter and rules adopted
20 under this chapter, the applicant shall be issued a license or
21 license renewal. The director shall conduct an inspection of all
22 cattle and their corresponding ownership documents prior to issuing
23 an original license. The inspection fee is the higher of the current
24 inspection fee per head of cattle or time and mileage as set forth in
25 RCW 16.57.220.

26 **Sec. 8.** RCW 16.58.130 and 2006 c 156 s 2 are each amended to
27 read as follows:

28 Each licensee shall pay to the director a fee of (~~twenty-five~~)
29 twenty-eight cents for each head of cattle handled through the
30 licensee's feed lot. The licensee must pay a call out fee of twenty
31 dollars to the department for each day and for each livestock
32 inspector, certified veterinarian, or field livestock inspector who
33 performs inspections at each certified feed lot. Payment of the fees
34 shall be made by the licensee on a monthly basis. Failure to pay as
35 required shall be grounds for suspension or revocation of a certified
36 feed lot license. The director shall not renew a certified feed lot
37 license if a licensee has failed to make prompt and timely payments.

1 **Sec. 9.** RCW 16.65.080 and 2003 c 326 s 70 are each amended to
2 read as follows:

3 (1) The director may deny, suspend, or revoke a license when the
4 director finds that a licensee (a) has misrepresented titles,
5 charges, numbers, brands, weights, proceeds of sale, or ownership of
6 livestock; (b) has attempted payment to a consignor or the department
7 by a check the licensee knows not to be backed by sufficient funds to
8 cover such check; (c) has violated any of the provisions of this
9 chapter or rules adopted under this chapter; (d) has violated any
10 laws of the state that require inspection of livestock for health or
11 (~~ownership~~) identification purposes; (e) has violated any condition
12 of the bond, as provided in this chapter.

13 (2) Upon notice by the director to deny, revoke, or suspend a
14 license, a person may request a hearing under chapter 34.05 RCW.

15 (3) The director may issue subpoenas to compel the attendance of
16 witnesses, (~~and/or~~) or the production of books or documents
17 anywhere in the state. The applicant or licensee shall have
18 opportunity to be heard, and may have such subpoenas issued as he or
19 she desires. Subpoenas shall be served in the same manner as in civil
20 cases in the superior court. Witnesses shall testify under oath which
21 may be administered by the director. Testimony shall be recorded, and
22 may be taken by deposition under such rules as the director may
23 prescribe.

24 **Sec. 10.** RCW 16.65.037 and 2003 c 326 s 66 are each amended to
25 read as follows:

26 (1) Any license issued under the provisions of this chapter shall
27 only be valid at the location and for the sales day or days for which
28 the license was issued.

29 (2) The license fee shall be based on the average gross sales
30 volume per official sales day of a market in the previous twelve
31 months or, for a new market, the projected average gross sales per
32 official sales day of the market during its first year's operation.

33 (a) The license fee for markets with an average gross sales
34 volume up to and including ten thousand dollars is one hundred
35 (~~fifty~~) sixty-five dollars.

36 (b) The license fee for markets with an average gross sales
37 volume over ten thousand dollars and up to and including fifty
38 thousand dollars is three hundred thirty dollars.

1 (c) The license fee for markets with an average gross sales
2 volume over fifty thousand dollars is four hundred (~~(fifty)~~) ninety-
3 five dollars.

4 (3) Any applicant operating more than one public livestock market
5 shall make a separate application for a license to operate each
6 public livestock market, and each application shall be accompanied by
7 the appropriate license fee.

8 **Sec. 11.** RCW 16.65.090 and 2003 c 326 s 71 are each amended to
9 read as follows:

10 (~~The director shall provide for livestock inspection.~~) When
11 livestock inspection is required the licensee shall collect from the
12 consignor and pay to the department an inspection fee, as provided by
13 law, for each animal inspected. However, if in any one sale day the
14 total fees collected for inspection do not exceed one hundred fifty
15 dollars, then the licensee shall pay one hundred fifty dollars for
16 the inspection services. The licensee must pay a call out fee of
17 twenty dollars to the department for each day and for each livestock
18 inspector, certified veterinarian, or field livestock inspector who
19 performs inspections at a public livestock market.

20 **Sec. 12.** RCW 16.65.170 and 2003 c 326 s 74 are each amended to
21 read as follows:

22 The licensee shall keep accurate records which shall be available
23 for inspection to all parties directly interested therein, and the
24 records shall contain the following information:

25 (1) The date on which each consignment of livestock was received
26 and sold.

27 (2) The name and address of the buyer and seller of the
28 livestock.

29 (3) The number and species of livestock received and sold.

30 (4) The marks (~~(and)~~), brands, and identification on the
31 livestock.

32 (5) All statements of warranty or representations of title
33 material to, or upon which, any sale is consummated.

34 (6) The gross selling price of the livestock with a detailed list
35 of all charges deducted therefrom.

36 These records shall be kept by the licensee for one year
37 subsequent to the receipt of such livestock.

1 NEW SECTION. **Sec. 13.** A new section is added to chapter 16.57
2 RCW to read as follows:

3 (1) The department shall submit a livestock inspection program
4 report pursuant to RCW 43.01.036 by September 1, 2020, and annually
5 thereafter, to the appropriate committees of the legislature having
6 oversight over agriculture and fiscal matters. The report must also
7 be submitted to the livestock identification advisory committee
8 created in RCW 16.57.015. The report must include amounts collected,
9 a report on program expenditures, and any recommendations for making
10 the program more efficient, improving the program, or modifying
11 livestock inspection fees to cover the costs of the program. The
12 report must also address the financial status of the program,
13 including whether there is a need to review fees so that the program
14 continues to be supported by fees.

15 (2) This section expires July 1, 2023.

16 NEW SECTION. **Sec. 14.** Sections 1, 5, 8, and 11 of this act
17 expire July 1, 2023.

--- END ---