SUBSTITUTE SENATE BILL 5733

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)

READ FIRST TIME 02/18/15.

1 AN ACT Relating to livestock transaction reporting; amending RCW 2 16.57.160; and adding a new section to chapter 16.57 RCW.

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

4 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 16.57 5 RCW to read as follows:

6 (1)(a) The director may establish an electronic cattle 7 transaction reporting system as a mechanism for reporting cattle 8 transactions to the department. The system may be used as an 9 alternative to mandatory inspections under RCW 16.57.160 for cattle 10 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.

18 (2) A person may not electronically report cattle transactions 19 without first obtaining a license from the director. All references 20 to a license and licensee within this section means the electronic 21 cattle transaction reporting license and any person licensed under 1 the provisions of this section. Applicants for a license must submit 2 an application to the department on a form provided by the department 3 and must include an application fee as established by the director by 4 rule.

5 (3) The licensee must keep accurate records that are made 6 available for inspection by the department upon request and during 7 normal business hours. Records accounting for all cattle transactions 8 of the licensed property must be retained for three years.

9 (4) The director may enter a property at any reasonable time to conduct examinations and inspections of cattle and records for 10 11 movement verification purposes. It is unlawful for any person to 12 interfere with the examination and inspection of cattle and records as provided for in this subsection. If the director is denied access 13 14 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 15 16 to a court of competent jurisdiction for a search warrant. To show that access is denied, the director must file with the court an 17 18 affidavit or declaration containing a description of all attempts to notify and locate the owner or owner's agent and secure consent. 19

(5) The director may deny, suspend, or revoke a license when the 20 21 director finds that a licensee fails to meet the reporting requirements, knowingly makes false or inaccurate statements, has 22 previously had a license revoked, denies entry as provided 23 in subsection (4) of this section, or violates any other provision of 24 25 this chapter or any rules adopted under this chapter. Any action 26 taken must be done so under the provisions of chapter 34.05 RCW, the 27 administrative procedure act. If a license is denied, suspended, or revoked, the mandatory cattle inspection requirements under RCW 28 29 16.57.160 apply.

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(6) The director may adopt rules:

(a) Designating conditions of licensure and use of the electroniccattle 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.

p. 2

1 Sec. 2. RCW 16.57.160 and 2013 c 313 s 1 are each amended to 2 read as follows:

3 (1) The director may adopt rules:

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

8 (b) Providing for issuance of individual horse and cattle 9 identification certificates or other means of horse and cattle 10 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.

20 (2) The director may establish a process to electronically report 21 cattle transactions under section 1 of this act as an alternative to 22 the mandatory cattle inspections required by department rule adopted 23 pursuant to this section.

24 (3) A self-inspection certificate may be accepted as satisfactory 25 proof of ownership for cattle if the director determines that the 26 self-inspection certificate, together with other available 27 documentation, sufficiently establishes ownership. Self-inspection 28 certificates completed after June 10, 2010, are not satisfactory 29 proof of ownership for cattle.

(((3))) <u>(4)</u>(a) Upon request by a milk producer licensed under 30 31 chapter 15.36 RCW, the department must issue an official individual identification tag to be placed by the producer before the first 32 point of sale on bull calves and free-martins (infertile female 33 calves) under thirty days of age. The fee for each tag is the cost to 34 the department for manufacture, purchase, and distribution of the tag 35 plus the applicable beef commission assessment. As used in this 36 subsection $\left(\left(\frac{(3)}{2}\right)\right)$, "green tag" means the official individual 37 identification issued by the department. 38

(b) Transactions involving unbranded dairy breed bull calves orfree-martins (infertile female calves) not being moved or transported

1 out of Washington are exempt from inspection requirements under this
2 chapter only if:

3 (i) The animal is under thirty days old and has not been 4 previously bought or sold;

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

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

9 (iv) Each animal is officially identified as provided in (a) of 10 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.

15 (c) All fees received under (a) of this subsection, except for 16 the beef commission assessment, must be deposited in the animal 17 disease traceability account in the agricultural local fund created 18 in RCW 43.23.230.

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