CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5733

Chapter 197, Laws of 2015

64th Legislature 2015 Regular Session

LIVESTOCK TRANSACTION REPORTING

EFFECTIVE DATE: 7/24/2015

Passed by the Senate April 21, 2015 CERTIFICATE Yeas 48 Nays 0 I, Hunter G. Goodman, Secretary of Senate of the State of BRAD OWEN Washington, do hereby certify that the attached is **SUBSTITUTE SENATE** President of the Senate BILL 5733 as passed by Senate and the House of Representatives on the dates hereon set forth. Passed by the House April 9, 2015 Yeas 90 Nays 7 HUNTER G. GOODMAN Secretary FRANK CHOPP Speaker of the House of Representatives Approved May 7, 2015 3:05 PM FILED May 7, 2015

JAY INSLEE

Governor of the State of Washington

Secretary of State

State of Washington

SUBSTITUTE SENATE BILL 5733

AS AMENDED BY THE HOUSE

Passed Legislature - 2015 Regular Session

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 а mechanism for reporting
- 8 transactions involving unbranded dairy cattle to the department. The
- 9 system may be used as an alternative to mandatory inspections under
- 10 RCW 16.57.160. However, it may only be used as an alternative for
- 11 unbranded dairy cattle that are individually identified through an
- 12 identification method authorized by the department. All other
- 13 livestock transactions are subject to the provisions of RCW
- 14 16.57.160.
- 15 (b) Pursuant to criteria established by the director by rule, a
- 16 cattle transaction described in (a) of this subsection, that would
- 17 otherwise trigger a mandatory inspection under rules adopted pursuant
- 18 to RCW 16.57.160, is eligible to report electronically under this
- 19 section.

p. 1 SSB 5733.SL

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

- (2) A person may not electronically report transactions involving unbranded dairy cattle under this section without first obtaining an electronic cattle transaction reporting license from the director. Applicants for an electronic cattle transaction reporting license must submit an application to the department on a form provided by the department and must include an application fee. The amount of the application fee must be established by the director by rule consistent with subsection (8) of this section.
- (3) All holders of an electronic cattle transaction reporting license must transmit to the department a record of each transaction containing the unique identification of each individual animal included in the transaction as assigned through a department-authorized identification method. The transmission required under this subsection must be completed no more than twenty-four hours after a qualifying transaction involving unbranded dairy cattle.
- (4) All holders of an electronic cattle transaction reporting license must keep accurate records of all transactions involving unbranded dairy cattle and make those records available for inspection by the department upon reasonable request during normal business hours. All records of the licensed property must be retained for at least three years.
- (5)(a) The director may enter the property of the holder of an electronic cattle transaction reporting license at any reasonable time to conduct examinations and inspections of cattle and any associated records for movement verification purposes.
- (b) It is unlawful for any person to interfere with an examination and inspection of cattle and records performed under this subsection.
- (c) If the director is denied access to a property or cattle for the 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.
- (6)(a) The director may deny, suspend, or revoke an electronic cattle transaction reporting license issued under this section if the

- 1 director finds that an electronic cattle transaction reporting 2 license holder:
- 3 (i) Fails to satisfy the reporting requirements as provided in 4 this section;
 - (ii) Knowingly makes false or inaccurate statements;

5

15 16

17

18

19

2021

22

23

2425

26

27

28

32

33

34

- 6 (iii) Has previously had an electronic cattle transaction 7 reporting license revoked;
- 8 (iv) Denies entry to property, cattle, or records as provided in 9 subsection (5) of this section; or
- 10 (v) Violates any other provision of this chapter or any rules 11 adopted under this chapter.
- 12 (b) Any action taken under this subsection must be consistent 13 with the provisions of chapter 34.05 RCW, the administrative 14 procedure act.
 - (c) If an electronic cattle transaction reporting license is denied, suspended, or revoked, then the mandatory cattle inspection requirements under RCW 16.57.160 apply to any future transactions.
 - (7) The department must submit an annual report to the legislature, consistent with RCW 43.01.036, that documents all examinations and inspections of cattle and records of electronic cattle transaction reporting license holders performed by the department either since the department's last report or since the adoption of the electronic cattle transaction reporting system. The annual report must also include details regarding any actions the department took following the examinations and inspections. All reports required under this section must be submitted by July 31st of each year.
 - (8)(a) The director may adopt rules:
- 29 (i) Designating the conditions of licensure under this section 30 and the use of the electronic cattle transaction reporting system 31 authorized by this section;
 - (ii) Establishing an initial application fee and a license renewal fee applicable to the electronic cattle transaction reporting license; and
- (iii) Establishing any fees that must be paid by the holder of an electronic cattle transaction reporting license for reporting cattle transactions through the electronic cattle transaction reporting system.
- 39 (b) All fees established under this section must, as closely as 40 practicable, cover the cost of the development, maintenance, fee

p. 3 SSB 5733.SL

- 1 collection, and audit and administrative oversight of the electronic 2 cattle transaction reporting system.
 - **Sec. 2.** 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 transactions involving unbranded dairy cattle 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.
- $((\frac{3}{2}))$ $\underline{(4)}$ (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 $((\frac{3}{3}))$ $\underline{(4)}$, "green tag" means the official individual identification issued by the department.

3

4

5

- (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:
- 7 (i) The animal is under thirty days old and has not been 8 previously bought or sold;
- 9 (ii) The seller holds a valid milk producer's license under 10 chapter 15.36 RCW;
- 11 (iii) The sale does not take place at or through a public 12 livestock market or special sale authorized by chapter 16.65 RCW;
- 13 (iv) Each animal is officially identified as provided in (a) of 14 this subsection; and
- 15 (v) A certificate of permit and a bill of sale listing each 16 animal's green tag accompanies the animal to the buyer's location. 17 These documents do not constitute proof of ownership under this 18 chapter.
- 19 (c) All fees received under (a) of this subsection, except for 20 the beef commission assessment, must be deposited in the animal 21 disease traceability account in the agricultural local fund created 22 in RCW 43.23.230.

Passed by the Senate April 21, 2015. Passed by the House April 9, 2015. Approved by the Governor May 7, 2015. Filed in Office of Secretary of State May 7, 2015.