Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Rural Development, Agriculture, & Natural Resources Committee

ESSB 5959

Brief Description: Revising livestock identification law.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senator Warnick).

Brief Summary of Engrossed Substitute Bill

- Increases the number of members on the Livestock Identification Advisory Committee from six to 12.
- Changes certain types of fees for livestock inspection, feedlot and public market certification, and brand recording.
- Specifies certain provisions for brand record renewal and transfer.
- Creates a certified livestock inspector program.
- Requires the Washington State Department of Agriculture to report on the Livestock Inspection Program by September 1, 2020.
- Provides for the expansion of the use of the Electronic Cattle Transaction Reporting System.

Hearing Date: 3/26/19

Staff: Rebecca Lewis (786-7339).

Background:

Livestock Inspection Program.

The Washington State Department of Agriculture's (WSDA) Animal Health Program is charged with protecting animals and the public from communicable animal diseases. Animal Health

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

Program officials monitor movement of animals across state lines, set requirements for reporting and controlling diseases, and conduct testing and investigations.

Through the Livestock Inspection Program (Inspection Program), the WSDA 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; at United States Department of Agriculture-inspected slaughter plants; at licensed, certified feedlots; at change of ownership, and prior to leaving the state.

Livestock Identification Advisory Committee.

Established by the Legislature in 1993, the six-member Livestock Identification Advisory Committee provides advice about the livestock identification program, including inspection and license fees, to the Director of the WSDA (Director). The committee's six members are appointed by the Director and include a beef producer, a public livestock market representative, a horse owner, a cattle feeder, a dairy farmer, and a meat processor.

Veterinarian Certification.

The Director may enter into agreements with Washington-licensed and accredited veterinarians, who have been certified by the Director, to perform livestock inspections. Fees for livestock inspections performed by certified veterinarians must be collected by the veterinarian and remitted to the Director. The Director may adopt rules necessary to implement livestock inspections performed by veterinarians.

Livestock Inspection and Brand Recording Fees.

Fees paid by the livestock industry fund the Inspection Program. The fee for identified cattle is \$1.10 per head and \$1.60 per head for nonidentified cattle. The inspection fee at cattle processing plants with a daily capacity of 500 head or fewer is \$4 per head. An annual inspection certificate is \$20 per head and \$60 for a lifetime certificate. The fee for inspections of cattle or horses performed by a WSDA inspector is the greater of the per head fee or time and mileage at \$17 per hour and a mileage rate set by the Office of Financial Management.

When livestock inspection is required at a public livestock market, the proprietor of the livestock market must collect and remit to the WSDA an inspection fee as provided by law. If the total fees collected for inspection in one day do not exceed \$100, the proprietor must pay \$100 for the inspection services.

Any person wishing to record a brand in Washington must submit an application and a \$120 recording fee to the Director.

Electronic Cattle Transaction Reporting System.

In 2015 the Legislature authorized the WSDA to establish, by rule, an Electronic Cattle Transaction Reporting (ECTR) system to electronically report to the WSDA transactions involving unbranded dairy cattle that are individually identified through a WSDA-authorized

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identification method. 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 that are individually identified through a WSDA-authorized identification method. The system is an alternative to the mandatory cattle inspections that are implemented pursuant to WSDA rule.

In order to electronically report transactions involving unbranded dairy cattle, a person needs an ECTR license (license) issued by the WSDA. Licensees must transmit to the WSDA, within 24 hours of a qualifying transaction, a record of the transaction containing the unique identification of each individual animal as assigned through a WSDA-authorized identification method. Licensees must keep accurate records of all transactions involving unbranded dairy cattle on the property, make such records available for inspection by the WSDA upon request, and keep such records for at least three years.

The WSDA has the authority to adopt rules that designate conditions of licensure and the use of the ECTR system. Additionally, application fees, license renewal fees, and fees to be paid by a licensee for electronically reporting transactions involving unbranded dairy cattle are established in WSDA rule. Any fees must, as closely as practicable, cover the cost of the development, maintenance, fee collection, and audit and administrative oversight of the system.

Summary of Bill:

<u>Livestock Inspection Program.</u>

Livestock Identification Advisory Committee.

Through July 1, 2023, the membership of the Livestock Identification Advisory Committee (Advisory Committee) is increased to 12 members with two members, instead of one, representing each of the groups currently represented. No more than two members of the Advisory Committee may reside in the same county. The Advisory Committee must meet at least twice per year at the call of either the Director of the Washington State Department of Agriculture (Director), the Advisory Committee Chair, or a majority of the Advisory Committee. An Advisory Committee member may appoint an alternate to serve on the committee in their absence. The alternate must meet the same qualifications as the Advisory Committee member. The Director may remove a member from the Advisory Committee if the member has two or more unexcused absences during a single calendar year.

Veterinarian Certification and Field Livestock Inspectors.

Veterinarians and individuals who apply to be certified to perform livestock inspections must submit an application and complete training. The Washington State Department of Agriculture (WSDA) must maintain a list of field livestock inspectors who are certified to perform livestock inspections, divided into at least six geographic regions. Training for veterinarians and individuals who apply to be field livestock inspectors includes:

- reading of printed brands;
- reading of brands or other marks on animals, including the location of brands on animals;
- reading of a microchip or other electronic official identification of cattle;
- completion of official documents; and

• review of satisfactory ownership documents.

The Director may adopt fees to cover the costs associated with providing training. A certified veterinarian or a field livestock inspector is not considered an employee of the WSDA. The Director may suspend or revoke certification of certified veterinarians and field livestock inspectors under certain circumstances.

Livestock Inspection and Brand Recording Fees.

Fees for livestock inspection are raised by 10 percent, except for the inspection fee for unbranded and unidentified cattle, which is changed from \$1.60 to \$4 per head. The inspection fee for identified cattle is \$1.21 per head and the inspection fee for horses is \$3.85 per head. A call-out fee of \$20 is collected for inspections, including inspections at a processing plant, certified feed lot, or livestock market. The provision that WSDA may charge a time and mileage fee is removed. The annual license fee for a certified feed lot is changed to \$935. The annual fees for livestock markets are \$165, \$330, or \$495, depending on projected average gross sales of the market. The new livestock inspection fees expire July 1, 2023.

The brand recording fee is increased from \$120 to \$132. The Director must establish a staggered schedule for brand renewals and may adopt either an annual or biennial renewal schedule if necessary. An application to transfer a brand must include a notarized form that includes a facsimile of the brand, a description, information about the current owners, and a transfer fee of \$27.50. The transfer fee for "legacy brands," brands that have been in continuous use for at least 25 years, is \$100.

Reporting.

The WSDA must submit a report to the agriculture and fiscal committees of the Legislature and the Advisory Committee by September 1, 2020, and each year thereafter, on the Livestock Inspection Program. The report must include 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. The reporting requirement expires July 1, 2023.

Electronic Cattle Transaction Reporting System.

The use of the Electronic Cattle Transaction Reporting (ECTR) System is expanded to all cattle. The ECTR system may be used to report the inspection of animals that are being moved out of state. A person may report a cattle ownership change by first obtaining an ECTR license from the WSDA.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.