

# HOUSE BILL REPORT

## SSB 5767

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### As Passed House - Amended:

April 12, 2013

**Title:** An act relating to inspection of dairy cattle.

**Brief Description:** Concerning inspection of dairy cattle.

**Sponsors:** Senate Committee on Agriculture, Water & Rural Economic Development (originally sponsored by Senators Hatfield and Hobbs).

### Brief History:

#### Committee Activity:

Agriculture & Natural Resources: 3/26/13, 4/3/13 [DPA].

#### Floor Activity:

Passed House - Amended: 4/12/13, 96-0.

### Brief Summary of Substitute Bill (As Amended by House)

- Requires the Department of Agriculture to issue an official individual identification tag (green tag) for bull calves and free-martins under 30 days of age upon the request of a licensed milk producer.
- Exempts inspection requirements for bull calves and free-martins that will not be transported out of the state that meet certain additional requirements.
- Repeals the law allowing sellers of impounded dairy breed cattle meeting certain criteria to receive proceeds from the sale after costs.

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## HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

**Majority Report:** Do pass as amended. Signed by 14 members: Representatives Lytton, Vice Chair; Chandler, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Buys, Dunshee, Haigh, Hurst, Kretz, Orcutt, Pettigrew, Schmick, Stanford, Van De Wege and Warnick.

**Staff:** Cherlyn Walden (786-7296).

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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.*

## **Background:**

### Cattle Inspection Requirements.

All cattle must be inspected for brands or other proof of ownership:

- before being moved out of Washington state, with few exceptions;
- when offered for sale at any public livestock market or special sale approved by the Director of the Washington State Department of Agriculture (Director);
- upon delivery to any cattle processing plant where the United States Department of Agriculture maintains a meat inspection program, unless the cattle originated from a certified feedlot or are accompanied by an inspection certificate issued by the Director, a veterinarian certified by the Director, or an agency in another state or Canadian province authorized by law to issue such a certificate;
- when entering or reentering any licensed, certified feedlot before commingling with other cattle, unless the cattle are accompanied by an inspection certificate issued by the Director, a veterinarian certified by the Director, or an agency in another state or Canadian province authorized by law to issue such a certificate; or
- at any point of private sale, trade, gifting, barter, or any other action that constitutes a change of ownership, except for individual private sales of unbranded female dairy breed cattle involving 15 heads or less.

For transactions involving cattle not being moved or transported out of Washington state cattle must be presented for an inspection within 15 days from the date of the initial transaction. It is the responsibility of the seller to notify the Washington State Department of Agriculture (WSDA) immediately that a sale has occurred, and it is the responsibility of the buyer to present the animals for inspection.

### Proceeds of Impounded Dairy Breed Cattle.

All cattle that are not accompanied by a certificate of permit, inspection certificate, or other satisfactory proof of ownership when offered for sale and presented for inspection must be impounded. A "certificate of permit" is a form prescribed by and obtained from the Director that documents ownership of livestock while in transit within the state or on consignment to any public livestock market, special sale, slaughter plant, or certified feed lot. It does not evidence the inspection of livestock. An "inspection certificate" is a certificate issued by the Director or a veterinarian certified by the Director documenting the ownership of an animal based on an inspection of the animal. It includes an individual identification certificate.

If theft is suspected, the Director must immediately initiate an investigation. If theft is not suspected, the animal will be sold and the proceeds retained by the Director. Upon the sale of the cattle, the Director must give the purchasers an inspection certificate for the cattle or horses documenting their ownership.

The proceeds from the sale of dairy breed cattle when impounded, after paying the cost of the sale, are paid to the seller if:

- the cattle bears a brand that is not recorded in this state or any state where a reciprocal agreement is in place;
- there is no evidence of theft;

- the Director has posted the brand for at least 90 days at each licensed public livestock market in this state and any other state where the Director provides for livestock inspection; and
- no other person has established legal ownership of the cattle with the Director.

The proceeds from the sale are held by the Director until paid to the seller or other person as specified by the Director. However, the proceeds from a sale of the cattle at a licensed public livestock market are held by the licensee.

**Summary of Amended Bill:**

Upon the request of a licensed milk producer, the WSDA must issue an official individual identification tag, referred to as the "green tag," to be placed by the producer before the first point of sale on bull calves and free-martins (infertile female calves), that are under 30 days of age.

As long as these calves are not being transported out of the state, they are exempt from the inspection requirements under 16.57 RCW if:

- the animal is under 30 days old and has not been previously bought or sold;
- the seller holds a valid milk producer's license;
- the sale does not take place through a public livestock market or special livestock sale;
- each animal is identified with the green tag; and
- a certificate of permit and a bill of sale listing each animal's green tag accompanies the animal to the buyer's location.

The fee for each green tag is the cost to the WSDA for the manufacture, purchase, and distribution of the tag, plus the applicable beef commission assessment. All fees collected, except the beef commission assessment, must be deposited into the Animal Disease Traceability Account.

The law allowing a seller of impounded dairy breed cattle that meet certain requirements to receive proceeds, after costs of the sale, is repealed.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Staff Summary of Public Testimony:**

(In support) This bill is one piece to animal disease traceability that helps fill gaps to improve traceability, provide flexibility on the farm, and provide incentives. The green tag will provide two important things for the dairy industry and cattle industry as a whole. First, it will provide quality book end official identification to Grade "A" permitted dairies, allowing them to identify the calves at the farm in compliance with the United States Department of Agriculture and Washington animal disease traceability requirements. Second, the repeal of

non-recorded dairy impound will incentivize traceability and allow the industry to meet the goals of animal disease traceability in the state.

(Opposed) None.

**Persons Testifying:** Jack Field, Washington Cattlemen's Association; Jay Gorden, Washington State Dairy Federation; and Mark Streuli, Washington State Department of Agriculture.

**Persons Signed In To Testify But Not Testifying:** None.