

HOUSE BILL REPORT

SB 5624

As Reported by House Committee On:
Rural Development, Agriculture & Natural Resources

Title: An act relating to extending the expiration date of certain sections of chapter 92, Laws of 2019, regarding livestock identification.

Brief Description: Extending the expiration date of certain sections of chapter 92, Laws of 2019, regarding livestock identification.

Sponsors: Senators Warnick, Van De Wege and Nobles.

Brief History:

Committee Activity:

Rural Development, Agriculture & Natural Resources: 2/16/22, 2/22/22 [DP].

Brief Summary of Bill

- Extends livestock inspection fees that expire July 1, 2023, to July 1, 2024.
- Extends changes to the Livestock Identification Advisory Committee (Advisory Committee) that expire July 1, 2023, to July 1, 2024.
- Extends the requirement that the Washington State Department of Agriculture report to the Legislature and the Advisory Committee on the Livestock Identification Program to July 1, 2024.

HOUSE COMMITTEE ON RURAL DEVELOPMENT, AGRICULTURE & NATURAL RESOURCES

Majority Report: Do pass. Signed by 15 members: Representatives Chapman, Chair; Shewmake, Vice Chair; Chandler, Ranking Minority Member; Dent, Assistant Ranking Minority Member; Fitzgibbon, Klicker, Kloba, Kretz, Lekanoff, McEntire, Morgan, Orcutt, Ramos, Schmick and Springer.

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

Staff: Rebecca Lewis (786-7339).

Background:

Livestock Inspection Program.

The Washington State Department of Agriculture (WSDA) Animal Health Program is charged with protecting animals and the public from communicable animal diseases. Program officials monitor movement of animals across state lines, set requirements for reporting and controlling diseases, and conduct testing and investigations.

The Livestock Inspection Program 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; United States Department of Agriculture slaughter plants; licensed, certified feedlots; at change of ownership; and prior to leaving the state. Livestock inspection and licensing fees are established by statute.

The Electronic Cattle Transaction Reporting System is an alternative to mandatory cattle inspections and allows transactions involving unbranded cattle that are individually identified through a WSDA-authorized identification method to be reported electronically to the WSDA. Electronically reported transactions include any sale, trade, gift, barter, or any other transaction that constitutes a change of ownership.

Livestock Inspection Fees.

Legislation enacted in 2019 made changes to fees for livestock inspection and individual identification certificates, and established call-out fees of \$20 for livestock inspections, including inspections at a processing plant, certified feed lot, or livestock market. Current fees are as follows:

- Unbranded and unidentified cattle: \$4.00 per head.
- Branded and identified cattle: \$1.21 per head.
- Horses: \$3.85 per head.
- Cattle at a processing plant with a capacity of 500 head or fewer: \$4.40 per head.
- Cattle at licensed feedlots: \$0.28 per head.
- Individual identification certificates:
 - Single individual identification certificates for 30 or more horses: \$2.20 per head.
 - Annual certificate for fewer than 30 animals: \$22.00.
 - Annual certificate for 30 or more animals: \$5.50 per head.
 - Lifetime certificate: \$63.00.
 - Minimum issuance fee: \$5.50.

Additionally, if inspection fees collected in any one-day sale day at a livestock market do

not exceed \$150, the livestock market must pay \$150 for inspection services.

Prior to 2019, livestock inspection fees were as follows:

- Unbranded and unidentified cattle: the greater of \$1.60 per head, or \$17.00 per hour and the mileage rate set by the Office of Financial Management (OFM), also known as the time and mileage rate.
- Branded and identified cattle: the greater of \$1.10 per head or the time and mileage rate.
- Horses: the greater of \$3.50 per horse or the time and mileage rate.
- Cattle at a processing plant with a capacity of 500 head or fewer: \$4.00 per head.
- Cattle at licensed feedlots: \$0.25 per head.
- Individual identification certificates:
 - Single individual identification certificates for 30 or more horses: the greater of \$2.20 per head or the time and mileage rate.
 - Annual certificate for fewer than 30 animals: the greater of \$20.00 or the time and mileage rate.
 - Annual certificate for 30 or more animals: the greater of \$5.00 per head or the time and mileage rate.
 - Lifetime certificate: the greater of \$60.00 or the time and mileage rate.
 - Minimum issuance fee: \$5.00.

Additionally, if inspection fees collected in any one-day sale day at a livestock market do not exceed \$100, the livestock market must pay \$100 for inspection services.

Livestock Identification Advisory Committee.

Established by the Legislature in 1993, the Livestock Identification Advisory Committee (Advisory Committee) provides advice about the Livestock Identification Program to the Director of the WSDA (Director). Originally, the committee was composed of six members appointed by the Director: a beef producer, public livestock market representative, a horse owner, a cattle feeder, a dairy farmer, and a meat processor.

Legislation enacted in 2019 made several changes to the Advisory Committee. Through July 1, 2023, the Advisory Committee is comprised of 12 members: two beef producers, two cattle feeders, two dairy producers, two livestock market owners, two meat processors, and two horse producers. The Advisory Committee must meet at least twice a year and a quorum of the committee consists of a majority of members. At the time of appointment, no two members may reside in the same county. If a member has not been designated for a position on the Advisory Committee, that position may not be counted for purposes of determining a quorum. A member may appoint an alternate who meets the same qualifications as the member to serve during the member's absence. The Director may remove a member from the Advisory Committee if that member has two or more unexcused absences during a single calendar year.

Reporting.

The WSDA must provide a report on the Livestock Inspection Program to the Legislature and the Advisory Committee by September 1 of each year that includes the 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.

Summary of Bill:

Livestock Inspection Fees.

The changes to livestock inspection fees, including the establishment of call-out fees, that were enacted by the Legislature in 2019 are extended to expire on July 1, 2024, instead of July 1, 2023.

Livestock Identification Advisory Committee.

The changes to the Advisory Committee that were enacted by the Legislature in 2019 are extended to expire on July 1, 2024, instead of July 1, 2023.

Reporting.

The requirement that the WSDA report on the Livestock Inspection Program expires on July 1, 2024, instead of July 1, 2023.

Appropriation: None.

Fiscal Note: Available.

Effective Date: 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 a follow-up from 2019 legislation that made changes to fees for livestock identification. The bill extends fees for one year, to 2024. Since 2019, there have been unusual circumstances that have made it difficult to know if the changes are adequate. The bill does not make changes to the fees, just extends what is already in place. The cattle industry has been dealing with many challenges, and this is a very important bill. The livestock identification program is important for producers and for disease traceability. The

WSDA supports extending the fees by a year.

(Opposed) None.

Persons Testifying: Senator Judy Warnick, prime sponsor; Jack Field, Washington Cattle Feeders Association; Mark Streuli, Washington Cattlemen's Association; and Robbie Parke, Department of Agriculture.

Persons Signed In To Testify But Not Testifying: None.