Approved: March 9, 2004

MINUTES OF THE SENATE AGRICULTURE COMMITTEE

The meeting was called to order by Vice-Chairman Tim Huelskamp at 8:30 a.m. on February 4, 2004 in Room 423-S of the Capitol.

All members were present except:

Senator Derek Schmidt- excused Senator Dwayne Umbarger- excused

Committee staff present:

Raney Gilliland, Legislative Research Lisa Montgomery, Office of the Revisor of Statutes Robert Myers, Committee Secretary

Conferees appearing before the committee:

Lisa Montgomery - Office of the Revisor of Statutes

George Teagarden - Livestock Commissioner, Kansas Animal Health Department

Constantine Cotsoradis - Manager, Kansas Department of Agriculture Agricultural Commodities Assurance Program

Malcolm Moore - Region VI Director, Ranchers-Cattlemen Action Legal Fund United Stockgrowers of America

Mike Beam - Sr. Vice President, Kansas Livestock Association

E.M. Sumner - Program Manager, Kansas Department of Agriculture Meat and Poultry Inspection Program

Others attending:

See Attached List.

Vice-Chairman Huelskamp oversaw the proceedings of the meeting, due to the excused absence of Chairman Schmidt.

Lisa Montgomery appeared before the committee, on behalf of Senator Salmans, in order to request the introduction of a bill regarding commercial manure haulers. The bill would amend some definitions that were changed in 2003 that had placed small businesses under the regulation of the Kansas Corporation Commission (KCC). The changed definitions within the bill would alter the requirements placed upon small businesses by the KCC, thus better enabling them to stay in operation.

Senator Tyson moved to introduce the bill as requested, seconded by Senator Taddiken. The motion carried.

George Teagarden appeared before the committee in order to give a briefing on Bovine Spongiform Encephalopathy (BSE). His briefing was aided by both a Microsoft PowerPoint presentation and a chronology of events regarding the case of BSE in the United States, as constructed by the United States Department of Agriculture (Attachments 1 and 2). He reported first on the specifics of the disease itself, indicating its affiliation with an entire family of known Transmissible Spongiform Encephalopathies (TSEs). He further pointed out that BSE does not affect all cattle, giving the statistic that although there were 180,000 cases in England in the 1980's, there was never more than one infected animal per herd. The human health risk posed by BSE was indicated as being extremely low, resulting only from the consumption of central nerve and/or distal illeum tissue from an infected animal.

George Teagarden continued his briefing on BSE with a focus on the specifics of the case that had been discovered in Washington, as well as the subsequent investigation that followed. Testing on the infected animal took place following notice of its troubled mobility while walking off of a trailer at a slaughter plant. Mr. Teagarden indicated that eighty-one cows have been targeted by the investigation that followed, encompassing the entire Canadian birth herd of the infected animal. Furthermore, he provided statistics regarding the number of annual Canadian cattle imports into Kansas since 1997.

George Teagarden further continued his briefing on BSE with a focus on the restrictions that have been implemented in the United States since the discovery of the infected cow. Some examples noted were the

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prohibition of the slaughter of non-ambulatory cattle, the prohibition of "air injection" stunning, and the ban on the feeding of plate waste to ruminants. Mr. Teagarden closed his briefing with an overview of the effects of the case on both consumer confidence and trade, indicating that although the consumption of red meat in the United States has maintained a flat rate despite its discovery, many foreign markets have since refused American beef.

Constantine Cotsoradis appeared before the committee in order to give a briefing on prohibited material inspections and the interim BSE Rule implemented by the Food and Drug Administration. He started out by clarifying to the committee that both the United States and Kansas departments of agriculture deal with the detection of BSE, whereas the Food and Drug Administration focuses on its prevention. Mr. Cotsoradis then focused on the background of BSE prevention, noting first the 1997 FDA ban on feeding mammalian tissue to cattle and other ruminants. He did note however that there are several exemptions to this ban. Aside from the prohibition of certain feed ingredients, he pointed out that the current Code of Federal Regulations also requires the maintenance of adequate records, the prevention of commingling feed containing prohibited materials with other feed, and the labeling of feed containing prohibited materials. Mr. Cotsoradis pointed out that in 2003 there was a 99% compliance rate to these requirements.

Constantine Cotsoradis continued his briefing on prohibited material inspections and the interim BSE Rule implemented by the Food and Drug Administration with an overview of the steps that have been taken to enhance the current food safety program. The following are the few steps that he mentioned: DNA analysis of feed samples, enforcement of a zero-tolerance policy with regard to feed ban compliance, inspection of noncommercial facilities having more than 4,500 cattle in order to ensure feed ban compliance, development and distribution of a prohibited material fact sheet, and the use of test strips to detect prohibited materials in feed.

Constantine Cotsoradis further continued his briefing by identifying changes being made to the FDA Feed Ban. He stated that the FDA plans to publish an interim rule to remove the existing exemptions from the feed ban, as well as stating that those manufacturers that handle both prohibited and nonprohibited materials will be required to use dedicated production lines, thus preventing opportunities for cross-contamination (Attachment 3).

Malcolm Moore appeared before the committee in order to present a list of emergency measures that Ranchers-Cattlemen Action Legal Fund United Stockgrowers of America (R-CALF USA) would like to see done in order to protect the health of U.S. cattle, to ensure the economic viability of the U.S. cattle industry, and to maintain consumer confidence in U.S. beef. Mr. Moore particularly stressed the importance of efforts being made to immediately implement the country of origin labeling (COOL) system, thus enabling differentiation between foreign and U.S. cattle (Attachment 4).

Mike Beam appeared before the committee in order to present on BSE's impact on the producers and businesses affiliated with the beef industry. He stressed that although consumer confidence within the United States is at an all-time high rate of approximately 90%, there has been a very negative impact on the exportation of U.S. cattle and beef. Mr. Beam submitted with his testimony a document that had been distributed to the attendees of the National Cattlemen's Beef Association Annual Convention (Attachment 5). The document consists of the following sections:

- BSE Response Plan: The Basics
- Animal I.D. Overview
- BSE Research Program
- Consumer Confidence Overview
- 13 Point Marketing/Communications/Research Action Plan
- BSE Regulatory Overview
- Trade Implications Overview

E. M. Sumner appeared before the committee in order to respond to a question posed by Senator Huelskamp regarding what type of protocol is followed for BSE testing in state-inspected plants. Mr. Sumner reported that, although there is no official policy in place, it has always been the practice to hold any carcass that has been the subject of diagnostic testing until results are received. He further reported

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that it takes an average of ten to fourteen days to receive the results of a BSE test. He stated that the Kansas Department of Agriculture recommends in instances of diagnostic testing that the carcass be cut up and frozen until the results are ready.

The next meeting is scheduled for Tuesday, February 10, 2004.