Date

MINUTES OF THE HOUSE AGRICULTURE AND NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairman Larry Powell at 3:30 p.m. on February 26, 2009, in Room 783 of the Docking State Office Building.

All members were present.

Committee staff present:

Mike Corrigan, Office of the Revisor of Statutes

Corey Carnahan, Kansas Legislative Research Department

Raney Gilliland, Kansas Legislative Research Department

Pat Matzek, Committee Assistant

Conferees appearing before the Committee:

Tom Bruno, Bruno & Associates, Kansas Dairy Association

Lynda Foster, Kansas Dairy Association

Mike Bodenhausen, Kansas Dairy Association

Bob Seiler, Kansas Dairy Association

Donn Teske, President, Kansas Farmers union

Norm Oeding, Private Individual

Craig Volland, on behalf of the Kansas City Food Circle and the Kansas Chapter of the Sierra Club

Robert Shatto, Dairy Farmer

Dan Nagengast, Kansas Rural Center

Devrin Fort, Topeka Natural Food Coop

Constantine Cotsoradis, Deputy Secretary of Agriculture, Department of Agriculture

Others attending:

See attached list.

Chairman Powell commenced the meeting with introduction of Tom Bruno, Bruno & Associates, appearing on behalf of the Kansas Dairy Association.

Hearing on:

HB 2295 - Milk and dairy product labeling requirements.

Proponents:

Tom Bruno, Bruno & Associates, appeared on behalf of the Kansas Dairy Association (KDA) (<u>Attachment 1</u>), presenting testimony in favor of <u>HB 2295</u>, documenting it is the KDA's intent, through this bill, to provide the consumer the confidence that the product they are purchasing is produced in a manner in which the label claims it is produced, as the current system does not allow the consumer to have that confidence.

Lynda Foster, Kansas Dairy Association, (<u>Attachment 2</u>) spoke as a proponent on <u>HB 2295</u>, requesting the Committee to consider the label resolution contained in the bill as it will help prevent confusing claims that cannot be supported by sound science or scientific testing. Ms. Foster further documented that consumers and the agricultural industry need clarification in labeling.

Mike Bodenhausen, Kansas Dairy Association, (<u>Attachment 3</u>) appeared as a proponent of <u>HB 2295</u>, stating KDA believes the statement "this milk is from cows not supplemented with rbST" is consistent with the Food and Drug Administration's (FDA) guidelines on labeling and provides the consumer with the information needed to make choices. Mr. Bodenhausen further commented that the KDA does not promote or discourage the use of rbST; this is a producer's choice. KDA is concerned that safe technology is being attacked and challenged by groups and organizations that have other agendas to promote, ahead of food safety. Mr. Bodenhausen also distributed research information documentation (<u>Attachments 4, 5, and 6</u>) to members of the Committee, relating to dairy labeling.

Bob Seiler, Seiler Dairy, presented testimony as a proponent of **HB 2295**, (Attachment 7) documenting that

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milk from cows that are not treated with rbST is the same as milk from cows treated with rbST and no test can detect it but companies continue to exploit the consumers feelings and try to label it as being better because the cows producing that milk have not been treated with a good scientific proven hormone.

Questions were asked of the proponents and comments were made.

Written testimony from proponents:

Brad Harrelson, State Director, Governmental Relations, Kansas Farm Bureau (<u>Attachment 8</u>) Mary Jane Stankiewicz, COO and Senior Vice President of Governmental Affairs, Kansas Grain and Feed Association, and the Kansas Agribusiness Retailers Association (<u>Attachment 9</u>)

Opponents:

Donn Teske, President, Kansas Farmers Union, (<u>Attachment 10</u>) presented testimony in opposition of <u>HB</u> <u>2295</u>, documenting several issues; (1) no consumer complaints, (2) very few producers use the product anymore and rbST milk has a vanishing market, and (3) the FDA and Federal Trade Commission determined in 2007 that the 1994 guidelines are adequate.

Norm Oeding, private individual, testified in opposition of <u>HB 2295</u>, (<u>Attachment 11</u>) stating the absence of a label stating the "presence" of milk from cows injected with injectable hormones (Posilac) is misleading and thus illegal. Mr. Oeding further commented that milk from cows injected with artificial hormones should be labeled on the container as it is an unconventional process and should be labeled as such.

Craig Volland, on behalf of the Kansas City Food Circle and the Kansas Chapter of the Sierra Club, (Attachment 12) spoke in opposition of **HB 2295**, stating the bill would ban the phrase, "rbST free"; however, Mr. Volland contends "rbST free" is a true statement because if this chemical is not used in the production of the product, it cannot be present in it. Also, Mr. Volland believes this bill is about one group of dairy industry players who want the state of Kansas to protect them against another group who is gaining a share in the market place.

Matt Shatto on behalf of Robert Shatto, dairy farmer, (<u>Attachment 13</u>) presented testimony in opposition of <u>HB 2295</u>, documenting their dairy cows are not treated with artificial growth hormones and that they have worked with the appropriate Federal Agency to obtain approval of their package design and content prior to ordering their first load of returnable glass bottles. Mr. Shatto further stated they followed regulations to ensure their current package design and content meet the approval of the current regulatory agency and ask that the Committee oppose any language that would be more stringent than the current Federal Regulations.

Dan Nagengast, Kansas Rural Center, (<u>Attachment 14</u>) testified in opposition of <u>HB 2295</u>, stating Kansas' dairy production is not insubstantial, but a very small part of national and world dairy production. Mr. Nagengast further documented that developing the strictest labeling requirements on this issue imposes additional burdens on Kansas producers, and if there are consumer premiums for milk produced without the use of rBGH, those premiums should go to dairy producers, not processors.

Devrin Fort, Manager, Topeka Natural Food Coop, (<u>Attachment 15</u>) spoke in opposition of <u>HB 2295</u>, stating the Coop sells natural food which means they do not carry products that contain artificial ingredients and synthetic preservatives or genetically modified ingredients. Mr. Fort further commented that 20% of their sales comes from dairy products of which a portion are ordered from catalogs, and that these products are going to have labels which says rbST free; however, as the catalog does not show a picture of the label or say exactly what is contained in the dairy products, if this law goes through it could wipe out its dairy section and possibly result in closure of the store.

Questions were asked of the opponents and comments were made.

Written testimony from opponents:

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Walt Freese, Ben & Jerry's Homemade, Inc. (<u>Attachment 16</u>) Rick North, Project Director, Campaign for Safe Food, Oregon Physicians for Social Responsibility (<u>Attachment 17</u>)

Neutral:

Constantine Cotsoradis, Deputy Secretary of Agriculture, Department of Agriculture, (Department) (Attachment 18) provided neutral testimony on **HB 2295**, stating this bill asks the Department to carry out some very important consumer protection functions; namely, making sure labels contain accurate and not misleading information which the Department supports. Mr. Cotsoradis further stated they are not sure it will be possible for them to conduct inspections when funding for this program is being cut from both sources-state general funds and fees; therefore, the Department requests the Committee amend **HB 2295** to include language extending the dairy fee sunset from 2010 to 2015.

The next meeting is scheduled for March 2, 2009.

The meeting was adjourned at 5:10 p.m.