Approved: March 18, 2010

Date

MINUTES OF THE HOUSE AGRICULTURE AND NATURAL RESOURCES BUDGE COMMITTEE

The meeting was called to order by Chairman John Faber at 12:00 p.m. on February 17, 2010, in Room 152-S of the Capitol.

All members were present except:

Representative Sydney Carlin - excused Representative John Grange - excused

Committee staff present:

Daniel Yoza, Office of the Revisor of Statutes Heather O'Hara, Legislative Research Diane Brian, Committee Assistant

Conferees appearing before the Committee:

NONE

Others attending:

See attached list.

Attachments:

(Attachment 1)

Balloon amendment for HB 2666

(Attachment 2)

Balloon amendment for **HB 2666**

Hearing on:

HB 2666

an act concerning the Animal Health Department; relating to fees

Chairman Faber requested explanation of differences on the balloon amendments on <u>HB 2666</u> (Attachment 1 and Attachment 2) from Revisor Yoza.

Discussion among committee members followed.

Representative Powell, moved to pass the balloon amendment (Attachment 1) on **HB 2666**. The motion was seconded by Representative Holmes. Discussion ensued and motion failed.

Representative Williams, moved to pass the balloon amendment (Attachment 2) on **HB 2666** The motion was seconded by Representative Powell. Motion carried.

Representative Powell, moved to pass **HB 2666** favorably as amended. The motion was seconded by Representative Williams. Motion carried.

The meeting was adjourned at 1:50 p.m. The next meeting will be "on call of the Chair".



House Insurance Committee Guest Sign In Sheet Vednesday, February 17, 2010

Wednesday, February 17, 2010		
Name	Representing	
Kon Sube	Seaboard	
ErikWisner	KDA	
Budge Verker	Administration	
George Tezperden	KAHD	
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HOUSE BILL No. 2666

By Committee on Appropriations

2-5

AN ACT concerning the animal health department; relating to fees; amending K.S.A. 47-1001e and K.S.A. 2009 Supp. 47-1011, 47-1503 and 47-2101 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 47-1001e is hereby amended to read as follows: 47-1001e. (a) Each livestock market operator shall pay annually, on or before June 30, a renewal market license fee in an amount set by the Kansas animal health board and adopted by rules and regulations of the commissioner of not more than \$40 \$250 to the commissioner for each public livestock market operated by such operator, which payment shall constitute a renewal until June 30 of the following year. The renewal market license fee established by this section on the day preceding the effective date of this act shall continue in effect until a different renewal market license fee is set as provided under this section.

- (b) Any person who owns or operates an electronic auction which is simulcast into the state of Kansas and at which livestock located in the state of Kansas are offered for sale, shall apply to the livestock commissioner for an electronic auction license. A license shall be granted to such person upon a showing that such person meets the bond requirements, as established in K.S.A. 47-1002, and amendments thereto, and has paid an annual fee in an amount set by the Kansas animal health board and adopted by rules and regulations of the commissioner of not more than \$40 \$250. Any such license shall expire on June 30 of each year.
- Sec. 2. K.S.A. 2009 Supp. 47-1011 is hereby amended to read as follows: 47-1011. (a) The public livestock market operator shall collect from the consignor of horses, mules, cattle, hogs, sheep and goats the fee per head on all such livestock sold at a public livestock market in the amount fixed by the commissioner under this section. The public livestock market operator shall remit to the commissioner on or before the 15th day of each month the amounts collected during the preceding calendar month.
- (b) The electronic auction operator shall collect from the consignor of horses, mules, cattle, hogs, sheep and goats the fee-per head in an amount fixed by the commissioner under this section on all such livestock

Balloon Amendments prepared for House Agriculture and Natural Budget Committee February 17, 2010 HOUSE AG & NATURAL RESOURCES BUDGET DATE: 2-1/17/10

sold at an electronic auction if such livestock is located in the state of Kansas. The electronic auction operator shall remit to the commissioner on or before the 15th day of each month the amounts collected during the preceding calendar month.

(c) The fee per head provided for in this section shall be in addition to the inspection fee stated in K.S.A. 47-1008, and amendments thereto, to the license fee payable to the commissioner for licenses mentioned and described in K.S.A. 47-1002, and amendments thereto, and to the fee provided for in K.S.A. 74-534, and amendments thereto.

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(d) The commissioner shall determine annually the amount of funds which will be required, in addition to the funds received for fees imposed under K.S.A. 47-1001a and 47-1001e, and amendments thereto, to properly enforce and administer the laws contained in article 10 of chapter 47 of the Kansas Statutes Annotated, and amendments thereto, and shall fix and adjust from time to time the fee per head imposed under this section in such reasonable sum as may be necessary for such purposes, except that the fee per head fixed under this section shall not be more than \$.15 \$.25. The fee per head in effect on the day preceding the effective date of this act shall continue in effect until the commissioner fixes a different fee per head under this section.

(e) The commissioner shall remit all moneys received by or for the commissioner under K.S.A. 47-1001a, 47-1001e and this section, and amendments thereto, to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the animal disease control fund.

Sec. 3. K:S:A. 2009 Supp.: 47-1503 is hereby amended to read as follows: 47-1503. (a) It shall be unlawful for any person to operate a feedlot within the state of Kansas without having first obtained a license from the livestock commissioner authorizing and permitting such operation.

(b) An operator of any feedlot in the state of Kansas, or a person desiring to operate a feedlot in the state of Kansas, shall obtain, from the livestock commissioner, a license to operate a feedlot, unless exempted therefrom. The owner or operator of any livestock feedlot, with a capacity of less; than 1,000 head of livestock, may apply for and obtain a license for feedlot operations, if such owner or operator cliooses and elects to come under the terms and provisions of this act, but the licensing for operations at a capacity of less than 1,000 head shall not be required.

(c) Application for a livestock feedlot license shall be filed with the livestock commissioner, on a form prescribed and furnished by the commissioner. Upon the filing of such an application and payment of the required fees, the commissioner shall issue a livestock feedlot license to

such applicant, provided the application discloses information assuring the commissioner that the operation of such feedlot will be conducted in accordance with the standards set forth elsewhere in this act, and with rules and regulations adopted by the commissioner.

(d) Feedlot licenses shall be issued for the term of one year, to expire on June 30 following the date of issuance. Feedlot licenses may be continued in force by annual renewal or extension of such license with the payment of an annual license fee, and with continued compliance by the operator with the provisions of this act, and acts amendatory of the provisions thereof and supplemental thereto, and rules and regulations adopted hereunder.

(e) Each feedlot operator, who shall be granted a license, shall pay a fee in an amount set by the Kansas animal health board and adopted by rules and regulations of the commissioner for such license and for annual renewal thereof, in accordance with and subject to the following schedule of maximum fees:

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Feedlot-capačity	Maximum-fee
Under LOOD head	\$75
1-000-to-2-000-head	\$150 \$350
3,000-to-9,999-5,999-hend	\$300 -\$650
6,000-to-9,999-head	\$750
10,000 to 17,999 head	\$450 -\$1,100
19,800 head and over	\$75()
18,000 to 29,999 head	\$1,500
30,000-to-49,999-head	\$1,650
50,000-to-99,999-head	\$1,800
100,000 head and over	\$2,000
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The fees established by this subsection on the day preceding the effective date of this act shall continue in effect until different fees are set as provided under this subsection.

(f) If an original feedlot license expires within six months after date of issuance, only 50% of the applicable license fee shall be required. An application for feedlot license shall not be approved, nor shall a license be issued to any applicant unless the application is accompanied by the applicable license fee under the schedule of fees in this section. Each licensed feedlot operator shall pay an annual license fee in accordance with the schedule of fees in this section and, upon payment of such fee and a showing of compliance with other requirements, shall be entitled to a renewal or extension of such operator's license for the ensuing license year.

(g) The livestock commissioner shall remit all moneys received by or for the commissioner under article 15 of chapter 47 of Kansas Statutes Annotated, and amendments thereto, to the state treasurer in accordance cattle

in an of \$0.05 per head, based on the feedlot capacity.

(f) For the purposes of this subsection "Animal Unit" means the number of swine weighing more than 55 pounds multiplied by 0.4; plus the number of swine weighing 55 pounds or less multiplied by 0.1; plus the number of sheep or lambs multiplied by 0.1; plus the number of goats multiplied by 0.1. Each swine, goat and sheep feedlot operator, who shall be granted a license, shall pay a fee in an amount set by the Kansas animal health board and adopted by rules and regulations of the commissioner for such license and for annual renewal thereof in an amount of \$0.05 per animal unit, based on the feedlot capacity.

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with the provisions of K.S.A. 75-4215, and amendments thereto. Upon Renumber subsections accordingly receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the animal disease control fund.

Sec. 4. K.S.A. 2009 Supp. 47-2101 is hereby amended to read as follows: 47-2101: (a) It shall be unlawful for any person to engage in the business of raising domesticated deer unless such person has obtained from the livestock commissioner a domesticated deer permit. Application for such permit shall be made in writing on a form provided by the commissioner. The permit period shall be for the permit year ending on June 30 following the issuance date.

(b) Each application for issuance or renewal of a permit shall be accompanied by a fee of not more than \$100 \$150 as established by the

commissioner in rules and regulations.

(c) The livestock commissioner shall adopt any rules and regulations

necessary to enforce this section.

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- (d) Any person who fails to obtain a permit as prescribed in section (a) shall be deemed guilty of a misdemeanor and upon conviction shall be punished by a fine not exceeding \$100 \$150. Continued operation, after a conviction, shall constitute a separate offense for each day of operation.
- (e) The commissioner may refuse to issue or renew or may suspend or revoke any permit for any one of the following reasons:

(1) Material misstatement in the application for the original permit or in the application for any renewal of a permit;

- (2) the conviction of any crime, an essential element of which is misstatement, fraud or dishonesty, or relating to the theft of or cruelty to animals;
 - (3) substantial misrepresentation;
- (4) the person who is issued a permit is found to be adding to such person's herd by poaching or illegally obtaining deer;
- (5) willful disregard to any rule of regulation adopted under this section.
- (f) Any refusal to issue or renew a permit and any suspension or revocation of a permit under this section shall be in accordance with the provisions of the Kansas administrative procedure act and shall be subject to review in accordance with the act for judicial review and civil enforcement of agency actions.
- (g) Domesticated deer shall be identified through implantation of microchips, ear tags, ear tattoos, ear notches or any other permanent identification on such deer as to identify such deer as domesticated deer. Any person who receives a permit issued pursuant to subsection (a) shall keep records of the deer herd pursuant to rules and regulations.

- (h) The livestock commissioner shall inspect any premises where a domesticated deer herd has been issued a permit upon receipt of a written, signed complaint that such premises is not being operated, managed or maintained in accordance with rules and regulations.
- (i) The livestock commissioner, on a quarterly basis, shall transmit to the secretary of wildlife and parks a current list of persons issued a permit pursuant to this section.
- (j) All moneys received under this section shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the animal disease control fund.
 - (k) As used in this section:

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- (1) "Deer" means any member of the family cervidae.
- (2) "Domesticated deer" means any member of the family cervidae which was legally obtained and is being sold or raised in a confined area for breeding stock; for any carcass, skin or part of such animal; for exhibition; or for companionship.
- 19 Sec. 5. K.S.A. 47-1001e and K.S.A. 2009 Supp. 47-1011, 47-1503 and 20 47-2101 are hereby repealed.
 - Sec. 6. This act shall take effect and be in force from and after its publication in the statute book.

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By Committee on Appropriations

2-5

AN ACT concerning the animal health department; relating to fees; amending K.S.A. 47-1001e and K.S.A. 2009 Supp. 47-1011, 47-1503 and 47-2101 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 47-1001e is hereby amended to read as follows: 47-1001e. (a) Each livestock market operator shall pay annually, on or before June 30, a renewal market license fee in an amount set by the Kansas animal health board and adopted by rules and regulations of the commissioner of not more than \$40 \$250 to the commissioner for each public livestock market operated by such operator, which payment shall constitute a renewal until June 30 of the following year. The renewal market license fee established by this section on the day preceding the effective date of this act shall continue in effect until a different renewal market license fee is set as provided under this section.

(b) Any person who owns or operates an electronic auction which is simulcast into the state of Kansas and at which livestock located in the state of Kansas are offered for sale, shall apply to the livestock commissioner for an electronic auction license. A license shall be granted to such person upon a showing that such person meets the bond requirements, as established in K.S.A. 47-1002, and amendments thereto, and has paid an annual fee in an amount set by the Kansas animal health board and adopted by rules and regulations of the commissioner of not more than \$40 \$250. Any such license shall expire on June 30 of each year.

Sec. 2. K.S.A. 2009 Supp. 47-1011 is hereby amended to read as follows: 47-1011. (a) The public livestock market operator shall collect from the consignor of horses, mules, cattle, hogs, sheep and goats the fee per head on all such livestock sold at a public livestock market in the amount fixed by the commissioner under this section. The public livestock market operator shall remit to the commissioner on or before the 15th day of each month the amounts collected during the preceding calendar month.

(b) The electronic auction operator shall collect from the consignor of horses, mules, eartle, hogs, sheep and goats the fee per head in an amount fixed-by-the commissioner under this section on all such livestock

Balloon Amendments prepared for House Agriculture and Natural Budget Committee February 17, 2010 HOUSE AG & NATURAL RESOURCES BUDGET DATE: 2/19/10 ATTACHMENT: 2 sold at an electronic auction if such livestock is located in the state of Kansas. The electronic auction operator shall remit to the commissioner on or before the 15th day of each month the amounts collected during the preceding calendar month.

(c). The fee per head provided for in this section shall be in addition to the inspection fee stated in KiS.A. 47-1008, and amendments thereto, to the license fee payable to the commissioner for licenses mentioned and described in K.S.A. 47-1002, and amendments thereto, and to the fee provided for in K.S.A. 74-534, and amendments thereto.

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fee provided for in K.S.A., 74534, and amendments thereto.

(d). The commissioner shall determine annually the simount of funds which will be required in addition to the funds received for fees imposed under K.S.A. 47,1001a and 47,1001e, and amendments thereto, to properly enforce and administer the laws contained in article 10 of chapter 47 of the Kansas Statutes Annotated, and amendments thereto, and shall fix and adjust from time to time the fee per head imposed under this section in such reasonable sum as analy be necessary for such nurposes, except that the fee per head fixed under this section shall not be more than \$.15 \$.25. The fee per head in effect until the commissioner fixes a different fee per head under this section in the fee per head under this section.

fee pen head under this section in the property of the commissioner, shall remit all moneys received by or for the commissioner, under K.S.A. 47-1001a, 47-1001e, and this section, and amendments thereto, to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance the state treasurer shall deposit the entire amount in the state treasury to the state treasurer shall deposit the entire amount in the

Sec. 3. K.S.A., 2009 Supp., 47-1503 Is hereby amended to read as follows: 47-1503. (a). It shall be unlawful for any person to operate a feedlot within the state of Kansas, without having first obtained a license from the alivestock commissioner, authorizing and apermitting such operation.

(b). An operator of any feedlot, in the state of Kansas, or a person desiring to operate a feedlot in the state of Kansas, shall obtain, from the livestock commissioner, a license; to operate a feedlot, unless exempted therefrom. The owner or operator of any livestock feedlot, with a capacity of less, than, 1,000 head of livestock, may apply for and obtain a license for feedlot, operations, if such owner or operator chooses and elects to come under the terms and provisions of this act, but the dicensing for operations at a capacity of less than 1,000 head shall not be required.

(c) Application for a livestock feedlot license shall be filed with the livestock commissioner, on a form prescribed and furnished by the commissioner. Upon the filing of such an application and payment of the required fees, the commissioner shall issue a livestock feedlot license to

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such applicant, provided the application discloses information assuring the commissioner that the operation of such feedlot will be conducted in accordance with the standards set forth elsewhere in this act, and with rules and regulations adopted by the commissioner.

(d) Feedlot licenses shall be issued for the term of one year, to expire on June 30 following the date of issuance. Feedlot licenses may be continued in force by annual renewal or extension of such license with the payment of an annual license fee, and with continued compliance by the operator with the provisions of this act, and acts amendatory of the provisions thereof and supplemental thereto, and rules and regulations adopted hereunder.

(e) Each feedlot operator, who shall be granted a license, shall pay a fee in an amount set by the Kansas animal health board and adopted by rules and regulations of the commissioner for such license and for annual renewal thereof, in accordance with and subject to the following schedule of maximum fees.

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17	Freedlot capacity	Maximum fee
18	Under 1,000, head	\$75
19	1,000 to 2,999 head	\$150 \$350
2()	3,000 to 9,999 5,999 head	\$300 \$650
21	6.000 to 9,999 head	\$750
22	10,000 to 17,999 head	\$450 \$1,100
23	19,000 head and over	\$75()
24	18,000 to 29,999 head	\$1,500
25	30,000 to 49,999 head	\$1,650
26	50,000 to 99,999 head	
27	100,000 head and over	=

The fees established by this subsection on the day preceding the effective date of this act shall continue in effect until different fees are set as provided under this subsection.

(f) If an original feedlot license expires within six months after date of issuance, only 50% of the applicable license fee shall be required. An application for feedlot license shall not be approved, nor shall a license be issued to any applicant unless the application is accompanied by the applicable license fee under the schedule of fees in this section. Each licensed feedlot operator shall pay an annual license fee in accordance with the schedule of fees in this section and, upon payment of such fee and a showing of compliance with other requirements, shall be entitled to a renewal or extension of such operator's license for the ensuing license year.

(g) The livestock commissioner shall remit all moneys received by or for the commissioner under article 15 of chapter 47 of Kansas Statutes Annotated, and amendments thereto, to the state treasurer in accordance cattle

(f) For the purposes of this subsection "Animal Unit" means the number of swine weighing more than 55 pounds multiplied by 0.4; plus the number of swine weighing 55 pounds or less multiplied by 0.1; plus the number of sheep or lambs multiplied by 0.1; plus the number of goats multiplied by 0.1. Each swine, sheep and goat feedlot operator, who shall be granted a license, shall pay a fee in an amount set by the Kansas animal health board and adopted by rules and regulations of the commissioner for such license and for annual renewal thereof, in accordance with and subject to the following schedule of maximum fees:

	Feedlot capacity	, Maximui	m fee
	Feedlot capacity 300 to 999 Animal units		\$75
	1,000 to 2,999 Animal units		. \$350
	3,000 to <i>5,999</i> Animal units		. \$650
ı	6,000 to 9,999 Animal units		\$750
	10,000 to 17,999 Animal units		\$1,100
	18,000 to 29,999 Animal units		1,500
	30,000 to 49,999 Animal units		1,650
	50,000 to 99,999 Animal units		1,800
	100,000 Animal units and over		\$2,000

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with the provisions of K.S.A. 75-4215, and amendments thereto. Upon Renumber subsections accordingly receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the animal disease control

Sec. 4, K.S.A. 2009 Supply 47-2101 is hereby amended to read as follows: 47-2101, (a) It shall be unlawful for any person to engage in the business of raising domesticated deer unless such person has obtained from the livestock commissioner, a domesticated deer permit. Application for such permit shall be made in writing on a form provided by the commissioner. The permit period shall be for the permit year ending on June 30 following the issuance date.

(h) Each application for issuance or renewal of a permit shall be accompanied by a fee of not more than \$100,2150 as established by the commissioner in rules and regulations, is the requirement of

(c). The livestock commissioner shall adopt any rules and regulations necessary to enforce this section.

(d), Any person who fails to obtain a permit as prescribed in section (a) shall be deemed guilty of a misdemeanor and upon conviction shall be punished by a fine not exceeding, \$100.\$150. Continued operation, after-a conviction, shall constitute a separate offense for each day of operation.

(e) The commissioner may refuse to issue or renew or may suspend or revoke any permit for any one of the following reasons:

(1) 45 Material misstatement in the application for the original permit or in the application for any renewal of a permit;

(2) the conviction of any crime, an essential element of which is misstatement, fraud or dishonesty, or relating to the theft of or cruelty to animals;

(3) substantial misrepresentation;

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(4) the person who is issued a permit is found to be adding to such person's herd by poaching or illegally obtaining deer:

(5). willful disregard to any rule or regulation adopted under this section, harmsupply to a continuous of the angle of the angle of the

(f). Any refusal to issue prarenewas permituand any suspension or revocation of a permit under this section shall be in accordance with the provisions of the Kansas administrative procedure act and shall be subject to review in accordance with the act for judicial review and civil autorcomentiof agency actions, who of the set may be a see as a first

(g). Domesticated, deen shall be identified through implantation of microchips, gar tags, ear tattoos, ear nothing or and other ment identification on such deer as to identify such deer as domesticated deer Any person villo receives approut issued prosquit to pulse tion. as shall keep records of the deer herd pursuant to rules and regulations

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- (h) The livestock commissioner shall inspect any premises where a domesticated deer herd has been issued a permit upon receipt of a written, signed complaint that such premises is not being operated, managed or maintained in accordance with rules and regulations.
 - (i) The livestock commissioner, on a quarterly basis, shall transmit to the secretary of wildlife and parks a current list of persons issued a permit pursuant to this section.
 - (j) All moneys received under this section shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the animal disease control fund.
 - (k) As used in this section:

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- (1) "Deer" means any member of the family cervidae.
- (2) "Domesticated deer" means any member of the family cervidae which was legally obtained and is being sold or raised in a confined area for breeding stock; for any carcass, skin or part of such animal; for exhibition; or for companionship.
- 19 Sec. 5. K.S.A. 47-1001e and K.S.A. 2009 Supp. 47-1011, 47-1503 and 20 47-2101 are hereby repealed.
- Sec. 6. This act shall take effect and be in force from and after its publication in the statute book.