

MINUTES OF THE SENATE AGRICULTURE COMMITTEE

The meeting was called to order by Chairman Mark Taddiken at 8:30 a.m. on February 24, 2009 in Room 545-N of the Capitol.

All members were present except:

Senator Terry Bruce- excused  
Senator Tim Huelskamp- excused

Committee staff present:

Raney Gilliland, Kansas Legislative Research Department  
Corey Carnahan, Kansas Legislative Research Department  
Jason Thompson, Revisor of Statutes Office  
Kristen Kellems, Revisor of Statutes Office  
Judy Seitz, Committee Assistant

Conferees appearing before the Committee:

Barb Hinton, Legislative Post Audit (LPO)  
George Teagarden, Livestock Commissioner, Kansas Animal Health Department (KAHD)  
Mike Beam, Senior Vice President, Kansas Livestock Association (KLA)  
Gary Reser, Vice President, Kansas Veterinary Medical Association (KVMA)  
Jim Reed, President, Kansas Dairy Association (KDA)  
Tim Stroda, President-CEO, Kansas Pork Association (KPA)  
Heather Donley, Chairman, Kansas Animal Health Board (KAHB)  
Brad Harrelson, State Policy Director, Governmental Relations, Kansas Farm Bureau (KFB)  
Mike Samples, Kansas Livestock Marketing Association (KSLMA)  
Tom Bruno, Kansas Pet Professionals

Others attending:

See attached list.

Chairman Taddiken opened the hearing on **SB 231** - Transferring the powers and duties of the animal health department and state conservation commission to the department of agriculture.

Barb Hinton, Legislative Post Audit (LPO), presented neutral testimony on **SB 231** (Attachment 1). She noted that her appearance as a neutral does not mean they do not support the audit report. This audit was conducted as part of the LPO Committee's initiative to focus more of the audit work on efficiency and cost savings issues. Ms. Hinton noted that based on the work performed and on discussions with officials from the Kansas Department of Agriculture (KDA), it was estimated that Kansas could save at least \$710,000 a year in operating efficiencies by merging the two agencies with the KDA. About \$630,000 of the savings would come from eliminating or restructuring management positions.

Ms. Hinton took questions.

George Teagarden, Livestock Commissioner, Kansas Animal Health Department (KAHD) presented testimony in opposition to **SB 231** (Attachment 2). He believes the KAHD would better serve the livestock industry as a stand alone agency with a Commissioner who answers to the Kansas Animal Health Board (KAHB) which is made up of producers that represent the various species of livestock. Mr. Teagarden said the KAHD has implemented some efficiencies suggested by Legislative Post Audit. Included in his written testimony are responses to the post audit recommendations. He offered to stand for questions.

Mike Beam, Senior Vice President, Kansas Livestock Association (KLA), presented testimony in opposition to **SB 231** (Attachment 3). He said the position of the livestock commissioner requires certain skills, knowledge and commitment which should receive as high a level of compensation as possible. Some of the proposed savings by LPO would lower salaries for some top-level positions at the KAHD.. Mr. Beam also stated that **SB 231** would take away the responsibility of the KAHB to direct the Livestock Commissioner and the agency. This bill would designate the Secretary of Agriculture as the person responsible for appointing the position of Livestock Commissioner.

## CONTINUATION SHEET

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Gary Reser, Vice President, Kansas Veterinary Medical Association (KVMA), appeared in opposition to **SB 231** (Attachment 4). He said the core mission of the KAHD is to control and eradicate infectious and contagious livestock diseases. The KAHD also ensures the public health, safety and welfare and enhances the economic viability of the Kansas livestock industry. The KVMA is concerned that swift and effective response would be diminished due to expanded organization flow charts and increased supervisory levels after the merger.

Jim Reed, President, Kansas Dairy Association, testified in opposition to **SB 231** (Attachment 5). He said the regulatory certainty of a small agency is good for producers since it allows producers to continue managing their operations without having to change practices following an election. The small size of the KAHD also allows the agency to respond in a timely and effective way to issues of concern from the producers. Mr. Reed also noted that the KAHB is made up of industry representatives and directs the agency's functions.

Tim Stroda, President-CEO, Kansas Pork Association (KPA), presented testimony in opposition to **SB 231** (Attachment 6). He said the members of the KPA understand an effort to increase efficiency and cut costs in state government. He said that any measure taken to save money cannot jeopardize the quality or safety of pork products. Mr. Stroda said that Kansas pork operations provide food for the world and the KAHD has been a valuable partner in ensuring the safety of their products.

Heather Donley, Chairman, Kansas Animal Health Board (KAHB), appeared in opposition to **SB 231** (Attachment 7). She said the board's function is to advise and direct the livestock commissioner in policies, procedures and budget expenditures that affect their businesses everyday. The Board meets quarterly and has conference calls when important issues arise that need immediate attention. Under the proposed **SB 231** the Board would lose the ability to provide direction of the animal health department to focus on important livestock issues and companion animal regulations. Ms. Donley recognized the Board members: Lonnie, Busch, Vincent Traffas, Brice Guttery, Steve Estes, James Reed, Ken Grecian and Tom Frederick in attendance and Opal Featherson, who was not in attendance.

Brad Harrelson, State Policy Director, Governmental Relations, Kansas Farm Bureau (KFB) testified in opposition to **SB 231** (Attachment 8). He said that the KFB's main objection is the abolishment of the KAHD and merging into the KDA. He also stated that the KFB feels that with the significance of the livestock industry in Kansas that an agency which is narrowly focused and limited in scope is best suited to protect the livestock health, safety and welfare. The KFB questions the need to "fix something when it isn't broken."

Mr. Harrelson said the Committee should seriously consider the wisdom of combining the conservation programs with an agency tasked with regulatory enforcement. He offered to stand for questions.

Mike Samples, Kansas Livestock Marketing Association (KSLMA), testified in opposition to **SB 231** (Attachment 9). He said the livestock industry has to have fast and accurate answers when needed and are currently receiving that with the KAHD. He is also very concerned about the functions of the KAHB if merged with the KDA. Mr. Samples said he is available for questions.

Tom Bruno, Kansas Pet Professionals (KPP), appeared in opposition to **SB 231** (Attachment 10). The KPP is the state's trade organization for pet breeders and distributors. He said that during the early 1990's, the reputation of the pet industry in Kansas was hurt by reports in the national press about puppy mills in Kansas. The KPP strongly supports the KAHD's efforts and regulations and feels that their success is dependent upon the effectiveness of the department and the program. Mr. Bruno offered to stand for questions.

Written testimony in opposition to **SB 231** was provided by:

John Donley, President, Kansas Agricultural Alliance (Attachment 11)

Midge Grinstead, Director, Lawrence Humane Society (Attachment 12)

Carol Stubbs, Executive Director, Helping Hands Humane Society, Inc., (Attachment 13)

Chairman Taddiken said there is a group who e-mailed their support of **SB 231** and when that letter is received copies will be distributed to the Committee.

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Ms. Hinton took questions.

Mr. Reed also answered questions.

Discussion on **SB 231** will continue tomorrow.

The next meeting is scheduled for February 25, 2009.

The meeting was adjourned at 9:30 a.m.