



Since 1894

To: Senate Committee on Agriculture
Senator Dan Kerschen, Chair
From: Tucker A. Stewart, Associate Counsel
Re: **Proponent of H.B. 2477**
Date: March 8, 2018

The Kansas Livestock Association (KLA), formed in 1894, is a trade association representing over 5,200 members on legislative and regulatory issues. KLA members are involved in many aspects of the livestock industry, including seed stock, cow-calf and stocker cattle production, cattle feeding, dairy production, swine production, grazing land management and diversified farming operations.

The Kansas Livestock Association (KLA) is in support of HB 2477 with an amendment. This bill increases the fee caps for the animal facility inspection program, which governs the Kansas Department of Agriculture/Animal Health Division's (KDA) regulation of dog and cat breeders, rescue networks, pounds/shelters, boarding or training premises, pet shops, animal distributors and other facilities.

It's important for this committee to know KLA supported legislation in 2010 that made a significant increase in animal disease control fees, assessed to the livestock industry to ensure the continuance of programs we believed were vital. Fees were increased by a range of 66% to 250% and currently the livestock industry pays approximately \$750,000 in annual fees. This legislation resulted in a higher percentage of fee revenue support for the animal disease control program. An increase in the animal facility inspection program fees should result in a more equitable distribution of limited general funds among these two programs.

It's our understanding the fee structure proposed by the original HB 2477 is supported by the pet animal advisory committee, represented by licensees who will pay this increase in fees to the agency. The House decided to lower a number of those fees decreasing the amount generated for the program. KLA proposes an amendment to HB 2477 to revert the fee amounts back to what was originally in the bill. KLA believes that this will ensure the continuance of a quality inspection program vital to the pet animal industry while also freeing up general fund money to be used in ways to protect the livestock industry from foreign animal disease risk.

While commonly referred to as the "Wheat State," Kansas might more accurately be described as the "Beef State." The beef industry is the largest segment of agriculture in the state, with cattle generating \$7.8 billion in cash receipts in 2016. Every segment of the beef industry can be found in Kansas. There is no doubt the beef industry is of significant importance to the Kansas economy. That also means much is at risk. A disease outbreak could be devastating to Kansas beef producers as well as the Kansas economy. It is preeminently important to have funding available to protect the livestock industry from a foreign animal disease outbreak. This bill, with KLA's suggested amendment helps to free up funding to be used to protect the Kansas economy.

We urge you to amend the bill back to the original fee structure and pass HB 2477 favorably.