

Assembly Hearing Slip

(Please print plainly)

Date: 11/18/99
Bill No. Or Subject: Animal Health Lab -
Dr. Clarence Sinky
(Name)
2811 Agriculture Dr.
(Street Address or Route Number)
Madison, WI
(City & Zip Code)
DATCP
(Representing)

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only; Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

2

Assembly Hearing Slip

(Please print plainly)

Date: Nov 18 99
Bill No. Or Subject: Animal Health Lab
BEN BRANCEL
(Name)
2811 Agriculture Dr.
(Street Address or Route Number)
Madison, WI
(City & Zip Code)
DATCP
(Representing)

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only; Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

1

Assembly Hearing Slip

(Please print plainly)

Date: 3/11/2000
Bill No. Or Subject: Animal Health
Ron Kuehn
(Name)
2 E Main, #600
(Street Address or Route Number)
Madison, WI 53703
(City & Zip Code)
WI Pork Producers, WI Pigs &
(Representing)
Vegetable growers & WI Cranberry Growers

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only; Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

SB3586
57

Assembly Hearing Slip

(Please print plainly)

Date: 3/1/00
Bill No. SB 358
Or
Subject
Rep Schooff
(Name)
420 - North
(Street Address or Route Number)

(City & Zip Code)

(Representing)

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only; Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms:
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 3/1/00
Bill No. SB 358
Or
Subject
ROGER CUFFE
(Name)
BOX 5550
(Street Address or Route Number)
MADISON 53705
(City & Zip Code)
WIS. FARM BUREAU
(Representing)

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only; Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms:
Room 411 West
State Capitol
Madison, WI 53702

No public input was accepted on SB 358 on 6/3/01/00 as stated on hearing announcement. Two previous public hearings had been held on SB 358. These registrations in favor were added to the 02/07/00 Record of Committee Proceedings. L. Morrison Clerk



State of Wisconsin
Tommy G. Thompson, Governor

Department of Agriculture, Trade and Consumer Protection

Ben Brancel, Secretary



OFFICE OF PUBLIC INFORMATION & EDUCATION
FAX COVER SHEET

DATE: 11-18-99
TO: Linda / Rep. Ott
FROM: Sandy Chalmers
SUBJECT: WAHL
PHONE: (608) 224-~~5040~~ or 5001
FAX: (608) 224-5034 or (608) 224-5045

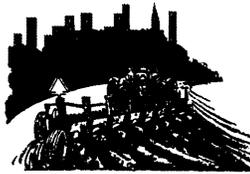
NUMBER OF PAGES INCLUDING COVER SHEET: 2

If any pages need to be resent, please call the sender at the number listed above. If we do not hear from you, we will assume this transmittal has been completely received. Thank you.

MESSAGE: _____

Questions – Wisconsin Animal Health Laboratory

1. How bad is it? Why did you let it get so bad? Who is responsible?
2. Why not let private labs take up the slack?
3. Define “full-service” lab.
4. Why can’t user fees support the lab?
5. Why do we need a state lab? Can’t tests be shipped to Minnesota?
6. Why should taxpayers foot the bill for farmers to have their animals tested?
7. Why does a lab need accreditation?
8. What does the accreditation committee have to lose/gain in all this?
9. Why let the accreditation committee dictate fees in our state?
10. What is the GPR/fee split at other state labs?
11. Why should people who live in cities care about animal health?
12. Why do 150 tests? Why not just do those that bring in the most revenue or that require less staff time?
13. With a history of poor management at the lab, why should we send good money after bad?
14. Is the lab worth rescuing?
15. Give examples of the on-farm food safety work performed by the lab.
16. What progress has been made toward the accreditation committee’s recommendations?
17. If you are so short-staffed, why haven’t you filled vacancies? How many vacancies do you now have? Why?
18. What difference does old equipment make? Less cost-effective? Tests take longer to complete?
19. Why can’t the exporters pay for their tests? It seems like a lot of these tests are just the cost of doing business in the export markets—not health and safety issue.
20. The cuts at the lab in the 95-97 budget were offered by the department — along with rationale to back them up (reorganization of animal health division, consolidation of necropsy at Barron lab). How can you say that these budget cuts caused the problem?
21. Why are you proposing to move the lab to the UW? How does that benefit the animal agriculture industry?
22. Isn’t this just a way to get higher salaries for the professional staff at the lab?
23. Are all the other accredited state labs affiliated with a University? If not, how can the accreditors make this a condition for Wisconsin if it isn’t in all other states?



Al Ott

State Representative • 3rd Assembly District

MEMORANDUM

TO: Members, Assembly Committee on Agriculture

FROM: Representative Al Ott, Chair

DATE: January 14, 2000

There will be a joint public hearing of the Senate Committee on Agriculture, Environmental Resources and Campaign Finance Reform and the Assembly Committee on Agriculture on Monday, February 7, 2000 at 1:30 p.m. in Room 417 North.

SB 358

The Committees will hear discussion on LRB 3853/2 (Wisconsin Animal Health Laboratory) and an Executive Session may be held.

Following the joint meeting, the Assembly Committee on Agriculture will take up the Assembly Substitute Amendment to Assembly Bill 483 (Rep. Ward-Milk Prices Based on Volume). The Committee may go into Executive Session on AB 483.

It is important that you plan to attend these meetings. The date was the only mutually available date for the joint hearing. Please advise Linda in my office (266-5831) regarding your attendance at these meetings.

Attached you will find copies of LRB 3853/2 and the Assembly Substitute Amendment to AB 483.

ARO:ln
Attachments

JAN. -25' 00 (TUE) 08:34

V. CHANCELLOR/BPA

TEL:608 263 7449

P.002

**UNIVERSITY OF
WISCONSIN
MADISON**

January 25, 2000

To: Whom It May Concern**From: John Torphy****Subj: Fiscal Estimate - Transfer of Animal Health Laboratory from DATCP to UW System**

The attached "Fiscal Estimate Worksheet" shows the annualized fiscal impact on the UW System budget as a result of the transfer. In effect, it represents the 2001-02 (SFY-02) budget, excluding one still to be approved/negotiated pay plan supplement.

(Please note the fiscal estimate is a draft prepared by me at the request of an Assembly committee chair. A formal estimate will be submitted when requested by the DOA. However, I am providing this estimate to the DOA for their information. I believe it accurately reflects all assumptions and agreements to date).

However, for the 2000-01 fiscal year, it is important to note that the increase in GPR funding is only \$200,000. The bill establishes a GPR appropriation at \$4,267,100. Of that amount \$1,733,800 is transferred from DATCP; \$813,900 GPR is required to lapse to the general fund on June 30, 2001; and \$1,519,400 of the program revenues transferred to the UW is required to lapse to the general fund as GPR earned on June 30, 2001. The net result is the \$200,000 increase.

In order to obtain the 2001-02 net cost, you will need to incorporate the DATCP Fiscal Estimate Worksheet.

Also, the 2001-02 PRO/PRS (and State Operations-Other Costs) funding of \$2,123,000 is the expenditure estimate figure included on DOA's 01/10/2000 worksheet. The final figure will be determined by the Board's budget proposal and fee schedule.

xc: Sue Buroker (DATCP)
Daryl Buss (Vet Med)
Frede Harris (UW System)
Doug Hendrix (UW System)
Bob Henle (DOA)
Charlie Hoslet (UW-Med)
Erin Kalinosky (DOA)
Bill Richner (BP&A)
David Schmiedicke (DOA)
Ron Schultz (Vet Med)
Larry Wold (BP&A)

Enclosure: Fiscal Estimate Worksheet

Office of the Vice Chancellor for Administration

608 263 7449

JAN. -25' 00 (TUE) 08:34

V. CHANCELLOR/BPA

TEL: 608 263 7449

P. 003

JAN-24-00 MON 10:27 AM UW SYSTEM ADMINISTRATION

FAX NO. 6082653175

P. 03

FISCAL ESTIMATE WORKSHEET

1999 Session

Detailed Estimate of Annual Fiscal Effect
DOA-2047 (R06/99)

Draft

ORIGINAL

UPDATED

CORRECTED

SUPPLEMENTAL

LRB Number
LRB-385/4

Amendment No. (if Applicable)

Bill Number

Administrative Rule Number

Subject

Transfer of Animal Health Laboratory to UW System

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs: <u>UW System Only</u>		Annualized Fiscal Impact on State funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$ 4,267,100	\$ - (See DATCP Submission)
(FTE Position Changes)		(80.5 FTE)	(- FTE)
State Operations - Other Costs		2,123,000	-
Local Assistance			-
Aids to Individuals or Organizations			-
TOTAL State Costs by Category		\$ 6,390,100	\$ -
B. State Costs by Source of Funds			
GPR		\$ 4,267,100	\$ -
FED		-	-
PRO/PRS		2,123,000	-
SEG/SEG-S			-
State Revenues		Increased Rev.	Decreased Rev.
GPR Taxes		\$ -	\$ -
GPR Earned			-
FED			-
PRO/PRS			-
SEG/SEG-S			-
TOTAL State Revenues		\$ -	\$ -

NET ANNUALIZED FISCAL IMPACT

	STATE	LOCAL
NET CHANGE IN COSTS	\$ <u>6,390,100</u>	\$ _____
NET CHANGE IN REVENUES	\$ _____	\$ _____

Prepared by: John Torphy	Telephone No. (608) 263-2509	Agency UW-Madison
Authorized Signature:	Telephone No.	Date

Senate Amendment 2

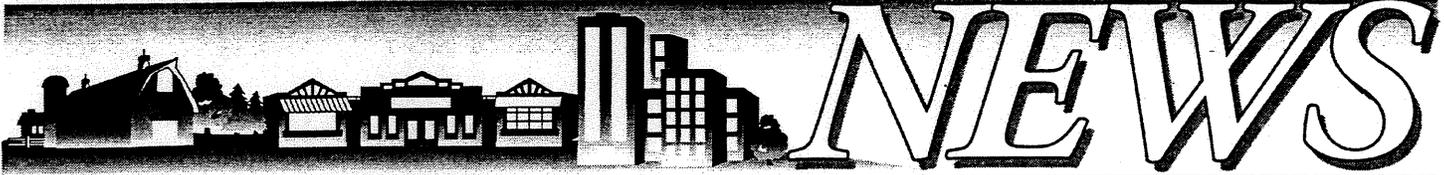
The bill transfers 25.5 positions from DATCP to the Veterinary Diagnostic Laboratory Board on July 1, 2000, converts 37.0 PR positions to GPR and creates 18.0 new GPR positions, for a total of 80.5 GPR positions in 2000-01.

Senate Amendment 2, which was adopted by the Senate, limits the authorized expenditures of the Veterinary Diagnostic Laboratory Board in 2000-01 to only that amount of GPR for salaries and fringe benefits of up to 65.5 FTE positions.

Fiscal effect

The description of Senate Amendment 2, above, notes the position authorizations in the bill. The bill appropriates \$4,267,100 GPR annually, commencing in 2000-01, and \$3,175,900 PR (the fee revenues at current fee levels).

With current fee levels, GPR constitutes 58% of the lab's budget under the bill, but fee reductions have been discussed, which could raise the GPR portion of the budget to 67%.



PO Box 8911 Madison, WI 53708-8911

Web site: <http://datcp.state.wi.us>

STATE RISKS LOSING 'FRONTLINE OF DEFENSE' IN GERM WARFARE
ECHINACEA COULD HELP SEED THE HERBAL INDUSTRY FOR THE STATE
INCOME TAX IMPLICATIONS SHOULD BE PART OF FARM TRANSFER PLANNING
BE WARY ABOUT TELEPHONE PESTICIDE SALES, STATE OFFICIALS WARN
THINK CHOCOLATE!

OPEN MEETING NOTICES

*File
Animal Health
Lab
APJ*

STATE RISKS LOSING 'FRONTLINE
OF DEFENSE' IN GERM WARFARE

JAN 28 2000

Release: 01/25/00
Contact: Robin Engel
608/224-5002

MADISON—How much would you be willing to spend to defend your family and community from an attack of germ warfare? The question will soon be put to Wisconsin legislators – not from the Pentagon, but from advocates for overhauling the state's animal health laboratory.

Billed as the state's "frontline of defense" in controlling animal diseases, especially those that affect humans, the Wisconsin Animal Health Laboratory has fallen on hard times in recent years and risks losing its accreditation and therefore its credibility and possibly its very existence. Proposed legislation to save the lab is expected to be filed this month.

"The laboratory's role reaches far beyond the customers it serves," said Ag Secretary Ben Brancel. "It safeguards the food supply for all of us by monitoring the health of the state's farm animals."

For example, every cow slaughtered in Wisconsin is tested for *brucellosis*, an illness that affects humans as undulant fever. Symptoms include chills, intermittent fever and sweating. In 1953, an estimated 7,000 herds in Wisconsin were infected with the bacteria. A concerted effort to rid the state of the disease paid off. Since 1984 Wisconsin has been a "brucellosis-free" state. (By contrast, Texas, Oklahoma, and Missouri have several infected herds.) The state's animal health lab plays a major role in maintaining that status.

Responding to growing concern among food safety experts about the presence of *salmonella* in eggs, the lab serves as the cornerstone of the state's voluntary Shell Egg Quality Assurance Program.

People who remember Milwaukee's 1993 *cryptosporidiosis* outbreak may be happy to know that the lab also monitors animals to control that nasty parasite.

Tuberculosis still rears its ugly head, appearing in several captive elk herds in the state over the past two years. Veterinarians from the lab collected the samples that detected the disease. The lab routinely examines carcasses when TB is suspected as the cause of death.

Last year, the lab performed 1.7 million tests to monitor approximately 150 different diseases.

"I cannot overestimate the value of a state-operated lab when it comes to early disease detection," said state veterinarian Dr. Clarence Siroky. "Without an efficient, convenient state-of-the art diagnostic laboratory, farmers will send their work out of state and we will lose the ability to know what's going on in our own backyard."

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WISCONSIN

State scrambles to save animal testing lab

Officials face October deadline to make upgrades

By STEVEN WALTERS
of the Journal Sentinel staff

NEWS IN BRIEF

Snowmobile accident

Two men have killed man

Waukegan, Ill. — An autopsy will be performed on the body of a 60-year-old Lancaster man who died in an apparent snowmobile accident.

Police say S. Jones was found lying in the snow next to the front of a home. He was taken to the Northwest Health Center, where he died. Authorities suspect that Jones drove his snowmobile into the bottom of a ravine Saturday, then walked to the top, where he apparently fell before midnight. Police found Jones after he drove his snowmobile in front of a store while pulling out a convenience store. Jones was taken away from an officer who had lost sight of him as he headed into a wooded area. Minutes later, police found Jones' body outside

Madison — The state agriculture secretary Monday called for a rescue plan to save and restructure the state animal health lab that tests animals for diseases and tests exports by Wisconsin's growing biotechnology industry to foreign countries.

To save the lab, Agriculture Secretary Ben Brancel wants legislators to transfer it to the University of Wisconsin System on July 1, approve the hiring of 18 additional staff members and spend money to study whether to remodel the 37-year-old lab or build a new one.

The Madison laboratory has been monitored closely over the last decade by the national group that certifies all government animal health labs. After expressing its concerns about the level of staffing at the lab and other concerns, the American Association of Veterinary Laboratory Diagnosticians put the lab on a one-year probation that is scheduled to end in Octo-

ber, Brancel said.

At that point, the association will decide whether to decertify the lab.

Brancel said the laboratory "safeguards the food supply for all of us by monitoring the health of the state's farm animals," but it is severely understaffed and limited in what procedures it can perform, which prompted the national association to put it on probation. For example, none of the lab's 60 employees has a doctoral degree; national standards suggest that four employees should have that advance training.

The lab also gets too much of its budget — about 63% — from fees charged for the tests, Brancel said. Surveys of 21 similar labs nationally show that they get an average of 34% of their budgets from fees, and the rest through a tax-funded subsidy.

The high fees the lab must charge to maintain its \$4.7 million budget caused the number

of tests performed to fall by 25% between 1992 and 1996, officials said. Wisconsin's average animal lab fees are among the highest in the nation, officials said.

Brancel said the lab tests cows for brucellosis, which can affect humans; eggs for salmonella that can sicken humans; and elk and other animals for tuberculosis. It also conducts tests for the cryptosporidiosis parasite that was a factor in more than 100 deaths of Milwaukee residents and sickened more than 400,000 in 1993.

It also does disease testing required by foreign governments before genetic products can be shipped into their countries, Brancel said. Foreign governments require that government labs, and not private ones, certify genetic materials as disease-free before they can enter their countries, he added.

Officials said it would be a crisis if the lab were decertified by

the American Association of Veterinary Laboratory Diagnosticians, which has asked for three reports this year on what progress is being made to improve the Madison lab while it decides whether to decertify it.

Decertifying the Madison lab would be "too terrible" to think about, said a leading Wisconsin animal geneticist, Bob Walton, retired president of American Breeder Service in DeForest. "If you didn't have that lab, it would be a mess."

Decertifying the Madison lab would be a major setback for Wisconsin's booming foreign exports of breeding animals, bull semen and animal embryos, Walton and other officials said. The lab conducted 1.7 million tests last year checking for 150 different diseases.

State officials said Wisconsin leads the nation in the export of dairy genetics, which is a \$56 million industry for the state. That accounts for about 60% of

the industry nationally. Wisconsin also exports about \$230 million in dairy products each year, or 25% of the national total.

Don Dykhouse, a veterinarian who is president of the Wisconsin Veterinary Medical Association, said the lab used to be unable to perform necropsies that determine why an animal had died because it had no way to safely dispose of infected carcasses.

To be put on one-year probation by the national group, the lab had to agree to resume necropsies, although available staff members and equipment put severe limitations on the procedure, Dykhouse said.

Dykhouse, of Glenwood City, said he and other veterinarians statewide have started lobbying legislators pushing for the improvement package recommended by Brancel.

Brancel said the Legislature must act before its scheduled spring adjournment. A public hearing on Brancel's plan is scheduled for Feb. 7.

Men in custody

Fatal hit-and-run

Two men were arrested in connection with a fatal hit-and-run in Waukegan, Ill. The driver of the car was charged with driving while intoxicated and reckless driving.

Lambeau/Draft of bill expected in a week



Schneider's expenses at the top again in '99

Gov. Tommy Thompson's budget for 2000 shows that Governor Schneider's expenses were the highest in the state again in 1999.

President's message

What's happening with the state lab?

As most of you are probably aware, the Wisconsin Animal Health Laboratory has been on probationary accreditation. This probation period was extended for 12 months in October.



Don
Dykhouse

As part of this extension, the Department of Agriculture, Trade and Consumer Protection (DATCP) must submit three reports to the accrediting agency in February, July and October of this year. In preparation for the February report, the Central Animal Health Lab in Madison has resumed necropsy service. A second requirement of that report is to have legislation in progress for the improvement and governance of the laboratory.

A new entity

Legislation will be introduced sometime in January, probably by the time this newsletter reaches you. Included in the draft legislation is a proposal for a totally

new lab entity that will be governed by a board of directors.

The board will consist of the DATCP secretary, the UW-Madison chancellor, the UW-SVM dean, a federal veterinarian and five users of the lab. Of the general board members, at least one must be a practicing food animal veterinarian, at least one must be an active food animal producer and one will be from industry. This board will be responsible for operating policies, developing budget requests and setting fees.

Part of the UW

All lab employees will be UW employees. With passage of the new legislation and already authorized positions, there will be approximately 18 new staff added. While the proposed legislation addresses the need for a new building, it does not delineate where the facility would be built.

Secretary of Agriculture Ben Brancel indicated that DATCP has no preference where the new facility would be located.

The officers of the WVMA and the members of the WVMA State Lab Ad hoc Committee have expressed the desire that the facility be built close to the SVM on the Madison campus.

Funding

Presently, most of the funding for the laboratory comes from user fees (about 65 percent). Under the new proposal, the laboratory would receive about 65 percent of its funding from general program revenues (your tax dollars at work) with the remainder coming from service fees. This will allow for a more stable employee base, better service and bring Wisconsin's lab in better alignment with other state labs.

What we need to do

For Wisconsin to have a world class laboratory, all Wisconsin veterinarians will need to work together to get this legislation passed and signed into law. Within the next few weeks, the officers, WVMA staff and our lobbyist, Martin Schreiber, will be making appearances at the capitol to support this project. BUT the most important influence will come from individual practitioners contacting their local legislator and encouraging them to vote in favor of this bill.

Many members of the Joint Finance Committee in the Legislature are from metropolitan areas, so veterinarians in companion animal practice will be a necessary part of this campaign.

Those of you who are part of the WVMA Legislative Network will be receiving information on this legislation soon. Please read it and respond quickly by contacting your legislators. If you are not part of the Legislative Network and want to help, please call the WVMA office and sign up.



February 3, 2000

State of Wisconsin Senate Committee on Agriculture,
Environmental Resources, and Campaign Finance Reform
State of Wisconsin Assembly Committee on Agriculture

Honorable Ladies and Gentlemen of the Committees:

I regret that a schedule conflict prevents me from being with you for your hearing regarding legislation for a new Wisconsin Animal Health Laboratory. Consequently, I am using this letter to indicate my support for this important initiative.

As Wisconsin's School of Veterinary Medicine, we are keenly aware of our role in supporting animal and human health, and we have appreciated the opportunity to be engaged as part of the Department of Agriculture, Trade and Consumer Protection's planning process for a new Laboratory. This has been an excellent example of a state agency, the university, and the private sector working together to meet the current and future needs of this state.

The statistics which demonstrate the importance of agriculture, and particularly animal agriculture, to the Wisconsin economy are often quoted and are well known to all of you. The economic health of Wisconsin agriculture depends heavily on the ability to export products around the world. While international trade agreements offer tremendous opportunities to Wisconsin, those opportunities are tightly controlled and regulated, whether by the European Community or similar trade groups. A common characteristic of these agreements is that access to markets depends on the exporting state or nation being able to meet specific conditions. For example, the State of Wisconsin must be able to provide official, verifiable surveillance and diagnostic data to demonstrate and verify the absence or incidence rate of specific animal diseases. Without such data, provided by an official source acceptable to the importing country or trade group, non-tariff barriers to importation are invoked, and entire export markets are curtailed or completely lost.

Economics aside, we live in a society so accustomed to a plentiful, inexpensive, and safe food supply and the control of diseases affecting animals and humans that it often takes these circumstances for granted. There is, in fact, no reason for such complacency. Interstate movement of livestock, livestock products, and humans continues to be a potential mechanism for the spread of disease within the United States, a long recognized issue which led many years ago to the creation of specific regulations and health certification requirements for the interstate movement of livestock. However, high speed transportation, international trade agreements, and the explosive increase in the movement of humans, animals, and animal products have expanded the potential source of diseases to the entire world. It is a sobering reality that animal diseases which are now unknown in the United States and Wisconsin are only an airplane ride away. Equally sobering, some of these diseases are zoonotic, or diseases which may be transmitted to humans.

School of Veterinary Medicine
Office of the Dean

We must therefore ask the question: If a disease not now present in Wisconsin were to be introduced by accident or by intent from any source, will we be able to diagnose the problem and respond in a timely way? If the answer is to be yes, we must have a high quality, effective response network, a network which is an amalgamation of the private and public sectors. For example, the first individuals who may note the presence of this new disease are likely to be the animal owner, whether an agricultural producer or a pet owner, and their local veterinarian. The Wisconsin Animal Health Laboratory, through their provision of testing and necropsy services, is the next link in the network. Consequently, the Wisconsin Animal Health Laboratory is critically important for both animal and public health. I use the term critical because I do not believe there is a truly viable alternative, for several reasons. Much of the regulatory and diagnostic testing and analysis conducted at the laboratory is costly, varied, highly specialized, and for many tests, on a limited scale, all characteristics which do not lend themselves to privatization. In addition, the acceptability of disease incidence and quality assurance data from a private, non-governmental laboratory to our international trading partners is low. While the possibility of sending samples and materials to other state diagnostic laboratories around the country might be considered, that will not provide the degree of responsiveness, especially in a crisis, that is required for Wisconsin in today's environment.

Within Wisconsin, there is no counterpart to the Laboratory. The School of Veterinary Medicine was directed and funded from its conception to avoid duplication of activities of other state agencies, including the Laboratory. The design and size of the School's physical plant, the level of staffing, and equipment were built around that directive, so the School simply does not have a laboratory which could fulfill the functions of the Wisconsin Animal Health Laboratory.

In summary, the Wisconsin Animal Health laboratory is an irreplaceable element of infrastructure which supports animal health, public health, and the Wisconsin economy. We cannot afford, literally and figuratively, to lose that infrastructure. I believe that this legislation is a well conceived, cost-effective plan for a new veterinary diagnostic laboratory which can serve the needs of Wisconsin now and in the future, and I hope it will gain your full and unqualified support.

Sincerely,


Daryl D. Buss, DVM, PhD
Dean

**Testimony in Support of
SB 358**

Presented 7 Feb 2000

to

**Wisconsin Senate Committee on Agriculture, Environmental Resources and Campaign
Finance Reform, Sen. Alice Clausing, Chairperson**

Wisconsin Assembly Committee on Agriculture, Rep. Alvin Ott, Chairperson

by

**Thomas Howard
Regulatory Affairs
Gala Design LLC
Sauk City, WI**

My name is Tom Howard, and I am presenting this testimony on behalf of Gala Design LLC, an animal biotechnology company located near Sauk City. Our business is the production of pharmaceuticals and other high value proteins from the milk of transgenic dairy cattle. Gala Design, and similar companies in Wisconsin represent the newest element of the livestock genetics industry in our state.

I want to thank the committee chairs and many co-sponsors of SB 358 for bringing this legislation forward. Thanks are due as well to Secretary Brancel, Dean Daryl Buss, and their respective staffs, for the creativity and hard work they have brought to this effort to address the crisis in Wisconsin's animal health diagnostic service. This legislation will change the administration and funding of the Wisconsin Animal Health Laboratory (WAHL) in order to assure it can meet needs for animal health diagnostic services and disease surveillance that have changed fundamentally as our state has changed. New ways of administering and funding these services are needed, not just to preserve accreditation of the WAHL, but to ensure adequate disease surveillance, adoption of new technologies, recruitment and retention of staff, and to meet changing customer needs and expectations.

Gala Design and its peer companies intend to build a pharmaceutical production industry in Wisconsin, based on transgenic livestock, that utilizes our state's material and human resources in livestock production and management. We do business in a regulatory environment that combines traditional agricultural animal health requirements with those mandated by the US Food and Drug Administration in its Current Good Manufacturing Practices (cGMP) quality regulations (Chapter 21 Code of Federal Regulations). Among many other things, cGMP's mandate many aspects of our quality assurance and quality control programs. Included are such practices as procurement procedures for animals, biosecurity, disease surveillance, and many other aspects of the quality and safety of the raw material (milk) from which pharmaceuticals are produced.

We are mandated to qualify all entities that provide goods and services to our livestock units. In this context, continuing accreditation of the WAHL is absolutely essential. If WAHL is not accredited by a recognized national organization, Gala Design's only option is to take our diagnostic business elsewhere. Obviously, lack of an accredited laboratory resource would reduce the attractiveness of Wisconsin to animal biotechnology companies needing qualified, nearby diagnostic support. To provide a specific example of our industry's diagnostic needs, one production process requires deployment of a molecular diagnostic probe for bovine viral diarrhea virus, with an absolute requirement for receipt of a report within the one week period between the time a bovine ovum is fertilized in vitro and the time it is ready for transfer into a surrogate dam. We can obtain this service outside Wisconsin, but several aspects of our production process would be better served if we could obtain that service from a modern WAHL.

WAHL may be in crisis, but it possesses a core of excellence in several disciplines that continue to be important to producers, public health, the genetics industry, and livestock exporters. However, it needs

stable funding, administrative flexibility, new technology, adequate facilities, and specialist professional staff. The erosion in all these areas that has occurred over the past 25 years, including 3 years on my administrative watch, will not be turned around overnight, but if SB 358 does not pass, turnaround won't happen at all. ***This legislation is the best, and probably the last opportunity to provide a modern diagnostic laboratory in Wisconsin.*** What's at stake is not just the interest of livestock producers, veterinarians, or companies like Gala Design. Animal health, including wildlife health, is linked to the public health, food safety, and quality of our environment. All citizens of Wisconsin have a vested interest in WAHL.

In my opinion, the administrative structure proposed in SB 358 is 'win-win' for the taxpayers, the laboratory, its customers and staff, the UW system, and the state's public health and business climates. A strong link to the UW system and liberation from the existing personnel system will fundamentally improve the prospects for recruitment and retention. In other states, diagnostic laboratories linked to the land grant university system have been able to meet new agriculture and public health needs, recruit new people, adopt new technology, and provide diagnostic service that is better integrated with other centers of animal health expertise, such as veterinary schools. We in Wisconsin would be foolish to turn our backs on an alternative model for providing diagnostic service that works. WAHL and its people have served us well under tremendous and growing handicaps, but it's time for a change, or WAHL will die.

Thanks to so many of you for supporting this legislation. Please approve SB358 without delay and to work hard with your colleagues to assure passage in both bodies of the Wisconsin Legislature.



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Executive Director

Hearing before the Senate and Assembly Committees on Agriculture

Monday, February 7, 2000
Senate Bill 358

My name is Chet Rawson. I am a dairy veterinarian from Hazel Green who is representing the Wisconsin Veterinary Medical Association as its immediate past president. I am pleased to speak in support of Senate Bill 358 that creates a new oversight system for the Wisconsin Animal Health Laboratory.

This bill is long overdue and should be passed as expeditiously as possible.

Before I begin my remarks, I would be remiss if I did not, on behalf of the 1,757 members of the WVMA, thank Senator Clausing and Representative Ott for your courage and leadership on this important issue. You understand the positive impact a new and improved animal health lab will have to Wisconsin's farmers, to food safety, to public health and to the economy. The Wisconsin Veterinary Medical Association applauds you for these efforts.

In February 1988, the WVMA asked then Agriculture Secretary Howard Richards to evaluate the animal health laboratory. Our concern included untimely and inaccurate test results and understaffing. A task force was created whose recommendations included requests for new equipment and 14 new positions. We came to the legislature to seek the creation of these positions. We were successful. However, no GPR funds were appropriated, and higher fees and insufficient total program revenues led to inability to fund all 14 new positions.

The result was that many of the state's veterinarians began sending their samples elsewhere. In food animal medicine, the samples often went to Cornell, Purdue, the University of Minnesota or South Dakota State University. For companion animal medicine, new labs filled the void. Marshfield Labs, for instance, has a daily courier service around the state. They pick up samples and fax the results within 24 hours. In contrast, the Wisconsin Animal Health Laboratory has been unable to respond to the changing needs of agriculture and veterinary medicine because it has been chronically

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underfunded. Other laboratories with more stable funding and a more flexible and responsible administrative structure have responded to those needs.

Wisconsin's veterinarians need to send their samples to the state lab. We need the confidence of knowing the results will be accurate. We need the people running the lab to have a foot in research and be available to answer questions that go beyond the test result.

A healthy functioning diagnostic lab is essential in maintaining a healthy productive livestock population in Wisconsin. It also plays an important role in tracking and diagnosing those diseases that affect domestic animals, wildlife and humans by identifying and responding to transmittable diseases such as TB, rabies, salmonella, cryptosporidia and E. coli.

If this bill is not passed, Wisconsin is in danger of weakening its dairy and processed meat industries, as other countries require tests from nationally accredited labs. According to the Wisconsin Department of Commerce, dairy ranks as the state's second largest industry with \$8.5 billion in shipments. The processed meat industry accounts for \$4.5 billion. Together we are talking about the possibility of weakening Wisconsin industries that bring in \$13 billion!

We strongly support transferring the authority of the lab from DATCP to the University of Wisconsin. This move would place the Wisconsin Animal Health Laboratory on equal footing with all other Midwestern states that have veterinary medical schools.

The benefits of bringing the lab under the University of Wisconsin-Madison are great. It provides an opportunity to attract the best and the brightest veterinary pathologists who are interested in research. As a side benefit, it would allow the students at the UW School of Veterinary Medicine to have greater access to gross pathology and laboratory diagnostics, thereby putting them on par with graduates from other veterinary colleges around the country.

We in agriculture have an obligation to the people of Wisconsin to educate those who do not know why the animal health lab is important to all of us. Wisconsin veterinarians are willing and eager to be resources to you and your colleagues.

Thank you for giving me this opportunity to speak on a topic that is near and dear to my profession. I would be happy to answer any questions you may have.



Wisconsin Cattlemen's Association

P.O. Box 868 • New Glarus, WI 53574 • 608-527-5747 • Fax 608-527-3010
e-mail wbia@utelco.tds.net

February 7, 2000

TO: Members, Assembly Committee on Agriculture and
Senate Committee on Agriculture, Environmental Resources and Campaign Finance Reform

FROM: Wisconsin Cattlemen's Association and Wisconsin Beef Improvement Association

RE: Support of SB 358

The Wisconsin Cattlemen's Association and the Wisconsin Beef Improvement Association whole heartedly support and strongly urge you to support Senate Bill 358. The success of this legislation will help to ensure the future of animal agriculture in Wisconsin by serving the needs of its animal and public health customers.

The big criticism of the WAHL, by beef producers has been that the costs of doing business with the lab have been very expensive and the turn around time has been faster elsewhere. SB 358 addresses both of these issues very well. Faster turn around time, lower costs along with the fact that the lab would start to do necropsy's again are very important to us in the livestock industry.

Wisconsin has a strong reputation in the area of animal health, which puts it in a favorable position to market to countries like Australia, Canada, Chile, China, and the European Union. All these importing nations place varying degrees of restriction on imports of cattle, semen, and embryos based on health requirements. USDA recognizes 17 states of the upper NE quadrant as being "low-incidence" for bluetongue. These states have 2.5 million beef cows of which Wisconsin follows only North Dakota, Minnesota, and Ohio in size. Wisconsin has 7.7% of the beef cows in the "low incidence" zone. Even nearby states Iowa, Illinois, and Indiana with large beef populations face animal health restrictions in one or more international markets that do not apply to Wisconsin cattle, semen and embryos.

Wisconsin's favorable bluetongue status does create an umbrella under which some niche marketing opportunities could be exploited. For example, the five AI centers in the state maintain large EU-qualified herds of dairy bulls, along with a few qualified beef bulls that have been identified on an opportunistic basis. For certain breeds, notably Angus and Polled Hereford, there are EU markets for relatively small amounts of semen and embryos at good prices.

With respect to markets elsewhere, such as Chile, Australia, New Zealand, and Argentina, it is interesting that AI centers in Wisconsin are among the very dominant exporters. An example of the potential that can be achieved is an Angus bull bred by John and Marty Anderson, performance tested at the WBIA Test Station in Platteville, then purchased by ABS. For several years during the middle '90's this bull was a dominant AI Angus sire in several countries.

Even sales to Canada from Wisconsin are easier than for many of the major beef states. Our cattle can go to Canada after a single group of tests year-round, with no delay and isolation period for repeated tests. If an outside diagnostic lab does this work, Wisconsin producers will lose these valuable markets.

Wisconsin beef cattle are among some of the very best in the nation as evidenced by the many Wisconsin produced beef bulls that have been purchased by AI organizations from the Wisconsin Beef Improvement Association's performance tested bull sale.

Wisconsin's beef industry has a strong history of beef cattle improvement in that they developed the first beef bull test station in the nation, 43 years ago. Since that time numerous bulls have been sold to AI organizations throughout the United States. A good example of these outstanding beef genetics is the GT Max bull. He was the

number one bull in the Angus breed with the most calves registered three years ago. In fact, 4 out of every 90 calves registered in the Angus breed today are sired by a bull bred by a Wisconsin beef breeder. There are many other examples of Wisconsin breeders that have sold outstanding bulls to AI organizations through the Wisconsin Bull Test program. If Wisconsin loses the accreditation status and an outside diagnostic lab does this work, Wisconsin beef producers will lose these valuable markets.

Food safety is an issue that is paramount in the minds of Wisconsin livestock producers. We are diligently working to keep your food supply safe. The animal health lab is like an early warning system for human safety. It allows for the early detection of animal diseases that are linked to human disease. An animal diagnostic lab adequately staffed with a quick turn around time is of benefit to all-Wisconsin residents.

The bottom line is that Wisconsin needs a well-staffed modern facility for agribusiness to thrive in Wisconsin. The Wisconsin Cattlemen's Association and Wisconsin Beef Improvement Association have made this a key priority in this legislative session. Will you please do the same!



WISCONSIN FEDERATION OF COOPERATIVES • 30 West Mifflin Street, Suite 401 • Madison, WI 53703 • Phone (608) 258-4400

Date: February 7, 2000

To: Members, Assembly Committee on Agriculture and
Senate Committee on Agriculture, Environmental Resources and Campaign Finance
Reform

From: John Manske, Director of Government Relations

RE: **Support of SB 358**

Among the members of the Wisconsin Federation of Cooperatives are the animal genetics cooperatives Genex/CRI of Shawano, Accelerated Genetics of Baraboo, and East Central Select Sires of Waupun. Together and individually, they represent an important part of the genetics business in Wisconsin that accounts for 60 percent of the total U.S. dairy genetics exports. They truly represent an agricultural export success story for Wisconsin. The genetics exporters will have to be counted on if Wisconsin is to double state agriculture exports by the year 2002, a pledge made by Governor Thompson in his 1998 State of the State address. They will have to be counted on if Wisconsin is to have a strong future in animal agriculture. But where will their export products be tested? And why does it matter?

Thank you to the co-chairpersons for holding a joint hearing on SB 358 today. Thanks to all of you who have signed on the bill and indicated your support for this animal diagnostic lab partnership between DATCP, the School of Veterinary Medicine and lab customers.

Many times I've heard legislators ask what the state can do to help out the animal producer and the industry that is dependent upon a healthy producer base. This bill is one opportunity to make a stand for the producers and a commitment to a brighter future for Wisconsin's animal agriculture.

Long before the Wisconsin Animal Health Lab (WAHL) suffered its current probationary accreditation, it was failing in its mission "to provide leadership and excellence in diagnostic, consultative and investigative services, education and research."

For several years, our members have been forced to export some of their lab test business as service, test accuracy and turn-around time have diminished. Antiquated facilities and equipment and lack of sufficient highly trained staff have meant New York, Iowa and other labs that are superior in service and cost for tests are now testing a growing portion of Wisconsin's genetics industry samples.

SB 358 does require a commitment of additional financial resources from the state. But it is not that large when compared to the cost of not regaining the accreditation from the American Association of Veterinary Laboratory Diagnosticians (AAVLD). And SB 358 just gets Wisconsin to the nationwide average for state support of government animal health labs.

The testing of Wisconsin genetics export products will evaporate from the Wisconsin lab if full accreditation is not restored. This is not a threat. It is just a stated necessity. No options would remain for an industry that must rely on government accredited laboratories for its export marketplace. The complete exit of genetics tests would likely begin the collapse of the Wisconsin lab, as 40 percent of the lab business would be gone. And in most cases, the genetics industry covers their test costs through fees. Greater state support would be needed to assist producers with some test costs; or else producers would face ever increasing and ultimately unbearable test fees. However, when SB 358 is passed and critical reforms are made to create the Veterinary Diagnostic Laboratory, the probability exists that genetics samples lost from WAHL testing will return to Wisconsin. Instead of a diminished base of users, the result should be increased utilization from various sources, including genetics testing for export.

The key outcomes from passage of SB 358 will be: a long-term, stable financial plan; improved quality of service with shorter test turnaround time; industry input through the board; and a much improved outreach plan with preventive, consultative and shared research aspects.

Please support this critical and well-designed proposal. Thank you.

Date: 2/7/2000

To: Members, Assembly Committee on Agriculture and
Senate Committee on Agriculture, Environmental Resources and Campaign Finance
Reform

From: **Coalition In Support of Veterinary Diagnostic Laboratory**

RE: Support of SB 358

As supporters of the DATCP and UW proposal to create a veterinary diagnostic laboratory board and secure a firm future for a veterinary diagnostic laboratory in Wisconsin, **we strongly urge you to support Senate Bill 358**. A key component of SB 358 is that laboratory customers will fill a number of the seats on the board. The legislation is crucial to restoring full accreditation to Wisconsin's Animal Health Lab. Only then will Wisconsin be able to serve the needs of its animal health and public health customers in this century. We firmly believe that the success or failure of this legislation will be a defining moment for the future of the animal agriculture industry in Wisconsin.

Thank you to those of you who have authored or co-authored this legislation.

Midwest Food Processors Association
National Farmers Organization
Wisconsin Agribusiness Council
Wisconsin Agri-Service Association
Wisconsin Beef Improvement Association
Wisconsin Cattlemen's Association
Wisconsin Cheese Makers Association
Wisconsin Cranberry Growers Association
Wisconsin Farm Bureau Federation
Wisconsin Farmers Union
Wisconsin Federation of Cooperatives
Wisconsin Fertilizer & Chemical Association
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Wisconsin Pork Producers Association
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Wisconsin Veterinary Medical Association



WISCONSIN FARM BUREAU FEDERATION[®]

P.O. Box 5550 • 1212 Deming Way • Madison, WI 53705 • 608-836-5575

TO: Members of the Senate Agriculture Committee
Members of the Assembly Agriculture Committee

FROM: Paul Zimmerman 

DATE: February 7, 2000

RE: Support SB 358 - Animal Health Lab Legislation

On behalf of the members of the Wisconsin Farm Bureau Federation (WFBF), I wish to express our support for SB 358, which would update Wisconsin's Animal Health Lab (WAHL).

If the accreditation for WAHL is lost, the future of animal agriculture and related industries in Wisconsin would be jeopardized as follows. Testing and monitoring for livestock diseases and food safety would be inadequate. Thus putting the future of the livestock slaughtering industry in Wisconsin in doubt. On farm disease testing and prevention would become too expensive. Possibly limiting, if not preventing, the interstate and international movement and sales of livestock. Wisconsin's genetics industries would also be placed in a similar situation.

As you can see, modernization of WAHL is not just a rural issue. But rather economic infrastructure requirement that must be done to keep Wisconsin jobs in both rural and urban areas.

Passage of SB 358 is paramount to Wisconsin's livestock industry and food safety efforts. Again, I respectfully request your support for this legislation and urge you as agriculture committee members to oversee its passage yet this session.

Thank you for considering our views. If you have any questions or comments, please do not hesitate to contact me.

7 February 2000

To: Members of the Wisconsin Legislature

**RE: Testimony regarding bill to transfer the Animal Health Laboratory to the
Veterinary School at the UW-Madison**

Who Am I? Ronald H. Laessig, Ph.D. (20 + 14)
Director, State Laboratory of Hygiene

The State Laboratory of Hygiene is the "**PEOPLE**" health laboratory of Wisconsin

The proposed action would in effect require the *Animal* Health Laboratory to adopt the State Laboratory of Hygiene Model.

YES--It can work effectively. It has worked effectively for over 97 years for us.

The "Mission" of the Animal Health Laboratory as articulated in the proposed bill is very compatible with this type of administrative arrangement.

Currently, the State Lab of Hygiene, also an "attached agency" to the University, submits its budget, created by its board, directly to the Department of Administration. I assume the intent is to have the Animal Health Laboratory do the same. Very important.

The State Laboratory of Hygiene is the "official State laboratory" for the Departments of Health and Natural Resources. Our mission also includes contributing to the research and outreach of the University. We serve a wide variety of local health and environmental agencies and the public as well.

This is basically a balancing act – it is the director's job!

The director of the Animal Health laboratory will have to view the Department of Agriculture as his/her main customer and create a similar balancing act.

It is possible to accomplish this balancing act. It is the Director's job.

Finally, as a laboratory director, I can assure you that the budget of the Animal Health Laboratory is not, at present adequate. I note that the proposed bill addresses this. It is essential that this be included.

I urge your favorable consideration.

UNIVERSITY OF
WISCONSIN
M A D I S O N

Ronald H. Laessig, Ph.D.
Director, State Laboratory of Hygiene
Professor, Pathology and Preventive Medicine

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Wisconsin's Public & Environmental Laboratory





Wisconsin Agribusiness Council, Inc.

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Joint Hearing of the Senate and Assembly Agriculture Committees February 7, 2000

Testimony of Amy Winters, Vice President of Government Relations on Senate Bill 358 relating to animal health testing and diagnosis, creating a veterinary diagnostic laboratory board and making an appropriation

Chairperson Clausing, Chairperson Ott, thank you for holding this joint committee hearing on Senate Bill 358 and showing your commitment to providing excellent diagnostic service to Wisconsin's livestock and poultry industry.

The Wisconsin Agribusiness Council represents businesses at all levels of the animal agriculture chain, from the producer, to the processor.

The services provided by the Animal Health Lab are an instrumental part of Wisconsin's animal agriculture industry. The lab not only helps protect consumers by ensuring that meat and poultry products are safe, they also allow the producer and processor to remain profitable by helping to maintain the integrity of their product and the ability to open markets to other countries.

Meat and poultry products account for a third of consumer spending for food, with an annual retail value of \$120 billion nationally. The animal agriculture industry comprises 73 percent of Wisconsin's total farm income.

Prevention in livestock of potential human foodborne pathogens and protecting the public from foodborne illness is a necessity for maintaining the national prominence Wisconsin has achieved for its animal agriculture industry and the products they produce.

Wisconsin has several companies that continue to make the top 100 list of meat and poultry companies. To keep these industry leaders in the state, it is essential that we provide the resources they need to stay competitive.

To mention just a few Agribusiness Council Members:

The Turkey Store has been recognized as "Supplier of the Year" and "The Food and Agriculture Industry Exporter of the Year." They export to all parts of the globe. About 18% of the company's total production is exported. They process the largest commercial tom turkeys in the world and have built an international reputation based on their turkey meat's attributes.

Packerland Packing is another example of one of our state's industry leaders that depend on a reliable high quality product coming from the farm. Like other slaughter facilities, Packerland is jockeying for position both domestically and internationally in an unpredictable beef marketplace.

One of the largest beef processors in the US, Packerland Packing slaughters about 5,200 head of cattle a day and sells its boxed beef in the US and over 40 other countries.

Johnsonville Foods who is tapping into new markets everyday is ranked #1 in the dinner link category and #2 in breakfast links in the country.

Each of these companies has excelled in their market areas because of the high quality standards we have been able to maintain in Wisconsin. Dan Sutherland, from Johnsonville commented that Wisconsin companies have been able to command a higher price for their products because of this commitment to excellence and the niche markets that have been created.

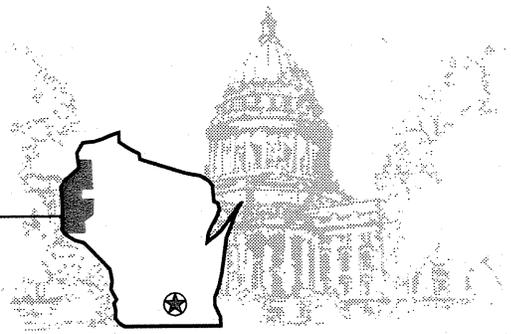
Because of increasing concerns about food safety both domestically and abroad, the need for accredited lab tests are becoming necessary for manufacturers to satisfy export requirements and retain consumer trust. Accreditation may be costly, but it benefits the public as a whole by raising confidence in lab test results. Product acceptance or rejection can depend on lab results.

Thank you for your support of Senate Bill 348. The swift passage of this bill will ensure that Wisconsin continues to provide a safe food supply to the world and that we foster one of the most competitive animal industries in the world.



Alice Clausing

WISCONSIN STATE SENATOR



**Testimony of State Senate Alice Clausing
In Support of SB 358 – Animal Health Testing & Diagnosis
February 7, 2000**

I would like to begin by thanking the members of the Joint Senate and Assembly Committees on Agriculture for the opportunity to speak on this matter of vital importance to the animal agriculture industry in Wisconsin. As you all know, I am State Senator Alice Clausing and I Chair the Senate Committee on Agriculture, Environmental Resources and Campaign Finance Reform.

My remarks will be brief. There will be numerous other speakers who will address the merits and details of SB 358. However, I would like to take a few moments to provide my perspectives.

Over the last two decades we have witnessed dramatic changes in agriculture, not only in Wisconsin, but also across the country and around the world. Like most other industries, agriculture must now compete effectively in the global marketplace if it is to survive. Sometimes we overlook how important agriculture is to the overall economy of this state and to the continued prosperity of our rural communities. Dairy farming alone contributes \$10 billion a year to Wisconsin's economy and the genetics industry of this state accounts for 60% of total U.S. dairy genetics exports. In addition, animal agriculture accounts for 73% of the state's total farm income.

The animal agriculture industry is already facing tremendous hardship. For example, in the dairy industry, December milk prices plummeted to \$9.63, the lowest level in more than 25 years. During the 1990s, Wisconsin lost 13,395 dairy farms or 39% of the farms that were in existence in 1989. The loss of accreditation to our animal health lab would be a further hardship for Wisconsin farmers and could effectively jeopardize our



animal agriculture industry in the world marketplace. The high possibility of the exodus of the animal genetics industry from our state is real – imposing yet another hardship on Wisconsin farmers. Confidence over the health safety of our animals and products is paramount to our ability to the marketplace worldwide. We need to reaffirm our commitment to the farmers of this state as we head into the new millenium and demonstrate our willingness to respond to the challenges of modern day agriculture. SB 358 is the first step in that direction.

As I said at our first hearing on the animal health lab in December, “Wisconsin needs a *world class* diagnostic laboratory that meets, if not exceeds, the requirements for full accreditation and that will ensure the competitiveness of our animal agriculture industry well into the next millenium.” However, I also voiced a cautionary note that any proposal coming forward should not include any extravagances that could raise red flags and stand as barriers to swift passage. SB 358 meets those requirements.

SB 358 demonstrates the state’s commitment to our animal health lab by committing significant GPR funding for staffing the laboratory and significantly reducing the reliance on user fees. The bill will enable the animal health lab to attract additional staff with greater levels of expertise and experience to meet the requirement for higher level professionals in supervisory positions. Additional staff will also increase the lab’s ability to expand testing, diagnostic and consulting services. By transferring the operation of lab to the UW system we can take advantage of the expertise that that institution has to offer. In addition, the increased revenues from the state will allow user fees to be dedicated to purchasing modern day diagnostic equipment and technology for the lab. Finally, SB 358 enhances the state’s ability to address food safety issues that are of vital importance in protecting the public health and providing assurances to consumers that the food they eat is healthy, safe and nutritious. Most importantly, the bill meets the requirements necessary for full accreditation.

I urge you to support passage of SB 358. We have very little time to make this a reality. It is encouraging that we have genuine bi-partisan support for this proposal in

X Feb. 15, 2000

both houses of legislature. I intend to take quick executive action on the proposal. We will need all of your support and involvement to ensure passage in this legislative session.

In closing I would also suggest that we use the momentum being generated by SB 358 to continue our dialogue on how we can more effectively support the farmers of this state as they confront the challenges of agriculture in the new millenium.

Thank you for your consideration. I would be happy to answer any questions that you may have.

Comments on Bill 358

Thomas Lyon, CEO

Cooperative Resources International

Shawano, WI 54166

February 10, 2000

My name is Tom Lyon, I am Chief Executive Officer for Cooperative Resources International, an agricultural cooperative representing 58,731 members in the US. (About 15,000 in Wisconsin). CRI provides products and services, including cattle genetics in the form of semen and embryos to farmers and ranchers across the U.S. and around the world. Our headquarters and main operations are located in Shawano, Wisconsin. This year CRI will generate approximately \$90M in revenue.

I am here today to speak in support of the legislative proposal to create a partnership between the Wisconsin Animal Health Laboratory and the UW-System's School of Veterinary Medicine.

The accreditation, structure and function of the Wisconsin Animal Health Laboratory are very important to the success of our business operations. CRI and its predecessors have used the services of the Wisconsin Animal Health Laboratory for more than 50 years. The diagnostic services provided by the lab have been crucial in protecting the health of our bull herd and in protecting the health of herds that use our genetics. The lab has been highly instrumental in diagnostic testing that facilitates export of our products as well.

Animal agriculture is an important, integral part of Wisconsin's economy, accounting for 73% of the state's total farm income. Wisconsin dairy farm cash receipts exceeded \$3.4 billion in 1998.

Animal agriculture in the U.S. and Wisconsin is changing rapidly. The number of producers involved in animal agriculture is declining. A significant number of the remaining producers are expanding the size of their herds. Because of greater concentrations of animals on fewer farms, there is a greater need for producers to monitor and control the health of animals in their herds, to protect their substantial investment and, more importantly, to protect public health.

Consumers are demanding the best food safety that science can offer.

The Animal Health Lab and the School of Veterinary Medicine can and should play a role in each of these areas, by implementing a science-based food safety strategy from Farm-to-Table. The quality of the finished product is directly dependent on the suppliers of the raw material. Historically, most of the stress on food safety has been from the packing plant to the kitchen. The shift in emphasis to the farm means that producers need to be informed about various foodborne pathogens and specific issues that can impact production animal agriculture.

State level partnerships can bring together representatives from industry, government, and academia to address common issues and build consensus. All parties share the same end goal of providing consumers with the safest possible food.

I foresee the proposed structure improving producer awareness of the need to control and prevent animal disease. The foundation of a good program centers on education and training. Technical information needs to be delivered effectively to producers. Producers need to understand the purpose and objective of certain management practices. I believe the proposed structure, placing diagnostic services within the School of Veterinary Medicine, can foster educational outreach programs.

I believe the Citizen Review Board will provide positive direction and focus to the lab and help insulate WAHL from being a political lightning rod when dealing with regulatory issues.

Also the proposed structure would bring the diagnostic resources of both the Veterinary School and the Laboratory into one place. I expect the association with the Vet School to make recruiting and retaining high caliber Laboratory employees easier. Veterinarians with advanced training in diagnostics and pathology should find appointments that call for association with both the Veterinary School and the diagnostic lab more rewarding and challenging than positions confined to the diagnostic laboratory.

Let me address, for a moment, the importance of the diagnostic lab to the business I work for. Wisconsin is home to some of the best bulls in the world. Roughly, 45 to 50% of the U.S. bulls involved in artificial insemination reside in Wisconsin. The demand for genetics from these bulls is widespread. Last year we exported semen and embryos to 58 countries. Income from the sale of semen and embryos underwrites the costs of products and services provided to

Wisconsin producers. In addition, these revenues have been reinvested in Wisconsin in property and equipment, and used to create Wisconsin jobs.

Today the export of germplasm is highly important to the artificial insemination businesses in the state, accounting for over \$50M in revenues to Wisconsin business. All importing countries require at least some diagnostic testing on the donor animals to prove that they do not pose a risk of transmitting disease. Some countries require extensive testing of donor animals. Universally, all importing governments stipulate that the testing be done in an accredited laboratory. For us to export our product we simply must have our tests conducted in an accredited laboratory. If the Animal Health Laboratory permanently loses its accreditation we will have no other alternative than to conduct our tests at an out-of-state lab.

Twenty-five years ago the Wisconsin Animal Health Laboratory had the reputation of being one of the finest animal diagnostic laboratories in the country. WAHL was a leader. However, more recently, both its reputation and service have declined. In 1999, we conducted over 33,000 different diagnostic tests on our bull herd to ensure that it is free of disease and to make our products eligible for export. We now elect to send more than 15% of our testing needs to out-of-state labs because of poor turnaround time and inconsistent results-- money and service that we would like to keep within Wisconsin, if at all possible.

The United States has long been considered the leader in world dairy genetics. A 1990 survey showed that 88% of the top bulls were from the U.S. As a result, U.S. dairy semen has been successfully exported to countries desiring to achieve

similar dairy production results. Over the last 18 years the revenues generated from semen exports has increased over 360%.

Artificial insemination in cattle has been a rapidly growing practice worldwide during the last two decades. The world dairy herd is currently about 300 million animals. Nearly 100 million cows are bred by artificial insemination annually. Adoption rates for artificial insemination is over 90% in some countries, but the worldwide adoption rate is only about 33%. The world market for dairy semen still has plenty of potential for growth. CRI intends to be part of that growth.

Ladies and gentlemen, failure to act on this bill will result in the loss of the diagnostic lab's accredited status. If that happens, all of our diagnostic needs will have to be met using out of state laboratories.

I urge you to adopt the bill before you, not simply because it is the right thing to do for us, but it is the right thing to do for all the citizens of the State of Wisconsin.

CORRESPONDENCE/MEMORANDUM

State of Wisconsin

DATE: February 14, 2000

TO: Senator Alice Clausing, Chair, Senate Agriculture, Environmental
Resources Campaign Finance Reform Committee.

Committee Members

FROM: George E. Meyer - Secretary, Department of Natural Resources.

SUBJECT: Proposed Amendment on Animal Health Samples.

*Drain M. Draining
for
GEM*

As you requested, I have reviewed the proposed amendment that would require DNR to send all fish health samples to the Department of Agriculture's Animal Health Lab.

The Department has two reasons for being concerned about this proposed requirement. First, DNR has concerns about the ability of the DATCP lab to adequately process the volume of fish health samples that DNR would send. In fall 1998 DNR asked the DATCP lab to run our parasitology samples and they agreed to do this. In March 1999, DNR was advised that DATCP could not run our samples and that there was concern about how they would handle samples from private hatcheries, as well. Shortly thereafter the Department made arrangements to send the samples to a lab in Washington. Second, we are concerned that requiring DNR to use a particular lab will inhibit our ability to find the least expensive testing. For example, the current cost of sending whirling disease samples to the lab in Washington is approximately \$73 dollars per sample. That same sample would cost the Department \$300 per sample at the Wisconsin Animal Health Lab.

DNR is committed to working on a cooperative relationship with the Wisconsin Animal Health Lab. As a matter of fact, staff from DNR, DATCP and the State Lab of Hygiene have been actively engaged in discussions on this issue, though a final arrangement has not been completed. We are interested in sending samples to the Animal Health Lab as capacity grows and sample costs become more competitive. In addition, DNR continues to have a strong relationship with the State Lab of Hygiene. The State Lab works with the Department to set priorities for inspections, diagnostic cases, lab testing and staff may consult with the lab and look at specific cultures or other samples. The State Lab of Hygiene has a water microbiology lab and its personnel are nationally recognized for their expertise in this area. We look forward to building a equally strong relationship with DATCP in the future.

cc. Secretary Ben Brancel - DATCP



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

March 2, 2000

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Senate Bill 358: Animal Health Lab Transfer

Senate Bill 358 was introduced on February 1, 2000, and referred to the Senaté Agriculture, Environmental Resources and Campaign Finance Reform Committee. The Committee recommended passage of the bill as amended on February 15, 2000, on a vote of 5 to 0. On July 1, 2000, SB 358 would transfer the Wisconsin Animal Health Laboratory (WAHL) along with related funding, positions and the incumbents from the Department of Agriculture, Trade and Consumer Protection (DATCP) Division of Animal Health to a Veterinary Diagnostic Laboratory Board attached to the University of Wisconsin System and would increase funding and staffing for the lab.

BACKGROUND

Under current law, DATCP operates a central animal health laboratory in Madison and a regional facility in the city of Barron under the Department's Division of Animal Health. These laboratories provide animal health surveillance, diagnostic services and testing, including those tests required by federal and state laws for disease control and the interstate movement of animals. In 1999-00, the animal health labs are provided a total of \$4,670,500 and 62.5 positions (\$1,733,800 GPR with 25.5 positions and \$2,936,700 PR with 37.0 positions funded by lab user fees). This includes \$734,200 PR and 4.0 project positions authorized under s. 16.515 in July, 1999, for an increase in Johnes's disease testing.

The WAHL is certified by the United States Department of Agriculture (USDA) to perform various tests required for animals and animal products to be sold nationally and internationally. Further, from 1971 to 1998, WAHL was fully accredited by the American Association of Veterinary Laboratory Diagnosticians (AAVLD), based on the lab meeting certain Association

standards. In October, 1998, the Association changed the status of the lab to provisional accreditation for one year. A provisionally accredited lab is one that does not meet the Association's guidelines but shows intent to do so. In October, 1999, DATCP presented proposed animal health lab changes to the AAVLD. After considering the proposed changes, the AAVLD extended the provisional accreditation through calendar year 2000, with the stipulation that specific progress be made toward meeting AAVLD criteria for full accreditation. The changes proposed by DATCP to the AAVLD are analogous to those contained in SB 358.

The AAVLD Accreditation Committee recommended several measures for WAHL to consider in order to regain full accreditation. It encouraged WAHL to be placed under the same administration as the UW School of Veterinary Medicine. The Committee also recommended a separate line item for lab funding with guaranteed financial support for the lab. Further, the Committee required the Madison facility to resume necropsy (animal autopsy) service. In a 1995 review of the lab, the Accreditation Committee also expressed concern about the lab's steady increase in user fees, noncompetitive salary structure and lack of technological advances.

SUMMARY OF BILL

Senate Bill 358 would transfer the WAHL along with related funding, positions and the incumbents from DATCP's Division of Animal Health to a ten-member Veterinary Diagnostic Laboratory Board attached to the University of Wisconsin System for administrative purposes. The bill would allow the Veterinary Diagnostic Laboratory to spend \$10.3 million (\$5.2 million GPR and \$5.1 million PR) in 1999-01 versus a current law total of \$9.3 million (\$3.5 million GPR and \$5.8 million PR) and increase the number of lab employees by 18.0 to 80.5 (from 62.5 under current law). While SB 358 increases appropriation amounts, it also requires DATCP to lapse \$813,900 GPR and \$1,519,400 PR to the general fund on June 30, 2001. Thus, the net effect to the general fund is increased spending of \$200,000 GPR in 1999-01 while base funding beginning in 2001-03 would be increased by \$2,533,300 GPR annually.

Under the bill, on July 1, 2000, the authorized FTE positions for the UW System would be increased by 80.5 GPR positions for the veterinary diagnostic laboratory. Of those positions, 25.5 GPR positions and 37.0 PR positions in DATCP primarily related to WAHL would be transferred to the UW System and the funding source of the PR positions changed to GPR. The remaining 18.0 GPR positions would be newly created under the UW System.

The bill provides that incumbent employees holding the 62.5 positions in DATCP, primarily related to WAHL, would be transferred to the UW System and that the transfer would not affect the rights or status the incumbent employees had immediately before the transfer. In addition, no transferred employee who has attained permanent status would be required to serve a probationary period. Further, the bill provides that if a transferred employee held a classified service position at the WAHL on June 30, 2000, that position could not be designated as an unclassified service position without the consent of that employee. The Board would determine which positions it

desired to be outside of the classified service. UW estimates that approximately four new and 12 existing positions eventually would be converted to the unclassified service. It is expected that these positions include the lab directors, section chiefs, supervisors, veterinary specialists and an education information specialist.

The Veterinary Diagnostic Laboratory Board would consist of nine voting members as follows: (a) the DATCP secretary or designee; (b) the UW-Madison chancellor or designee; (c) the dean of the UW-Madison School of Veterinary Medicine or designee; (d) a veterinarian employed by the federal government, to serve at the pleasure of the Governor; (e) five other members representing persons served by the laboratory who are initially appointed by the Governor for terms expiring between May 1, 2002, and May 1, 2004, including at least one livestock producer, one representative of the animal agriculture industry and one practicing veterinarian who is a member of the Wisconsin Veterinary Medical Association; and (f) the director of the Veterinary Diagnostic Laboratory who would serve as a nonvoting member. Under Wisconsin statute s. 15.07, after the initial terms of the five at-large members expire, the members would be nominated by the Governor and with the advice and consent of the Senate, appointed to the Board for three-year terms. After consulting with the Veterinary Diagnostic Laboratory Board, the UW-Madison chancellor would appoint a laboratory director who has received the degree of doctor of veterinary medicine.

The Board would set policies for the operation of the laboratory. The Veterinary Diagnostic Laboratory would be required to: (a) provide testing and diagnostic services for all types of animals in the state, with emphasis on services for farm animals; (b) provide the diagnostic services necessary to meet the requirements for AAVLD accreditation; (c) provide the testing and diagnostic services required to fulfill DATCP's responsibilities related to disease control and animal health; (d) maintain a regional laboratory in the city of Barron; and (e) in cooperation with DATCP and the School of Veterinary Medicine, participate in research and provide field services, consultation services and education as determined to be appropriate by the Board.

The Veterinary Diagnostic Laboratory Board would develop the lab's biennial budget request and the UW System Board of Regents would be required to process and forward the lab's personnel and biennial budget request without change to DOA. SB 358 would allow DATCP to submit a proposal for the construction or expansion of a Veterinary Diagnostic Laboratory facility to the Building Commission at any time during the 1999-01 biennium, rather than at the time prescribed by the Commission. The bill also would allow DATCP to request that the Building Commission allocate funds for the planning of such a project. The bill does not enumerate funding for building a laboratory.

The Veterinary Diagnostic Laboratory Board would set fees for services provided by the lab. The Board would be required to charge fees unless the Board identified the services as necessary to protect human health and safety. However, from the date of the transfer to the day after publication of the 2001-03 biennial budget act or July 1, 2001, whichever is later, the Veterinary Diagnostic Laboratory would be allowed to charge the same fee for service that was charged the day before the transfer. The laboratory would not be allowed to charge a fee for any testing or diagnostic service

conducted for the DATCP Division of Animal Health or USDA Animal and Plant Health Inspection Service. These agencies currently are not charged; 3.0 federally funded persons would continue to work at the lab.

SB 358 also transfers DATCP assets and liabilities and tangible personal property, including records, pending matters and contracts that are primarily related to the functions of the animal health laboratories, as determined by the Secretary of the Department of Administration, to the University of Wisconsin System on July 1, 2000. UW is required to carry out all obligations under any transferred contract, unless UW, under the particular contract, is allowed to modify or rescind the contract. Rules and orders that are primarily related to WAHL would remain in effect until they either expired or the Veterinary Diagnostic Laboratory Board took action on them.

Further, the bill retains the open records exemption for any information that identifies the owners of livestock herds infected, or suspected of being infected, with Johne's disease, except as determined necessary to protect the public health, safety or welfare.

SENATE AMENDMENT 1

Senate Amendment 1 to SB 358 would insert the words "including fish" in the list of lab requirements, such that the Veterinary Diagnostic Laboratory would be required to provide testing and diagnostic services for all types of animals, *including fish*, in the state, with emphasis on services for farm animals. SA 1 was adopted by the Senate Agriculture, Environmental Resources and Campaign Finance Reform Committee by a 5-0 vote.

Under current law, the State Laboratory of Hygiene is required to furnish complete laboratory services to DNR in the areas of water quality, air quality, public health and contagious diseases and under these requirements provides various fish tests for DNR. WAHL currently performs fish testing related to aquaculture. Neither SB 358 nor the specification in SA 1 to SB 358 would require any alteration of current practices in the testing of fish. SA 1 specifies that fish are included in the definition of animals.

FISCAL EFFECT

The bill transfers \$1,733,800 GPR and 25.5 related positions and \$2,903,700 PR to the Veterinary Diagnostic Laboratory Board on July 1, 2000. SB 358 would provide an additional \$2,533,300 GPR in the new, annual UW appropriation, to convert 37.0 PR positions (including four project positions converted to permanent) to GPR and further creates 18.0 new positions for a total of 80.5 GPR positions in 2000-01, as portrayed in Table 1. The bill provides an additional \$520,000 PR in spending authority in 1999-00 for lab equipment, supplies and services. Further, in directing that the balance of the DATCP annual PR appropriation account be transferred to the new PR continuing appropriation under UW, the bill would provide an additional \$272,200 (the estimated

administratively difficult for a private lab to conduct the tests, since testing and records would need to be verified, certified and available to DATCP.

TABLE 2

Annual GPR Required to Fund Salary and Fringe of 80.5 UW Positions

	<u>FTE</u>	<u>Annual Cost</u>
Current DATCP GPR positions	25.5	\$1,425,000
Current DATCP PR positions	37.0	1,329,600
New UW Positions	<u>18.0</u>	<u>954,900</u>
Total	80.5	\$3,709,500
Base GPR	<u>25.5</u>	<u>1,733,800</u>
New GPR	55.0	\$1,975,700

DATCP proposes that GPR cover salaries and fringe benefits of both existing and new staff, with PR covering all supplies, services, permanent property and LTE costs. However, to accomplish this goal, the UW would require an additional \$2 million GPR annually rather than the \$2.5 million provided in the bill, as shown in Table 2. Providing UW with \$3,709,500 GPR in 2000-01 rather than the \$4,267,100 under the bill would accomplish the goal of providing GPR base funding for all staff at the Veterinary Diagnostic Laboratory. This would provide a one-time benefit to the general fund of \$357,600 in 2000-01 rather than spending \$200,000 under the bill. Alternatively, the required PR lapse to the general fund could be reduced to \$1,161,800, which would result in no net effect on the general fund in 2000-01, as shown in Table 3. Under this option, the lab would have an additional \$357,600 PR available for expenditure in 2000-01 or future years.

TABLE 3

General Fund Effect of Bill

<u>SB 358</u>	<u>2000-01</u>	<u>2001-02 Ongoing</u>	<u>Modified 2000-01</u>	<u>Modified 2001-02 Ongoing</u>
GPR Appropriated	\$4,267,100	\$4,267,100	\$3,709,500	\$3,709,500
Current Law GPR Funding	-1,733,800	-1,733,800	-1,733,800	-1,733,800
GPR Lapse to General Fund	-813,900	0	-813,900	0
PR Lapse to General Fund	<u>-1,519,400</u>	<u>0</u>	<u>-1,161,800</u>	<u>0</u>
Net General Fund Effect	\$200,000	\$2,533,300	\$0	\$1,975,700

PR account balance) in spending authority in 2000-01. The bill creates a second PR continuing appropriation in UW for lab fees currently collected from other state agencies (approximately \$37,000 in 1999).

TABLE 1

2000-01 Animal Health Lab State Funding and Positions

	<u>Current Law</u>	<u>SB 358</u>	<u>Change</u>	<u>Current Law</u>	<u>SB 358</u>	<u>Change</u>
GPR	\$1,733,800	\$4,267,100	\$2,533,300	25.50	80.50	55.00
PR	<u>2,903,700</u>	<u>3,175,900</u>	<u>272,200</u>	<u>37.00</u>	<u>0.00</u>	<u>-37.00</u>
Total	\$4,637,500	\$7,443,000	\$2,805,500	62.50	80.50	18.00
GPR Lapse		-813,900				
PR Lapse		<u>-1,519,400</u>				
Available		\$5,109,700				

The bill would require DATCP to lapse \$813,900 GPR and \$1,519,400 PR to the general fund on June 30, 2001. Thus, the net effect to the general fund in 1999-01 is an increase of \$200,000 GPR while base funding beginning in the 2001-03 biennium would be increased by \$2,533,300 GPR annually, as shown in Table 1. The UW plans to use the additional \$200,000 in 2000-01 to hire three section chief veterinarians with Ph.D.s. The other 15 staff likely would not be hired until 2001-02, to allow the funding to lapse on a one-time basis. Beginning in 2001-02, base funding available for the lab would be increased by approximately 60% (including a 146% GPR increase). Additional staff are anticipated to include 10 microbiologists, two chemists, one necropsy technician, one customer service representative and one education information specialist. DATCP indicates that 13 of the additional staff would be used to decrease the testing and diagnostic workload of current staff and to provide more time for team and laboratory activities, professional development, quality assurance, supervision and training. The customer service representative would assist in handling customer inquiries regarding lab tests and samples. DATCP envisions that the education information specialist would coordinate and disseminate information between the lab, veterinarians and producers as well as coordinate activities with the UW veterinary school, the lab and DATCP.

Included in the transfer of staff from DATCP to UW are 4.0 PR project positions authorized under s. 16.515 in July, 1999, for an increase in Johne's disease testing. The increase in Johne's testing is derived from new administrative rules encouraging testing for better herd classifications. These positions would be funded by GPR at the UW and become permanent under the bill. While DATCP originally requested four permanent positions, DOA recommended and Joint Finance approved project positions so WAHL could further explore options for contracting with a private laboratory for Johne's testing. Funding for the positions is to come from increased demand for the tests. DATCP indicates that its regulatory responsibility in the Johne's program makes it

The bill also provides \$520,000 PR in 1999-00 for DATCP to upgrade or replace lab equipment prior to the transfer. Included is \$142,000 to replace laboratory information management computer and telephone systems. Additional equipment includes a jeep for plowing, walk-in coolers, a freezer, a dishwasher, and other lab equipment. Under SB 358, DATCP projects that with current fees and increased GPR and PR biennial expenditures of \$3.5 million over current levels, the PR account for the animal health lab would have a \$1.8 million balance on June 30, 2003 with revenues exceeding expenditures by \$1 million annually. This assumes annual fee revenues of \$3.1 million and expenditures of \$2.1 million. However, it is likely that the Veterinary Diagnostic Laboratory Board would choose to reduce certain lab fees for tests that DATCP believes are currently too high, including those for necropsies, salmonella cultures and whirling disease. Table 4 compares a sampling of Wisconsin fees from the state's highest volume tests in each section with those from surrounding states. Nearly 80% of Wisconsin tests are in serology, 15% virology, 5% bacteriology and less than 1% in pathology and chemistry. Fees listed in Table 4 account for 257,000 (17%) of the state's annual tests.

TABLE 4

Area Animal Health Lab Fees

		1998	1999	1999	1999	1999	1998
	<u>Section</u>	<u>WI Tests</u>	<u>WI Fee</u>	<u>MN Fee</u>	<u>IA Fee</u>	<u>IL Fee</u>	<u>MI Fee</u>
Mycobacterium paratuberculosis (Johne's) Elisa	Serology	70,064	\$5.00	\$6.00	\$3.00	\$5.00	N.A.
Brucella Abortus RAP, Batch 450	Serology	37,169	1.00	0.00	1.00	N.A.	N.A.
Equine Infectious Anemia	Serology	18,819	5.00	5.00	5.00	2.50	3.50
Leptospirosis Microagglut. 6 Serovars, Batch	Serology	17,779	4.50	6.00	2.50	2.00	8.00
Mycoplasma synoviae Plate agglutination	Serology	17,015	1.10	1.00	0.00	0.50	1.00
Mycoplasma gallisepticum Plate agglutination	Serology	15,861	1.10	1.00	0.00	0.50	1.00
Bovine Viral Diarrhea Immunoperoxidase, PI	Virology	38,741	5.00	5.00	N.A.	5.00	5.50
Pseudorabies, Private, Elisa/Idexx	Virology	29,899	2.25	2.00	1.50	0.00	N.A.
Milk Culture	Bacteriology	10,251	4.00	4.50	5.00	5.00	7.00
Selenium-Serum, Blood	Chemistry	1,326	8.00	16.00	12.00	10.00	13.00

Many view AAVLD accreditation as portraying a higher standard for work done by accredited laboratories. Thus, purchasers of animals and animal products may have a higher level of confidence in their purchases if an accredited lab tests the animal. If Wisconsin loses its accredited status, producers may prefer to have tests done at other accredited state labs. Like Wisconsin, other animal health labs charge more for out-of-state testing than in-state testing. For example, Illinois fees double for most out-of-state tests while Wisconsin generally charges 50% more for tests requested from outside the state. This could put Wisconsin producers at a competitive disadvantage in national or international markets. Further, DATCP believes that if fewer Wisconsin tests were done in state, it would become more difficult to maintain disease surveillance and it could delay the

response time for the Department to implement quarantines or other antidotes for emergency situations, further affecting producers and the public.

Of the 30 states that have accredited animal health laboratories, 20 of these are housed in universities with others attached to state departments related to animal health. All Midwestern states currently maintain accredited animal health laboratories. Table 5 provides a comparison between accredited labs in neighboring states. Although all surrounding states have accredited labs located in universities, Michigan also maintains a regulatory lab housed in the Agriculture Department and Illinois has three additional labs housed under its Department of Agriculture.

TABLE 5

Regional Animal Diagnostic Laboratories

<u>State</u>	<u>Housed</u>	<u>Annual Tests</u>	<u>Annual Budget</u>	<u>% GPR</u>
Illinois	University/Ag. Dept.	1,400,000	\$5,500,000	75%
Iowa	University	1,500,000	6,000,000	55
Michigan	University/Ag. Dept.	1,300,000	7,050,000	32
Minnesota	University	1,400,000	4,300,000	50
Wisconsin current	Agriculture Department	1,600,000	4,700,000	37
Wisconsin SB 358	University	1,600,000	7,400,000	58*

*While \$7.4 million would be available with current fees, it has been indicated that the lab may decrease fees and spend \$6.4 million annually (67% GPR).

Prepared by: David Schug

Date: 3/13/2000

To: Members, State Assembly

From: **Coalition In Support of Veterinary Diagnostic Laboratory**

RE: Support of SB 358 on Tuesday's Calendar

MAR 13 2000

The undersigned organizations request your support Tuesday of SB 358, legislation that will create a veterinary diagnostic laboratory board and secure a firm future for a veterinary diagnostic laboratory in Wisconsin. We urge your support of SB 358 as passed unanimously by the Senate. A key component of SB 358 is that laboratory customers will fill a number of the seats on the board. With the Wisconsin Animal Health Lab (WAHL) on probationary accreditation with the national accrediting group, lack of sufficient state response to overcome lab deficiencies will likely eliminate the opportunity to regain accreditation. To lose accreditation for the lab would jeopardize the future of animal agriculture in Wisconsin. Adequate disease surveillance to maintain animal and human health would also be jeopardized. Producers' samples and related livestock and genetic industry testing will be diverted to out-of-state labs. This would increase test costs and delay test results for the livestock industry. SB 358 contains changes that respond to the deficiencies noted by the national accreditation group. Passage of SB 358 will stem the drift of testing away from the WAHL that has already occurred, and will provide incentives for the return of tests diverted to other states' labs.

Midwest Food Processors Association
National Farmers Organization
The Turkey Store Company
Wisconsin Agribusiness Council
Wisconsin Agri-Service Association
Wisconsin Beef Improvement Association
Wisconsin Cattlemen's Association
Wisconsin Cheese Makers Association
Wisconsin Cranberry Growers Association
Wisconsin Farm Bureau Federation
Wisconsin Farmers Union
Wisconsin Federation of Cooperatives
Wisconsin Fertilizer & Chemical Association
Wisconsin Grocers Association
Wisconsin Holstein Association
Wisconsin Pork Producers Association
Wisconsin Potato & Vegetable Growers Association
Wisconsin Veterinary Medical Association

Thank you for considering our request. **If you have any questions, please call Leslie Schoenfeld Grendahl at 257-3665 or John Manske at 258-4403.**



BILL SUMMARY

SB 358: Animal Health Lab Transfer

Date: March 14, 2000

BACKGROUND

Under current law, Department of Agriculture, Trade and Consumer Protection (DATCP) operates a central animal health laboratory in Madison and a regional facility in the city of Barron under the Department's Division of Animal Health. These laboratories provide animal health surveillance, diagnostic services and testing, including those tests required by federal and state laws for disease control and the interstate movement of animals.

The Wisconsin Animal Health Laboratory (WAHL) is certified by the United States Department of Agriculture (USDA) to perform various tests required for animals and animal products to be sold nationally and internationally. From 1971 to 1998, WAHL was fully accredited by the American Association of Veterinary Laboratory Diagnosticians (AAVLD), based on the lab meeting certain Association standards. In October 1998, the Association changed the status of the lab to provisional accreditation for one year. (A provisionally accredited lab is one that does not meet the Association's guidelines but shows intent to do so.) In October 1999, DATCP presented proposed animal health lab changes to the AAVLD. After considering the proposed changes, the AAVLD extended the provisional accreditation through calendar year 2000, with the stipulation that specific progress be made toward meeting AAVLD criteria for full accreditation. The changes proposed by DATCP to the AAVLD are analogous to those contained in Senate Bill 358.

SUMMARY OF SB 358 (AS AMENDED BY COMMITTEE)

Senate Bill 358 would transfer the Wisconsin Animal Health Laboratory (WAHL) along with related funding, positions and the incumbents from the Department of Agriculture, Trade and Consumer Protection's (DATCP's) Division of Animal Health to a ten-member Veterinary Diagnostic Laboratory Board attached to the University of Wisconsin System for administrative purposes. There is no appropriation in the bill to construct a building. However, the bill provides that DATCP "may report a proposed project for the construction or expansion of a facility in Madison for the veterinary diagnostic laboratory to the building commission at any time during the 1999-01 fiscal biennium and may request the building commission to allocate moneys from the appropriation under section 20.867 (2) (r) of the statutes for planning for that project."

The bill also transfers 25.5 positions from DATCP to the Veterinary Diagnostic Laboratory Board on July 1, 2000, converts 37.0 PR positions to GPR and creates 18.0 new GPR positions, for a total of 80.5 GPR positions in 2000-01.

AMENDMENTS

Senate Amendment 1 to Senate Bill 358 offered by Senate Committee on Agriculture, Environmental Resources and Campaign Finance Reform provides for the inclusion of fish testing in the bill. SB 358 provides testing and diagnostic services for all types of animals, including fish, in this state, with emphasis on services for farm animals [adopted 5-0-0 and adopted by the Senate].

Senate Amendment 2 to Senate Bill 358 offered by Senate Committee on Agriculture, Environmental Resources and Campaign Finance Reform limits the authorized expenditures of the Veterinary Diagnostic Laboratory Board in 2000-01 to only that amount of GPR for salaries and fringe benefits of up to 65.5 FTE positions [adopted 5-0-0 and adopted by the Senate].

FISCAL EFFECT

The description of Senate Amendment 2, above, notes the position authorizations in the bill. The bill appropriates \$4,267,100 GPR annually, commencing in 2000-01, and \$3,175,900 PR (the fee revenues at current fee levels).

With current fee levels, GPR constitutes 58% of the lab's budget under the bill, but fee reductions have been discussed, which could raise the GPR portion of the budget to 67%.

PROS

1. The State of Wisconsin would now be able to fulfill requirements for becoming a fully accredited animal health lab.
2. Agricultural export revenues are likely to be enhanced due to a highly efficient, fully accredited animal health lab.
3. Wisconsin farmers would now have access to an animal health lab which could process testing more quickly and at a reasonable fee.

CONS

1. None apparent.

SUPPORTERS

Sen. Alice Clausing, author; Rep. Al Ott lead co-sponsor; Ben Brancel, DATCP Secretary; Clarence Siroky, DATCP/Division of Animal Health; John Torphy, University of Wisconsin; Dr. Ronald Schultz, UW School of Veterinary Medicine; Ronald H. Laessig, State Lab of Hygiene; Robert Denman, Wisconsin Farmers Union; Tom Lyon, Cooperative Resources International; Dan Poulson, Wisconsin Farm Bureau; Paul Zimmerman, Wisconsin Farm Bureau; Dr. Bruce Beehler, Milwaukee County Zoo; John Manske, WI Federation of Cooperatives; John W. Freitag, WI Cattlemen's Association & WI Beef Improvement Association; Ron Statz, Wisconsin NFO; Dr. Charles E. Brown III, ABS Global./Genus PLC; Chet Rawson, WI Veterinary Medical Association; Keri Retallick, WI Pork Producers; Scott Hartwig, WI Egg Producers/S& R Egg Farm; Tom Howard, Gala Design LLC; Amy Winters, WI Agribusiness Council; Pete Christianson, Kraft Foods, Inc.; Michelle Kussow, Wisconsin Grocers Association; Leslie Grendahl, Wisconsin Veterinary Medical Association; Roger Hanson, Accelerated Genetics; Lloyd Sorenson, Accelerated Genetics; Robert Klostermann, WI Veterinary Medical Association; Mary Beth Mardock, Wisconsin Veterinary Medical Association; Kandy Cepuran, Wisconsin Veterinary Medical Association; David A. Crass, The Turkey Store Company; John Umhoefer, Wisconsin Cheese Makers Association; Richard Keller, Wisconsin Farmers Union; John Petty,

Wisconsin Agri- Service Association; Ron Kuehn, Wisconsin Pork Producers Association/Wisconsin Potato and Vegetable Growers Association/State Cranberry Growers Association.

OPPOSITION

No one testified or registered in opposition to Senate Bill 358.

HISTORY

Senate Bill 358 was introduced on February 1, 2000, and referred to the Senate Committee on Agriculture, Environmental Resources and Campaign Finance Reform. On February 7, 2000, a Joint Committee Public Hearing of the Senate Committee on Agriculture, Environmental Resources and Campaign Finance Reform and the Assembly Committee on Agriculture was held. On February 15, 2000, the Senate Committee on Agriculture, Environmental Resources and Campaign Finance Reform voted 5-0-0 to recommend SB 358 for passage as amended. On March 7, 2000, the Senate passed SB 358 on a 33-0 vote. Senate action on SB 358 was messaged to the Assembly, and SB 358 was referred to the Assembly Committee on Agriculture. A public hearing was held on February 7, 2000 (Joint Hearing with the Senate Committee on Agriculture, Environmental Resources and Campaign Finance Reform). On March 9, 2000, the Assembly Committee on Agriculture voted 14-0-0 to recommend concurrence of SB 358 as amended.

CONTACT: Linda Narveson, Office of Rep. Al Ott

FISCAL ESTIMATE
DOA-2048 N(R10/98)

DRAFT

ORIGINAL

UPDATED

CORRECTED

SUPPLEMENTAL

1999 Session

LRB No. and Bill/Adm. Rule No.

LRB-3853/4

Amendment No. if Applicable

Subject

Transfer of Animal Health Laboratory to UW

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum certain appropriation

Increase Existing Appropriation

Decrease Existing Appropriation

Create New Appropriation

Increase Existing Revenues

Decrease Existing Revenues

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

Decrease Costs

Local: No Local Government Costs

1. Increase Costs
 Permissive Mandatory

2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory

4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:

Towns Villages Cities

Counties Others

School Districts WTCS Districts

Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

20.115(2)(a) and (2)(g)

Assumptions Used in Arriving at Fiscal Estimate

Under current law, the Department of Agriculture, Trade and Consumer Protection (DATCP) operates two laboratories that provide animal health testing and diagnostic services, one in Madison and one a regional laboratory in the city of Barron.

This bill transfers the animal health laboratories and their employes to the University of Wisconsin (UW) System on July 1, 2000, and creates a veterinary diagnostic laboratory board (VDLB), attached to the UW System, to oversee the laboratories.

The bill authorizes VDLB to set fees for the services provided by the laboratories. The bill prohibits the veterinary diagnostic laboratories from charging fees for diagnostic and testing services conducted for DATCP's Division of Animal Health.

Long-Range Fiscal Implications

Agency/Prepared by: (Name & Phone No.)

Dept of Agriculture, Trade & Consumer Protection

Martha Loy (608) 224-4875

Authorized Signature/Telephone No.

Barbara Knapp (608) 224-4746

DATE

FISCAL ESTIMATE WORKSHEET

1999 Session

DRAFT

Detailed Estimate of Annual Fiscal Effect DOA-2047 (R10/98)	<input type="checkbox"/> ORIGINAL <input type="checkbox"/> CORRECTED	<input type="checkbox"/> UPDATED <input type="checkbox"/> SUPPLEMENTAL	LRB No. and Bill/Adm. Rule No. LRB-3853/4	Amendment No.
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Subject
Transfer of Animal Health Laboratory to UW

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
 \$520,000 increase in FY00 in appropriation 20.115(2)(g).
 The balance for 20.115(2)(g) will be transferred to the University appropriation on June 30, 2000.

II. Annualized Costs:		Annualized Fiscal Impact on State Funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes			-3,021,500
(FTE Position Changes)	FTE		-62.50
State Operations - Other Costs			-1,616,000
Local Assistance			
Aids to Individuals and Organizations			
TOTAL State Costs by Category			-4,637,500
B. State Costs by Source of Funds			
		Increased Costs	Decreased Costs
GPR			-1,733,800
FED			
PRO/PRS			-2,903,700
SEG/SEG-S			
III. State Revenues			
	Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes			
GPR Earned			
FED			
PRO/PRS			-0-
SEG/SEG-S			
TOTAL State Revenues			

NET ANNUALIZED FISCAL IMPACT

	STATE	LOCAL
NET CHANGE IN COSTS	-4,637,500	
NET CHANGE IN REVENUES	- To UW -	

Dept. of Agriculture, Trade & Consumer Protection Barbara Knapp 224-4746	Authorized Signature/Telephone No. Barbara Knapp (608) 224-4746	Date
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Fact Sheet

Wisconsin Animal Health Laboratories



Facilities Diagnostic laboratory: 6101 Mineral Point Road, Madison, Wisconsin
Additional facility: 1521 E. Guy Ave., Barron, Wisconsin
Number of usable square feet: 22,800
Original cost: \$1 million
Current Madison facility built in 1963

Accreditation 1971 – 1998 Fully accredited, American Assn. of
Veterinary Laboratory Diagnosticians
1998 Reduced to probationary status
1999 Probationary status extended for one year

Personnel Number of employees: 60
Number of supervisors with doctorates (including veterinarians): zero
AAVLD recommended number of supervisors with doctorates: four

Budget All funds: \$4.7 million

Funding Structure	User Fees	General Purpose Revenue
Current	63%	37%
AAVLD recommended	30%	70%
1996 survey of 21 labs in other states	34%	66%

Productivity Total number of tests performed in 1998: 1.7 million
Number of species tested: All
Number of diseases tested for: 150
Percentage of tests related to exports: 40 percent
Examples of lab space constraints:

- Necropsy (carcass examination and dissection):
1,900 sq. ft. / 12 employees / 19 elk carcasses examined for TB in 6 hours
- Serology (blood tests):
780 sq. ft. / 9 employees / 1 million tests in 1998

Human, animal health at stake

By Rick Barrett
Agriculture reporter

Food safety and Wisconsin's livestock industry are at risk if the state animal health laboratory isn't brought up to modern standards, Agriculture Secretary Ben Brancel told legislators Thursday.

The laboratory monitors the health of livestock from dairy cattle to elk, and it watches for diseases and bacteria that could be spread to humans through the food chain.

"It's our front line of defense when it comes to food safety," Brancel told the Senate and Assembly committees on agriculture.

The laboratory also is an integral part of the state's \$4.5-billion-a-year livestock industry. Without its health certification, for exam-

ple, farmers and livestock genetics companies would have difficulty shipping animals and semen across state lines and overseas.

Without major improvements in the laboratory, "eventually it will cause businesses to leave the state," Clarence Siroky, state veterinarian, told the committees.

The laboratory is in a 36-year-old building at 6101 Mineral Point Road and has 60 employees. Its problems include out-of-date equipment, a lack of staff, not enough room and not enough money.

Recently, the laboratory nearly lost its national accreditation from the American Association of Veterinary Laboratory Diagnosticians.

The association gave the state one year to make improvements or the accreditation could be lost, Brancel said.

Without the accreditation, the laboratory might as well shut down because other states and countries wouldn't recognize its testing, Brancel said. About 40 percent of the laboratory's testing is related to out-of-state livestock exports.

The laboratory has a \$4.7 million annual budget, with 63 percent of the money coming from testing fees. The remainder comes from state general purpose revenue.

By early 2000, Brancel said he will tell the Legislature how much money he needs to make the laboratory improvements.

Agriculture secretary says state lab needs updating

"I will not come to you with a proposal that can be bargained with," he warned legislators Thursday. "If I come to you with a plan for a world-class laboratory and you start peeling away at it, pretty soon we will have a lab that can't get accredited."

The laboratory has fallen on hard times from more than a decade of shallow funding, Brancel said.

In the past, he said, the Legislature wasn't given the full picture on how the laboratory was failing, so it wasn't completely accepted.

"There's enough blame to go around," from the state veterinarian's office to the governor, but it isn't productive to point fingers now, Siroky said.

Brancel said he's worked out a plan for some help from UW-Madison's veterinary medicine school. Committee members were generally receptive to his pitch for a better laboratory.

"Only through general purpose revenues does the general public contribute to the lab's cost," said state Rep. Barbara Gronemus, D-Whitehall.

Illinois and Missouri have similar animal health laboratory problems, Brancel said. But he doesn't want to pool resources with other states for a regional laboratory.

"Other states have different needs and levels of commitment," he said. "This is the most important issue in our (agriculture) department."

FARM to TABLE

Wisconsin Animal Health Laboratories



A Different Way of Thinking

The mission of the Wisconsin Animal Health Laboratories is to control disease. Fundamental to achieving that mission is the ability to monitor continuously the health of the state's livestock and poultry. This is done by performing a wide variety of diagnostic tests on as many animals as possible.

The notion that animal health is important only to farmers is incorrect. Food safety begins on the farm. It requires constant surveillance if new and emerging diseases that can make people ill are to be held in check.

For example, the cause of the recent outbreak of human encephalitis in New York was diagnosed by a veterinarian in an animal health laboratory.

The future of the Wisconsin Animal Health Laboratories is in jeopardy. On October 8, the American Association of

Veterinary Laboratory Diagnosticians Accreditation Committee agreed to extend the lab's temporary certification for one more year. They did so based on promises.

To lose accreditation is to lose credibility with industry.

The committee's number one concern is stable funding. Currently, the lab depends heavily on test fees. In fact, close to 63 percent of the funding comes from the fees paid by producers. That far exceeds the recommended 30 percent. On average, Wisconsin lab fees are among the highest in the United States.

High lab fees discourage testing. If it is more economical for a farmer to dispose of a carcass than to find out the cause of an illness, he will do that. For example, the number of tests done by the lab dropped 25 percent between 1992 and 1996 as a result of increasingly higher test fees.

Unidentified disease comes at a high price to all of us. It threatens the very foundation of the state's economy.

Consider:

- Farm sales from Wisconsin livestock, dairy, and poultry in 1998 totaled \$4.5 billion, and accounted for 73 percent of the state's total farm income.

Source:

Wisconsin Agricultural Statistics Service

- In total industrial output, dairy ranks as the state's second largest industry with \$8.5 billion in shipments. Processed meat ranks as the state's fifth largest industry, with \$4.5 billion in shipments.

Source:

Wisconsin Department of Commerce

- Food processing is the state's second largest manufacturing sector. More than half of the plants, or approximately 750, process dairy and meat products, employing approximately 60,000 people with an estimated weekly payroll exceeding \$20 million.

Source: DOC

- Kraft's seven manufacturing facilities alone, including the Oscar Mayer Foods plant and division headquarters in Madison, contribute more than \$354 million annually to the state's economy in payroll, taxes, goods and services, and purchases of raw material. They employ 5,500 people and pay over \$24 million in state taxes annually.

Source:

Kraft corporate communications

- Livestock events associated with the Wisconsin State Fair and State Fair Park bring in an estimated \$10 million to the state annually. The annual World Dairy Expo draws dairy professionals from around the globe, adding an estimated \$9 million to the state economy in 1999.

Source:

Wisconsin State Fair and World Dairy Expo

- The AI industry payroll of \$38.9 million results in \$76.4 million in economic activity to the state.

Source:

The Economic Impact of Artificial Insemination in the US Dairy Industry on Trade, Meat, and the Overall Economy

- Wisconsin leads the nation in the export of dairy genetics, with 60 percent of the U.S. total, or approximately \$56 million.

Source:

USDA/FAS and industry

- Wisconsin leads the nation in the export of dairy products; with approximately 25 percent of the U.S. total, or an estimated \$230 million in 1998.

Source:

USDA/FAS, USDEC Estimates

- Wisconsin meat and processed meat exports exceeded \$145 million in 1997.

Source: USDA/FAS

Wisconsin's Expanding Economy

The animal health lab plays an indispensable role in supporting exports, from protecting public perception held around the world that food from Wisconsin is safe and wholesome, to providing required testing for health certificates.

In fact, forty percent of work done by the lab is to enable Wisconsin products to enter other countries.

New, more stringent standards under discussion by the World Trade Organization will require nations to provide even more and better testing.

Other countries require certified tests, conducted by a state laboratory. Private industry cannot provide this service.

Exports drive the state's world-class dairy genetics industry. Four of the six major U.S. companies involved in the cattle artificial insemination industry are located in Wisconsin.

"I cannot overstate the importance of the quality of the state's animal health laboratory in attracting the genetics industry to Wisconsin," said Dr. Bob Walton, internationally recognized authority on dairy and livestock genetics.

Customer service must be improved to ensure the lab's accreditation. Both turn around time and the ability to provide a full range of diagnostic services are essential.

"This lab needs to have both the livestock production and consumer's food safety interests as a priority and not just simply a commercial profitability attitude that some laboratories would have," said Doug Wilson, chief operating officer of Genex/CRI, a leader in the genetics industry.

Finally, the lab's professional staff must be expanded to meet customer needs.

Last year, the lab performed 1.7 million tests to monitor approximately 150 different diseases. There are more than 10 million farm-raised animals in the state representing more than a dozen species. Requests for diagnostic tests for fish and wildlife have recently been added to the list.

An innovative program to manage a hidden, contagious cattle disease has recently doubled the number of tests for that disease performed by the lab. While the Wisconsin Johne's Disease Market Management Program is winning national recognition for the state, the response is straining an under-staffed lab already struggling to keep up with customer demand.

"I think taxpayers and industry both should be willing to support one of the best labs in the nation right here in the state of Wisconsin," said Wilson. "If we don't, this business will go outside of the state, and we will not have the quickness of response. At risk is livestock and food safety."

In summary, the Wisconsin Animal Health Laboratories must improve funding, customer service, and staff to ensure its future.

"Customer service is the key," said Ben Brancel, Wisconsin Secretary of Agriculture, Trade and Consumer Protection. "If we can't provide convenient, efficient, state-of-the-art diagnostic service and support, industry will leave Wisconsin."

RETURN SERVICE REQUESTED

Madison WI 53708-8911

PO Box 8911

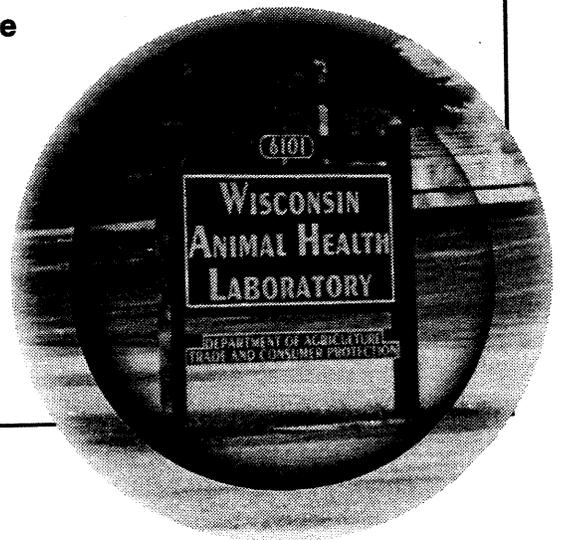
2811 Agriculture Drive

Department of Agriculture,
Trade & Consumer Protection



"I think taxpayers and industry both should be willing to support one of the best labs in the nation right here in the state of Wisconsin. If we don't, this business will go outside of the state, and we will not have the quickness of response. At risk is livestock and food safety."

Doug Wilson, chief operating officer of Genex/CRI



PATHOLOGY

___ Brain Removal	\$30.00/\$45.00	___	P
___ Histo 1-3 Tissues	\$24.00/\$36.00	___	P
___ Histo 4-6 Tissues	\$30.00/\$45.00	___	P
___ Add Tiss/Stn @	\$4.00/\$6.00	___	P
___ IHC	\$10.00/\$15.00	___	P
___ Nec Psittacine	\$50.00/\$75.00	___	P
___ Nec Av <4Wk 1-5	\$26.00/\$39.00	___	P
___ Ea Add @	\$3.50/\$5.25	___	P
___ Nec Av >4Wk 1-5	\$30.00/\$45.00	___	P
___ Ea Add @	\$4.00/\$6.00	___	P
___ Nec Bov <8Mo	\$36.00/\$54.00	___	P
___ Nec Bov 8Mo-2Yr	\$46.00/\$69.00	___	P
___ Nec Bov >2Yr	\$56.00/\$84.00	___	P
___ Nec Can/Fel	\$40.00/\$60.00	___	P
___ Nec Cap/Ov <5Mo	\$36.00/\$54.00	___	P
___ Nec Cap/Ov >5Mo	\$46.00/\$69.00	___	P
___ Nec Equine <1Yr	\$46.00/\$69.00	___	P
___ Nec Equine >1Yr	\$56.00/\$84.00	___	P
___ Nec Fetus	\$27.00/\$40.50	___	P
___ Nec Legal/Ins	\$225.00/\$350.00	___	P
___ Nec Mink 1-3	\$27.00/\$40.50	___	P
___ Ea Add @	\$6.00/\$9.00	___	P
___ Nec Por <8Wk 1-3	\$28.00/\$42.00	___	P
___ Ea Add @	\$6.00/\$9.00	___	P
___ Nec Por 2-6Mo	\$36.00/\$54.00	___	P
___ Nec Por 6Mo	\$46.00/\$69.00	___	P
___ Nec Other \$	_____/_____	___	P
___ Rabies Process Chg	\$10.00/\$15.00	___	P
___ Rendering fee	\$20.00	___	P
___ Incineration fee	\$.45/pound	___	P

SEROLOGY

___ Anaplasma CF	\$2.00/\$3.00	___	S
___ Bruc Canis	\$17.00/\$25.50	___	S
___ Bruc CF	\$2.00/\$3.00	___	S
___ Bruc Ovis CF	\$5.50/\$8.25	___	S
___ Bruc RAP/BAPA/Cd	\$1.00/\$1.50	___	S
___ Bruc Rivanol	\$17.50/\$26.25	___	S
___ Bruc Sem Plasma	\$2.00/\$3.00	___	S
___ Bruc Std Plate	\$1.00/\$1.50	___	S
___ Bruc Std Tube	\$2.00/\$3.00	___	S
___ Johne's AGID	\$10.00/\$15.00	___	S
___ Johne's CF	\$2.50/\$3.75	___	S
___ Johne's ELISA	\$5.00/\$5.00	___	S
___ Lepto 6 Serovars	\$4.50/\$6.75	___	S
___ X ___ Add Sero @	\$5.00/\$7.50	___	S
___		___	S

BACTERIOLOGY

___ Abort Scm Bovine	\$15.00/\$22.50	___	B
___ Acid Fast Stain	\$5.00/\$7.50	___	B
___ Aerobic Culture	\$12.00/\$18.00	___	B
___ Anaerobic Culture	\$17.00/\$25.50	___	B
___ Antib Res (CAST)	\$9.00/\$13.50	___	B
___ Biochem Confirm	\$14.50/\$21.75	___	B
___ Bordetella	\$10.50/\$15.75	___	B
___ Bovine Resp Panel	\$16.00/\$24.00	___	B
___ Brucella Culture	\$12.00/\$18.00	___	B
___ B. canis Culture	\$17.00/\$25.50	___	B
___ Camp fet/vener	\$12.50/\$18.75	___	B
___ Camp jeju/coli	\$9.50/\$14.25	___	B
___ CEM Culture	\$20.00/\$30.00	___	B
___ Clostridium-FA	\$15.25/\$23.00	___	B
___ Crypto-Direct	\$4.50/\$6.75	___	B
___ Darkfield Exam	\$5.00/\$7.50	___	B
___ Dermatophilus	\$8.50/\$12.75	___	B
___ E. coli K-99 FA	\$9.50/\$14.25	___	B
___ E. coli Panel FA	\$19.00/\$28.50	___	B
___ Enter CX/DNR	\$13.50/\$20.25	___	B
___ Fungal Culture	\$11.00/\$16.50	___	B
___ Fungal Screen Ab	\$7.00/\$10.50	___	B
___ Fungal ID	\$9.00/\$13.50	___	B
___ Gram Stain	\$4.50/\$6.75	___	B
___ Haem som/suis CX	\$7.50/\$11.25	___	B
___ Johne's Culture	\$10.00/\$15.00	___	B
___ Lepto CX-Semen	\$15.50/\$23.25	___	B
___ Listeria Culture	\$12.00/\$18.00	___	B
___ Listeria Screen	\$5.00/\$7.50	___	B
___ Milk Culture	\$4.00/\$6.00	___	B
___ Milk CX-Bulk Tank	\$15.50/\$23.25	___	B
___ Mycoplasma CX	\$7.50/\$7.50	___	B
___ ≥ 11 - Split plate	\$4.00/\$4.00	___	B
___ Mycoplas CX-Sem	\$15.25/\$23.00	___	B
___ Parasite ID	\$9.00/\$13.50	___	B
___ Parasites-Ecto/Baer	\$10.00/\$15.00	___	B
___ Para-Endo	\$9.00/\$13.50	___	B
___ Salmonella Culture	\$11.50/\$17.00	___	B
___ Salm Group ID	\$6.50/\$9.75	___	B
___ Salm-w/Serotype	\$21.00/\$31.50	___	B
___ Semen-Fungus	\$8.00/\$12.00	___	B
___ Semen Plate Cnt/ID	\$13.50/\$20.25	___	B
___ Serpulina hyo	\$10.50/\$15.75	___	B
___ Susc-Mast/Prod	\$9.00/\$13.50	___	B
___ Suscept-Other	\$14.00/\$21.00	___	B
___ Add Antimic @	\$2.50/\$3.75	___	B
___ Add Isolate @	\$3.50/\$5.25	___	B
___ Trich-Dir Exam/CX	\$5.50/\$8.25	___	B
___ Tularemia	\$11.50/\$17.25	___	B
___ Ureaplasma Cult	\$11.00/\$16.50	___	B
___ Yersinia	\$7.00/\$10.50	___	B
___		___	B

VIROLOGY

___ BTV AGID	\$7.50/\$11.25	___	V
___ EHD AGID	\$6.00/\$9.00	___	V
___ BLV ELISA	\$4.50/\$6.75	___	V
___ BTV ELISA	\$8.00/\$12.00	___	V
___ IBR ELISA	\$8.50/\$8.50	___	V
___ BRSV SN	\$4.00/\$6.00	___	V
___ BVD SN 1&2	\$10.50/\$15.75	___	V
___ EHD SN	\$6.50/\$9.75	___	V
___ IBR SN	\$3.05/\$5.25	___	V
___ IBR SN OIE Protocol	\$6.50/\$9.75	___	V
___ VS SN	\$5.00/\$7.50	___	V
___ ERV SN	\$5.00/\$7.50	___	V
___ BTV CF	\$12.00/\$18.00	___	V
___ Chlamydia CF	\$11.00/\$16.50	___	V
___ Q Fever CF	\$13.00/\$19.50	___	V
___ VS CF	\$11.00/\$16.50	___	V
___ Neospora ELISA	\$6.00/\$9.00	___	V
___ Neospora IFA	\$10.00/\$15.00	___	V
___ Fungal AGID	\$26.00/\$39.00	___	V
___ Toxoplasma LA	\$21.00/\$31.50	___	V
___ PRRS ELISA	\$7.00/\$10.50	___	V
___ PRV ELISA	\$2.25/\$3.50	___	V
___ PRV SN	\$3.00/\$4.50	___	V
Virus Isolation			
___ Swabs	\$8.00/\$12.00	___	V
___ Tissues	\$23.50/\$35.25	___	V
___ BVD-PI-BC	\$8.00/\$8.00	___	V
___ BVD-PI-SER	\$5.00/\$5.00	___	V
___ BVD-VI-BC	\$15.00/\$22.50	___	V
___ BVD-VI-SER	\$14.50/\$21.75	___	V
___ BVD-VI-MILK	\$25.00/\$37.50	___	V
___ Follic fluid/cell-VI	\$15.50/\$23.50	___	V
___ BRSV ELISA	\$19.00/\$28.50	___	V
___ FLU-A-ELISA	\$20.00/\$30.00	___	V
___ Chlamydia Isol	\$25.00/\$37.50	___	V
___ PRRS Isol	\$22.00/\$33.00	___	V
___ Electron Micro	\$18.00/\$27.00	___	V
___ Frz Sct Cmp(1-3tss)	\$26.00/\$39.00	___	V
___ Frz Sct Pro (1-3tss)	\$16.00/\$24.00	___	V
Semen Isolation			
___ BVD	\$15.50/\$23.25	___	V
___ IBR	\$10.50/\$15.75	___	V
___ IBR-2 pass	\$14.00/\$21.00	___	V
___ IBR-3 pass	\$17.50/\$26.25	___	V
___ IBR/BVD	\$15.50/\$23.50	___	V
___ IBR-2 + BVD	\$19.50/\$29.25	___	V
___ IBR-3 + BVD	\$23.50/\$35.25	___	V
___		___	V
___		___	V

CLINICAL PATHOLOGY

___ IgG Bovine \$12.00/\$18.00 ___ C
 ___ IgG-Equine \$23.00/\$34.50 ___ C

TOXICOLOGY/NUTRITION

___ Alkaloid Screen \$25.00/\$37.50 ___ T
 ___ Ammonia-Rumen \$7.00/\$10.50 ___ T
 ___ Anions-Fluids \$20.00/\$30.00 ___ T
 ___ Anions-H2O \$10.00/\$15.00 ___ T
 ___ Anions-Feed \$14.00/\$21.00 ___ T
 ___ Anticoag-Screen \$40.00/\$60.00 ___ T
 ___ Cholines Bld \$11.00/\$16.50 ___ T
 ___ Cholines Brain \$13.50/\$19.50 ___ T
 ___ Cyanide \$16.00/\$24.00 ___ T
 ___ Iron-Serum \$11.00/\$16.50 ___ T
 ___ Lead-Blood \$15.00/\$22.50 ___ T
 ___ Metals-Serum \$11.00/\$16.50 ___ T
 ___ Metals-Tissue \$11.00/\$16.50 ___ T
 ___ Methemoglobin \$8.00/\$12.00 ___ T
 ___ Monensin \$35.00/\$52.50 ___ T
 ___ Mycotoxin Screen \$50.00/\$75.00 ___ T
 ___ Pesticide-Granules \$25.00/\$37.50 ___ T
 ___ Pesticide-Other \$60.00/\$90.00 ___ T
 ___ pH \$6.50/\$9.75 ___ T
 ___ Plant ID \$15.00/\$22.50 ___ T
 ___ Se-Serum/Blood \$8.00/\$12.00 ___ T
 ___ Selenium-Tissue \$11.00/\$16.50 ___ T
 ___ Sodium Chloride \$8.00/\$12.00 ___ T
 ___ Urea-Feed \$20.00/\$30.00 ___ T
 ___ Vit A/E-Serum \$15.00/\$22.50 ___ T

WAHL-BARRON

___ AE ELISA \$2.00/\$3.00 ___ WB
 ___ AI AGID \$0.75/\$1.25 ___ WB
 ___ BART ELISA \$1.75/\$2.75 ___ WB
 ___ Borde avium Swab \$4.00/\$6.00 ___ WB
 ___ CAE AGID \$5.00/\$7.50 ___ WB
 ___ Eq Infl AGID-HI \$10.00/\$15.00 ___ WB
 ___ EIA AGID \$5.00/\$7.50 ___ WB
 ___ EIA ELISA \$5.00/\$7.50 ___ WB
 ___ HE ELISA \$2.00/\$3.00 ___ WB
 ___ IB ELISA \$1.75/\$2.75 ___ WB
 ___ IB ELISA \$1.75/\$2.75 ___ WB
 ___ Lyme Eq & Canine \$10.00/\$15.00 ___ WB
 ___ MG/MM/MS-HI \$1.00/\$1.50 ___ WB
 ___ MG/MM/MS-Plate \$1.10/\$1.75 ___ WB
 ___ Newcast/PMV3 HI \$0.85/\$1.25 ___ WB
 ___ OPP AGID \$4.50/\$6.75 ___ WB
 ___ ORT-Bact \$4.50/\$6.75 ___ WB
 ___ ORT-Sero \$0.75/\$1.25 ___ WB
 ___ Salm Pull/Typh \$0.35/\$0.50 ___ WB

**CHEMISTRY REFERRALS--
MARSHFIELD**

___ CBC ___ R
 Chemistry Panels ___ R
 ___ Mineral ___ R
 Alb / Alk Phos / Amylase / Bili-Dir
 Bili-Ind / BUN / Ca / Chol / CK / Creat
 GGT / Gluc / Lipase / Mg / Phos / SGOT
 SGPT / Tot Bili / Tot Prot / Uric Acid
 ___ Fibrinogen ___ R
 ___ R
 ___ R
 ___ R
 ___ R

REFERRALS

___ Bruc Ov ELISA CSU ___ R
 ___ BTV Bloc EL NVSL ___ R
 ___ BTV SN NVSL ___ R
 ___ Coombs MARSHFIELD ___ R
 ___ Cortisol MARSHFIELD ___ R
 ___ EEE/WEE/VEE NVSL ___ R
 ___ Eq Viral Art IL ___ R
 ___ FIP MARSHFIELD ___ R
 ___ FIV MARSHFIELD ___ R
 ___ Haem somnus IA St ___ R
 ___ IgG Llama VMTH ___ R
 ___ Johne's EL (Caprine) VMTH ___ R
 ___ Johne's PCR CORNELL ___ R
 ___ Listeria Feed BLS ___ R
 ___ Lyme IFA CORNELL ___ R
 (non canine, equine)
 ___ Mare Preg BET Lab ___ R
 ___ Mold ID DAIRYLAND ___ R
 ___ PI-3 SN NVSL ___ R
 Parvovirus Serology
 ___ Bovine U MN ___ R
 ___ Can U MN ___ R
 ___ Porcine U MN ___ R
 ___ Potomac Fever IL ___ R
 ___ Salmonella feed BLS ___ R
 ___ T3 MARSHFIELD ___ R
 ___ T4 MARSHFIELD ___ R
 ___ Urolith MN URO ___ R
 ___ Vitamin D MIST ___ R
 ___ R
 ___ R

Subtotal Page 1 = \$ _____
 Subtotal Page 2 = \$ _____
 TOTAL CHARGES = \$ _____