

WISCONSIN STATE  
LEGISLATURE  
COMMITTEE HEARING  
RECORDS

2005-06

(session year)

Senate

(Assembly, Senate or Joint)

Committee on  
Agriculture and  
Insurance  
(SC-AI)

Sample:

Record of Comm. Proceedings ... RCP

- 05hr\_AC-Ed\_RCP\_pt01a
- 05hr\_AC-Ed\_RCP\_pt01b
- 05hr\_AC-Ed\_RCP\_pt02

➤ Appointments ... Appt

➤ \*\*

➤ Clearinghouse Rules ... CRule

➤ **05hr\_CRule\_04-103\_SC-AI\_pt01**

➤ Committee Hearings ... CH

➤ \*\*

➤ Committee Reports ... CR

➤ \*\*

➤ Executive Sessions ... ES

➤ \*\*

➤ Hearing Records ... HR

➤ \*\*

➤ Miscellaneous ... Misc

➤ \*\*

➤ Record of Comm. Proceedings ... RCP

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- Public Hearing - May 12, 2005 -



No. 2-153LY  
UPC 12934

HASTINGS, MN



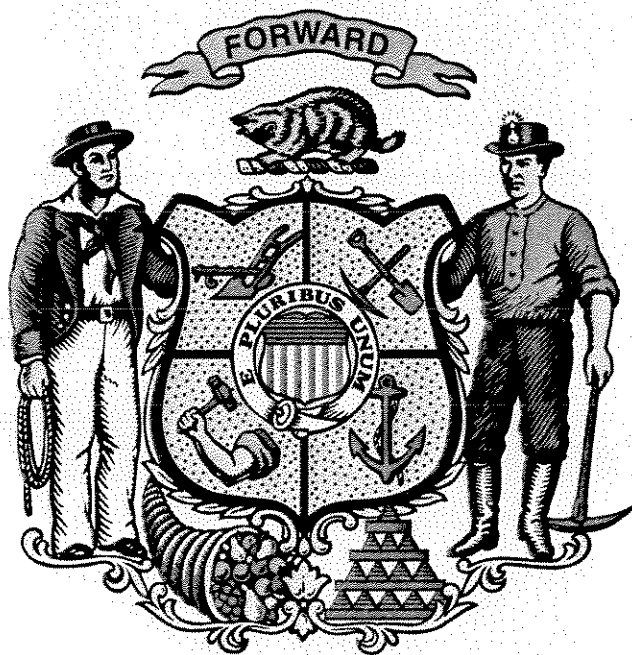
Not Used

May 12, 2005

**MOTION**

MOVED, that the Senate Committee on Agriculture and Insurance, pursuant to s. 227.19 (4) (b) 2., Stats., requests the Department of Agriculture, Trade and Consumer Protection to consider modifications to Clearinghouse Rule 04-103, relating to livestock premises registration.

If the Department of Agriculture, Trade and Consumer Protection does not agree to consider modifications to Clearinghouse Rule 04-103, in a letter addressed to the chair of the Senate Committee on Agriculture and Insurance, or fails to respond in writing to this request for modification, by 5:00 p.m., May 16, 2005, the Senate Committee on Agriculture and Insurance objects to Clearinghouse Rule 04-103 pursuant to s. 227.19 (4) (d) 6., Stats., on the grounds that the proposed rule is arbitrary and capricious, and imposes an undue hardship.



Testimony on the Rules for 2003 Wisconsin Act 229  
Paul J. McGraw, DVM Assistant State Veterinarian  
Division of Animal Health  
Wisconsin Department of Agriculture, Trade and Consumer Protection  
May 12, 2005

Chairman Kapanke, members of the Senate Agriculture and Insurance Committee, Chairman Ott and members of the Assembly Committee on Agriculture thank you for allowing me to testify on the rules for 2003 Wisconsin Act 229. I am Dr. Paul McGraw Assistant State Veterinarian and I am joined by State Veterinarian Dr. Robert Ehlenfeldt, Sue Buroker Administrator, Management Services, and Michelle McGuire legal counsel, we are representing Secretary Nilsestuen and DATCP.

2003 Wisconsin Act 229 directed the department to create and administer a mandatory livestock premises registration system. The department has drafted this rule creating program requirements for premises registration. This rule has been through the public hearing process, and today we are asking Committee members to approve the final draft rule to implement Wisconsin's livestock premises registration program.

The program's intent is to protect animal health and the security of the food chain. Knowing where the animals are will facilitate expedited response in the event of an animal disease emergency.

The rule includes the following provisions:

- The rule requires all persons who keep livestock in the state to register annually with the department.
- The department will issue a unique premises registration code, generated by the USDA national allocator, to each registered premises.
- Registration information is confidential.
- Persons may register on-line or by paper registration. Persons currently licensed by the department may register as part of their current annual license application.
- The premises registration number stays with the property, not the owner. If property is sold intact the premises registration number will not change.



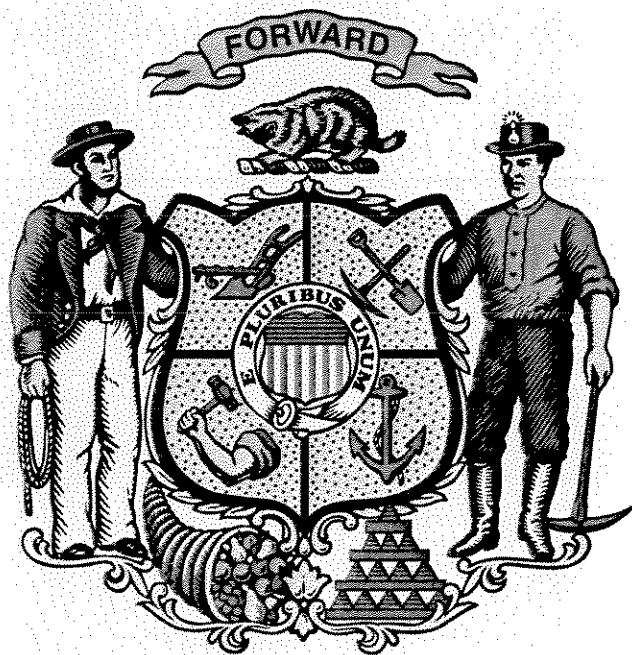
- The information required is
  - Legal name
  - Primary premises location and up to 3 secondary locations
  - Name and telephone number for the contact person who has knowledge of the livestock movements on that premises
  - Type of operation
  - Type of livestock
- Information provided by the registrant is confidential; the premises number by itself is not confidential.
- The department may disclose information if it is necessary to prevent or control disease or to protect public health.
- The department may release information with permission from the registrant.
- The department may use the information to create aggregate maps or compile statistics as long as an individual registrant's identity or address is not revealed.
- The department intends to contract with the Wisconsin Livestock ID Consortium to administer the program. The electronic registration system developed by the WI Livestock ID Consortium was selected by USDA as the interim system for premises registration that USDA has made available to all states.
- The department will promote voluntary compliance through outreach and education.
- Penalties for violations are set by statute and are equivalent to other animal health and food safety laws – generally ranging from \$200 to \$5,000.
- Exhibiting, selling or slaughtering livestock from an unregistered premises is prohibited **ONLY IF USDA or ALL** border states to Wisconsin impose the same prohibition.
- The department will receive approximately \$1.75 million in federal funding for the program in fiscal year 2006, and submitted a biennial budget request for funding as directed by the legislation.
- No fees are included in the rule.
- The department does not anticipate any significant economic impact on businesses in the state.

We held 10 public hearings at 5 locations throughout the state. To facilitate public participation there was one daytime hearing and one evening hearing at each location. Seventy-eight people attended the hearings, and 26 people

testified or registered a position. Eleven supported the rule, 7 opposed all or part of the rule, and 8 expressed neither support nor opposition. Comments included the following:

- *Registration information must be kept confidential.* DATCP agrees, and the rule requires it.
- *Registration should be required only for large operations, or only for operations that keep food animals.* DATCP disagrees. DATCP believes that it is important to register all livestock premises, because disease is not limited to large operations or to food animals.
- *The rule should require one-time, rather than annual, registration.* DATCP disagrees. We believe that annual registration is necessary to ensure that information is accurate and up-to-date. The annual registration process is simple, and there is no fee.
- *DATCP's contract agent should not charge any unauthorized registration fee.* We agree, and we have clarified the rule to prohibit unauthorized fees.
- *Milk producers will not be able to renew their premises registrations with their annual license renewals, because milk producers do not submit annual license renewal applications (dairy plants pay annual renewal fees for milk producers).* We agree, and we have modified the final draft rule accordingly. Milk producers will register with their initial license application. But annual registration renewals will be separate from license renewals (DATCP will send annual registration renewal forms to registered producers).
- *There was broad based concern that no fee be associated with premises registration, now or in the future.* This department is not authorized to implement fees to fund this program, and modified the rule to explicitly state that the contract agent cannot charge a fee.

We would be happy to answer any questions.







## Comments on Wisconsin Premises Identification Rule

Jay Mattison

CEO and Administrator

National Dairy Herd Improvement Association

12 May 2005

### Key Points

The Premises rule, its interpretation and application should:

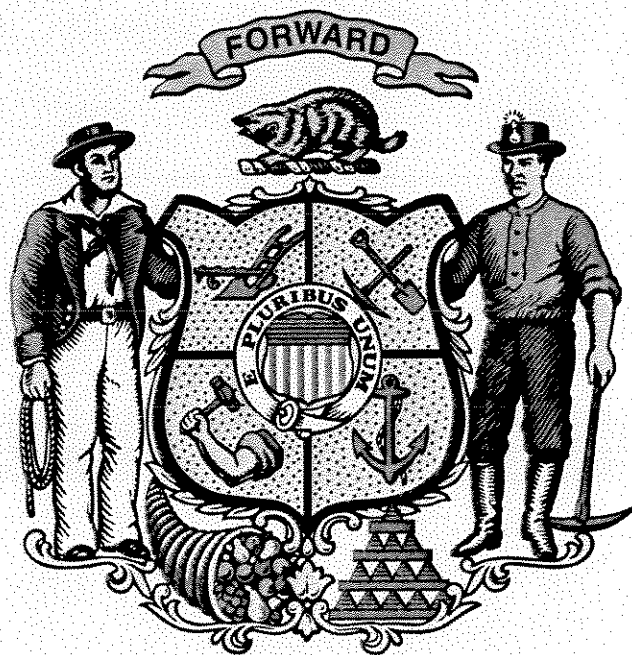
- Protect the animal health of the herds, flocks, schools (aquaculture) and colonies of animals located and maintained in Wisconsin.
- Provide risk management for animal health authorities to manage, conduct surveillance, control and deal with animal health disease incidences.
- Serve the good of the consuming public and the animal (producer or pleasure) segments.

### Key Considerations

The Premises rule should have these questions reviewed:

- What will the economic impact be of the rule to producers or growers and the public?
- What is the benefit and risk management obtained by the rule in protecting animal health?
- Is the rule clearly and concisely written to allow minimum interpretation?
- Are the minimum amount of data elements contained in DATCP controlled data structures?
- There is FOIA consideration and language, but has it been rigorously reviewed?
- How does the Wisconsin rule compare to federal and neighboring states' rules or proposed rules?
- How will the rule be enforced in the pleasure and commercial chains of animal movement or commerce?

The Wisconsin Premises ID rule is reasonable on a conceptual basis, but there seems to be several areas pertaining to the application and enforcement that should be answered before the rule reaches the final and implementation stages. This will ensure a clear understanding between regulatory partners, participants and the public.





## **WISCONSIN FARM BUREAU FEDERATION<sup>®</sup>**

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

**May 12, 2005**

**To: Members of the Senate Agriculture & Insurance Committee  
Members of the Assembly Agriculture Committee**

**From: Jeff Lyon, Director, Governmental Relations**

**RE: Clearinghouse Rule 04-103 Relating to livestock premises registration**

On behalf of the Wisconsin Farm Bureau Federation, I am pleased to make comments in general support of Clearinghouse Rule 04-103 relating to livestock premises registration. As you know, premise identification is the first step in making a national animal identification program successful.

The WFBF is pleased that DATCP has been able to secure federal funds to get premise registration off the ground. It is our understanding that federal funds are available until July 2006 and members of our Congressional delegation are working to get additional funding through July 2007.

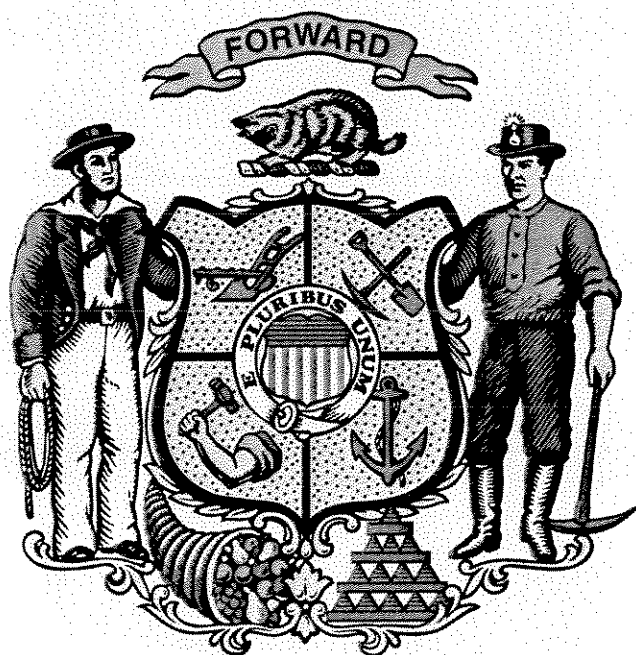
While the rule does not contain registration fees, the WFBF remains concerned about how the program will be funded when federal funds are no longer available. Since the premise identification and individual animal identification is a priority of the general public due to food safety, animal health and bio-security concerns, the WFBF believes all citizens should pay a portion of premise registration and animal identification costs. This will be an issue for your committees and stakeholders to address at the appropriate time. The WFBF opposes registration fees being imposed solely on producers.

As you know, the rule calls for annual registration of premises. During the hearing process, the WFBF, in an effort to eliminate some of the administrative burden and to minimize costs on both DATCP and livestock producers, questioned the need for annual premises registration due to the fact that once a premise is established, there are typically very few changes over time. The WFBF suggests premise registration once every two years.

While the rule is being put in place to protect human health, the WFBF is concerned that the rule could be used by individuals or groups wanting to advance different agendas. Under the rule, DATCP is authorized to disclose otherwise confidential information, "if the department believes that the release is necessary to prevent or control disease or to protect public health, safety or welfare." WFBF would like to see "public health" changed to "human health" to better protect producers against allegations based on concerns that are unrelated to animal health issues.

Lastly, in our hearing comments the WFBF expressed concern with the language pertaining to confidentiality and disclosure. Since the hearing, we believe our concerns have been adequately addressed.

Again, the WFBF appreciates the opportunity to offer these comments.





**Wisconsin Federation of Cooperatives**

131 West Wilson Street, Suite 400, Madison, WI 53703

Phone: 608.258.4400 Fax: 608.258.4407 www.wfcmac.coop

Date: May 12, 2005

To: Members. Senate Committee on Agriculture and Insurance and  
Assembly Committee on Agriculture

From: Bill Oemichen, President & CEO

A handwritten signature in black ink, appearing to read 'Bill Oemichen', is written over the printed name.

RE: Support for Livestock Premises Registration Rule, CR 04-103

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Thank you for allowing the Wisconsin Federation of Cooperatives (WFC) to provide comment on Clearinghouse Rule 04-103. WFC is a state trade association consisting of a diverse membership of cooperatives, mutual insurance companies and credit unions. A significant number of our members will be directly impacted by the proposed rule and they are dairy, livestock marketing, animal genetics cooperatives and the Wisconsin Association of Fairs. **WFC supported the legislation that became 2003 Wisconsin Act 229 because it would help protect the health of Wisconsin's livestock industry and because it would strengthen the consumer confidence in our industry and the products from that industry.** For the same reasons, we also support Rule 04-103.

**We believe the Legislature and Department of Agriculture, Trade & Consumer Protection's reliance on members of the Wisconsin Livestock Identification Consortium (WLIC) for input into both the legislation and the proposed rule has been a most important part of the process for the move to mandatory premise registration.** WFC and many WFC members are part of the broad and diverse membership of WLIC, now numbering 58, that includes almost all facets of Wisconsin's animal agriculture. In fact, WFC was among the several original business entities that initiated action to create a system that would effectively provide animal trace back capability to respond to contagious animal disease outbreaks.

Important aspects of the proposed rule are many. The proposed delayed effective date is January 1, 2006. For livestock facilities currently licensed by DATCP, the premise registration requirement will take effect on the first day of the first full license year beginning after January 1, 2006. For the dairy farms, that means a May 1, 2006, registration requirement. This coordinated approach is appropriate. The rule does not create additional record-keeping or reporting requirements beyond the basic annual registration. **Act 229 and the rule provide for strict confidentiality requirements for the premises registration information.**



WFC has requested the DATCP to continue working closely with all of Wisconsin's livestock industry as the new program is implemented. Information that is discovered during the current WLIC voluntary registration process, and through the pilot projects that WLIC has started with several industry representatives, will prove helpful as further steps are initiated. To date, WLIC has been able to register 10,000 premises. Furthermore, the Farm Service Agency (FSA) in Wisconsin has on-site registration now available in 24 of their offices.

The National Animal Identification System (NAIS), a government and industry cooperative effort, has identified an ambitious timetable in their draft strategic plan released last month. NAIS's milestones identify July of this year for all states being capable of premises registration. NAIS indicates that premises registration and animal identification would be required by January of 2008. The final milestone of January 2009 anticipates the entire program at mandatory status. **Today, 47 states have committed to premises registration efforts, of which 35 are following the Wisconsin model, the "standardized premises registration system."**

ACT 229 does not authorize fees on producers to finance this program and **the proposed rule clearly states in ATCP 17.02 "there is no fee to register."** WFC and others successfully asked the Joint Finance Committee last week to reject the Governor's budget proposal to allow a DATCP agent to be able to collect fees to administer the program. It will be essential to marshal industry support for federal and/or state general funds for the administration of premises registration when the current federal funding available to Wisconsin is exhausted. As you know, WFC took the lead along with several others to successfully obtain federal funding for the first several years of work of the WLIC.

**In closing, WFC supports the proposed livestock premises registration rules as they are. We understand some WLIC members prefer amending the rules to provide for every other year registration. WFC is not opposed to that rule modification.** While it is not a certainty today that all necessary financial resources will be forthcoming to cover the costs to administer the Wisconsin effort, it would appear that the geographic reach of premises registration activity bodes well for increased federal political and financial support. WFC will continue to place a high priority on the progress and on obtaining the necessary financial support for this important project.

Thank you for considering the comments of the Wisconsin Federation of Cooperatives.