

11hr_SC-AFHE_sb0396_pt01



(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2011-12

(session year)

Senate

(Assembly, Senate or Joint)

Committee on Agriculture, Forestry, and Higher Education...

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
(**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
(**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

Senate

Record of Committee Proceedings

Committee on Agriculture, Forestry, and Higher Education

Senate Bill 396

Relating to: financial assistance for the livestock premises registration program, a tax credit for livestock identification tags and tag-reading equipment, and making an appropriation.

By Senators Harsdorf and Vinehout; cosponsored by Representatives Tauchen and Steinbrink.

January 20, 2012 Referred to Committee on Agriculture, Forestry, and Higher Education.

January 23, 2012 **PUBLIC HEARING HELD**

Present: (7) Senators Schultz, Harsdorf, Kedzie, Moulton, Hansen, Shilling and King.

Absent: (0) None.

Excused: (0) None.

Appearances For

- Sheila Harsdorf, Madison — Senator, Wisconsin State Senate
- David Cooper — Family Dairies USA/WLIC

Appearances Against

- None.

Appearances for Information Only

- Robert Fourdraina — WLIC
- Paul McGraw — Dr, WI DATCP

Registrations For

- Paul Zimmerman, Madison — Wisconsin Farm Bureau
- John Manske, Madison — Cooperative Network
- David Ward, Madison — Cooperative Network
- Kathleen Vinehout — Senator, Wisconsin State Senate
- Gary Tauchen — Representative, 6th Assembly District
- Gary Goyke, Madison — Wisconsin Game Preserve Association
- Jordan Lamb, Madison — Wisconsin Pork Association
- Jordan Lamb, Madison — Wisconsin Cattleman's Association
- Kim Brown Pokorny, Madison — WI Veterinary Medical Association

Registrations Against

- None.

Registrations for Information Only

- None.

January 31, 2012

EXECUTIVE SESSION HELD

Present: (7) Senators Schultz, Harsdorf, Kedzie, Moulton,
Hansen, Shilling and King.

Absent: (0) None.

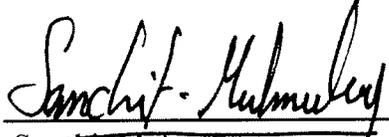
Excused: (0) None.

Moved by Senator Harsdorf, seconded by Senator Kedzie that
Senate Bill 396 be recommended for passage.

Ayes: (7) Senators Schultz, Harsdorf, Kedzie, Moulton,
Hansen, Shilling and King.

Noes: (0) None.

PASSAGE RECOMMENDED, Ayes 7, Noes 0



Sachit Mulmuley
Committee Clerk

Vote Record

Committee on Agriculture, Forestry, and Higher Education

Date: 1/31/12

Moved by S. Harsdorf

Seconded by: Sen. Kedzie

AB _____ SB 396 Clearinghouse Rule _____
 AJR _____ SJR _____ Appointment _____
 AR _____ SR _____ Other _____

A/S Amdt _____
 A/S Amdt _____ to A/S Amdt _____
 A/S Sub Amdt _____
 A/S Amdt _____ to A/S Sub Amdt _____
 A/S Amdt _____ to A/S Amdt _____ to A/S Sub Amdt _____

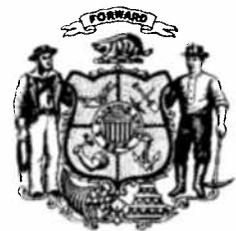
- Be recommended for:
- Passage Adoption Confirmation Concurrence Indefinite Postponement
 - Introduction Rejection Tabling Nonconcurrence

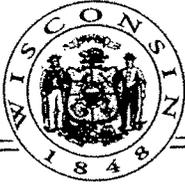
Committee Member	Aye	No	Absent	Not Voting
Senator Dale Schultz, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Sheila Harsdorf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Neal Kedzie	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Terry Moulton	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Dave Hansen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Jennifer Shilling	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Jessica King	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Totals:	<u>7</u>	<u>0</u>	<u>0</u>	<u>0</u>

Motion Carried Motion Failed



WISCONSIN STATE LEGISLATURE





State Senator Sheila Harsdorf

Date: January 20, 2012

To: Senate Committee on Agriculture, Forestry and Higher Education

Fr: Senator Sheila Harsdorf

Re: Senate Bill 396 – Maintaining livestock premises registration information and providing a tax credit for livestock identification tags and tag-reading equipment

Chairman Schultz and Committee Members,

Thank you for holding a hearing on Senate Bill 396 (SB 396), which seeks to continue the livestock premises registration program, ensure the continued maintenance of livestock premises registration data, and create a tax credit for livestock identification tags and tag-reading equipment.

Under Wisconsin law, registration of premises is mandatory for those that keep and raise livestock. Livestock premises are considered to be any location where livestock is kept or congregate, including such locations as farms, feedlots, or markets. The purpose of livestock premise registration requirements is to provide information to animal health experts in the case of an animal disease outbreak that would threaten the safety and health of consumers, other animals, or our state's agriculture industry.

It is important to note that Wisconsin requires premises identification, not individual animal identification. The legislation before us today does not make changes requiring individual animal identification.

Wisconsin's livestock premises registration program is a public-private partnership with the Wisconsin Livestock Identification Consortium (WLIC). Under the program the individual or party responsible for livestock registers the location where the livestock is kept with WLIC. A unique identifier is then assigned to that location. This program has been funded through the use of federal funds.

WLIC and the Department of Agriculture, Trade and Consumer Protection (DATCP) have been notified that federal funds for Wisconsin's livestock premises registration program will soon no longer be available. In order to maintain the information already obtained by the state and continue registering premises in Wisconsin, a funding source needs to be provided to continue the program. If a funding source is not provided, it is my understanding that Wisconsin's premise records would need to be transferred to a federal recordkeeping system and would not be as accessible as through our current program.

This legislation would allow DATCP to provide funds up to \$250,000 in the form of a matching grant to WLIC to continue the livestock premises registration program. This funding will help ensure the information already collected will remain available in the case of an animal health outbreak to allow timely and appropriate responses.

SB 396 would also create an income tax credit for those that purchase radio frequency identification (RFID) tags and tag-reading equipment for their livestock. This credit seeks to address concerns with the loss of federal grants previously provided to producers for this purpose.

Thank you for your consideration of this legislation. I welcome any questions or concerns you may have.





1 South Pinckney Street, Suite 810, Madison, WI 53703-2869
608.258.4400 fax 608.258.4407
400 Selby Avenue, Suite Y, St. Paul, MN 55102-4520
651.228.0213 fax 651.228.1184
www.cooperativenetwork.coop

January 23, 2012

To: Chairman Dale Schultz and members of the Senate Committee on Agriculture,
Forestry and Higher Education

From: John Manske, Director of Government Relations
David Ward, Director of Government Relations and Dairy

Re: Support of Senate Bill 396 (SB 396)

Thank you for holding a hearing on SB 396 which will provide financial assistance for Wisconsin's mandatory premises registration program and a tax credit for individuals and businesses which purchase livestock identification tags and tag-reading equipment.

2003 Wisconsin Act 229 created Wisconsin's Premises Registration Program. Livestock premises registration applies to any location where livestock congregate. Premises registration is important because it enables a quick reaction in the event of a disease outbreak. Wisconsin was the first state in the nation to mandate livestock premises registration. Wisconsin has a public-private partnership with the Wisconsin Livestock Identification Consortium (WLIC). The program was funded primarily through grants from the USDA Animal and Plant Health Inspection Service (APHIS) Veterinary Service. Unfortunately federal budget cuts have eliminated the grants DATCP used to fund the Premises Registration Program.

WLIC is developing a livestock industry-wide support system to help fund Wisconsin's Premises Registration Program. SB 396 will make the State of Wisconsin a partner. In addition, WLIC has made Wisconsin a leader in animal identification which will benefit our livestock industry if traceability of the source of food products becomes an issue in the future. SB 396 will allow WLIC to continue its cutting-edge work on animal identification at little or no cost to livestock producers.



**Senate Bill 396 – Public Testimony
from David Cooper, WLIC Chairperson**

Dear Chairman Schultz and Committee members. Thank you for allowing me to provide testimony regarding SB396 which is provided today. My name is David Cooper, General Manager of Family Dairies USA and current Chairperson of the Wisconsin Livestock Identification Consortium (WLIC) Board of Directors.

With federal funds being diminished, our organization began discussions with the Wisconsin Department of Agriculture, Trade and Consumer Protection on avenues to keep these programs going. At the request of Wisconsin Secretary of Agriculture, Ben Brancel, we engaged the livestock industry by first establishing a diversified task force of producers and industry representatives to identify critical components, then the established key elements important to a continued program. It was important for Wisconsin to maintain this critical infra-structure and determine what steps should be undertaken to open up marketing opportunities for Wisconsin livestock and livestock products. We reached out to industry by engaging over 50 WI livestock and industry groups on a draft proposal titled "Partnership to Protect & Promote Wisconsin". The task force was well aware of the tough economic times and opted for a 50-50 public-private cost share program, but also wanted to identify the importance of value added, while safe guarding Wisconsin products and markets. Following input from industry representatives, this proposal was finalized and presented to the WLIC membership and received unanimous approval.

The resulting proposal had to meet the following requirements presented by producers and industry:

- Maintain the mandatory premises registration program and provide animal health officials the tools they needed to do their job.
- Continue to provide a non-fee to producers for premise registration.
- Maintain a voluntary animal ID program where those that elect to participate pay into the system.
- Maintain the confidentiality of producer data.
- Meet USDA traceability requirements that become law.

We believe the resulting proposal meets the aforementioned requirements and provides the following benefits to Wisconsin producers, businesses and consumers:

- Maintaining the premises registration system will limit the impact of a disease outbreak and protect our livestock industry and producers while adding job security.
- A Wisconsin branded ID tag incentive program will allow Wisconsin livestock producers and allied industry to:
 - o Allow investment in new technology (feeding stations, sort gates, scales, parlors, etc.)
 - o Improve production efficiency & profitability
 - o Enhance record keeping and management of critical identifiers in the business
- A Wisconsin branded ID tag program helps promote Wisconsin agriculture and expand marketing opportunities of Wisconsin livestock and livestock products locally and internationally.
- Producers will invest in new technology which creates an environment that enhances protection and promotes & grows the industry.
- Increased sales can lead to higher profitability and growth which may result in more jobs.

To show the commitment of the industry, I am pleased to announce that since the start of this year our livestock industry has already committed \$45,750 towards our goal of raising \$100,000 in sponsorships. In addition one tag manufacturer has already committed to participating in the Wisconsin branded tag program. Producer groups have been presenting the proposal "Partnership to Protect & Promote Wisconsin" to their membership and we have received favorable comments from a number of groups.

Thank you for your time. If I can answer any questions for you, please don't hesitate to contact me via phone or email.

Sincerely,

David Cooper
WLIC Chairperson

Cell Phone – 608-516-1184
Email - dcooper@fdusa.org



Partnership to Protect & Promote Wisconsin

Established in 2002, the Wisconsin Livestock Identification Consortium (WLIC) is a non-profit livestock producer and industry organization. WLIC was established as a statewide initiative to develop a livestock identification and information system to protect animal health and market access. Representing more than fifty businesses, organizations and livestock producer associations, WLIC draws upon the collective strength of its diverse membership to help strengthen and advance animal disease traceability in Wisconsin and the nation as a whole. With decreased federal funding and the livestock industry and producers taking on a larger role in protecting animal health, WLIC's efforts going forward are focused on ways to offer opportunities to the industry to enhance the marketability of Wisconsin livestock and products while protecting the health of Wisconsin animals.

A Three-Part Approach

The Partnership to Protect & Promote Wisconsin is a three-part approach to protect Wisconsin's livestock industry while maintaining confidentiality of producer data and not increasing the cost to producers.

- 1 Protect.** Part One of the plan involves a shared federal and state contribution to fund the regulatory components of the program. Their combined contribution of \$250,000 would allow the continuation and maintenance of the mandatory state premises registration program. Maintaining the premises program is critical to protecting the livestock industry and will allow animal health officials to more quickly respond to a disease outbreak.
- 2 Market.** Part Two of the plan involves a Wisconsin Origin branded tag initiative. The Wisconsin Origin tag would consist of a WI seal printed by tag manufacturers on AIN (840) and Premises ID tags distributed in Wisconsin. As consumers and export markets require more traceability of the product sold back to the farm of origin, the Wisconsin branded tag initiative will allow Wisconsin to take a leadership position in this effort. It will also allow for marketability of Wisconsin livestock and livestock products abroad. The potential of a state incentive for producers who purchase the official Wisconsin branded tags is being proposed as part of this program. Tag companies will be asked to pay a small amount per tag printed and/or annual licensing fee for the branded official tag. The goal of the branded tag initiative is to raise \$150,000 to pay for the animal identification and traceability program.
- 3 Educate.** Part Three of this plan will be an Industry Sponsorship program which will allow any individual or organization that supports WLIC's efforts to make a monetary contribution. The sponsorship program will have different levels of contribution and WLIC's goal is to generate \$100,000 through the sponsorship program. In return, WLIC will offer a variety of outreach services and advertising opportunities which can be tailored to the needs of the individual or organization. The money generated through the sponsorship program will be utilized to educate producers and youth on the value of animal health as it relates to premises registration and the benefits of animal identification for herd management and marketing opportunities. The money would also be allocated toward maintaining tradeshow appearances, news articles, and other media related material.

This plan was approved by the WLIC Board of Directors and Membership on September 20, 2011.



WLIC Status Update

Who is WLIC?

The Wisconsin Livestock Identification Consortium (WLIC) is composed of more than 50 member businesses, organizations and livestock-related associations and its effort includes producers, cooperatives, private businesses, and government entities.

What does WLIC do?

- WLIC is a livestock industry driven initiative that grew out of a need to develop a livestock identification and information system.
- WLIC was created to support the protection of animal health, and the economic infrastructure fueled by animal agriculture.
- WLIC is safeguarding market access and offering agriculture producers opportunities to enhance the marketability of Wisconsin livestock products.
- WLIC supports integration of a traceability system to strengthen Wisconsin's biosecurity system and gain global market access.

What has WLIC achieved in Wisconsin?

WLIC has introduced several producer-focused projects in Wisconsin to help integrate, and raise awareness of, the benefits of a livestock identification system:

- 28 County and State Fair production animal weigh-ins are using Radio Frequency Identification Devices (RFID) tags and readers to reinforce the importance of animal identification and introduce this technology to animal agriculture's future.
- The Livestock Vantage initiative was created to increase awareness and understanding of livestock identification, premise registration and animal tracing, gaining support of this multi-species program.
- WLIC's Free Tag Startup Program has issued over 300,000 official Animal Identification Numbered (AIN) RFID tags to farms in Wisconsin. These devices have helped increase on-farm efficiency, translating to greater revenue for some producers.

WLIC has helped Wisconsin reinforce their national leadership in premises registration and animal identification through the following milestones:

- Registered 66,000 premises in Wisconsin – leading the country.
- Issued over 600,000 official AIN RFID tags to producers, veterinarians and county and state fair exhibitors – fourth most in the country.
- Recorded over 1,200,000 animals in the state with an RFID, an increase of 20% from 2010 to 2011.
- Read 1,400 animals at livestock markets on an average month, an increase of 65% from 2010 to 2011.

With the support of people like you, WLIC's work will continue to generate new opportunities, allowing animal agriculture and associated industries to grow and compete successfully. For the most current and correct animal identification information, or to learn more about Wisconsin's efforts towards a secure animal identification system, call WLIC at 1-888-808-1910, e-mail Robert Fourdraine at rfourdraine@wiid.org or visit www.wiid.org.



McGraw, Paul J - DATCP

To: McGraw, Paul J - DATCP
Subject: RE: Testimony on Premises Bill

Chairman Schultz and committee members, thank you for the opportunity to testify today. I am Dr. Paul McGraw, assistant state veterinarian with the Wisconsin Department of Agriculture, Trade and Consumer Protection. I just have a few comments on this bill for information only.

Livestock premises registration is mandatory in Wisconsin under Wis. Stats 95.51, the rules have been in effect since January 1, 2006. Over 60,000 livestock premises have been registered in Wisconsin.

DATCP has been contracting with the Wisconsin Livestock Identification Consortium (WLIC) to manage this program with earmark federal funding

The federal earmark funding has been discontinued.

If there is no funding for WLIC to continue operations, DATCP would be forced to move the premises data to the federal system which is less reliable, less available and DATCP would not have complete control over the data creating potential confidentiality issues.

WLIC also stores over 1,000,000 individual animal identifications that Wisconsin producers have voluntarily identified their animals with. Without funding, this information would also be lost which could make animal disease traceability more difficult in the future.

Again, thank you for the opportunity to testify.