

Since 2008

KLA Dairy Council Meeting

Thursday, December 5, 2019 2:30 p.m. to 4:30 p.m. Meeting Room Birch 203 Century II Convention Center Wichita, KS

Chairman:Aly McClureVice Chairman:Greg Bethard

* AGENDA *

- 1. 2:30 pm: Introductions and Welcome David Clawson 2017 KLA President
- 2. 2:35 pm: Ben Laine Rabo AgriFinance, RaboResearch Dairy Analyst, Dairy Economy
- 3. 3:00 pm: Stephanie Meyers Merck Animal Health, Dairy Care 365
- 4. 3:25 pm: Emily Voris Kansas Department of Agriculture, Secure Milk Plans
- 5. 3:45 pm: Review of Policy Resolutions
 - 11. STATEMENT OF OPERATING PRINCIPLES (2018)
 - 14. STATUTORY LIENS (2017) EXPIRING
 - 16. MOTOR VEHICLE REGULATIONS (2019)
 - 17. LIVESTOCK TRANSPORTATION HOURS OF SERVICE STANDARDS (2018)
 - 18. IMMIGRATION (2019)
 - 19. BEEF CHECKOFF (2019)
 - 20. PROTECTING LIVESTOCK AND DAIRY NOMENCLATURE (2018) AMENDMENT
 - 22. NORTH AMERICAN TRADE AGREEMENTS (2019)
 - 29. MANURE USED AS FERTILIZER (2019)
 - 34. ZONING OF AGRICULTURAL LAND AND BUILDINGS (2017) EXPIRING
 - 43. ENVIRONMENTAL REGULATION (2018)
 - 50. ANIMAL CARE (2018)
 - 51. HANDLING OF NON-AMBULATORY CATTLE (2019)
 - 53. PROTECTION OF AGRIBUSINESS (2018)
 - 54. ANIMAL HEALTH PRODUCTS (2018)
 - 59. KANSAS DEPARTMENT OF AGRICULTURE, DIVISION OF ANIMAL HEALTH (2018)
 - 61. ANIMAL IDENTIFICATION FOR DISEASE TRACEABILITY (2019)
 - 62. KSU COLLEGE OF AGRICULTURE, COLLEGE OF VETERINARY MEDICINE, EXTENSION SERVICES, AND EXPERIMENT STATIONS (2017) EXPIRING
- 6. New Policy Discussion Corporate Farming
- 7. Other Topics
- 8. 4:25 pm: 2019 Council Leadership & Adjourn





11. STATEMENT OF OPERATING PRINCIPLES (2018)

WHEREAS, the Kansas Livestock Association believes the livestock industry is best served by the process of free enterprise and free trade, and

WHEREAS, even with its imperfections, free trade is relatively more equitable than regulated and subsidized markets that retard innovation and distort production and market signals, and

WHEREAS, regulated and subsidized markets disadvantage some producers in favor of others.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association is opposed to attempts to narrow the business options or limit the individual freedom of livestock producers to innovate in the management and marketing of their production unfettered by additional government regulations.

14. STATUTORY LIENS (2017) Expiring

WHEREAS, there are a number of agricultural statutory liens that have served Kansas well for decades, and

WHEREAS, under current law, livestock producers have a first and prior lien on the grazing, feeding, and care provided for livestock owned by others without having to file financing statements with the state.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association supports the current agricultural lien laws dealing with the feed and care provided livestock and will oppose any efforts to eliminate these liens or their priority.

BE IT FURTHER RESOLVED, the Kansas Livestock Association will oppose amendments that would require livestock producers to file financing statements with the state in order to maintain the status of their statutory lien.

16. MOTOR VEHICLE REGULATIONS (2019)

WHEREAS, livestock producers are an important sector of the nation's economy, and

WHEREAS, the use of trucks and trailers are a necessary part of every livestock producer's operation, and

WHEREAS, additional regulatory measures create an extensive economic burden on livestock operations, and

THEREFORE BE IT RESOLVED, the Kansas Livestock Association supports changes to statutes and regulations dealing with motor vehicle requirements to assure that the agricultural industry is not unnecessarily burdened.

BE IT FURTHER RESOLVED, the Kansas Livestock Association supports reasonable and least burdensome regulations so that they do not impede the necessary transportation of Kansas agricultural products to and from market.

BE IT FURTHER RESOLVED, the Kansas Livestock Association supports an interpretation of federal law that clarifies transporting agricultural products to and from market within the state does not constitute interstate commerce.

17. LIVESTOCK TRANSPORTATION HOURS OF SERVICE STANDARDS (2018)

WHEREAS, livestock haulers must adhere to Hours of Service (HOS) standards that limit drive time to 11 hours and on-duty time to 14 hours,

WHEREAS, strict enforcement of the HOS standard is not practical and will compromise animal welfare, and

WHEREAS, significant confusion exists around mandatory Electronic Logging Device (ELD) and ELDs impact on HOS for livestock haulers.

THEREFORE BE IT RESOLVED, KLA supports an exemption from ELD requirements for livestock haulers while modifications to HOS requirements for livestock haulers are sought.

BE IT FURTHER RESOLVED KLA supports HOS changes that protect animal welfare and prevent excessive cost increases in freight.

18. IMMIGRATION (2019)

WHEREAS, the Kansas livestock industry, the largest segment of Kansas agriculture, relies on immigrant workers for a significant portion of its labor force, and

WHEREAS, Kansas agricultural businesses desire to hire a documented, legal workforce, and

WHEREAS, in the case *Arizona et al. v. U.S.*, 132 S. Ct. 2492 (2012), the U.S. Supreme Court stated: "The Government of the United States has broad, undoubted power over the subject of immigration and the status of aliens," and

WHEREAS, the duty to regulate immigration policy is the constitutional responsibility of the federal government and such authority does not lie with the states unless expressly delegated by the federal government.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association opposes state government legislation that would enact more restrictive immigration policies than exist under federal law.

BE IT FURTHER RESOLVED, the Kansas Livestock Association supports federal immigration policy that allows for an efficient and adequate guest worker program, and provides opportunities for current employees found to be unauthorized workers to complete the immigration process legally.

BE IT FURTHER RESOLVED, the Kansas Livestock Association opposes tougher penalties for businesses unknowingly employing unauthorized workers and supports legislation that eliminates liability for employers who have made a good faith effort to comply with immigration laws.

19. BEEF CHECKOFF (2019)

WHEREAS, producer investment in the beef checkoff, created in the 1985 farm bill, has helped improve beef demand by funding important promotion, research, and education projects, and

WHEREAS, a Cornell University Study between 2006 and 2013 showed for every \$1 invested the checkoff returned \$11.20, and

WHEREAS, a 2018 producer attitude survey confirmed 74% of producers approved of the checkoff program, and

WHEREAS, more than three decades of inflation has cut into the amount of funding the checkoff can provide for these essential programs, and

WHEREAS, the 1996 Act, in comparison to the 1985 Beef Promotion and Research Act, gives more control and power to the federal government; allows for an increase share of the checkoff funds to be used for administration costs; and does not ensure a coordinated state/national partnership.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association supports an increase in the beef checkoff assessment rate for the purpose of adequately funding an effective beef demand-building program.

BE IT FURTHER RESOLVED, the Kansas Livestock Association opposes proposals to create a supplemental beef checkoff under the 1996 Act.

20. PROTECTING LIVESTOCK AND DAIRY NOMENCLATURE (2018) AMENDMENT

WHEREAS, the development and commercialization of laboratory grown meat alternatives is imminent, and

WHEREAS, the dairy industry is facing issues with products utilizing dairy nomenclature that does not derive from dairy production, and

WHEREAS, the livestock industry expects to face the same issues with laboratory grown meats utilizing nomenclature associated with food derived from actual livestock production, and

WHEREAS, the cross-use of nomenclature can be confusing to consumers and weaken the value of products derived from actual livestock or dairy production.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association opposes allowing food products not derived from actual livestock or dairy production to use nomenclature associated with actual livestock or dairy production.

BE IT FURTHER RESOLVED, the Kansas Livestock Association supports legislative, regulatory, or judicial action to protect nomenclature associated with actual livestock or dairy production.

20. PROTECTING LIVESTOCK AND DAIRY NOMENCLATURE (2018) AMENDMENT 20. LABELING OF IMITATION MEAT AND DAIRY PRODUCTS

WHEREAS, the development and commercialization of meat analogues, foods that approximate the aesthetic qualities, primarily texture, flavor, and appearance, or the chemical characteristics of specific types of meat, but does not contain meat or a meat food product, is occurring; and

WHEREAS, the development and commercialization of laboratory grown meat alternatives is $\operatorname{imminent}_{\overline{2}}$ and

WHEREAS, the <u>development and commercialization of dairy industry is facing issues with</u> analogues has occurred; and

WHEREAS, companies selling meat analogues have claimed their products utilizing dairy nomenclature that does are meat, despite not derive from dairy production, containing animal protein; and WHEREAS, meat analogues are often nutritionally inferior to meat; and

WHEREAS, meat analogues are often nutritionally inferior to meat; and

WHEREAS, the livestock industry expects to face Federal Meat Inspection Act (FMIA) grants the U.S. Department of Agriculture (USDA) regulatory authority over all meat and meat food products; and

WHEREAS, the Federal Food, Drug, and Cosmetic Act (FFDCA) grants the Food and Drug

Administration (FDA) with regulatory oversight of all non-meat and poultry derived food products; and WHEREAS, both USDA and FDA are responsible for enforcing standards that labels are truthful

and not misleading; and

WHEREAS, there is lackluster enforcement by the FDA against meat and dairy analogues; and WHEREAS, the same <u>enforcement issues could occur</u> with laboratory grown meats-<u>utilizing</u> nomenclature associated with food derived from actual livestock production; and

WHEREAS, the cross-use of nomenclature <u>can beis</u> confusing <u>to and misleads</u> consumers and weaken the value of products derived from actual livestock or <u>who expect certain characteristics from</u> <u>meat and dairy production.products; and</u>

WHEREAS, consumer should be equipped to make informed decisions when purchasing meat food products versus imitation meat products and other meat analogues.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association opposes allowing food products not derived from actual livestock or dairy production<u>dairy analogues, meat analogues, and</u> <u>laboratory grown meat</u> to <u>useinappropriately utilize</u> nomenclature associated with actual <u>livestockmeat</u> or dairy <u>productionproducts</u>.

BE IT FURTHER RESOLVED, the Kansas Livestock Association supports legislative, regulatory, or judicial action to protect <u>consumers</u> by <u>ensuring dairy analogues</u>, <u>meat analogues</u>, and <u>laboratory grown meat are accurately labeled and do not inappropriately utilize</u> nomenclature associated with actual <u>livestockmeat</u> or dairy <u>production.products</u>.

20. LABELING OF IMITATION MEAT AND DAIRY PRODUCTS

WHEREAS, the development and commercialization of meat analogues, foods that approximate the aesthetic qualities, primarily texture, flavor, and appearance, or the chemical characteristics of specific types of meat, but does not contain meat or a meat food product, is occurring; and

WHEREAS, the development and commercialization of laboratory grown meat alternatives is imminent; and

WHEREAS, the development and commercialization of dairy analogues has occurred; and

WHEREAS, companies selling meat analogues have claimed their products are meat, despite not containing animal protein; and

WHEREAS, meat analogues are often nutritionally inferior to meat; and

WHEREAS, the Federal Meat Inspection Act (FMIA) grants the U.S. Department of Agriculture (USDA) regulatory authority over all meat and meat food products; and

WHEREAS, the Federal Food, Drug, and Cosmetic Act (FFDCA) grants the Food and Drug Administration (FDA) with regulatory oversight of all non-meat and poultry derived food products; and

WHEREAS, both USDA and FDA are responsible for enforcing standards that labels are truthful and not misleading; and

WHEREAS, there is lackluster enforcement by the FDA against meat and dairy analogues; and WHEREAS, the same enforcement issues could occur with laboratory grown meats; and

WHEREAS, the cross-use of nomenclature is confusing and misleads consumers who expect certain characteristics from meat and dairy products; and

WHEREAS, consumer should be equipped to make informed decisions when purchasing meat food products versus imitation meat products and other meat analogues.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association opposes allowing dairy analogues, meat analogues, and laboratory grown meat to inappropriately utilize nomenclature associated with actual meat or dairy products.

BE IT FURTHER RESOLVED, the Kansas Livestock Association supports legislative, regulatory, or judicial action to protect consumers by ensuring dairy analogues, meat analogues, and laboratory grown meat are accurately labeled and do not inappropriately utilize nomenclature associated with actual meat or dairy products.

22. NORTH AMERICAN TRADE AGREEMENTS (2019)

WHEREAS, the North American Free Trade Agreement (NAFTA), implemented in 1993, eliminated tariffs on many U.S. products being exported to Canada and Mexico, including beef, and

WHEREAS, annual beef exports to Canada and Mexico total nearly \$2 billion, and

WHEREAS, according to CattleFax, beef exports add more than \$300 per head to the value of fed cattle, and

WHEREAS, the President Donald J. Trump administration recently negotiated a new trade agreement with Mexico and Canada, referred to as the United States-Mexico-Canada Agreement (USMCA), and

WHEREAS, tariffs on beef and beef products traded between the United States and Mexico will remain at zero under USMCA.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association strongly supports the modernization of NAFTA and the ratification of USMCA.

29. MANURE USED AS FERTILIZER (2019)

WHEREAS, the escalating cost of inorganic fertilizer has caused farmers and ranchers to look for alternative sources of fertilizer, and

WHEREAS, current state and federal environmental laws do not dictate the methods or rates at which farmers and ranchers apply fertilizers and do not require Concentrated Animal Feeding Operations (CAFOs) to monitor application of off-site manure exports.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association supports voluntary, incentive-based efforts by the Kansas Department of Agriculture, Division of Conservation to educate farmers and ranchers about best management practices for storage and application of manure, and the Natural Resources Conservation Services' use of Environmental Quality Incentives Program cost share funds to assist producers with proper storage and application methods.

BE IT FURTHER RESOLVED, the Kansas Livestock Association opposes any effort by the state or federal government to require CAFO's to include off-site manure exports in nutrient management plans or otherwise be responsible for third-party application methods and opposes regulations that would dictate how farmers or ranchers could apply cattle manure, poultry litter, or other fertilizers.

34. ZONING OF AGRICULTURAL LAND AND BUILDINGS (2017) Expiring

WHEREAS, the preservation of private property rights is a policy objective of the Kansas Livestock Association, and

WHEREAS, agricultural enterprises succeed best when decisions about agricultural land and the construction, maintenance, and use of agricultural structures, are left to the property owner and free from government interference, and

WHEREAS, the Kansas legislature has recognized and preserved the right of property owners to use agricultural land and buildings free from regulations under the Kansas planning and zoning act, and

WHEREAS, numerous Kansas counties have chosen not to follow the legislature's mandate to exempt the use of agricultural land and buildings from planning and zoning regulations, infringing on the property rights of farmers and ranchers.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association supports current state laws that prohibit local governments from enacting any regulations that apply to agricultural land use or the construction and maintenance of buildings used for agricultural purposes outside of city limits, and opposes any attempt to weaken those exemptions.

BE IT FURTHER RESOLVED, the Kansas Livestock Association supports legislative, judicial, and administrative initiatives to compensate private property owners who are forced to defend their right to use agricultural land and buildings from planning and zoning resolutions and ordinances, promulgated by local governing bodies, that violate state statutes prohibiting such resolutions and ordinances.

43. ENVIRONMENTAL REGULATION (2018)

WHEREAS, the mission of the Kansas Livestock Association is to advance members' common business interests and enhance their ability to meet consumer demand, and

WHEREAS, agriculture, in particular livestock operations, are a vital part of the Kansas economy, and

WHEREAS, livestock operations require consistent, science-based, uniform environmental laws and regulations to maintain a favorable business environment, and

WHEREAS, climate change, air, and water pollution regulation is or may be proposed at state and federal levels that may impact agricultural operations including livestock operations, and

WHEREAS, federal and state court and administrative regulatory decisions regarding greenhouse gas emissions and air or water pollutants may directly impact livestock and agricultural operations.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association supports legislative, judicial, or administrative actions to minimize the effects of environmental laws, regulations, or judicial determinations on livestock operations and to maximize the economic opportunities for agricultural and livestock operations to meet such regulations.

BE IT FURTHER RESOLVED, the Kansas Livestock Association supports legislative, judicial, and administrative actions that allow maximum flexibility for agricultural and livestock operations to meet regulatory obligations.

50. ANIMAL CARE (2018)

WHEREAS, livestock producers recognize that good animal health, care, production, and handling practices are a responsibility of producers to the animals and the consumer, and

WHEREAS, livestock producers long have been concerned with the welfare of livestock, recognizing that good animal health, care, production, and handling practices are essential to efficient and profitable production, and

WHEREAS, it is important for livestock producers to share with the public the many animal husbandry practices used every day in their operations.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association recommends producers implement the Cattle Industry's Guidelines for the Care and Handling of Cattle, Beef Quality Assurance guidelines, Dairy Quality Assurance guidelines, and/or the National Dairy FARM Program.

BE IT FURTHER RESOLVED, the Kansas Livestock Association encourages the further development and participation in voluntary certification programs that validate participating producers are using best management practices for disease control and animal care.

51. HANDLING OF NON-AMBULATORY CATTLE (2019)

WHEREAS, the safety and well-being of cattle handlers is a priority, and

WHEREAS, humane handling of cattle always has been a priority for Kansas livestock producers.

THEREFORE BE IT RESOLVED, non-ambulatory cattle should be humanely euthanized as soon as possible.

BE IT FURTHER RESOLVED, the Kansas Livestock Association supports policy prohibiting the harvest of non-ambulatory cattle for human consumption.

53. PROTECTION OF AGRIBUSINESS (2018)

WHEREAS, securing the health and safety of agriculture from vandalism and other negative influences is a serious concern, and

WHEREAS, protecting our agricultural industry to allow for a stable food supply for U.S. consumers is vital and should not be taken for granted.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association supports new initiatives concerning acts against the livestock industry to:

- 1. Strengthen the penalties for anyone involved in illegal biosecurity activities affecting the agricultural industry;
- 2. Provide increased coordination of local, state and federal officials to more effectively monitor and respond to these threats;
- 3. Give producers increased protections against false and derogatory statements that would damage or endanger a producer's livelihood, product, property or diminish livestock production practices;
- 4. Allow producers to secure their facilities and operations at all times.

54. ANIMAL HEALTH PRODUCTS (2018)

WHEREAS, the Kansas Livestock Association facilitates the Kansas Beef Quality Assurance educational program with Kansas State University and the Kansas Veterinary Medical Association, and

WHEREAS, the Kansas Livestock Association continues to encourage the livestock industry to follow the proper use of animal health products and feed additives.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association opposes laws and regulatory proposals which hinder the timely availability of animal health products, create costly or burdensome distribution and administration of products, and impose duplicative regulatory requirements by state and federal agencies.

59. KANSAS DEPARTMENT OF AGRICULTURE, DIVISION OF ANIMAL HEALTH (2018)

WHEREAS, animal agriculture is important to the Kansas economy, and WHEREAS, maintaining a healthy animal population is important to all Kansans, and WHEREAS, being prepared to manage any animal health situation that may arise is important to maintaining a strong economy.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association supports funding the Kansas Department of Agriculture, Division of Animal Health through the state general fund or from a broad-based fee collection system funded proportionately from all species based on their demands on Kansas Department of Agriculture, Division of Animal Health resources.

61. ANIMAL IDENTIFICATION FOR DISEASE TRACEABILITY (2019)

WHEREAS, USDA's animal identification disease traceability program is limited to sexually intact cattle, more than 18 months of age, that move in interstate commerce; dairy cattle, cattle used for rodeo and recreational events; and cattle moved to shows and exhibitions, and

WHEREAS, the 2016-2020 cattle industry Long Range Plan emphasizes the cattle industry should secure the broad adoption of individual animal identification disease traceability system(s) to equip the industry to effectively manage a disease outbreak while enhancing both domestic and global trust in U.S. beef.

WHEREAS, the state of Kansas, USDA and private sector have provided funds for a voluntary, pilot traceability program in Kansas, named CattleTrace, which started in the fall of 2018, and

WHEREAS, CattleTrace stakeholders include the Kansas Livestock Association, Kansas Department of Agriculture's Division of Animal Health, Kansas State University's Beef Cattle Institute and participating producers, marketers, feeders and processors.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association supports efforts by the National Cattlemen's Beef Association and USDA to develop a mandatory national, individual animal identification disease traceability system for all cattle.

BE IT FURTHER RESOLVED, the Kansas Livestock Association supports continued state and federal funding to complete the CattleTrace pilot project.

BE IT FURTHER RESOLVED, the Kansas Livestock Association believes strongly that any animal identification or disease traceability program should be designed to (1) minimize costs to producers, (2) optimize the role of the private sector to administer the program, and (3) protect the confidentiality of individual animal owner records.

BE IT FURTHER RESOLVED, the Kansas Livestock Association believes the Kansas Department of Agriculture, Division of Animal Health should be the state agency that represents the state in the public/private coordination of a traceability project.

BE IT FURTHER RESOLVED, the Kansas Livestock Association supports state and federal legislation to limit animal owners' liability exposure that may arise under a private or public animal identification or disease traceability program.

62. KSU COLLEGE OF AGRICULTURE, COLLEGE OF VETERINARY MEDICINE, EXTENSION SERVICES, AND EXPERIMENT STATIONS (2017) Expiring

WHEREAS, agriculture is the number one industry in Kansas, and

WHEREAS, Kansas State University is one of the nation's first land grant colleges and agriculture has always been a prime area of teaching and research.

THEREFORE BE IT RESOLVED, the Kansas Livestock Association strongly supports that the university administration, Board of Regents, and the Kansas Legislature provide funding for the College of Agriculture, College of Veterinary Medicine, a food safety and security facility, experiment stations, and extension services in relationship to agriculture's importance to the Kansas economy.

BE IT FURTHER RESOLVED, the Kansas Livestock Association supports the need and legislative approval of a new state of the art veterinary diagnostic laboratory.