

HCS SB 506 -- AGRICULTURE

(Vetoed by the Governor)

This bill changes the laws regarding agriculture.

DESIGNATION OF CAPTIVE CERVIDS AS LIVESTOCK (Sections 144.010, 262.900, 265.300, 267.565, and 277.020, RSMo)

The bill adds captive cervids to the definition of "livestock" for the purposes of the state sales and use tax laws, urban agricultural zones, meat inspection laws, the Missouri Livestock Disease Control and Eradication Law, and the Missouri Livestock Marketing Law.

MISSOURI DAIRY REVITALIZATION ACT OF 2014 (Sections 261.270 - 261.275)

The Missouri Dairy Revitalization Act of 2014 is established that:

(1) Creates the Missouri Dairy Industry Revitalization Fund and requires moneys in the fund, upon appropriation, to be used solely to enhance and improve Missouri's dairy and dairy processing industries as specified in the bill;

(2) Requires, each fiscal year, the University of Missouri to conduct or contract with an independent research company to conduct research to determine the estimated sales tax revenue generated in the state from the sales of dairy products and to provide the estimate to the Department of Agriculture by October 1 of each year;

(3) Specifies that no more than 40% of the estimated sales tax revenue generated from the sales of dairy products during the preceding fiscal year may be appropriated from the General Revenue Fund to the Missouri Dairy Industry Revitalization Fund and must be expended in the following order of priority:

(a) To the newly established Dairy Producer Margin Insurance Premium Assistance Program;

(b) To the newly established Missouri Dairy Scholars Program; and

(c) To the newly established Commercial Agriculture Program;

(4) Requires the department to establish and administer, through the Missouri Agricultural and Small Business Development Authority (MASBDA), a dairy producer margin insurance premium assistance program for the purpose of assisting dairy producers who

participate in the federal margin protection program in the federal Agricultural Act of 2014;

(5) Specifies that all dairy producers who participate in the federal margin protection program must be eligible to apply to participate in the dairy producer margin insurance premium assistance program and requires a producer to apply with MASBDA by January 1 of each year;

(6) Specifies that a participating dairy producer who has paid his or her annual federal premium payment and provides proof of the payment to MASBDA must be eligible to receive 70% of his or her federal premium payment up to a maximum premium reimbursement rate of \$.34 per hundredweight of milk;

(7) Requires the University of Missouri and MASBDA to provide risk management training for Missouri dairy producers annually;

(8) Establishes the Missouri Dairy Scholars Program, administered by the department, to annually make available, subject to appropriation, up to 80 scholarships in an amount of \$5,000 each to eligible students in an agriculture-related degree program in a Missouri college or university who make a commitment to work in Missouri's agriculture industry as specified in the bill; and

(9) Requires the University of Missouri's Commercial Agriculture Program to conduct an annual study of the dairy industry, develop a dairy-specific plan for how to grow and enhance the dairy and dairy processing industries in Missouri, and report the results of the study to the department and all agriculture-related legislative committee chairpersons by January 1 of each year. The costs for the study must be subject to appropriations and paid out of the Missouri Dairy Industry Revitalization Fund.

MISSOURI LIVESTOCK MARKETING LAW (Section 277.040)

The bill specifies that all license fees collected under the Missouri Livestock Marketing Law cannot yield revenue greater than the total cost of administering the law during the ensuing year.

CERTIFIED COMMERCIAL PESTICIDE APPLICATORS (Section 281.065)

Currently, a certified commercial pesticide applicator must furnish evidence of financial responsibility with the Director of the Department of Agriculture in order to receive a license. The bill removes the requirement to furnish the evidence for license renewal unless upon request of the department. Annual renewals for surety bonds or liability insurance must be maintained at the business location from which the applicator is licensed. If the department

director so requests in writing, the applicator must furnish a copy of the bond or certificate within 10 working days of receiving the request. The amount of the required bond or insurance is increased from not less than \$25,000 to not less than \$50,000 for each occurrence. The applicator must immediately notify the department director of the cancellation or reduction of financial responsibility for any applicator or employer of the applicator. The applicator or applicator's employer must maintain the bond or insurance certificate at the business location from which the applicator is licensed. If the financial responsibility furnished becomes unsatisfactory, new financial responsibility instruments must be immediately executed and maintained at the business location.

VEHICLES HAULING LIVESTOCK AND AGRICULTURAL PRODUCTS (Section 304.180)

The bill repeals the provisions prohibiting the total gross weight of any vehicle or combination of vehicles hauling livestock from exceeding 85,500 pounds while operating on specified state highways with the exception of vehicles operated on the Dwight D. Eisenhower System of Interstate and Defense Highways and specifies that the total gross weight of any vehicle or combination of vehicles hauling livestock or agricultural products, not including local log trucks, or hauling milk from a farm to a processing facility cannot exceed 85,500 pounds while operating on highways other than the interstate highway system with the specified exception.

LARGE ANIMAL VETERINARY STUDENT LOAN PROGRAM (Sections 340.381 and 340.396)

The bill renames the Large Animal Veterinarian Student Loan Program as the Dr. Merrill Townley Large Animal Veterinary Student Loan Program and repeals the expiration date of the provisions regarding the program.

FOREIGN OWNERSHIP OF AGRICULTURAL LAND (Section 442.571)

Currently, the sale, transfer, or acquisition of any agricultural land by an alien or foreign business must be approved by the Director of the Department of Agriculture. The bill requires a sale or transfer of agricultural land by an alien or foreign business to be submitted to the department director for review only if there is no completed Internal Revenue Service Form W-9 signed by the purchaser. Any security interest in the agricultural land held by a person as an agent, trustee, or other fiduciary for an alien or foreign business cannot be divested or invalidated by a violation of specified provisions regarding aliens and corporations of foreign countries acquiring and holding real estate.

LIABILITY FOR LIVESTOCK ACTIVITIES (Section 537.325)

Currently, an equine activity sponsor or an equine professional have limited liability for injuries or death from accidents resulting from the inherent risks of equine activities. The bill expands the limited liability to include a livestock activity sponsor, a livestock owner, a livestock facility, and a livestock auction market for injuries or death of a participant resulting from the inherent risks of livestock activities with the exception of specified circumstances.

Livestock activities include grazing, herding, feeding, branding, milking, or other activities that involve the care and maintenance of livestock; a livestock show, fair, competition, or auction; a livestock training or teaching activity; boarding livestock; and inspecting or evaluating livestock.

Currently, equine activity sponsors must post a warning sign on or near specified areas where equine activities are conducted. The bill requires the warning sign to also be posted where livestock activities are conducted.

LABELING OF MOTOR FUEL PUMPS (Section 1)

The bill requires the Department of Agriculture to propose a rule regarding renewable fuels and the labeling of motor fuel pumps by January 1, 2015.

BEEF COMMODITY MERCHANDISING PROGRAM (Section 275.352)

The bill repeals the provision that prohibits the state from collecting fees under the Beef Commodity Merchandising Program in excess of the amount credited against the obligation to pay any federal assessments.