

HCS SB 591 -- AGRICULTURE

SPONSOR: Sater (Reiboldt)

COMMITTEE ACTION: Voted "Do Pass" by the Committee on Agriculture Policy by a vote of 13 to 0.

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 law, meat inspection law, 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 bill establishes the Missouri Dairy Revitalization Act of 2014. In its main provisions, the bill:

- (1) Creates the Missouri Dairy Industry Revitalization Fund;
- (2) Requires the University 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 must 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 may be appropriated from the General Revenue Fund to the Missouri Dairy Industry Revitalization Fund and must be spent in the following order of priority:
  - (a) First, to the dairy producer margin insurance premium assistance program;
  - (b) Second, to the Missouri dairy scholars program; and
  - (c) Third, to the commercial agriculture program;
- (4) Requires the department to create and administer, through the Missouri Agriculture 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

Agricultural Act of 2014;

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

(6) Specifies that participating dairy producers who have paid their federal premium payment and provide proof of the payment to MASBDA are eligible to have 70% of 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) Creates the Missouri Dairy Scholars Program, administered by the department, for eligible students in agriculture-related degree programs who make a commitment to work in Missouri's agriculture industry;

(9) Requires the department to make available to eligible students up to 80 scholarships in the amount of \$5,000 each to assist with the costs of tuition at a Missouri two-year or four-year college or university;

(10) Sets out eligibility requirements for students, including requirements to sign a contract with the department in which the recipient agrees to work in the agriculture industry in Missouri for at least two years for every year the recipient receives the scholarship and to work on a dairy farm or in a dairy-related internship for at least three months; and

(11) 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.

#### 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.

#### 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. This bill removes the requirement of an applicator to furnish the evidence for license renewal, unless upon request. If the director so requests, the applicator must furnish the evidence within 10 working days of receiving the request. The director must be notified of cancellation or reduction of financial responsibility for any applicator or employer of the applicator. The applicator or applicator's employer must maintain evidence of financial responsibility at their business location. If the financial responsibility furnished becomes unsatisfactory, new financial responsibility instruments must be immediately executed and maintained at the business location.

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

This bill names the Large Animal Veterinarian Student Loan Program after Dr. Merrill Townley and removes the expiration date on the program.

#### LIABILITY FOR LIVESTOCK ACTIVITIES (Section 537.325)

Currently, the sponsoring individuals and organizations have limited liability for injuries or death from accidents associated with equine activities. The bill expands the limited liability to a livestock sponsor, a livestock owner, a livestock facility, and a livestock auction market for injuries or death from accidents associated with livestock activities.

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.

PROPOSERS: Supporters say that the bill allows cattlemen in the state to vote to increase the state portion of the beef checkoff fee. The checkoff funds are used to market beef products in the state. Currently, the state may only charge the \$1 fee set by the national Beef Checkoff Program, of which half goes to the national program and half to the state program.

Testifying for the bill were Senator Sater; Missouri Farm Bureau; and David Dick.

OPPOSERS: Those who oppose the bill say that the referendum process to increase the fee is flawed. No list exists that

encompasses all beef producers in the state and therefore, the vote would not represent everyone who will be affected by the new fee.

Testifying against the bill was Tim Gibbons, Missouri Rural Crisis Center.