

SUBJECT: Developing and implementing an animal identification program

COMMITTEE: Agriculture and Livestock — committee substitute recommended

VOTE: 7 ayes — Hardcastle, Anderson, B. Brown, Burnam, Farrar, Herrero,
Olivo

0 nays

WITNESSES: For — Dan Dierschke, Texas Farm Bureau; Ed Small, Texas &
Southwestern Cattle Raisers; Ross Wilson, Texas Cattle Feeders
Association

Against — None

On — Bob Hillman, Texas Animal Health Commission

BACKGROUND: The National Animal Identification System (NAIS) was created by the U.S. Department of Agriculture (USDA) to identify animals and track them as they come into contact or co-mingle with animals other than herdmates from their premises of origin. When fully operational, the system is supposed to be able to trace a sick animal or group of animals back to the herd or premises that is the most likely source of infection and to trace potentially exposed animals that were moved out from that herd or premises.

The first step in implementing the NAIS is identifying and registering premises that house animals, including locations where livestock and poultry are managed, marketed, or exhibited. As premises are registered, unique animal identification numbers (AINs) are issued to individually identified premises. In the case of animals that move in groups through the production chain, such as swine and poultry, the group is identified through a group/lot identification number.

Texas' current premises registry program is voluntary and has regulated over 1,000 premises statewide.

DIGEST: CSHB 1361 would amend Agriculture Code, sec. 161.056, to allow the Texas Animal Health Commission (TAHC) to develop and implement a

mandatory animal identification program consistent with the USDA's National Animal Identification System. TAHC would have the authority to adopt rules necessary to implement and enforce the section, including the power to establish a date by which all premises would have to be registered and to assess a registration fee on all entities that register for a premises identification number.

Under the bill, TAHC could recognize three types of official animal identification numbers in the state:

- 1) premises identification numbers assigned to each geographically unique location associated with animal agriculture;
- 2) individual animal identification numbers; and
- 3) group identification numbers.

These identification numbers would be used as part of the animal identification program for animal disease control, animal emergency management, and other commission programs.

CSHB 1361 would exempt information collected by the TAHC under sec. 161.056 from the public disclosure requirements of the Public Information Act (Government Code, ch. 552). It would allow, however, for the release of information to a person, including a governmental entity, without altering the confidential status of the information. Information necessary for emergency management purposes also could be released by the TAHC without altering its confidential status.

The bill would establish a class C misdemeanor offense for failing to comply with an order of rule adopted under the bill.

The bill would take effect September 1, 2005.

**SUPPORTERS
SAY:**

It is vital that Texas develop and implement an animal identification program consistent with the NAIS to be ready for full implementation of the system. CSHB 1361 would grant TAHC this needed authority. Forty states have implemented premises identification systems, with 41 animal identification programs in place.

USDA anticipates that all states will be able to register premises according to national standards by 2007. Officials with USDA's Animal and Plant

Health Inspection Service (APHIS) are now training state officials in how to use a standardized premises registration system.

NAIS will enhance U.S. efforts to respond to intentionally or unintentionally introduced animal disease outbreaks. The number of outbreaks around the world in the past decade has increased public interest in a national animal identification program to protect animal health. The European Union, Canada and Australia have animal identification systems in place, and a strong U.S. identification system is in increasing demand as necessary for our agricultural infrastructure. USDA's long-term goal is to be able to identify all premises and animals that have had direct contact with a foreign animal disease or a domestic disease of concern within 48 hours of discovery. The system is being developed for all animals that will benefit from rapid tracebacks in the event of a disease outbreak fear, including cattle, swine, sheep, goats, horses, poultry, bison, deer, elk, llamas, and alpacas.

Identification systems are not consistent across the country, so tracing an animal's movements can be time consuming during a disease investigation, especially if the animal has crossed state lines.

The state's compliance with NAIS would help uphold the reputation of the state as having healthy animals and would promote continued confidence in Texan agricultural and animal products. A statewide animal identification system also would help prevent and recognize threats to the state's food supply by terrorist groups or individuals.

Using the same identification technologies for both regulatory and industry programs would provide a more cost-effective and user-friendly system for the animal owner. Animal owners could benefit from the identification information available through the system to improve production efficiencies and add value to their animals.

TAHC is investigating various options to protect the confidentiality of the information. The state and national repositories would include information only for animal and disease tracking purposes.

**OPPONENTS
SAY:**

The cost of the premises fee would be an added expense that small producers could not afford. Mandatory fees should not be assessed by TAHC or other regulatory agencies until the USDA adopts a mandatory animal identification system. A financial burden should not be placed on

producers until the system's workability, and backing of Congress, is determined.

The benefit gained from identifying and monitoring the state's livestock and other animals would be for the good of the public, so the state should cover the cost of the identification program rather than require the producers to pay additional fees.

OTHER
OPPONENTS
SAY:

Concerns exist over the confidentiality of information collected under CSHB 1361. As part of the system, federal, state, and tribal animal health and public health officials would have access to the information repositories when they need data to administer the program. Producers are concerned about how this information would affect the market and control future sales.

In general, producers have enjoyed significant independence, and the threat of public disclosure of the reported information could reveal movements of certain livestock classes, such as where they are moving or selling their product. Crucial business data, including volumes and costs associated with the product also could be divulged.

NOTES:

The committee substitute revised the original bill by allowing the TAHC to release information for emergency management purposes.

Although the bill does not specify a fee rate for the premises registration, the TAHC proposes a fee rate of \$5 to \$10 a year per premise. Based on a rate assumption of \$10 per year and 10,000 premises registrations in 2006, the Legislative Budget Board estimates a probable negative net impact to general revenue related funds of \$101,556 as cost initially outweighed revenue. The estimated impact for the next four years, however, shows a probable positive net impact to the state. According to the fiscal note, federal funding potentially could cover some costs.

The companion bill, SB 682 by Jackson, was reported favorably, as substituted, by the Senate Natural Resources Subcommittee on Agriculture and Coastal Resources on March 21 and recommended for the Local and Uncontested Calendar.