SUBJECT: Classifying llamas and alpacas as livestock under the Agriculture Code

COMMITTEE: Agriculture and Livestock — committee substitute recommended

VOTE: 4 ayes — Miller, Anderson, Aycock, Gallego

0 nays

3 absent — Brown, Garcia, Heflin

WITNESSES: For — Karen Conyngham, South Central Llama Association

Against — None

BACKGROUND: Agriculture Code. sec. 1.003 defines "livestock" animals as cattle, horses,

mules, asses, goats, and hogs.

The definition of "agricultural use" in Tax Code, sec. 23.51 includes raising or keeping livestock and raising or keeping exotic animals for food or the production of fiber, leather, pelts, or other products of commercial

value.

DIGEST: CSHB 3300 would amend the definition of "livestock" in Agriculture

Code, sec. 1.003 to include llamas and alpacas.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take

effect September 1, 2007.

SUPPORTERS SAY:

HB 3300 would help people who raise llamas and alpacas obtain farm and ranch liability insurance by classifying the animals as "livestock." Texas has the third largest llama population in the United States and the 12th largest population of alpacas — a smaller cousin to the llama. They are commonly raised for their fiber, companionship, use in 4-H youth activities, and to be shown in major county and state livestock shows. Llamas and alpacas are not truly "exotic" because the ancestor of both evolved in North America, and they have been domesticated in the

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Americas for at least 7,000 years. Therefore, it is only fitting that they be classified as livestock.

While raising exotic animals can qualify for an agriculture use appraisal under the Tax Code, sec. 23.51, the decision ultimately is made by local appraisal districts and can differ by county. Many districts recognize raising llamas and alpacas for this purpose, but not all. Including the two animals in the definition of livestock would clarify the agricultural use of llamas and alpacas across the state.

OPPONENTS SAY:

This bill could leave the door open for other exotic animals to be considered livestock. Raising livestock, such as cattle and hogs, serves a significant purpose in the Texas economy, and tax exemptions are rightfully applied for this purpose. Products derived from llamas and alpacas, by contrast, are not particularly in demand, and individual counties should be able to decide whether their property owners should receive a tax break for the use of their land in this manner.