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## Department of Agriculture, Division of Animal Health Notice of Hearing on Proposed Administrative Regulations, Statewide

A public hearing will be conducted at 10:00 a.m., Wednesday, August 23, 2017, in the 1<sup>st</sup> floor meeting room 124 of the Kansas Department of Agriculture, 1320 Research Park Dr., Manhattan, Kansas, to consider the adoption of proposed regulations.

This 60-day notice of the public hearing shall constitute a public comment period for the purpose of receiving written public comments on the proposed rules and regulations. All interested parties may submit written comments prior to the hearing to the Secretary of Agriculture, 1320 Research Park Dr., Manhattan, Kansas, 66502, or by e-mail at ronda.hutton@ks.gov. All interested parties will be given a reasonable opportunity to present their views orally on the adoption of the proposed regulations during the hearing. In order to give all parties an opportunity to present their views, it may be necessary to request that each participant limit any oral presentation to five minutes. These regulations are proposed for adoption on a permanent basis. A summary of the proposed regulations and their economic impact follows:

K.A.R 9-10-33a and 9-10-40. The proposed regulations seek to align state regulations in regards to the licensing requirements and associated fees between Kansas public livestock markets and electronic livestock markets.

## Economic Impact Statement:

The present Kansas regulation that addresses the fees that an electronic livestock market must pay provides an inequitable situation between the electronic sales and the public livestock market facilities. This change is to define the licensing and fee requirements for the electronic and public livestock markets as being equal. This regulation is authorized by Kansas Statutes and is not mandated by Federal law.

Based on current numbers of livestock that are sold via an electronic sale, the economic impact would be an increase of approximately \$39,000 in fees.

A small financial impact may be incurred upon producers as a result of this regulation if the electronic sale chooses to pass the inspection fee on to them; however, the impact will be very minimal on a per head basis.

The alternative would be to leave the state fees as they are. This was deemed as not appropriate because it puts the state's public livestock markets at an economic disadvantage due to the higher fee they are responsible for.

Any individual with a disability may request accommodations in order to participate in the public hearing and may request the proposed regulations and impact statement in an accessible format. Requests for accommodations should be made at least five working days in advance of the hearing by contacting Ronda Hutton at (785) 564-6715 or fax (785) 564-6777. Handicapped parking



is located on the west side of the building at 1320 Research Park Drive, Manhattan. The entrance to the building is also on the west side and is accessible to individuals with disabilities.

Copies of the regulations and their economic impact statement may be obtained by contacting the Department of Agriculture, Ronda M. Hutton, 1320 Research Park Drive, Manhattan, KS 66502 or (785) 564-6715 or by accessing the department's web site at <u>agriculture.ks.gov.</u> Comments may also be made through our website under the proposed regulation.

Jackie McClaskey Secretary Kansas Department of Agriculture

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K.A.R. 9-10-33a. Electronic auctions; health certificates. (a) As part of the application for an electronic auction license, each owner or operator of an electronic auction that is simulcast into the state of Kansas and at which livestock located in the state of Kansas are offered for sale shall pay a license application fee to the livestock commissioner in the amount of \$40.00. The owner or operator shall pay an annual license renewal fee of \$40.00 before June 30 of each year.

- (b) The electronic auction operator shall collect from each consignor of livestock at the electronic auction a fee of \$.15 per head of livestock sold at the electronic auction if the livestock are located in the state of Kansas. The electronic auction operator shall remit these fees to the commissioner in accordance with K.S.A. 47-1011, and amendments thereto.
- (e) For each electronic auction, the costs associated with issuance of the health certificate required under K.S.A. 47-1008, and amendments thereto, shall be paid by the consignor. Each of these health certificates shall meet the requirements of K.A.R. 9-10-3. (Authorized by and implementing K.S.A. 47-1001e, as amended by L. 2000, Ch. 111, §7, K.S.A. 2016 Supp. 47-1008, as amended by L. 2000, Ch. 111, §8, and K.S.A. 47-1011, as amended by L. 2000, Ch. 111, §9; effective, T-9-8-29-00, Aug. 29, 2000; effective Dec. 29, 2000; amended P-

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**K.A.R. 9-10-40.** License fees and renewals. (a) As part of the application for a public livestock market license, each owner or operator shall pay a license application fee of \$375 to the commissioner.

- (b)(1) Each owner or operator of a public livestock market shall pay an annual license fee of \$250 on or before June 30.
- (2) Each owner or operator of an electronic auction shall pay an annual license fee of \$250 on or before June 30, except as specified in this paragraph. If the owner or operator of an electronic auction is also the owner or operator of a public livestock market, the annual fee for the electronic auction license shall be \$125.
- (c) Each license shall expire annually on June 30, pursuant to K.S.A. 47-1001e and amendments thereto.
- (d) It shall be illegal to operate a public livestock market or conduct an electronic auction without a valid license, pursuant to K.S.A. 47-1001e and amendments thereto. (Authorized by and implementing K.S.A. 47-1001a and K.S.A. 2016 Supp. 47-1001e; effective P-

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## KANSAS DEPARTMENT OF AGRICULTURE IMPACT STATEMENT

Proposed Regulation K.A.R. 9-10-33a & 9-10-40 Public Livestock Market & Electronic Sales

I. Summary of Proposed Regulation, Including Its Purpose.

The proposed regulations seek to align state regulations in regards to the licensing requirements and associated fees between Kansas public livestock markets and electronic livestock markets.

II. Reason Or Reasons The Proposed Regulation Is Required, Including Whether Or Not The Regulation Is Mandated By Federal Law.

The present Kansas regulation that addresses the fees that an electronic livestock market must pay provides an inequitable situation between the electronic sales and the public livestock market facilities. This change is to define the licensing and fee requirements for the electronic and public livestock markets as being equal. This regulation is authorized by Kansas Statutes and is not mandated by Federal law.

III. Anticipated Economic Impact Upon The Kansas Department Of Agriculture.

Based on current numbers of livestock that are sold via an electronic sale, the economic impact would be an increase of approximately \$39,000 in fees.

IV. Anticipated Financial Impact Upon Other Governmental Agencies And Upon Private Business Or Individuals.

A small financial impact may be incurred upon producers as a result of this regulation if the electronic sale chooses to pass the inspection fee on to them; however, the impact will be very minimal on a per head basis.

V. Less Costly or Intrusive Methods That Were Considered, But Rejected, And The Reason For Rejection.

The alternative would be to leave the state fees as they are. This was deemed as not appropriate because it puts the state's public livestock markets at an economic disadvantage due to the higher fee they are responsible for.

VI. Environmental Impact

None applicable

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