

Kansas Administrative Regulations Economic Impact Statement (EIS)

Kansas Department of Agriculture
Agency

Ronda Hutton
Agency Contact

785-564-6715
Contact Phone Number

K.A.R. 9-10-1 through K.A.R. 9-10-5 (Revoked), K.A.R. 9-10-7 through K.A.R. 9-10-10 (Revoked),
K.A.R. 9-10-14 through K.A.R. 9-10-19 (Revoked), K.A.R. 9-10-21 (Revoked), K.A.R. 9-10-22a
(Revoked), K.A.R. 9-10-23 (Revoked), K.A.R. 9-10-24a (Revoked), K.A.R. 9-10-25a (Revoked), K.A.R.
9-10-26a (Revoked), K.A.R. 9-10-27a (Revoked), K.A.R. 9-10-30 through K.A.R. 9-10-33 (Revoked),
K.A.R. 9-10-33a (Revoked), K.A.R. 9-10-34 through K.A.R. 9-10-40 (Revoked), K.A.R. 9-10-41 through
K.A.R. 9-10-59 (New), K.A.R. 9-7-1 (Amended), and K.A.R. 9-7-14 (Amended). Permanent

Temporary
K.A.R. Number(s)

Is/Are the proposed rule(s) and regulation(s) mandated by the federal government as a requirement for participating in or implementing a federally subsidized or assisted program?

- Yes If yes, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration and the Attorney General. Budget approval is not required; however, the Division of the Budget will require submission of a copy of the EIS at the end of the review process.
- No If no, do the total annual implementation and compliance costs for the proposed rule(s) and regulation(s), calculated from the effective date of the rule(s) and regulation(s), exceed \$1.0 million over any two-year period through June 30, 2024, or exceed \$3.0 million over any two-year period on or after July 1, 2024 (as calculated in Section III, F)?
- Yes If yes, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration, the Attorney General, AND the Division of the Budget. The regulation(s) and the EIS will require Budget approval.
- No If no, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration and the Attorney General. Budget approval is not required; however, the Division of the Budget will require submission of a copy of the EIS at the end of the review process.

DOB APPROVAL STAMP (if Required)

Section I

Brief description of the proposed rule(s) and regulation(s).

The Kansas Department of Agriculture (“KDA”) is proposing new regulations and revisions to existing regulations to ensure that KDA’s regulatory requirements reflect current management practices and standards in the livestock industry. The new regulations update and modernize various requirements for public livestock markets and occasional livestock sales in Kansas. The proposed updates are also aimed at organizing this set of regulations in a way that will allow them to be more easily read and understood. KDA is also proposing revisions to two regulations related to the movement of livestock and exotic animals and the movement of Equidae (horses, donkeys, zebras, and hybrids of any of the same) into Kansas.

K.A.R. 9-10-1 through K.A.R. 9-10-5, K.A.R. 9-10-7 through K.A.R. 9-10-10, K.A.R. 9-10-14 through K.A.R. 9-10-19, K.A.R. 9-10-21, K.A.R. 9-10-22a, K.A.R. 9-10-23, K.A.R. 9-10-24a, K.A.R. 9-10-25a, K.A.R. 9-10-26a, K.A.R. 9-10-27a, K.A.R. 9-10-30 through K.A.R. 9-10-33, K.A.R. 9-10-33a, K.A.R. 9-10-34 through K.A.R. 9-10-40 are revoked.

K.A.R. 9-10-41 – This new regulation provides definitions relevant to and used throughout the regulations.

K.A.R. 9-10-42 – This new regulation governs requirements for construction, sanitation, and maintenance of public livestock market facilities.

K.A.R. 9-10-43 – This new regulation governs limitations placed on the use of public livestock market facilities. The regulation states that public livestock market facilities may only be used for selling livestock or exotic animals, holding livestock moving directly to slaughter, housing livestock or exotic animals during emergency responses, or housing stray animals under the custody and control of law enforcement.

K.A.R. 9-10-44 – This new regulation governs requirements for cleaning and disinfecting a public livestock market facility and vehicles. The regulation states that the public livestock market operator is responsible for cleaning and disinfecting the facility or vehicle under the supervision of the market veterinarian with a disinfectant approved by the animal health commissioner. The regulation further explains that the cleaning and disinfecting of vehicles shall be paid for by the owner or operator of the vehicle.

K.A.R. 9-10-45 – This new regulation governs the requirements of pens and other facilities used to quarantine livestock or exotic animals at a public livestock market. The regulation sets forth requirements for pen spacing, size, and animal feeding requirements. The regulation further requires that quarantine pens be under the supervision of the market veterinarian.

K.A.R. 9-10-46 – This new regulation governs requirements for the quarantine of diseased or exposed livestock or exotic animals at a public livestock market.

DOB APPROVAL STAMP (If Required)

K.A.R. 9-10-47 -- This new regulation combines several regulations governing diseases, injuries, or conditions rendering livestock or exotic animals unfit for sale, limitations on sale, euthanasia, removal, or disposal. The regulation lists the diseases, injuries, or conditions that render livestock or exotic animals unfit for sale. The regulation further sets forth requirements for euthanasia, removal, or disposal of a livestock or exotic animal rendered unfit for sale.

K.A.R. 9-10-48 – This new regulation governs the issuance of certificates of veterinary inspection at a public livestock market or an electronic auction.

K.A.R. 9-10-49 – This new regulation governs requirements for consignment for public livestock markets. The regulation prescribes veterinary inspection and record-keeping requirements for public livestock markets and consent requirements for consignors.

K.A.R. 9-10-50 – This new regulation governs requirements for special sales at irregular intervals. The regulation requires that all sales conducted at a public livestock market follow state and federal regulations.

K.A.R. 9-10-51 – This new regulation governs public notices required to be posted at the public livestock market. The regulation requires that public livestock markets post disclosures about Trichomoniasis and animals that are injured, disabled, or deemed unfit for sale in a visible location at the check-in dock and in the public livestock market office area accessible to the public.

K.A.R. 9-10-52 – This new regulation governs occasional livestock sales. The regulation sets forth the fees associated with registering as an occasional livestock sale and the record keeping requirements for occasional livestock sales. The regulation also sets forth exemptions for the occasional livestock sale requirements.

K.A.R. 9-10-53 – This new regulation governs requirements for bovine sold through a public livestock market or occasional livestock sale. The regulation sets forth sale restrictions related to Trichomoniasis and bovine persistently infected with Bovine Viral Diarrhea Virus. The regulation further identifies specific bovine required to be officially identified at a public livestock market and sets forth backtagging procedures.

K.A.R. 9-10-54 – This new regulation governs requirements for poultry sold at a public livestock market or an occasional livestock sale. The regulation sets forth record keeping and labeling requirements. The regulation further states requirements for pullorum testing in birds sold through a public livestock market or an occasional livestock sale.

K.A.R. 9-10-55 – This new regulation governs requirements for Equidae (horses, donkeys, zebras, and hybrids of any of the same) being sold at a public livestock market or occasional livestock sale. The regulation requires that all Equidae sold through a public livestock market or occasional livestock sale shall be accompanied with an official negative Equine Infectious Anemia Test at the time of sale and sets forth record keeping requirements.

DOB APPROVAL STAMP (If Required)

K.A.R. 9-10-56 – This new regulation governs requirements for swine being sold at a public livestock market or an occasional livestock sale. The regulation requires that swine offered for sale be identified with a form of official identification and sets forth record keeping requirements. The regulation prohibits the sale of feral swine and commingling of breeding and feeding swine at the sale facility.

K.A.R. 9-10-57 – This new regulation governs requirements for sheep and goats sold at a public livestock market or an occasional livestock sale. The regulation requires that sheep and goats offered for sale be identified with a form of official identification and sets forth record keeping requirements.

K.A.R. 9-10-58 – This new regulation offsets forth the regulatory fees, inspection fees, and brand inspection fees charged by a public livestock market operator to each consignor.

K.A.R. 9-10-59 – This new regulation sets forth fees associated with licensing for public livestock markets and electronic auctions.

K.A.R. 9-7-1 – This regulation governs general movement requirements for livestock and exotic animals moving into Kansas. The proposed amendment clarifies situations when livestock or exotic animals may move into Kansas without a certificate of veterinary inspection. The regulation further states records related to animal movement and identification shall be confidential for the purposes of animal disease traceability.

K.A.R. 9-7-14 – This regulation governs requirements for movement of equidae (horses, donkeys, zebras, and hybrids of any of the same) in Kansas. The proposed amendment sets forth identification and testing requirements for equidae entering Kansas, being offered for sale, changing ownership, or used for exhibition purposes.

Section II

Statement by the agency if the rule(s) and regulation(s) exceed the requirements of applicable federal law, and a statement if the approach chosen to address the policy issue(s) is different from that utilized by agencies of contiguous states or the federal government. *(If the approach is different or exceeds federal law, then include a statement of why the proposed Kansas rule and regulation is different.)*

The proposed regulations are necessary to ensure traceability of animal diseases. All contiguous states have adopted rules and regulations related to public livestock markets, and KDA's approach is like those utilized by those agencies. The proposed regulations do exceed the requirements of applicable federal law on a few necessary fronts.

The proposed regulations exceed federal requirements as they relate to Bovine Viral Diarrhea Virus (BVD). Under the proposed regulations, Kansas will require an animal that is persistently infected with BVD to be officially identified prior to being sold at a public livestock market. Movement of that animal across state lines is expressly prohibited, and intrastate movements require a certification

DOB APPROVAL STAMP (If Required)

to accompany the animal. (9-10-53(b)) Kansas' approach exceeds federal law due to the significant impact that a BVD infected animal spreading the virus to surrounding states would cause.

Regarding equine under the proposed updates, Kansas will exceed federal requirements by also requiring any equine offered for sale in the state, changing ownership, or being used for exhibition purposes to be accompanied by an official form affirming a negative result for equine infectious anemia testing completed within the previous 12 months. Missouri currently has this same requirement. Federal regulations and other surrounding states' regulations only require EIA testing for interstate movements. The increased traceability of animals moving within the state will allow for a timely disease mitigation response in the event of a positive case and protect stakeholders by reducing the risk of a widespread outbreak. (9-7-14)

Federal regulations and most contiguous states don't prescribe record-keeping requirements for occasional livestock sales. The proposed regulations provide for licensing of occasional sales and impose requirements for maintaining records relating to ownership and identification of animals to maintain traceability for disease management. Kansas' approach strikes a balance between prioritizing traceability and overregulation of industry by exempting certain sales from the licensure requirements: sales held in conjunction with a county, district, regional, or state livestock exhibition for youth exhibitors; sales intended for the purpose of selling livestock to youth exhibitors; and livestock production sales with three or fewer consignors.

Section III

Agency analysis specifically addressing the following:

- A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;

KDA does not anticipate that the proposed regulations will significantly enhance or restrict business activity or growth in Kansas. The proposed regulations will simply implement current industry practice or provide clearer guidance as to existing statutory requirements. In developing the proposed regulations, KDA consulted the Kansas Animal Health Board, Kansas Cattlemen's Association, Kansas Livestock Association, Kansas Deer & Elk Association, Kansas Farm Bureau, Kansas Horse Council, Livestock Marketing Association, Kansas Pork Association, Kansas Sheep Association, K-State Research and Extension, Kansas Veterinary Medical Association, and United States Department of Agriculture Veterinary Services. None of the groups expressed concern that the proposed regulation would restrict their business activities or growth.

DOB APPROVAL STAMP (If Required)

- B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule(s) and regulation(s) and on the state economy as a whole;

KDA anticipates that the proposed regulations will have minimal economic effect for Kansans. Though the precise impact is difficult to quantify, the conclusion that implementation and compliance costs will be low is based on inferences from the quantitative information currently available and the qualitative information received from stakeholders.

The main economic impacts of the proposed regulations will arise from the updated official identification requirements and the additional requirement of Equine Infectious Anemia testing for intrastate changes of ownership and exhibitions of horses. Regarding the official identification requirements, there are currently free USDA compliant tags available, so the primary economic impact would come from fees associated with running the animal through a chute at the market. These fees are set individually by each market and passed on to the producer. Notably, a market survey indicated that only 10% of animals are not currently meeting this requirement, so any resulting impact would be necessarily minimal. KDA also considered that the requirement for all official identification information to be read and reported may result in additional time spent running animals through the chute, though again, that would likely be recouped through chute fees determined by the market. Those stakeholders that participated in the development of these regulations provided no quantifiable impact of this additional time, and because of the individual nature of these fee amounts and the unavailability of data on how many animals would be affected, it is difficult to establish an exact dollar amount of impact.

The impact of the additional EIA testing requirement will be borne by the individual owners of those animals and would be the cost of the testing. Pricing of those tests will depend on the veterinarian who administers them, but the cost would foreseeably be less than \$75 per animal. It is difficult to estimate how many individuals will be impacted by this update because information about intrastate changes of ownership and exhibitions of horses is not currently readily available. Here again, stakeholders that participated in outreach and development of these regulations offered no substantive objections.

Aside from the aforementioned impacts, KDA expects that the proposed regulations will have no foreseeable economic effect on any other entities.

- C. Businesses that would be directly affected by the proposed rule(s) and regulation(s);

The proposed regulations will directly affect public livestock markets, veterinarians employed by public livestock markets, and livestock producers.

- D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;

The benefits of the proposed regulations significantly outweigh the costs. The proposed regulations will modernize the requirements of Kansas's public livestock market to reflect current management practices and standards in the livestock industry. The proposed regulations also aid in KDA's ability

DOB APPROVAL STAMP (if Required)

to complete an accurate and timely animal disease trace because the regulations require many livestock and exotic animals moving through the public livestock market to be officially identified. Public livestock markets operators will also be able to submit records electronically to KDA through a software program provided by animal health commissioner. Additionally, the proposed regulations provide market veterinarians, livestock producers, and public livestock market operators with standardized procedures for quarantines and conditions rendering an animal unfit for sale. These requirements allow all parties to know and understand the procedures for each event.

- E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;

KDA engaged a working group comprised of industry groups and individuals to make sure that the agency's need for information and traceability of animals was implemented with consideration for how the industry functions. Common sense exceptions were made to accommodate the practical operation of livestock markets and producers, while still maintaining traceability needed for a timely response to an animal disease event. For instance, by defining "bovine sold for slaughter" and excepting those animals from the official ID requirements, the regulations avoid the unnecessary cost of permanently identifying animals that will be harvested within three days and instead allow them to be identified with a backtag applied with adhesive.

- F. An estimate of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to businesses, local governments, or members of the public.
Note: Do not account for any actual or estimated cost savings that may be realized.

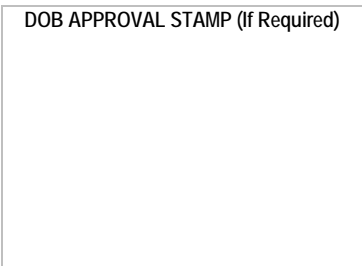
Costs to Affected Businesses – \$0

Costs to Local Governmental Units – \$0

Costs to Members of the Public – \$75 or less per affected equine;
chute fees for official identification

Total Annual Costs – \$Unknown for the reasons stated below
(sum of above amounts)

DOB APPROVAL STAMP (if Required)



Give a detailed statement of the data and methodology used in estimating the above cost estimate.

Implementation and compliance costs should only result from the changes in official ID requirements and the expansion of the Equine Infectious Anemia (EIA) testing requirement. Regarding the official identification requirements, there are currently free USDA compliant tags available, so any economic impact would come from fees associated with running the animal through a chute at the market. These fees are set individually by each market and passed on to the producer. Notably, a market survey indicated that only 10% of animals are not currently meeting this requirement, so any resulting impact would be necessarily minimal. KDA also considered that the requirement for all official identification information to be read and reported may result in additional time spent running animals through the chute, though again, that would likely be recouped through chute fees determined by the market. Those stakeholders that participated in the development of these regulations provided no quantifiable impact of this additional time, and because of the individual nature of these fee amounts and the unavailability of data on how many animals would be affected, it is difficult to establish an exact dollar amount of impact. The impact of the additional EIA testing requirement will be borne by the individual owners of those animals and would be the cost of the testing. Pricing of those tests will depend on the veterinarian who administers them, but the cost would foreseeably be less than \$75 per animal. It is difficult to estimate how many individuals will be impacted by this update because information about intrastate changes of ownership and exhibitions of horses is not currently readily available.

- Yes If the total implementation and compliance costs exceed \$1.0 million over any two-year period through June 30, 2024, or exceed \$3.0 million over any two-year period on or after July 1, 2024, and prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.
- No
- Not Applicable

If applicable, click here to enter public hearing information.

Provide an estimate to any changes in aggregate state revenues and expenditures for the implementation of the proposed rule(s) and regulation(s), for both the current fiscal year and next fiscal year.

KDA does not foresee any changes in aggregate state revenues or expenditures for implementation of the proposed regulations, as the proposed regulations do not add any additional duties for the state, nor do they increase any fees paid to the state.

Provide an estimate of any immediate or long-range economic impact of the proposed rule(s) and regulation(s) on any individual(s), small employers, and the general public. If no dollar estimate

DOB APPROVAL STAMP (If Required)

can be given for any individual(s), small employers, and the general public, give specific reasons why no estimate is possible.

It is difficult to estimate the immediate or long-range economic impacts to individuals, small employers, and the general public for reasons already communicated. First, markets and veterinarians are entitled to set their own fees for services, and in doing so, they make decisions on how to absorb additional costs and compensate employees. This makes it tough to forecast the impact of changes to official identification requirements and EIA testing on individuals, as regulatory requirements are certainly not the only factor in that decision. Second, data on how many individuals will be impacted by the EIA testing requirement is not readily available because intrastate changes of ownership and exhibitions of horses are not currently tracked in any meaningful manner. Even so, using the information available, KDA estimates that any immediate or long-range economic impact of the proposed regulations will be minimal.

- G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.

KDA does not anticipate that the proposed regulation will significantly increase or decrease revenues of cities, counties or school districts, or impose functions or responsibilities on cities, counties or school districts that will increase their expenditures or fiscal liability. Letters were sent to the League of Kansas Municipalities, the Kansas Association of School Boards, and the Kansas Association of Counties inquiring as to whether those entities believed the proposed regulation would impose increased costs or responsibilities on their members. No responses were received from those entities.

- H. Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).

In developing the proposed regulations, KDA consulted with and solicited input from the Kansas Animal Health Board, KDA's Public Livestock Market Working Group, Kansas Cattlemen's Association, Kansas Livestock Association, Kansas Deer & Elk Association, Kansas Farm Bureau, Kansas Horse Council, Livestock Marketing Association, Kansas Pork Association, Kansas Sheep Association, K-State Research and Extension, Kansas Veterinary Medical Association, and United States Department of Agriculture Veterinary Services.

Section IV

Does the Economic Impact Statement involve any environmental rule(s) and regulation(s)?

DOB APPROVAL STAMP (If Required)

- Yes If yes, complete the remainder of Section IV.
- No If no, skip the remainder of Section IV.

A. Describe the capital and annual costs of compliance with the proposed rule(s) and regulation(s), and the persons who would bear the costs.

[Click here to enter agency response.](#)

B. Describe the initial and annual costs of implementing and enforcing the proposed rule(s) and regulation(s), including the estimated amount of paperwork, and the state agencies, other governmental agencies, or other persons who would bear the costs.

[Click here to enter agency response.](#)

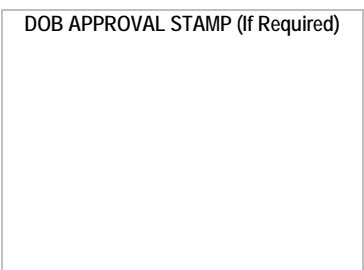
C. Describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons who would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).

[Click here to enter agency response.](#)

D. Provide a detailed statement of the data and methodology used in estimating the costs used.

[Click here to enter agency response.](#)

DOB APPROVAL STAMP (If Required)



Kansas Administrative Regulations
Economic Impact Statement
Public Hearing Certification
(To be completed after the public hearing)

Agency: [Click here to start typing](#)

Agency Contact: [Click here to start typing](#)

Phone Number or Email: [Click here to start typing](#)

K.A.R. Number(s): [Click here to start typing](#)

Public Hearing Date: [Select date](#)

Public Hearing Time: [Click here to start typing](#)

Public Hearing Location: [Click here to start typing](#)

Public Hearing Attendance: [Click here to start typing](#)

DOB APPROVAL STAMP (If Required)