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Agriculture Committee
February 08, 2011

[LB305 LB306 LB427]

The Committee on Agriculture met at 1:30 p.m. on Tuesday, February 8, 2011, in Room 1524 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LB427, LB305, and LB306. Senators present: Tom Carlson, Chairperson; Norm Wallman, Vice Chairperson; Dave Bloomfield; Lydia Brasch; Burke Harr; Russ Karpisek; Tyson Larson; and Steve Lathrop. Senators absent: None.

SENATOR CARLSON: Good afternoon and welcome to the hearing today on February 8, the Agriculture Committee. I'm Tom Carlson, Senator of District 38, Chair of the committee. And I'm going a little bit out of order today in the way we do things. I'm going to talk a little bit about our process for the day and then I'll introduce the rest of the people on the committee and our staff that's here. There have been some questions asked about taking pictures and the only pictures that we want taken are those that are handled by certified press, so if you're not certified press we'd ask you don't take any pictures in the hearing today. Now our first bill is LB427. I'm asking this, and we're not going to make anybody leave, but this is LB427 and we have 55 people in the overflow room. Now if you're in here and you have a seat and you're really not intending to testify and you didn't come here for LB427, it would be nice if you'd be willing to get up and give that to somebody in Room 1023 that wants to be in here for LB427. So that's all I'm going to say, if nobody moves, that's as far as we're going, but it would be nice for those people that are here and in the overflow room for LB427. Another thing that we're going to follow is that the introducer of the bill, and the first one, Senator Cornett, she has all the time that she wants to introduce her bill. Once she's through introducing the bill, then we will ask for those of you that are proponents and support the bill to come forth and testify. How many of you are here and intend to testify as proponents of LB427? Could I see your hands? Okay. How many of you are here and intend to testify in opposition to LB427? Okay. And here is what we're going to do; the first five testifiers will be allowed five minutes and we have the lights in front. As you start your testimony the green light is on and that will be on for four minutes; and then the yellow light comes on and that warns you, you've got one minute to go; and when the red light comes on that's it. Please wrap up your testimony quickly or I'll have to ask you to stop. We'll do that for the first five testifiers. And then beyond that we're going to drop it to three minutes. So when you...the green light will be on for two minutes and the yellow light for one. Now when you're done testifying, then we open it up to the committee to ask questions. So several of you will be asked questions about your testimony, but that's how we can kind of keep things a little bit in order in terms of time. Any questions on our procedures? Okay, thank you. Well, I'm going to introduce the rest of the people up here at the front. To my right is Rick Leonard, committee counsel for the Agriculture Committee. Over on the far left is Barb DeRiese and she is our committee clerk, and Cynthia, next to her, is here to help with the timing on the clock today and we appreciate her cooperation. Then we have Senator Larson from O'Neill; and next to him will be Senator Lathrop who should be here shortly; Senator Karpisek from Wilber. And then

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over here to my right, beyond Rick Leonard, will be Senator Wallman who is Vice Chair of the committee; and next to him, Senator Brasch and she's from Bancroft; next to her, Senator Harr from Omaha; and then on the end, Senator Bloomfield from Hoskins. So this is the Agriculture Committee. Now if you've come in here you have a couple of options. If you're going to testify, there was a green sheet to pick up; have that filled out before you come to the front and put that in the box in front of Barb there. If you have material that is to be distributed to the committee, there needs to be 12 copies. If you don't have 12 copies, raise your hand and one of our pages will help you with that. And our pages today are Kate DeLashmutt from Burwell and Danielle Henery from Battle Creek, so we appreciate their help and they'll be able to assist you in any way that you need. Also, at the doors is a white sheet and if you want to be counted as attending and give your indication on a bill, either for it or against it or in a neutral position, you can sign the white sheet and you will be listed as being here and giving an indication of what you feel about the bill. But if you're going to testify in the front, please fill out the green sheet. Those of you that have cell phones, please turn them off or turn them to vibrate, and our committee knows that very well, and then we can proceed in an orderly fashion. And in a group like this, we have some pretty strong feelings about these bills today, so we want to keep everything in good order and on a civil level. We, as a committee, will do everything we can to be very civil to those of you that testify because we appreciate you coming here, and we expect the same from you, so we ask there not be any clapping or any booing or any other kind of emotion as somebody testifies on this bill. Any questions? Okay, hearing none, we're ready to open the hearing on LB427 and, Senator Cornett, you're recognized to open.

SENATOR CORNETT: Good afternoon, Senator Carlson and members of the Agriculture Committee. My name is Abbie Cornett, C-o-r-n-e-t-t. I represent the 45th Legislative District. I'm here today to introduce LB427. This is a bill that requires...sets requirements for commercial dog breeders, as well as allowing for breeders who meet additional requirements, to be certified as outstanding and noted as such on the Department of Agriculture's Web site. The bill was brought to me by Judy Varner of the Nebraska Humane Society, who you will hear from today, Diana Pankonin, a breeder, and Carol Wheeler of HUA, Hearts United for Animals, a no-kill shelter located in Auburn, Nebraska. We spent the course of the summer working on this bill, and over many drafts my staff, Judy, and Diana have worked tirelessly to produce a bill that would benefit both the dogs and the commercial breeding facilities and the consumers purchasing the offspring. After the language was worked out, I asked Judy and Diana to forward a draft to leaders of the breeding groups and clubs. Using that feedback, Judy, Diana, and my staff were able to streamline the draft into the bill you see today. I would like to take a moment to clarify one issue that you may have received a lot of phone calls or e-mails on and that is the definition of commercial breeder. The definition in this bill has been in place for several years. Because the bill addresses dog breeders specifically, the language for the definition was separated from the previous language that included the definition of cat breeder. Because of the separation, the definition is

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underlined...is new language, but has not changed from the past definition. So the language that is stated in this bill is what is currently in place and in law in the state. Judy Varner and Mick Mines will be following my testimony to walk you through the specific parts of the bill and what their view as a humane society is on why these steps are important. I will answer any questions I can. Depending on the length of testimony, I may have to waive closing because of other hearings. [LB427]

SENATOR CARLSON: Okay, thank you, Senator Cornett. Any questions from the committee? Seeing none, thank you. Okay, we're ready for... [LB427]

SENATOR CORNETT: If I get up and leave, I've waived. [LB427]

SENATOR CARLSON: Okay, thank you. We're ready for those testifying in support of the bill. Welcome. [LB427]

MICK MINES: (Exhibit 1 and 2) Thank you. Mr. Chairman, members of the committee, for the record my name is Mick Mines, M-i-c-k M-i-n-e-s, and I'm a lobbyist representing today the Nebraska Humane Society. And I'd like to thank Senator Cornett for introducing this on behalf of the humane society. LB427 is a bill that was conceived, negotiated and crafted...I lost my place, isn't that terrible...conceived, negotiated and crafted to address deficiencies in the Nebraska dog breeding industry. National organizations, like The Humane Society of the United States and the American Kennel Club, were not consulted, nor did they engage in drafting this bill. They have their own agendas. This is a bill by Nebraskans for Nebraskans and we thank Senator Cornett and her staff for their commitment and hard work. We have about nine testifiers who will describe for you the necessity for this legislation. Their names are provided in a handout I provided you. Also provided is a comparison between the Nebraska Humane Society and The Humane Society of the United States. Many Nebraskans are still confused about how their missions differ. LB427 has been misunderstood and several breeders have gone to great lengths to misrepresent the bill since its initial draft. Each of you on the committee has likely been contacted by perhaps 40 breeders who oppose LB427. I would like to put that into perspective. Nebraska licenses 345 commercial breeders. Our supporters number about 18,000. Our supporters are passionate about animal care and we have instructed them to let us do our work on this bill and not to engage the committee. There are three breeder organizations in our state that claim to represent interests of all Nebraska breeders. I urge you to ask Clem Disterhaupt if his Nebraska Pet Professional Breeders Association represents more than nine members, including he and his family members. On a handout I provided, you'll see that. I'd also ask Casey Schaaf with the Nebraska Dog Breeders Association or the Pet Professionals Association to provide you, for the record, their list of members in good standing and if each of their membership lists exceeds more than 20 breeders. My point is, the breeder associations you will likely hear from today represent about 15 percent of the commercial dog breeding industry in Nebraska. This bill has seen significant changes

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and the executive summary that I've handed out will identify the three issues: number one, it will help ensure basic medical care for breeding dogs; number two, help ensure adequate living conditions for breeding dogs; and number three, creates the optional and optional standard of outstanding breeders for those dog kennels that provide for the physical, emotional, mental, and social well-being of their breeding dogs. And let me tell you what the bill does not do. Senator Cornett highlighted that the definition of commercial breeder has not changed. The bill does not conflict with livestock statutes, thanks to the work by this committee and the Legislature last year with the passage of LB683 that separates livestock from pet animals. This bill does not change the number of dogs the breeders are allowed to have. LB427 does not require that a breeder obtain permission by a veterinarian before each breeding. And very importantly, LB427 does not change the cage size for commercial breeders. Let me highlight the changes required for commercial breeders. Each dog would receive reasonable and documentable medical care and breeding records. Each dog's health and welfare would be assessed and noted by the breeder every 60 days. Each breeding dog would be implanted with a microchip and each dog would be evaluated by a veterinarian every three years. Female dogs younger than 12 months and older than 8 years old would not be bred unless otherwise by a veterinarian. And I will...you have my testimony and I will just simply let you continue through that at your leisure. Particularly of note, I'd like to state that any of these...or many of these conditions can be overridden by a veterinarian very simply. This bill also creates the optional standard of an outstanding breeder. Obviously, they have to meet all the requirements of a commercial breeder; maintain documentation regarding the health of the dog; female dogs can't be bred more than once in 18-month period. And again, I'll let you go on with those conditions. And these outstanding breeders would be listed by the Department of Agriculture on their Web site. LB427 is a basic humane care for dogs, not livestock, dogs. And I urge the committee to advance the bill to General File. And I'd be glad to answer any questions you might have. [LB427]

SENATOR CARLSON: Okay. Thank you, Senator Mines. Do we have questions from the committee? I would ask a question. In the requirement that the Department of Ag post on the Web site, is that the only requirement for them that is not something they're required to do now? [LB427]

MICK MINES: Senator, the Department of Agriculture would develop a certificate, design a certificate, there would be some education internally about...for the inspectors as to what the new criterion really is, but I believe that the Department of Ag's fiscal note doesn't show an increase in the cost to the Department of Agriculture. [LB427]

SENATOR CARLSON: Now when you say they would develop...they're not developing the specifications for these various categories that a breeder could be in. Who's doing that? That's their responsibility? [LB427]

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MICK MINES: Yeah, that would be their responsibility. [LB427]

SENATOR CARLSON: Okay. [LB427]

SENATOR MINES: For an example, one of the conditions would be a solid floor in the cage in each kennel or the department could determine that a wire with plastic coating, for instance, could be used. So that determination is left to the department rather than statute. [LB427]

SENATOR CARLSON: Okay. Thank you. Any other questions? [LB427]

SENATOR HARR: Just one. [LB427]

SENATOR CARLSON: Yes, Senator... [LB427]

SENATOR HARR: Thank you, Mr. Chairman. I know you don't have members, but how many people contributed to the Nebraska Humane Society last year, if you know? [LB427]

MICK MINES: I would like Judy Varner, who will follow me, to answer that. She knows. I'm sorry. [LB427]

SENATOR HARR: Thank you. [LB427]

SENATOR CARLSON: Okay. Any other questions? Okay, thank you for your testimony. [LB427]

MICK MINES: Thank you, Senator. [LB427]

SENATOR CARLSON: Next testifier. And I didn't state this, but as you come to the front and take your position in front of the microphone, state and spell your name because that's important for the transcript. So try and do that right away, because if you don't, I'll interrupt you. Welcome. [LB427]

JUDY VARNER: Thank you. Can I consider that a question and not part of my five minutes? (Laughter) [LB427]

SENATOR CARLSON: Yes, but you're on the clock right now. [LB427]

JUDY VARNER: (Exhibit 3) Uh-oh. Okay. Thank you, Senator Carlson, members of the Ag Committee. For the record my name is Judy Varner, J-u-d-y V-a-r-n-e-r. I'm the chief executive officer of the Nebraska Humane Society located in Omaha. The sad reality is that the majority of breeding dogs in Nebraska live their entire lives in a cage so small

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they can only sit, stand, lie down and turn around for their entire life. These dogs are watered automatically and waste drops through the floor. Many of these dogs receive no mental stimulation, exercise, and little, if any, human touch. All too frequently these dogs are bred from the time they first come into heat until they are physically no longer able to breed. Every shelter in the state has been the recipient of these dogs, but Carol Wheeler at Hearts United has made these dogs a specialty and will give you much more detail about what we all face and how these dogs live their lives. Senator Cornett graciously agreed to help improve the lives of dogs and asked Diana Pankonin, a breeder, and me to work on the language. She specifically asked us not to engage other breeders until we had our version finished. As soon as we did, we started to get suggestions from other breeders. We received input for specific changes and in many cases we accommodated them, resulting in dozens of modifications to the bill, including exemptions for a solid floor, more time between vet visits, and even changing the name from exemplary breeder to outstanding. You will hear from some breeders that a dog never dies by living its life in a cage, never getting out or getting any exercise, never being handled, and never running, jumping, playing or feeling the sun. They will also tell you that removing dogs is dangerous for the dog being moved as it will catch a disease, and sadly they will say that it is dangerous for the other dogs, as seeing a dog walk past their kennel will cause a fight or a mother could become upset and kill her puppies. At NHS we socialize and exercise hundreds of dogs every day, some are moms and babies, and in my 14 years we have never, ever, ever encountered a serious problem either medically or behaviorally. Perhaps their dogs are so under socialized and so lacking in any stimulation that they really do fight whenever another dog walks past their kennel, how sad. Maybe they are simply unstable temperamentally. The offspring of these dogs are sold to unsuspecting consumers to live in their homes or to help on their farms. Consumers deserve dogs from breeders whose dogs are known to have good solid temperaments. Would you knowingly bring a puppy into your home from parents who are so out of control and aggressive they cannot be walked to an exercise area, removed from their cage or have the dog next to them removed? You'll also hear that individual veterinarians are opposed to LB427. I cannot imagine any veterinarian who is opposed to a medical exam every three years, opposed to physical exercise for dogs, supports breeding these dogs until they are feeble and supports breeders doing their own surgeries in clear violation of state law. A ruling by the Board of Veterinary Medicine and Surgery, dated April 8, 2009, states clearly that surgeries, including ear cropping, among other procedures, cannot be performed by breeders on their own dogs. This flies in the face of current practice. A breeder, who you will hear in opposing testimony, lectures on best practices for breeders. He is on record that he and others send their dogs to other breeders to have their ears cropped. The Nebraska law is clearly being violated and that violation is being taught to other breeders. You will hear that the requirements in this bill will take too much time for the inspectors. Not true, as evidenced by the fact there's no fiscal note from the department. They see no additional expenditure. It is imperative that consumers know what they are bringing into their homes when they purchase a puppy from a breeder. The outstanding designation will

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help do just that. These are breeders who are working hard to meet the physical, emotional, and mental needs of their dogs; breeders who handle their dogs so they know the temperament and condition of their dogs; and breeders who give their puppies a good solid beginning in life. LB427 would double the cage size as defined by the USDA for outstanding breeders, but let us be clear, only for those breeders who aspire to be outstanding in meeting all the needs of their dogs are required to exceed the minimum. One breeder will testify that the height of a kennel for an outstanding breeder does not need to be 12 inches taller than the dog and could, in fact, be harmful to puppies. That's very interesting since this practice is currently being done in numerous kennels and their puppies certainly are not dying or getting sick. That same breeder has told me he does not ever move his dogs from their kennels, and yet I'm sure he considers himself an outstanding breeder. The requirements for this designation are not about what will allow the most breeders to qualify but, rather, which breeders really care about their dogs and will go the extra mile to produce quality puppies--breeders who are truly outstanding. LB427 is common sense and, as demonstrated by breeders currently raising dogs in this condition, it is realistic. I thank you and urge you to advance LB427 to General File. [LB427]

SENATOR CARLSON: Okay. Thank you for your testimony. Do we have questions?
Senator Harr. [LB427]

SENATOR HARR: How many contributors did you have last year? [LB427]

JUDY VARNER: We have about 8,000 donors. We have 17,000 Facebook fans; we have about 5,000 people that come to our walk for the animals. And if you'd like an invitation to any of those things, we can make that happen. [LB427]

SENATOR HARR: Thank you. I received a dog from a pound and I will never do that again. (Laughter) [LB427]

JUDY VARNER: Yeah. [LB427]

SENATOR HARR: She is a menace. [LB427]

SENATOR CARLSON: Okay, any other questions? Yes, Senator Karpisek. [LB427]

SENATOR KARPISEK: Thank you, Senator Carlson. Ms. Varner, thank you for coming. Wanted to just say, get on the record again about the HSUS because we've had numerous e-mails that are saying that this is where...that's where this came from. [LB427]

JUDY VARNER: That's a blatant lie. Anybody that tells you that is lying to you and there's been a lot of that going on with this bill. [LB427]

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SENATOR KARPISEK: Because I am concerned about HSUS also, and I just want to make sure that we're talking about two different things. [LB427]

JUDY VARNER: HSUS has had nothing to do with this bill. As Mick distributed, our political perspective is very different than HSUS. We feel we are Nebraskans and as Nebraskans we stand together. We were very pleased to be invited on a farm tour with the Farm Bureau not too long ago. Several of your people, staff members, went with us. It was very informative. We are Nebraskans and HSUS had nothing to do with this bill. [LB427]

SENATOR KARPISEK: And I have worked with you over the years and I have to say that your missions are completely different. I just wanted to let you say that so we can get past that and worry about the bill and not who brought it. [LB427]

JUDY VARNER: Thank you. Thank you, Senator. [LB427]

SENATOR KARPISEK: Thank you, Ms. Varner. Thank you, Senator Carlson. [LB427]

SENATOR CARLSON: Okay. Any other questions? I'm still hung up a little bit on why the Department of Ag should be responsible for us carrying out a rating system. Couldn't you better do that yourselves? [LB427]

JUDY VARNER: We could, but the problem is one of money. The inspectors are out in the kennels. They know the kennels; they know the breeders. For them to be able to give that outstanding designation through their inspection process makes the most sense financially. We can't afford to be all over the state checking out every breeder. [LB427]

SENATOR CARLSON: Okay, I understand that, but, as I think I understand it, this is an optional effort as far as someone wanting to become an outstanding breeder. [LB427]

JUDY VARNER: Correct. [LB427]

SENATOR CARLSON: So what percent of those current breeders do you think would attain or try to attain that rating? [LB427]

JUDY VARNER: I have no idea. I have no...83 percent of the breeders in this state have less than 50 dogs. So I think...I don't...but I can't...I don't know the answer to that. I think it depends on what...whether breeders want that. We've talked for a long time about having some kind of a blue ribbon program where we can hold up the breeders that really go beyond the norm and really hold them up to the general public so that the public can see that these breeders really have...they're handling their dogs, they know

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their dogs, they know their puppies, their puppies are getting the best start in life.
[LB427]

SENATOR CARLSON: Okay. Okay, yes, Senator Harr. [LB427]

SENATOR HARR: Thank you, Mr. Chairman, one follow-up question. This is an option only... [LB427]

JUDY VARNER: Uh-huh. [LB427]

SENATOR HARR: ...so there is...and it's a two-part question, first part, there is no penalty if a breeder chooses not to follow. [LB427]

JUDY VARNER: None whatsoever. [LB427]

SENATOR HARR: The only penalty is in the marketplace. [LB427]

JUDY VARNER: Correct. [LB427]

SENATOR HARR: Thank you. [LB427]

SENATOR CARLSON: Okay, any other questions? Seeing none, thank you for your testimony. Next testifier, please. Welcome. [LB427]

DIANA PANKONIN: (Exhibit 4) Good afternoon. Senator Carlson, members of the Ag Committee, my name is Diana Pankonin, D-i-a-n-a P-a-n-k-o-n-i-n. I'm here to testify in support of LB427. My husband and I own Pankonin Farm Kennel in Grant. I whelped my first litter of puppies of 1965 and have always had a litter or two around. We started the kennel in 2003 and currently have about 70 adult dogs. We have nine different breeds ranging from 225-pound Saint Bernards to 4-pound toy poodles. Our kennel has large solid floors. Each kennel has a doggie door that leads out to an outdoor pen. Our Saints have pens that range...that are over 40 by 100 feet. Our toy poodles have indoor runs that are a minimum of 4 by 6 feet and have outdoor runs that are 4 foot by 16 foot. We work hand in hand with our local vet. She and I devised a worksheet to keep track of the health of each dog. It covers all the medical work required by this law. She can approve the dog for breeding, check the housing temperature requirements, make any notes needed on dental care, skin issues and so forth. It takes her about five minutes to do the physical and complete this form. I have attached a copy of this form to the papers I'm giving you. While we do this for every dog every year, this bill only requires it be done once every three years. If a similar form is completed, the dog is approved for breeding for three years from the date of the physical. We also keep a grooming sheet that we will fill out monthly when the dog is groomed. It notes the condition of the dog's coat, teeth, ears, and any skin issues that might be present. It takes about one minute

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to fill out this sheet. I have also attached a copy of this form to my testimony. The exercise piece of this bill has come under a lot of criticism. Other breeders have told me they don't have pens large enough to meet the standards of this bill. Also, their dogs can't be moved from their pens as they are not social enough to move down the kennel's alleyway without causing dog fights to the point the dogs are injured or the mother dogs stomp their puppies to death. Let's look at that a bit. Breeders are raising puppies for the consumers to take into their homes, play with their children, sit on their laps or be hunting companions. Yet the parents of these dogs are so antisocial they can't walk down the alleyway of a kennel without doing physical damage to themselves or other dogs. How are the puppies supposed to be socially adapted to their forever homes? This doesn't happen by osmosis. All our adult dogs are leash trained. I can walk any of them anywhere, any time. Yes, I'm careful not to house two stud dogs next door to each other, but moving a dog around from the various kennel buildings is never dangerous to them or any other dog. Senator Fischer's bill last year helped sort companion animal breeders from livestock breeders. We need to remember that we are raising pets, not pork chops. Another criticism of the exercise piece of this law is the cost. I had a breeder tell me it would cost him over \$20,000 to build pens the size required for exercise. I don't think I've got \$20,000 in every fence on my place and it encompasses the better part of an acre. After visiting with him, I found it wasn't the fencing that was the costing so much. He was putting expanded steel floors on the exercise pen. Why? Raking pens is work, yes, and the breeder has to come in contact with the dogs, but it's far easier to rake under a wire floor or hose out a tray underneath them. Our pens are raked daily for our 70 dogs and it takes under two hours. The other criticism of this exercise piece is the concern that disease will spread faster. Germs are spread either through the air or by contact. If germs are airborne, they're in the entire kennel anyway. But if germs are spread by contact, dogs are housed in pens with wire sides. They are nose to nose with the dogs next to them and germs are passed along from dog to dog on every side of the kennel. If the breeder reaches into the pen for any reason, his sleeve is going to touch the side of pen, he goes to the next one, it's going to spread anyway unless he takes a bath, changes his clothes between every pen. Vaccinating dogs, the adult dogs, according to a regular schedule, as recommended by your vet, is the answer to that problem. Once again, we're raising puppies for your homes. Most of these puppies are going from these germ-free kennels into a broker truck and a kennel and into a pet store. How can dogs be expected to thrive in the real world if moving them in a contained kennel spreads disease so badly. Exercise is a vital part of raising and maintaining a healthy dog. I had a breeder tell me there's absolutely no documentation that lack of exercise ever killed a dog. Perhaps, but I don't think there's any documentation for lack of exercise ever killing a human either, but it is certainly a contributing factor in a lot of cases. Consider a woman and how she would...her children and how she would act if she was locked in a confined cage. It just wouldn't work real well. The outstanding breeder designation is something that I really wanted. That was for me. I want to be able to sort myself out from a puppy mill. Thank you. [LB427]

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SENATOR CARLSON: Okay. Thank you for your testimony. Any questions for Mrs. Pankonin? Senator Karpisek. [LB427]

SENATOR KARPISEK: Thank you, Senator Carlson. Ms. Pankonin. [LB427]

DIANA PANKONIN: Oh, I'm sorry. [LB427]

SENATOR KARPISEK: I'm sorry, I was a little late on the draw. Would this also go to dog...pertain to dog rescues, any of those sort of people, the bill? [LB427]

DIANA PANKONIN: The exercise requirements? Yes, they would. Yes, it would. Yes, it would. [LB427]

SENATOR KARPISEK: But the entire bill or just the exercise or...? [LB427]

DIANA PANKONIN: The exercise and the vet checks, yes. I don't think that's an issue with the shelters. Most of them have got vets on staff. I know even our little one in Grant, Nebraska, has got a vet that sees every dog when they come in. I think that's very standard practice. [LB427]

SENATOR KARPISEK: Okay. Thank you, Ms. Pankonin. [LB427]

DIANA PANKONIN: Uh-huh. [LB427]

SENATOR KARPISEK: Thank you, Senator Carlson. [LB427]

SENATOR CARLSON: Ms. Pankonin, wait a minute, you're not done yet. [LB427]

DIANA PANKONIN: Yes. Oh, I'm sorry. (Laughter) I was going to run off. [LB427]

SENATOR CARLSON: Any other questions? Okay, I have a couple. I know on your last page you had something in there about the impact HSUS has had on the puppy breeding business. Do you want to comment on that? [LB427]

DIANA PANKONIN: Oh, yes, I'd like to. I belong to several Web sites that are for breeders and it's how I kind of educated myself on how things work. And one of those Web sites is for national breeders and they keep a running list of dog breeder-friendly states. Nebraska is listed on that list as a wide open state. In other words, we don't have any laws in place that are going to stop the breeders from a state like Missouri who has, I think, it's ten breeders that have got over 2,000 dogs and their new ballot initiative that passed is forcing all of them to cut down to 50 dogs apiece. And those dogs are going to have to go somewhere. Those kennels operate out of what we call Sundowner

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buildings, for the most part. And a Sundowner building has got...it's very portable. It's usually on skids and some of them are even on wheels. They've got small inside pens and then pull-out runs on the outside and to move them you simply close the outside runs, unplug them, unhook the sewer, and within three or four days you could set them up on an acre of land in Nebraska if you had oil and a power hookup. The only thing deterring that is a \$2,000 licensing fee. [LB427]

SENATOR CARLSON: Okay. Now, I've got another question. Is your breeding business a full-time occupation? [LB427]

DIANA PANKONIN: Yes, it is. I work in my kennel a lot. I have four part-time help. I do teach a couple of alcohol education classes outside the home, but I've got extra help and my husband works on it too. [LB427]

SENATOR CARLSON: And so is this your husband's occupation as well? [LB427]

DIANA PANKONIN: Part-time, he's a farmer. [LB427]

SENATOR CARLSON: Okay. So you have a farm as well as your breeding operation? [LB427]

DIANA PANKONIN: Right. [LB427]

SENATOR CARLSON: Is your breeding operation profitable? [LB427]

DIANA PANKONIN: Yes, it is. It is very profitable. [LB427]

SENATOR CARLSON: Okay. [LB427]

DIANA PANKONIN: We are making very good money. We sell strictly to the individual. We don't use brokers, we don't use pet shops and so we get a lot more money from our...for our puppies than people that are marketing through a broker. [LB427]

SENATOR CARLSON: Okay. All right, thank you. Yes, Senator Larson. [LB427]

SENATOR LARSON: Thank you for your testimony. You bring up the Prop. B in Missouri. [LB427]

DIANA PANKONIN: Uh-huh. [LB427]

SENATOR LARSON: Were you supportive of Prop. B in Missouri? [LB427]

DIANA PANKONIN: No. [LB427]

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SENATOR LARSON: No. [LB427]

DIANA PANKONIN: Dogs...I oppose numbers and the reason I oppose numbers is they don't have anything to do with what kind of care I take of my dog. I can have my 70 dogs and I know, if I wanted to, I could come home of an evening, feed and water them and go on and about my business and on weekends. [LB427]

SENATOR LARSON: But you didn't oppose Prop. B. You were for Prop. B? [LB427]

DIANA PANKONIN: I was totally opposed to the numbers part of Prop. B, yeah. I do not believe numbers are the answer. People can come home from work and do their chores and one person and they can have 100 dogs. [LB427]

SENATOR LARSON: Is this bill have a lot of similar characteristics of Prop. B? [LB427]

DIANA PANKONIN: No. [LB427]

SENATOR LARSON: No. [LB427]

DIANE PANKONIN: No, none, very, very few. None. [LB427]

SENATOR LARSON: Thank you. [LB427]

SENATOR CARLSON: Okay, any other questions? Yes. See, you weren't done yet. Senator Harr. [LB427]

DIANA PANKONIN: Okay. I'm going to be here awhile. [LB427]

SENATOR HARR: I just want to...it's your contention that this bill is a proactive step to keep HSUS out of Nebraska? [LB427]

DIANA PANKONIN: Yes, it is,... [LB427]

SENATOR HARR: Thank you. [LB427]

DIANA PANKONIN: ...the reason being is those people with their Sundowner kennels are not going to exercise their dogs. They do not want to do that. Their dogs do not see vets. These at least will have to see vets at least once every three years. And it's not going to increase in Nebraska...most of the dogs in Nebraska are probably seeing a vet close to every three years. So it's not going to be every dog that's going to change, just some, the poorer breeders. [LB427]

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SENATOR HARR: Thank you very much. [LB427]

SENATOR CARLSON: Okay, any other questions? Okay, thank you for your testimony. [LB427]

DIANA PANKONIN: Thank you. [LB427]

SENATOR CARLSON: Next testifier, please. Welcome. [LB427]

NIKKI HARRIS: (Exhibits 5 and 6) Thank you. My name is Nikki Harris, N-i-k-k-i H-a-r-r-i-s, the director of Animal Behavior and Placement for the Nebraska Humane Society. Thank you, Senator Carlson and members of the Agriculture Committee, for considering LB427. I grew up in a rural community of Tekamah, Nebraska, and am proud to say I was raised in a farming community. My job at the Nebraska Humane Society consists of assessing dogs for aggression and adopting pets into the community. We placed over 10,000 companion animals into homes in 2010. Dogs come to NHS as strays or surrendered by their owners from across the state. Most of the dogs and puppies are surrendered to us because the owner does not have enough time for them. Consumers want a dog or puppy who easily fits into their home and does not require very much work. Puppies purchased from breeders frequently start off their new lives at a disadvantage. These puppies have never lived in a home, have never experienced regular dog behavior and have never lived with adult dogs who are given the space to act like dogs. Breeders or pet stores sell the puppy to a new family who is quickly overwhelmed by their new puppy and they end up surrendering that puppy to the Nebraska Humane Society. The passage of LB427 will help avoid many of these situations. Breeders will say they have stud dogs, breeding bitches, and whelping bitches in their kennels so they cannot safely move the dogs without fights and without moms killing their puppies. They will say their situation is different than at a shelter and they're right. The shelter environment is much more difficult. The public is constantly walking through our kennels to look for their lost dogs, yet breeders do not allow any visitors into their facilities. Another challenge for our shelter is that our dogs don't know each other and are in a new, overwhelmingly stressful environment with a population that changes hourly. The arguments you will hear from the breeders are proven wrong every day at shelters like the Nebraska Humane Society. We have a population of 200 to 300 dogs at any given time in our stray holding areas. You will find runs containing moms ready to whelp, females in heat, dogs used for stud, moms with puppies, and even dogs trained to fight. The shelter is a stressful place for any dog, yet we are able to move dogs from one kennel to another without seeing a fight break out or seeing moms kill their puppies. Moms who are provided with enough space will not kill or injure their puppies when stressed. Breeders have the advantage of a static population of dogs who can smell one another, hear one another, and live together for years. The breeders should know the dogs in their care and be able to arrange their living space accordingly. The fact that breeders argue that fights and deaths are happening when

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they move dogs through their kennels is inexcusable and I can't understand it. While we deal with a large variety of behaviors at the Nebraska Humane Society, we frequently see dogs who have spent most of their lives confined to a small space. They are easily identified by their common behaviors: circling, barking, and disliking or ignoring human contact. I have attached a research study that documents the stress dogs feel when they are subjected to constant spacial restriction. Interestingly, the dogs in the study showed increased levels of aggression. This example fits in well with what the breeders will tell you. Their dogs cannot be exercised because they will fight and show signs of aggression, when in fact this study shows that their dogs have a higher level of stress and aggression because they are confined to one small space. Should dogs with severe aggression problems be breeding, passing on those traits to puppies who will go to homes with families and children? If the breeders cannot handle their own dogs, how can they claim they are breeding puppies with sound temperaments and how can the breeders tell their customers they are breeding family pets? Finally, I would like to share some personal insight. I have rescued and live with two dogs that came from breeders where they spent their lives confined to a small space. One of my dogs was a Cavalier King Charles named Fergie. Her puppies sold for over \$1,000 each, yet her breeder did not see any reason for her to leave her cage, except to be placed into a whelping pen to raise her moneymakers. Fergie came to my house at eight years old with dental disease and chronic ear issues. She had never been in a home before, and let me tell you how I know this. She could not negotiate steps or anything that required getting up and down from any height. In all her eight years, she was never off the floor of her cage so her brain never developed the ability to gauge depth or height. It took two months for her to take a treat from my hand. The saddest reality of it all was that I, a person with great deal of dog experience, was unable to undo all those years Fergie spent in a cage. At my home she loved being outside and she loved running through my yard, but Fergie died in my home two years later unable to get any comfort from me or any other human. The two years Fergie spent with me were good years, but they didn't make up for her torturous eight years that she spent in a cage endlessly breeding puppies, unable to stretch her legs and unable to feel the simple pleasures of sun and wind on her face. On behalf of Fergie and other dogs like her in Nebraska, I thank you, members of the Agriculture Committee, for considering LB427. [LB427]

SENATOR CARLSON: Okay. Thank you for your testimony. Do we have questions? Seeing none, thank you. [LB427]

NIKKI HARRIS: Thank you. [LB427]

SENATOR CARLSON: All right, according to my calculation here, now the next testifier is the fifth one. And so you have five minutes and then beyond that we'll drop to three minutes. Welcome. [LB427]

CAROL WHEELER: (Exhibit 7) Thank you. Good afternoon. I am Carol Wheeler,

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C-a-r-o-l W-h-e-e-l-e-r, 1910 16th Street, Auburn, Nebraska. I am the founder and director of Hearts United for Animals, a dog shelter and sanctuary located in rural Nemaha County. I am here today to ask for your support of LB427. The provisions of LB427 are reasonable and warranted and should not be objectionable to any breeder who gives importance to the health and well-being of his dogs. When breeder dogs arrive in rescue shelters, they are known to have numerous health problems. Our shelter veterinarian has an extensive protocol for diagnosing and treating breeder dogs and a far simpler protocol for all other dogs. One very pervasive problem for these dogs is dental disease. Mouth bacteria are known to lead to even more serious conditions, such as heart failure. It is almost impossible to find a breeder dog past the age of five years that does not have a seriously infected mouth. Requiring a veterinary exam for these dogs, including a dental exam, is one step in the right direction. Actually, the only remedy for small dogs in a kennel or shelter setting is to have their teeth professionally cleaned almost as often as one year, and as extreme as that may seem it is the price one pays for having small dogs. I have attached numerous pictures that we have taken of dogs arriving from Nebraska breeding places. These pictures do not represent exceptional cases but, instead, the widespread truth. Several of the pictures have dogs whose teeth have all fallen out of their rotted gums and their bottom jaws have deteriorated. Several have holes in their upper jaws allowing food to go to their noses. Requiring grooming care and making individual assessment of dogs by caregivers on a regular basis are essential provisions. Symptoms of disease can become apparent overnight. Grooming issues are far worse than cosmetic and can easily become painful and disabling--hair in eyes, yeast in ears, skin infections, a dog that cannot defecate because of feces accumulating in its hair. Dogs create a constant worry and watch situation requiring a conscientious, trained staff that observes them. It is very difficult in a large community of dogs to note everything that might be going wrong. Requiring individual dog records that clearly identify a dog by its microchip and contain reports of veterinarians and caregiver notations offers the possibility of major improvement. The present requirement of a veterinary care plan for the entire kennel is a system that has failed miserably to give the dogs any protection. Professional breed clubs universally ban the breeding the dogs as early as six months. A six-month-old dog is still a puppy. And further, there are restrictions on the frequency and duration of breeding. Bursts of hormone production are known or suspected to have detrimental effects for a number of species. A seven- or eight-year-old female dog from a breeding establishment can barely escape having mammary tumors. After having given birth as many as 15 times, these female dogs are devastated creatures. Many are riddled with tumors and have uterine infection and heart disease. Some of them have herniated abdominal walls with loops of intestines and other organs protruding in a hard ball directly under their skin or a very serious internal condition of organs fused together by scar tissue caused by frequent or botched Cesareans. The requirements of LB427 for something that resembles a respectable breeding protocol are very reasonable and breeders are given the choice of asking their veterinarian to approve a different protocol for specific dogs. The HUA shelter is located on a rural tract of 65 acres with five large dog buildings,

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numerous fenced yards and large interior dog recreation rooms. We have received dogs from breeding establishments for 15 years and the number of these dogs has by now exceeded 5,000. Out of all these dogs, there has never been so much as one dog that was traumatized by letting it out of a yard. In summation, recently the people of Missouri gave strong support to better dog breeding practices. Fifteen hundred volunteers tediously obtained voter information and signatures on six pages of an initiative petition. Over 190,000 people signed on and almost a million people voted for Proposition B. And I think that shows how the general population can feel about their dogs. Thank you. Thank you. [LB427]

SENATOR CARLSON: Okay. Thank you for your testimony. [LB427]

CAROL WHEELER: Yes. [LB427]

SENATOR CARLSON: And now we'll open it for questions. Senator Larson. [LB427]

SENATOR LARSON: I'll ask the same question I asked earlier. Did you support Prop. B? [LB427]

CAROL WHEELER: Yes, I did. I think, you know, it's wonderful when a breeder like Diana takes care of 70 dogs and does a beautiful job of it, but I think the numbers of breeding animals would be very difficult. [LB427]

SENATOR LARSON: Do you think this is similar to Prop. B, this legislation? [LB427]

CAROL WHEELER: I think there are some similarities, yes. I think it covers the same bases, a lot of it, uh-huh. But I don't think...but the HSUS had nothing to do this... [LB427]

SENATOR LARSON: But HSUS funded Prop. B. [LB427]

CAROL WHEELER: ...because I've been in on it...they did, yes, and the ASPCA and the central...and the Humane Society of Missouri. It was three groups. And people, you know, believed that. But, no, there were four of us to begin with on this. It was Judy Varner and I and these two ladies from western Nebraska, our breeders. [LB427]

SENATOR LARSON: Thank you. [LB427]

CAROL WHEELER: No HSUS in this. [LB427]

SENATOR CARLSON: Thank you. Yes, Senator Harr. [LB427]

CAROL WHEELER: Uh-huh. [LB427]

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SENATOR HARR: And I'll ask the same follow-up question. [LB427]

CAROL WHEELER: Yes. [LB427]

SENATOR HARR: Do you believe that passing this bill would be a proactive step to keep HSUS out of Nebraska? [LB427]

CAROL WHEELER: Oh, I definitely do. [LB427]

SENATOR HARR: Okay. Thank you. [LB427]

CAROL WHEELER: Yes, absolutely. [LB427]

SENATOR CARLSON: Okay. Other questions? Seeing none, thank you for your testimony. [LB427]

CAROL WHEELER: Uh-huh. Yes. [LB427]

SENATOR CARLSON: Next testifier. Now that was the fifth one following the introduction, so the green light will come on for two minutes and the yellow light for one minute and we'd ask you to follow that. Welcome. [LB427]

AMBER HORN: (Exhibit 8) My name is Dr. Amber Horn, A-m-b-e-r H-o-r-n. I am the lead shelter veterinarian for the Nebraska Humane Society. Thank you, Senator Carlson and the members of the Agricultural Committee, for taking time to consider LB427. I'm responsible for the veterinary care of about 10,000 dogs, many of which are puppies and pregnant dogs. I'm not an animal rights' activist. I'm a practical Nebraskan farm girl who is in support of the reasonable measures of care that are provided for in LB427. One major concern breeders have about LB427 is the spread of disease in their kennels if they have to exercise their dogs. I can assure you that as a shelter veterinarian I am up against steeper odds at preventing the spread of disease than the breeders. We minimize the spread of disease in our shelter with practical protocols based on good medicine and are able to exercise several dogs a day. Dr. Claudia Baldwin, a professor and a board-certified veterinarian at Iowa State University, is also in agreement that our shelter's medical best practices should apply to breeding facilities. Dr. Baldwin additionally states that all dogs housed long term should have access to areas of exercise in order to maintain health. LB427 allows for animals with signs of contagious disease to be exempt from any exercise programs that require they be removed from their primary enclosure until the illness resolves. You'll hear from a breeder that dogs don't die from not getting exercise. If their standard of care is based upon whether or not a dog is dead or alive, what kind of standard of care is that? There could be worse torture for a dog than death. I know, because I see it all the time: breeding dogs with

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teeth so rotten and infected that they fall out, matted hair, and nails so long that the dog's legs cannot function, and eyes crusted over so the dogs can't see. To add insult to injury, these dogs have minimal to no socialization, making treatment impossible without risking the safety of my staff. You may also hear from a breeder that they already have enough difficulty trying to breed their dogs. I challenge any breeder that thinks that this bill will cause more problems. Is it possible that maybe the reason they're having problems breeding their dog is because they aren't meeting a medical need or a behavior need of their dog? As a veterinarian who sees the results of the lack of care that breeding dogs receive, I can unequivocally tell you that the current law is not enough. LB427 lays out basic healthcare requirements for breeding dogs. The requirements are not over the top; they are reasonable and responsible. The current law states that a veterinarian shall visit a kennel once a year and that medical care plan will be in place for the kennel but does not require a physical for each dog. With the proposed law, veterinary exams are performed on each animal at least once every three years. Finally, this law addresses the issue of ear cropping and Cesarean sections. The Board of Veterinary Medicine defines these procedures as a practice of veterinary medicine and surgery on dogs and cats. These surgeries can only be performed by veterinarians, not by breeders. Just because breeders may be having a hard time finding a veterinarian to perform these surgeries does not give them the legal right to perform it. I respectfully urge you to pass LB427. It just makes sense. Thank you. [LB427]

SENATOR CARLSON: Okay. Thank you for your testimony. Do I have questions?
Senator Harr. [LB427]

AMBER HORN: Yes. [LB427]

SENATOR HARR: Thank you, Mr. Chairman. Are you a member of the Nebraska Board of Veterinary Medicine? [LB427]

AMBER HORN: I am not of member of the board, no. [LB427]

SENATOR HARR: Okay. Can you describe what the Board of Veterinary Medicine is then? [LB427]

AMBER HORN: The Nebraska Board of Veterinary Medicine is the governing board for veterinarians for licensing purposes. [LB427]

SENATOR HARR: Okay. And do you know, have they made a stance on this bill?
[LB427]

AMBER HORN: On this bill, I do not know. Maybe somebody in front of me can answer that. [LB427]

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SENATOR HARR: And do you know if someone is coming here after to testify on behalf of them? [LB427]

AMBER HORN: Yes. Yes. [LB427]

SENATOR HARR: Okay. I guess I need to know that. That would have been a better first question. Thank you. [LB427]

SENATOR CARLSON: Okay. Any other questions? Seeing none, thank you for your testimony. [LB427]

AMBER HORN: Thank you. [LB427]

SENATOR CARLSON: Next testifier, please. Welcome. [LB427]

KAREN PAYNE: (Exhibit 9) Hello, Senator Carlson. I'm Karen Payne from Grant, Nebraska, K-a-r-e-n P-a-y-n-e. I'm reading a letter from veterinarian Shannon Jensen. People of the state of Nebraska, LB427 is of particular interest to me on a personal and professional level. I am a solo veterinarian practitioner as well as a director of a small, no-kill animal shelter. Our facility also boards dogs and cats for clients. It is from this unique perspective that I feel compelled to lend my support to this legislation. Our shelter has taken in dozens of dogs being culled from breeding programs in Nebraska. We have seen mats so severe the skin is infected, feet so splayed from wire-cage floors that the dog doesn't walk on the pads of its foot, and small, would-be companion dogs so scared of us, we risk getting bitten every time we get them out of the kennel. The environmental requirements detailed in this bill are of the best interests of the animals being used for breeding purposes, are and, in fact, already being successfully used by dog breeders in our state. Dogs and cats are intelligent species intended to be used for the purpose of human companionship. These animals are best treated as companion animals in order to achieve the valuable end product--social, well-behaved puppies and kittens going to new homes. Adequate exercise allows for normal musculoskeletal maintenance, reduces psychological stress associated with confinement. Pack behavior and social skills are innate in domestic animals. The mental well-being of these breeding animals is in the best interest of the commercial breeder. Happy dogs and cats who come up willingly to potential buyers can only add to the value of companions for sale. Well adjusted, adequately nourished, nonstressed animals also produce large litters with reduced neonatal losses. Dogs who are allowed to be social and have normal behaviors are not going to attack each other and destroy their litters. These behaviors are the mentally stressed, maladjusted individual dogs who crave a different stimulation. A recent afternoon at a commercial breeding facility took one hour to perform a health certificate exam including rectal temperature, wound flush, an examination on an infected ear, 12 Bordetella intranasal puppy vaccinations, 4 new

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adult exams, 1 resident dog exam, a complete set of vaccinations, and 21 puppies from five litters received six- to eight-week examinations. The examinations included body condition score; musculoskeletal system; respiratory, cardiovascular auscultation; lymph node palpation; eye, ear, nose exam; hernia check; and reproductive anatomy. Rectal temperatures were taken for any dog with abnormal thing. And...okay...the money... [LB427]

SENATOR CARLSON: We can...we...I am going to stop you. We can read the rest of this. [LB427]

KAREN PAYNE: You can read the rest. Okay. I'm sorry. [LB427]

SENATOR CARLSON: I appreciate it. And it may come up in a question. That's okay. Do we have questions? Thank you for your testimony. Okay, seeing none, thank you. [LB427]

KAREN PAYNE: Okay. [LB427]

SENATOR CARLSON: Next testifier. Welcome. [LB427]

LAURIE FORAL: (Exhibit 10) Thank you. Good afternoon. My name is Laurie Foral, L-a-u-r-i-e F-o-r-a-l, and I am the director of the Nebraska Voters for Companion Animals. I want to thank you for the opportunity to hear me today. Our organization was formed first out of concern for the terrible condition of dogs that we have seen come into rescue for years from Nebraska breeders; and second, because we know that there are thousands of people throughout Nebraska who love dogs and want a voice in how they are treated. Our communication network educates citizens about the laws and legislation in Nebraska concerning the welfare of companion animals. We currently have members in 46 legislative districts which shows me that people throughout Nebraska care about this issue and they want a voice. Our role is to make sure that constituents are informed about issues that come before our state Legislature and the decisions made by their representatives. Today I hope you will consider this bill that would end the suffering of thousands of dogs. The conditions many of these dogs live in are atrocious. We have a failed system. It does not protect the animals; it hasn't for many years. We know there are breeders who already go above and beyond to make sure their animals are well cared for. But there is simply a need for vast improvement. Even with woefully inadequate standards, there are breeders who still consistently fall below them. This puts the animals at risk for neglect and abuse. And if you feel that abuse is too harsh of a word, please look at the pictures. Let me show you the documentation of the dogs that we've recorded over the past year with severe physical and behavioral problems upon entering rescue. The evidence is there and the only way to fix this is with a stronger, more responsible standard of care. This starts with you; you make the laws; you are responsible. We all know that for the most part the general

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public really does not have a clue about the dark realities of the commercial dog breeding industry. But that is changing. It is only a matter of time before this is no longer a subject no one wants to talk about. People are definitely talking about it now and they are saying these dogs deserve humane treatment: basic needs met, exercise, medical checkups. This is really not rocket science or anything we don't already know in our hearts. We do this for the dogs we have in our homes and breeding dogs are just as hard wired to be our loving companions as the puppies marketed and sold as such by these breeders. As the national dialogue around puppy mills grows louder and the spotlight begins to shine on Nebraska, I really do hope that we are ultimately shown in only a positive light and I hope that you feel the same. Thank you. [LB427]

SENATOR CARLSON: Okay. Thank you for your testimony. Any questions? Yes, Senator Brasch. [LB427]

SENATOR BRASCH: Thank you, Chairman. And thank you, Miss Foral. Do you believe that these puppies...or the dogs that you are seeing that they're exclusively from Nebraska breeders or are they coming from Colorado and other states? [LB427]

LAURIE FORAL: The ones that we have documented over the past year are all Nebraska. [LB427]

SENATOR BRASCH: They are all Nebraska. [LB427]

LAURIE FORAL: Yes. [LB427]

SENATOR BRASCH: Are most of the pets that residents in Nebraska get from Nebraska? Is that true of the industry that dogs aren't being shipped in from other states? [LB427]

LAURIE FORAL: I think that dogs are being shipped in from other states, but I can't answer that completely. I don't know for sure. Someone else here might be able to answer that better than me. [LB427]

SENATOR BRASCH: And basically this bill would be kind of a preferred choice, these are select puppies from qualified criteria of a good healthy environment? [LB427]

LAURIE FORAL: Yes. [LB427]

SENATOR BRASCH: And so it's an option. So it's basically telling people where to shop for puppies and not, I guess. Your group, do they...how do you...you're not trying to solve the problem but promote wellness or a better puppy industry. [LB427]

LAURIE FORAL: Our organization really is only there to make sure that the people

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around Nebraska know about the laws and know about what legislative issues come before the board and what decisions are made. [LB427]

SENATOR BRASCH: Okay. Great. Thank you. [LB427]

LAURIE FORAL: Uh-huh. [LB427]

SENATOR CARLSON: Okay. Thank you. Any other questions? I would ask you what's your opinion of the percentage of breeders in Nebraska that do a good job? [LB427]

LAURIE FORAL: Hmm, I'm not sure I could answer that. [LB427]

SENATOR CARLSON: Okay. One of the things that concerns me about this whole issue, because I'm one...I don't know. I don't know the things that go on. I have no idea. I do have a good idea and I think I know how livestock in general are treated in Nebraska by the owners. And as...it's too easy in talking in this area to have a generalization in the minds of people to livestock and that's something that I am very, very concerned about. What is your feeling about the general treatment of livestock in Nebraska? [LB427]

LAURIE FORAL: I think that, probably, the farmers treat their livestock better than many breeders treat their dogs, truthfully. [LB427]

SENATOR CARLSON: Okay. I think some of the livestock people in Nebraska treat their livestock better than, maybe, some of their family. (Laughter) [LB427]

LAURIE FORAL: That's probably true too. [LB427]

SENATOR CARLSON: Okay. Any other questions? Okay. Thank you for your testimony. [LB427]

LAURIE FORAL: Thank you. [LB427]

SENATOR CARLSON: Next testifier. Welcome, Bob. [LB427]

ROBERT DOWNEY: (Exhibit 11) Thank you, Senator Carlson, distinguished members of the Ag Committee. Bob Downey, executive director, Capital Humane Society in Lincoln, Nebraska. [LB427]

SENATOR CARLSON: And I'm going to have you spell it or were you going to do that? [LB427]

ROBERT DOWNEY: Sure, D-o-w-n-e-y. Prior to getting to my testimony I want to go

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back and catch a couple of points that were brought up here. Number one, I would like to point out that we believe there are approximately 100 or more people in the two rooms today who are in support of this bill and would like to thank them for coming out and showing their support. Senator Carlson, you had asked about Nebraska Humane Society or a like entity maybe designing a rating system themselves for the breeders around the state. And the downside of that would be that we ourselves are required to have licenses from the state, same department, under the Commercial Dog and Cat Inspection Act, and so to pit licensees against licensees as far as a rating system goes would not be a practical thing and probably would not be a fair thing in this particular issue. It was also asked, what is the position of the state Board of Veterinary Medicine, and their position is unknown to us at this time. And we're going to have Mick Mines check with that group and he will get back to the committee on that. Obviously, I'm in favor of this bill. The focus of my testimony today is to provide a brief history of the Commercial Dog and Cat Inspection Act. If there is one overriding point that you take from my testimony it should be that the intent of this program from the beginning was not to put anyone out of business. The intent of the program is, and always has been, to protect animals. In fact, in a conversation with a member of the program's staff a couple of weeks ago, I was told that to their knowledge no one who has been licensed under this program has gone out of business because of the cost of complying with the requirements of the program. The Commercial Dog and Cat Inspection Act went into effect in the year 2000. Efforts to create this program started around 1995. The program began with one staff member and was focused only on commercial breeders. A license was granted with the payment of a fee and no inspection was ever performed unless a complaint was received. Today the program employs five staff and significant changes have taken place over the years as a result of the legislation passed by the Unicameral. You will see in my written testimony, which you received a copy of, a summary of those changes that has taken place. The creation of the Commercial Dog and Cat Inspection Act and the changes made to it over the years have played a significant role in improving the welfare of the animals it covers. Again, it is about the conditions that animals have to live in and not about putting people out of business. I am in support of further improvements in the lives of animals that would occur if LB427 is passed and I thank you for your consideration of this bill. [LB427]

SENATOR CARLSON: Okay. Thank you for your testimony. Any questions of Bob? Seeing none, thank you. [LB427]

ROBERT DOWNEY: Thank you. [LB427]

SENATOR CARLSON: All right, how many more proponents in favor of the bill do we have to testify? Okay, please come forward. Welcome. [LB427]

LAWRENCE SHACKMAN: Thank you. Thanks for this opportunity. My name is Lawrence Shackman, L-a-w-r-e-n-c-e S-h-a-c-k-m-a-n. I'm in favor of passing this bill.

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Passage of the bill is necessary to discourage the growth of puppy mill breeders. Without passage of this bill, puppy mill breeders will flock to this state to take advantage of the lax regulation dealing with the treatment of dogs and cats for breeding purposes. The Governor and this Legislature are now looking for ways to encourage business to move into this state. However, Nebraska does not need these puppy mill breeders. In my opinion, they cost the people of Nebraska more money than they generate. Local humane societies have to clean up the mess left behind from these breeders. When these animals reach the end of their useful life for breeding, they are dumped or worse. All I'm asking is that these animals be treated like a pet, not as a means to generate a quick buck. The American Kennel Club sets standards for each breed, which legitimate breeders strive for. These puppy mill breeders, in my opinion, are trying to generate the most money from each female dog. They don't care about what condition these dogs live in as long as they have puppies and as often as possible. I'm sure there will be people who can better describe the conditions of these animals; or better yet, I ask you to go to Auburn, Nebraska, and see the work required to rehabilitate dumped puppy mill dogs. Thank you. [LB427]

SENATOR CARLSON: Okay. Thank you for your testimony. Where do you live? [LB427]

LAWRENCE SHACKMAN: Omaha, Nebraska. [LB427]

SENATOR CARLSON: Omaha. And are you just representing yourself? [LB427]

LAWRENCE SHACKMAN: That's correct. [LB427]

SENATOR CARLSON: Okay. All right, any questions of Mr. Shackman? Seeing none, thank you. [LB427]

LAWRENCE SHACKMAN: Thank you. [LB427]

SENATOR CARLSON: Any one else wishing to testify as a proponent of LB427? Okay, seeing none, we're ready to hear the opponents. And how many opponents do we have? All right, we'll follow the same thing, the first five will get five minutes, too, and then we'll drop to three minutes. So testifiers, you can move to the front so that you're in a position to come to the table and, Clem, just wait a second as we kind of shuffle people here. [LB427]

CLEM DISTERHAUPT: I've got some handouts here too, please. [LB427]

SENATOR CARLSON: Okay, we are ready. Welcome. [LB427]

CLEM DISTERHAUPT: (Exhibits 12, 13, 14, 15, 16, and 17) Ready? Good afternoon,

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members of the Ag Committee. My name is Clem Disterhaupt, spelled C-l-e-m D-i-s-t-e-r-h-a-u-p-t. I live in Stuart, Nebraska, and I've been in the dog business for over 41 years. I'm currently the president of the Nebraska Professional Pet Breeders Association, and to clear up the numbers, we currently have 30 members in our club. It is a young club, it just started a few years ago. And we just opened memberships and we already have 30. And normally, by the time March comes around and April, we'll have 50 to 60 memberships. I have been a canine educational speaker and an instructor for more than 20 years and I'm one of the originators of the Nebraska Dog and Cat Inspection Act; the eight-week-old puppy bill, the Nebraska Dog and Cat Consumers Protection Act, which I wrote, commonly known as the puppy lemon law; and the national puppy import bill. And I worked on every bill in the last 22 years pertaining to the pet industry in Nebraska. The original dog and cat inspection program sponsored by Senator Dierks in 1993 was carefully constructed. It was finally made into law with LB825 in 1999 through meetings with breeders, Senator Dierks, and Senator Price to get it right. If there's any questions about how many of these facilities are top rated, like Senator Carlson asked, I suggest you come and visit these facilities. We'd welcome you to do that. You'd be impressed. Ask Senator Dierks, former Senator Dierks, what these facilities are like. He was a veterinarian and he's inspected many of these facilities and I've heard him say many times, 95 percent of these facilities are top-rated facilities. The purpose of the Inspection Act, which I supported, was to force inspection of non-USDA-licensed breeders which were not at the time inspected only because they sold their dogs and cats privately. LB825 was never intended to hurt good Nebraska dog breeders or threaten their existence. Since LB825 became law, it's worked very effectively and is a good common-sense piece of legislation. Yet we have to spend valuable time fighting useless and threatening legislation a number of times. For example, two years ago HSUS introduced LB677 which this committee soundly defeated. I ask that you compare the language of HSUS bill LB677 to that of LB427. You will find that the content of the changes in both bills are nearly identical. LB427 would lead one to believe that neither dog and cat breeders, nor their veterinarians, have any common knowledge whatsoever pertaining to the kennels. As a seminar instructor who has attended over 200 educational seminars in the Midwest and have been a Midwest recognized speaker and instructor, I can assure you that most breeders and veterinarians are very professional with what they do. Breeders go above and beyond the call of all laws that are written. For example, in our kennel we have heart certified, patella certified, OFA hip testings, all sorts of testings for our dogs to make sure we're producing the best and healthiest puppies. This is not law, but breeders and their veterinarians work together in doing the very best possible job to produce the very best quality puppies. Many of us have nipple waterers, automatic feeders, heat, electric...heat, air conditioning, and expensive ventilation systems. I'd like to say and comment on something the lady said that she doesn't have near \$20,000 in her entire facility. If I just made pens and put them down on the ground, I wouldn't have that either. I could probably do the whole thing for \$10,000. My facility cost \$80,000. That's because I raise my dogs up off the ground so they don't have to walk in their own urine.

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Breaking it is not a good thing to do, that doesn't make any sense. The urine soaks down in the ground, you got disease. That's a common-sense thing. Nearly most breeders are opposed to it. There's no evidence that a new bill is needed. Current laws are suitable to breeders; breeder's veterinarians, AKC, APR, ACA and USDA. Why would they not be good enough for the state? The bill would create severe physical and financial hardships for breeders and put many out of business. The inspection programs are already in financial jeopardy and we have supported this. Breeders have met with Senator Carlson and supported financing for it. This program was done. All the new inspection requirements would no doubt be a huge cost to the additional inspection time and would, therefore, once again need additional funding. I can assure you that if breeders like myself will no longer support the program financially or the content of the bill, the program will fail. The passage of LB427 would get breeders out of business, cut costs for other things that are more necessary, or would cause breeders to increase the numbers of their dogs because they can't make it on what they have. None of those options are acceptable. LB427 takes the right away from us and we created LB584 in 2006 which gives the department the power to enforce existing laws. Let the inspectors, the veterinarians and the breeders do their job. Leave the inspection program work as it is and get support from breeders and veterinarians as it's always done. Senators of the Ag Committee, I ask you to vote against what is the most harmful dog-related bill that I have every seen in 22 years. Thank you. [LB427]

SENATOR CARLSON: Okay. Thank you for your testimony. And what you handed out to us there are four letters. Are they to be...are you requesting that they be entered in opposition to the bill? [LB427]

CLEM DISTERHAUPT: Yes, absolutely. [LB427]

SENATOR CARLSON: And that was the intent of those... [LB427]

CLEM DISTERHAUPT: These are letters from veterinarians who actually see these facilities. [LB427]

SENATOR CARLSON: Okay. [LB427]

CLEM DISTERHAUPT: And I think there's one that has not, and that's a national recognized veterinarian who is also opposed to the bill. [LB427]

SENATOR CARLSON: Okay. Thank you. Questions? Yes, Senator Harr. [LB427]

SENATOR HARR: Thank you, Mr. Chairman. Mister...is it Disterhaupt? [LB427]

CLEM DISTERHAUPT: Yes, that's correct. [LB427]

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SENATOR HARR: Okay. This program is optional, correct? [LB427]

CLEM DISTERHAUPT: The part of it that...Section 8 is optional. The rest of it is not optional. You need to separate that and read through it because part of it is optional, part of it is law. [LB427]

SENATOR HARR: Okay. And what part...do you have a problem with the option part? Or what specific language do you have a problem with? [LB427]

CLEM DISTERHAUPT: Okay, I have a problem with the whole thing because if you read letters from the veterinarians, they don't qualify us as professional breeders with the options. And you'll read language in regard to that from veterinarians that will explain why the outstanding breeder program...I'm for an outstanding breeder program, but it needs to be done through the department on a voluntary basis and it needs to be done on policy, not laws that they constantly have to change. [LB427]

SENATOR HARR: And why do you think it should be policy over law? [LB427]

CLEM DISTERHAUPT: Laws can't be changed easily. You have to come about with a new program to change the law. If Dr. Boucher and his group sees that something isn't working, he can change it in policy without going through laws and so forth. And it could be initiated better through Dr. Boucher's group because they are the ones that actually do the inspections and they can see what works and what doesn't. [LB427]

SENATOR HARR: Well, and that's all good and well, but I'm a legislator. I'm not an executive branch. [LB427]

CLEM DISTERHAUPT: Uh-huh. I understand. [LB427]

SENATOR HARR: So I personally believe in certain situations law is better than executive. I guess...so your problem is with the... [LB427]

CLEM DISTERHAUPT: My problem is with the entire bill. It makes no common sense whatsoever, if that answers your question. [LB427]

SENATOR HARR: Well, and that's pretty broad. So let's just break it down. [LB427]

CLEM DISTERHAUPT: And I do support a lot of bills. I was the writer of the Nebraska puppy lemon law, so you can see by that that I'm doing everything I can. But this law puts people out of business that are good breeders and it does things to us that really doesn't make common sense. Raising heat lamps, like the lady talked about, of course our puppies are going to be chilled. They are already set at the right heights, we got seven-foot ceilings, we can't do anything different. [LB427]

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SENATOR HARR: Okay. [LB427]

SENATOR CARLSON: Clem, I'm going to stop you a minute. You got real strong emotions about this bill, but I just...relax a little bit and let Senator Harr ask his question. [LB427]

CLEM DISTERHAUPT: Okay. Yes. Yes, I'm happy to answer. [LB427]

SENATOR HARR: And thank you for coming down to testify. I do appreciate it. [LB427]

CLEM DISTERHAUPT: Sure. [LB427]

SENATOR HARR: I don't know much about dog breeding so I'm trying to learn this, I think along with a lot of the other many members of this committee. So on page 4, and I know you don't have a copy, do you have a copy of it in front of you? [LB427]

CLEM DISTERHAUPT: I might, but it's clear deep down. [LB427]

SENATOR HARR: Okay. Well, I'll just...there's a definition of commercial dog breeders means, and it describes what a commercial dog breeder is and that's new...well, it's stated that it's new language or it's shown as new language in here and yet it was stated in the opening that that is not so. Do you know that to be...is this a new definition or not? [LB427]

CLEM DISTERHAUPT: I've heard some remarks for that, but I don't want to comment on that because I don't know that for sure. [LB427]

SENATOR HARR: Okay. So you're not going to take a stand on whether you like this definition or not? [LB427]

CLEM DISTERHAUPT: I'm not going to take a stand on the definition. [LB427]

SENATOR HARR: Okay. Okay. So then we get through...we go through and a lot of it is just changing it from...it's adding dog or cat or eliminating dog or cat, a lot of the language. It changes the definition of a commercial cat breeder. And then we get to...well, there's Section 7, in which it states that if you are determined to be an outstanding breeder, it shall be published with the Department of Agriculture's Web site. If the Department of Agriculture did it themselves, you would have no problem with them publishing that. [LB427]

CLEM DISTERHAUPT: I wouldn't have any problem publishing that; I just don't agree with what is an outstanding breeder. [LB427]

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SENATOR HARR: Yeah. [LB427]

CLEM DISTERHAUPT: So I mean, I don't think you can... [LB427]

SENATOR HARR: Yeah. [LB427]

CLEM DISTERHAUPT: ...recommend putting all the dogs on the ground and say that's an outstanding breeder when we try to get our dogs up out of the urine and the feces. [LB427]

SENATOR HARR: Yeah. Well, and there's no doubt...I mean, I have no reason to besmirch your operation. I'm just trying to wrap my hand...head around the fact that this is a voluntary program;... [LB427]

CLEM DISTERHAUPT: Um-hum. [LB427]

SENATOR HARR: ...it's a way to...I know I personally...if I were buying a dog from a breeder, I would look for this brand. And if I look for it, I would be willing to pay a premium. Now that's just me. [LB427]

CLEM DISTERHAUPT: I agree with you 100 percent. I'm just opposed to the way in which they're rating us outstanding breeders because those are not outstanding breeders, in my opinion nor our veterinarians'. Read the letters from our vets; they don't think that's an outstanding breeder. [LB427]

SENATOR HARR: Well, we've had other vets come, too, and I understand and that's...and we're getting into a battle of experts here, so that's where I'm trying... [LB427]

CLEM DISTERHAUPT: These are the people that actually inspect the facilities. [LB427]

SENATOR HARR: Well, and you're a breeder. You're, as we call it, boots on the ground. [LB427]

CLEM DISTERHAUPT: Uh-huh. Sure. [LB427]

SENATOR HARR: So that's why I'm trying to...trying to get a sense of where this is. I guess...I hear you're against the...you're against these, but what specific problem? I'm trying to find good compromise in there other than abdicating my power to an agency based on one person. [LB427]

CLEM DISTERHAUPT: Uh-huh. [LB427]

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SENATOR HARR: I'm trying to see what specific problems there are with this legislation. [LB427]

CLEM DISTERHAUPT: You got all night? [LB427]

SENATOR HARR: What's that? [LB427]

CLEM DISTERHAUPT: Do you got all night? [LB427]

SENATOR HARR: I was here until 8:30 last night, so please start. [LB427]

CLEM DISTERHAUPT: We could go on and on, but I think to save time here, we have a breeder that's going to walk through some of the individual problems, like getting dogs out for exercise. Of course they're going to fight. All of our veterinarians tell you, don't take the dogs out. As far as the lady that commented on getting them out, about disease, we're not worried about disease they pick up through the air. We're worried coccidia, giardia, Campylobacter, parvovirus, things that are everywhere that they can track in and bring back in to their puppies and pretty soon you got sick puppies. That's not an outstanding breeder. And the list goes on and on. It talks about the breeding things and you'll see veterinarians comment that if you don't breed dogs they get tumors and cysts and they have uterus infection. I'm not for breeding dogs every time. I don't do it myself. But I think this bill goes way too far with telling people what to do and they need to let that to the breeders and their veterinarians. [LB427]

SENATOR HARR: I will leave it at that. Thank you. [LB427]

CLEM DISTERHAUPT: Thank you, sir. [LB427]

SENATOR CARLSON: Any other questions? [LB427]

CLEM DISTERHAUPT: Yes. [LB427]

SENATOR CARLSON: Senator Karpisek. [LB427]

SENATOR KARPISEK: Thank you, Senator Carlson. Thank you, Mr. Disterhaupt. You have always been here I think every year that I've been here. [LB427]

CLEM DISTERHAUPT: Thank you. [LB427]

SENATOR KARPISEK: I have looked...we got a handout of the Nebraska Pet Professional Breeders Association. Is that your... [LB427]

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CLEM DISTERHAUPT: That's our group, yes. [LB427]

SENATOR KARPISEK: ...your group? And it's not registered on a Web site or anything. I mean, what kind of a... [LB427]

CLEM DISTERHAUPT: It's a group...it's a young group, Senator, that just started. And one of our bylaws and one of our purposes is to work as closely as we can with humane society, the ASPCA and groups in trying to find common grounds. And we have done that. Judy Varner and I worked the national puppy bill together and we were successful in getting that passed to keep sick puppies and stressed puppies coming in from other countries, and we worked on that...the puppy lemon law together, many of them. This bill we don't see eye to eye on it all. I think most of it is misunderstanding that they don't see it like our veterinarians do. Veterinarians that see it know that these things cannot work and would be actually harmful to our dogs. [LB427]

SENATOR KARPISEK: I see there's about six breeders that aren't your family members...are...do they pay fees? [LB427]

CLEM DISTERHAUPT: Yeah, everybody pays memberships, but I...this is probably pretty misleading because we normally have 40 to 50 members by the time it's done. Our membership just opened just within the last couple weeks and you don't get a lot of the memberships until March or April. So that's very misleading. [LB427]

SENATOR KARPISEK: So this isn't... [LB427]

CLEM DISTERHAUPT: We have way more than six or eight members. I think right now I think we said...my wife just counted and we had 30 and we'll have a lot more than that before the memberships all come in. [LB427]

SENATOR KARPISEK: And it's a new group. [LB427]

CLEM DISTERHAUPT: It's a pretty new group, yes. [LB427]

SENATOR KARPISEK: All right. [LB427]

CLEM DISTERHAUPT: It's the newest of all of them. [LB427]

SENATOR KARPISEK: Again, thanks for coming in, Mr. Disterhaupt. We don't always agree on all bills between each other either, but I think, as Senator Harr has tried to say, try to find some common ground. [LB427]

CLEM DISTERHAUPT: Exactly. [LB427]

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SENATOR KARPISEK: Thank you. Appreciate you being here. [LB427]

CLEM DISTERHAUPT: Uh-huh. [LB427]

SENATOR CARLSON: Okay. Thank you. Any other further questions? Well, Clem, I'm going to ask you what I asked another testifier. [LB427]

CLEM DISTERHAUPT: Okay, sure. [LB427]

SENATOR CARLSON: This is your full-time occupation, correct? [LB427]

CLEM DISTERHAUPT: Yes, it is. [LB427]

SENATOR CARLSON: And is it profitable? [LB427]

CLEM DISTERHAUPT: It's profitable, but it's probably less profitable than the lady that spoke, because we spend so much of our money in a facility. We don't have our dogs running on the ground. We don't want the dogs walking in their own urine and their own feces. We elevate our dogs in a good heavy plastic coated expanded steel; it's recommended for that. Our veterinarians love it; our inspectors love it; Dr. Boucher loves it. And so, yeah, that costs a lot of money to do that. [LB427]

SENATOR CARLSON: Okay, now Senator Mines said that there are 345 breeders in Nebraska. And there's always a certain percentage that cause problems for the mass. What percentage of the 345 breeders do you think are those that are causing us to be here today? [LB427]

CLEM DISTERHAUPT: You know, I wish Dr. Boucher would answer that for you, but I asked him that question just recently and the answer was a smaller number. So I don't know what a smaller number means, but I can tell you that we work hard at seminars to try to get people to do it right, build nice facilities, put in air conditioning, put in heat, do everything right, and I would bet that that's a safe figure that way less than 5 percent need some work on them. And I think you could give him that example. My score sheet was perfect with the last inspection. That's hard to get a perfect score sheet. And I know that a lot of these other people have perfect score sheets. [LB427]

SENATOR CARLSON: Okay. [LB427]

CLEM DISTERHAUPT: So that tells me that there's some really good, outstanding breeders. Again, ask Senator Dierks and I think he'll agree with me. [LB427]

SENATOR CARLSON: Okay. Thank you. Any other questions? Yes, Senator Harr. [LB427]

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SENATOR HARR: And I apologize, I've now had a chance to review these letters from the veterinarians and each one of them talk about moving the age from...well, they object to page 16, lines 4 to 9, moving the age of breeding till 18 months. And each one of them cite a profit motive. [LB427]

CLEM DISTERHAUPT: Cite a what? [LB427]

SENATOR HARR: Cite a profit motive. The majority of pets and breeders in Nebraska are in the business to make money and not necessarily to raise show-quality dogs. [LB427]

CLEM DISTERHAUPT: Well, and of course that's true. If you don't make a profit, you can't give the dogs their best facility; you can't give the dogs their best feed; you can't give the dog the best vet care. So if you don't make a profit, you...those are the ones that are failing. [LB427]

SENATOR HARR: And I would agree with that, but I would think that would come better from you than a veterinarian, if not based...to a certain degree, these letters they're from veterinarians, which is good and well, but they're not necessarily addressing the care of dogs, is my issue. [LB427]

CLEM DISTERHAUPT: I think some of them do. I think if you read the whole thing, some of them do address the care of dogs. [LB427]

SENATOR HARR: Well, I think some of the articles or some of the paragraphs, but not all, do they address health concerns. [LB427]

CLEM DISTERHAUPT: They're just being up-front, I think. I read the letters myself and I think they're just being up-front. But as you can see, a number of veterinarians who actually attend these facilities and attend these dogs are not for the bill. [LB427]

SENATOR HARR: And from a health point of view, though, the largest one, and maybe you can address this for me, seems to be page 17, lines 18 to 25. I mean these letters, almost verbatim the same. So they talk about requiring...and this is the issue they have that, I guess, maybe I'll let you address, requiring solid surface in a pet enclosure will increase fecal and urinal contamination for puppies and adult dogs. And this goes into what you said: good quality, plastic grating floors stay clean and is warm to lay on. Is that your contention too? [LB427]

CLEM DISTERHAUPT: Absolutely. The U.S....can I... [LB427]

SENATOR HARR: And I think I heard earlier from the humane society or from earlier

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testifiers that under the statute as it's written, or the bill as it's written, that would be allowed. So I think... [LB427]

CLEM DISTERHAUPT: But not to be an outstanding breeder. That's the way I took that. [LB427]

SENATOR HARR: Oh? [LB427]

CLEM DISTERHAUPT: If you're going to be an outstanding breeder, you have to have some solid runs on the outside. And then even on the other thing, I think it requires some solid place for the dogs to lay down and that's been tried by the USDA before. We did an experiment for...we did an experiment for the USDA and Dr. Kasselder about 20 years ago, we put solid flooring. Pretty soon our puppies are all sick and dying with disease because they urinate on it and then the dogs walk in it. [LB427]

SENATOR HARR: And this is good news for you because it gives deference to the department. Now in that area that it is described it says the department, which is... [LB427]

CLEM DISTERHAUPT: We have solid flooring on our larger dogs because there's no way you could put them up. And if there is a problem with disease ever, it's on those that are walking on solid ground. [LB427]

SENATOR HARR: And let me read to you what it says then for the record. [LB427]

CLEM DISTERHAUPT: Okay. [LB427]

SENATOR HARR: It says: "department may approve additional flooring option that would comply," so that would...gives your deference to your department, which you asked for,... [LB427]

CLEM DISTERHAUPT: Uh-huh. [LB427]

SENATOR HARR: ...and it would allow for good quality, plastic grates. So I think we're in a win-win situation there. [LB427]

CLEM DISTERHAUPT: I'm not sure. I think if you read the second part of that, on Section 10, you'll find that there is some solid flooring required in addition. [LB427]

SENATOR HARR: Well, any additional flooring in the enclosure that is not solid shall be of a material that does not allow a dog's feet to pass through an opening on the floor, I think you would be amenable to that,... [LB427]

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CLEM DISTERHAUPT: Oh, yes. Uh-huh. [LB427]

SENATOR HARR: ..."and is approved by the department," again, back to what you'd like. And then it says: "The solid surface flooring shall be strong enough so as not to sag or bend between any structural supports and be of a surface that is easily cleaned and disinfected." [LB427]

CLEM DISTERHAUPT: Um-hum. [LB427]

SENATOR HARR: And I think you'd agree with that too. [LB427]

CLEM DISTERHAUPT: I do agree with that. [LB427]

SENATOR HARR: Okay. All right. I guess that's my comment. Thank you very much. I appreciate it. [LB427]

CLEM DISTERHAUPT: Uh-huh. [LB427]

SENATOR CARLSON: Okay. Any further questions? Then, Clem, I'm going to ask you once again,... [LB427]

CLEM DISTERHAUPT: Okay. [LB427]

SENATOR CARLSON: ...you're comfortable that the veterinarians who gave you these letters are comfortable with them being registered as opposing the bill? [LB427]

CLEM DISTERHAUPT: Yes, absolutely. [LB427]

SENATOR CARLSON: Okay. All right. Thank you for your testimony. [LB427]

CLEM DISTERHAUPT: Thank you. [LB427]

SENATOR CARLSON: Next testifier, please. Welcome. [LB427]

CASEY SCHAAF: (Exhibits 18, 19, 20) My name is Casey Schaaf, C-a-s-e-y S-c-h-a-a-f. First of all, I'd like to thank each senator for their time today. My name is Casey Schaaf from Atkinson, Nebraska. I'm the president of the Nebraska Dog Breeders Association and the president of Nebraskaland Pets. I would like each senator to review Section 6, paragraph (2). This bill will affect only commercial breeders with Section 10 and shelters are exempt. I know it keeps getting brought up whether it's optional or whatever, maybe we are interpreting it wrong, but that's something, I guess, I would like to talk about afterwards. We were very supportive of getting the Commercial Dog and Cat Inspection Act set up since the beginning and helping to find a way to keep

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the program going. Last year when the budget was being downsized and the program was in danger of being cut, we, the breeders, came to Senator Carlson trying to find a way to keep the program funded. Yes, the very people that are being inspected are trying to find a way to keep the program going. We are not ignorant enough to state there aren't bad apples in our industry. We know there are and that is why we felt it was vital for the program to stay going, especially at a time like this. Breeders are cutting back on expenses just like all other businesses and it's crucial that we have state inspectors out there monitoring everyone and not let non-USDA kennels slip through the cracks and be running an inferior breeding program and create bad publicity for breeders and the state as a whole. We are one of the larger breeders in the state and I've included our inspection reports. As you can see, we have very clean reports, and to me it is a shame that we have been USDA-inspected for 14 years and we have designed our kennels, pens, runs, etcetera, to USDA guidelines, and now everything may have to be changed if LB427 would pass. This bill would most certainly put me and countless other breeders out of business. You may ask me why these changes will put me out of business. Section 10(1)(a) primary enclosures: solid floors will not allow waste materials to fall through the openings like we use now which are...here's an example of the flooring...we keep talking about the flooring, this is the kind of flooring that we do use. Second is the amount of space. What I don't understand is why are only the commercial breeders are separated on Section 6 of what kind of flooring can be used. Exercise pens: there's part of the program, first of all, which will be very hard to enforce, and a kennel our size, we could easily spend over six hours a day by taking dogs in and out of the exercise area. So this could cost me over \$30,000 a year for an exercise program. There is no set time how long the dogs need exercise. It doesn't say if it is for 30 minutes or for 30 seconds. Most of the kennels in the state have facilities where the dogs have indoor/outdoor access or are in and out of the building too many times a day to count. And they are getting natural exercise. Exercise females with puppies: we bath the female and disinfect the pens every time we put the bitch in a whelping pen. So we have sterilized everything the best we can and now we are to put these females in pens that will be exposed to other dogs and this mother will be exposing their puppies to giardia, coccidia, distemper, etcetera, when we return them to her pen. And figuring conservatively, we could possibly see a 20 percent increase in death loss and this could cost me up to \$30,000. Breeding: we have included letters from all our vets stating that the fact of limiting a dog to breed every 12 to 18 months is extreme and a dog is programmed to take care of its own needs and will dictate whether the dog will come up bred or not. Microchipping: USDA has several different approved methods of identifying animals and doesn't require anyone to use one set method. Tags, ear tattoo, or microchips are all approved. Our dogs are all microchipped, but if they weren't this it could cost me up to \$2,800. Due to the time limit I've included a summary sheet of income and expenses and what LB427 will cost extra for a kennel our size. Also, has anyone sat down and looked at how much more time it will take inspectors to enforce all these new rules and where that money is going to come from? I wish we would have had this kind of support last year when Senator Carlson was trying to keep the program

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alive. I will not come back next year and try to save the program if this bill goes through and the program will need more money. We agreed to increase fees just to keep the program going last year, and now the program we strived so hard to keep is going to put us all out of business. I've always considered ourselves a top quality kennel and you can tell by our USDA reports and state reports what kind of facility we really do have. And these changes that are, first, unfeasible and, number two, are not in the best interests of the dogs. It is the best interest of the people who want to put the commercial kennels out of business. In the last couple of years, they wanted to try to limit numbers and that hasn't worked, so now the new game plan is to force enough rules and changes on us so we have no choice but to quit. I think your constituents voted you in this position to promote business and ethical treatment of animals. In my opinion, if you vote for this bill you aren't doing either. We please ask you not to advance LB427. [LB427]

SENATOR CARLSON: Okay. Thank you, Casey, for your testimony. Do we have questions? Senator Harr. [LB427]

SENATOR HARR: First of all, thank you for coming to testify today. You're from of the Nebraska Breeders Association. How many members do you have? [LB427]

CASEY SCHAAF: Probably 40 to 50. [LB427]

SENATOR HARR: Okay. And how many separate breeding operations is that? [LB427]

CASEY SCHAAF: Thirty to thirty-five. [LB427]

SENATOR HARR: Thirty to thirty-five. Okay. And they're from all over the state of Nebraska? [LB427]

CASEY SCHAAF: Yeah. [LB427]

SENATOR HARR: Okay. [LB427]

CASEY SCHAAF: I'm guessing probably...like it was stated, most of the breeders only have 50 or less dogs, probably most 25 or less, so it's more of a hobby kind of deal for them more than...me and my wife do this full-time. We have full-time employees and everything else. We are more involved with anything than anyone else. I'm a golfer but I don't, you know, I'm not involved in any golf associations. I snowmobile a lot, but, you know, it's a hobby for me. That's what some of those people use for that also. [LB427]

SENATOR HARR: And how many dogs, at any given time, do you guys probably have? [LB427]

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CASEY SCHAAF: We're brokers also, so...and that kind of goes back to the other question, is how many dogs...we're one of the larger breeders and brokers in the state of Nebraska. Ninety percent of our dogs are taken out of the state. So I know that was addressed how...you know, I think by Senator Brasch, about how many puppies stay in this state. We are one of the larger breeders and brokers in the state and 90 percent of our dogs are taken to either California, Denver, Seattle, New York. Ten percent of the puppies that we buy from in this state stay in this state. [LB427]

SENATOR HARR: Okay. I guess I'll ask it again. At any given time, approximately how many... [LB427]

CASEY SCHAAF: Two hundred adults. [LB427]

SENATOR HARR: Two hundred adults. [LB427]

CASEY SCHAAF: Yes. [LB427]

SENATOR HARR: And approximately how many puppies? [LB427]

CASEY SCHAAF: 550. [LB427]

SENATOR HARR: Okay. And you take exception to this certification. Well, let me go...let's take a step back. Thank you for bringing that plastic webbing. I appreciate it. It gives me a visual which I'm a visual person, so thank you. And then I go back to what I read with the last witness, Clem. If you read this Section 8, it does allow for the department to... [LB427]

CASEY SCHAAF: It gives it to their discretion. [LB427]

SENATOR HARR: To their discretion, fair. [LB427]

CASEY SCHAAF: It says solid floor, but it is their discretion, so if...I don't...you're a lawmaker, I don't like to leave things to discretion. I like to have either set...this is...we have to have a solid flooring or we have to have...you know, I like to have it dictated on what we have to use. I don't like to leave things...because it's going to cost me a lot of money for dictation. [LB427]

SENATOR HARR: So you want a law out there so you have certainty, as opposed to what Clem said? [LB427]

CASEY SCHAAF: Yeah, I would like to either say that we either use this or...I'd like to have it say one or the other. But I don't agree with solid flooring. There's too many disadvantages with solid flooring. [LB427]

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SENATOR HARR: Yeah, okay. I just wanted to get...so you're for certainty and I like that. And as I read this, you know, it says here the primary enclosure of all licensees shall meet the following requirements, except that the primary enclosure of the commercial dog breeder shall meet the requirements of Section 10 of this act. So we flip to Section 10 and Section 10... [LB427]

CASEY SCHAAF: To me...sorry, Senator. [LB427]

SENATOR HARR: Yeah. [LB427]

CASEY SCHAAF: To me, Section 7, 8, and 9 are if you want to be in a blue ribbon program. [LB427]

SENATOR HARR: Yeah. [LB427]

CASEY SCHAAF: Section 10 is covered by everyone, no matter what...everyone keeps...that's my main point I was bringing that up with, is everybody says this whole thing is optional. To me, with that right there, that...you automatically go to Section 10, anything in Section 10 is covered by every commercial kennel no matter whether you want to be in blue ribbon or not. [LB427]

SENATOR HARR: Okay. [LB427]

CASEY SCHAAF: And maybe we're interpreting it wrong, but that's how I interpret it. [LB427]

SENATOR HARR: Okay, so then let's go to Section 10. I want to see...you have Section 10. It says...and that goes into the flooring, which we've already discussed; allows access to outdoor exercise area that is on a surface approved by the department that is at least ten times the requirement of the primary requirements for...or the requirements for a primary enclosure. Are you okay or not okay with that? [LB427]

CASEY SCHAAF: The whole problem I have with that is we do have...I mean, our facility, we spent a lot of money with this and having clean facilities, whatever. To have something like that, you are going to have it in gravel or something like that and put pens out in the middle of your yard just to exercise your dogs out in the gravel or whatever. That doesn't make sense to me. With the exercise that they can get going in and out of the buildings all day long on the floor, to me it's for disease reasons and for...that just makes a lot more sense to me. [LB427]

SENATOR HARR: You have one of the larger operations. When you say a yard, what are you describing? How big of an area? [LB427]

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CASEY SCHAAF: Well, when one of the first...when Diana was talking, she was saying \$20,000 for her facility for 80 dogs. We probably have over a quarter-million-dollar facility for 200 dogs. So when we're spending over \$1,000 per dog, that's where I have a problem. And then when we designed all those for USDA, like I said, we've been USDA for 14 years, which Diana is not USDA licensed. We are USDA licensed. We spent all this money to go in there and to do by their specs, \$1,000 per dog and now we may have to go raise the pens by six inches; we may have to make them six inches wider. [LB427]

SENATOR HARR: Okay. Okay. [LB427]

CASEY SCHAAF: Those are the things that to me does not make sense. [LB427]

SENATOR HARR: Okay. [LB427]

CASEY SCHAAF: When USDA did the research for this long, if they haven't changed it, I don't know why, you know, one breeder's opinion should dictate what the state of Nebraska does. [LB427]

SENATOR HARR: Okay, and I appreciate that and I'm trying to create a record here so if you can just answer the questions I ask. [LB427]

CASEY SCHAAF: Okay. [LB427]

SENATOR HARR: Part (2) is at...well, I guess back to this first one. How large is your outdoor exercise area currently for each dog? [LB427]

CASEY SCHAAF: Their primary enclosure. [LB427]

SENATOR HARR: Okay, which is how large? [LB427]

CASEY SCHAAF: Two and a half feet by eight feet. [LB427]

SENATOR HARR: Okay. And how tall is that? [LB427]

CASEY SCHAAF: Thirty inches. [LB427]

SENATOR HARR: Okay. How often are they let out of there? [LB427]

CASEY SCHAAF: They go in and out all day long. They have a 2.5 feet by 4 foot inside and outside with a doggy door in the middle of the wall. So they go in and out all day long. [LB427]

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SENATOR HARR: So they go outside into a yard or where do they go? [LB427]

CASEY SCHAAF: They go out into another pen. [LB427]

SENATOR: And that pen is how large? [LB427]

CASEY SCHAAF: That's 2.5 feet by 4 foot. [LB427]

SENATOR HARR: Okay. So part (2) is, "At the discretion of the commercial breeder, any female dog," so it's at the discretion so that could or could not apply to you. You could choose not to, so I assume you don't have a problem with that. No dog shall be tethered or chained or included in a pulley system in lieu of primary enclosure exercise system. [LB427]

CASEY SCHAAF: No problem. [LB427]

SENATOR HARR: No problem with that. The breeder facility shall have adequate heating and cooling system, no more, no less than...at least 45 and no more than 85 degrees. Do you have a problem with that? [LB427]

CASEY SCHAAF: No, those are all USDA guidelines already. [LB427]

SENATOR HARR: Okay. And a commercial breeder that has a facility in existence...well, that just says you're required. So your real problem then is going to be with the outdoor exercise area, the flooring, which may or may not be addressed by the department. So your real area is with the exercise enclosure and the height, but that's again for the blue ribbon status, as I see it. Is that correct? [LB427]

CASEY SCHAAF: Exactly. And one thing, if you looked at our inspection reports, I feel like we have...we are a blue ribbon kennel. To me, if you look at all our inspection reports, that's what I'm saying, is why do I have to go spend more money just, you know, to become...if my USDA inspection and the state inspection reports have been clean for four to five years now, where do I sit? [LB427]

SENATOR HARR: The answer is so you can charge more for your dogs. That's the pure and simple. This is a market decision where...we had a decision last week here on another bill and it was all about choice and this is a choice matter. You can choose to do this program or you can choose not to do this program. And if you choose to, it's my argument and my belief, I know I personally would pay more for a dog that I know has been properly...or has gone through this program. So that's what it is. And then you have a letter here from the Ord Veterinary Clinic and it has five doctors on its letterhead. [LB427]

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CASEY SCHAAF: That is actually not my veterinarian; that's another veterinarian... [LB427]

SENATOR HARR: Okay. [LB427]

CASEY SCHAAF: ...from one of the larger breeders...the largest breeder in the state of Nebraska. They couldn't be here today because of the snow,... [LB427]

SENATOR HARR: Okay. [LB427]

CASEY SCHAAF: ...but they were going to be here, but they wanted me to include their vet letter. [LB427]

SENATOR HARR: Okay, and I appreciate that and, well, I guess my question is, it's on veterinary clinic letterhead, but its not signed by anybody and I don't know if this is on behalf of one doctor, two doctors. [LB427]

CASEY SCHAAF: It was by Dr. Terri Bridgman and if...we can have her sign your sheet for that and get that to you if that... [LB427]

SENATOR HARR: Yeah, for the record, yeah, I think if you could... [LB427]

CASEY SCHAAF: Yep, no problem. We'll do that for everyone if that will... [LB427]

SENATOR HARR: I think that would be better and we can make that part of the record after the hearing. Okay. [LB427]

CASEY SCHAAF: Yep. Yes, we will. [LB427]

SENATOR HARR: Okay. I have nothing further. Thank you. [LB427]

SENATOR CARLSON: Okay. Any other questions? Casey, well, you've answered this, your dogs do have freedom to go inside and outside...or outside at will. And now, this has been brought up before, are you concerned that failure to pass LB427 really invites less than desired breeders to come into Nebraska from outside of the state? [LB427]

CASEY SCHAAF: No. I had a breeder I was talking to in Missouri the other day. Actually the reason he said he would come to Nebraska is because of the statements you made in the Kearney Hub and what our Governor said about the HSUS, that was the only...but then I said...told him what we're dealing with, with legislation this year. Well, I'm not going to come there either. So, I mean, you know, I don't believe they're going to be coming here. There's not enough...if...five years ago when there was money

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in this business, there might have been. But, as you can see with some of the sheets I showed you, there's not enough income to move. So I don't really foresee any of the breeders coming here, no. [LB427]

SENATOR CARLSON: Okay. Yes, Senator Harr. [LB427]

SENATOR HARR: I guess that leads to a follow-up. They're not coming because based on this legislation. If this legislation doesn't come through...go through, it would seem to open the door to them. [LB427]

CASEY SCHAAF: We have a...we have a...this right here, a lot of states don't, a program. Arkansas doesn't have one; South Dakota, Colorado, they don't have state programs. So if you were going to move to a state, why would you not...why would you move to a state that has a program set up or whatever else? That's just another inspector in your kennel all the time. If it was me, I would stay in a state where I don't have...I only had to deal with USDA. And if...that's the thing of it is, if they sell everything privately, they don't even have to be USDA licensed. So why would you not go to a state where there's no inspectors? [LB427]

SENATOR HARR: Because they don't have the interstate by them to take them out to California easily. [LB427]

CASEY SCHAAF: There's a lot of interstates going through Texas and Kansas. [LB427]

SENATOR HARR: All right. [LB427]

SENATOR CARLSON: Okay. Thank you. Any other questions? Okay, thank you for your testimony. Next testifier, please. [LB427]

TOM MANEELY: (Exhibits 21 and 22) Good afternoon. I'd like to thank you very much for allowing me the honor and the time to address you folks. My name is Tom Maneely. I live at 2028 Road 3 in Leigh, Nebraska. I'm employed by the American Kennel Club as an executive field representative. My area of... [LB427]

SENATOR CARLSON: Would you spell your last name. [LB427]

TOM MANEELY: M-a-n-e-e-l-y. I'm here today on my own. I'm not here directly representing the American Kennel Club. With that, I'm going to go ahead and read my prepared statement. Good afternoon. Thank you for allowing me time to voice my concerns about LB427. I have numerous concerns about this bill. Most of my concerns are associated with the fact that under this bill any owner of four or more intact dogs that are intended for breeding would be considered a commercial breeder. As an executive field representative for the American Kennel Club, I'm also concerned with the

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effects this legislation would have on dog events held in this state. I'm equally concerned by the added cost that would be placed on operators of rescue homes for pets that have been given up by their owners and are waiting for their lifetime homes. There are thousands of dog owners in this state that maintain several dogs for the hunting of birds, rabbits, ducks, raccoons, and vermin. I'm among the bird hunters here in Nebraska that own four or more dogs. These are intact dogs but they're not intended for breeding. I maintain three of these dogs for hunting and for competition. The fourth dog, which would place me into the commercial breeder category, is my wife's house dog, a Jack Russell terrier. I do not have these dogs for breeding purposes. I have not bred a litter of puppies in over two years, and at that time it was to replace personal hunting dogs that had grown old. In no sense of the word am I a commercial breeder, but under the definition of a commercial breeder in this bill, I would be considered as one and would have to comply with the fees, the paperwork, the housing requirements that this bill contains. Under this bill I would also have to make my home available for inspection as my wife's dog is kept in the house. Here I want to add a little to my statement. Earlier it was said that the wording was exact from the way the wording was before. I believe that if you look, the wording has changed from owning 4 dogs and breeding 31 puppies a year, to owning 4 dogs or breeding 31 puppies a year. In my line of work I attend 45 or more dog trials or hunting tests each year. This is a multimillion dollar industry in Nebraska. The American Kennel Club reports that dog events and the related care of these animals in Nebraska during 2010 generated an estimated \$9 million. Each summer Nebraska hosts dozens of dog trainers that come here to train their client's dogs in the Sandhills. These trainers buy food, gasoline, they eat at restaurants, stay at motels, and lease training grounds from our ranchers. They are a welcomed influx of cash to these small towns and ranchers. These trainers, which come to Nebraska to train and compete with their client's dogs, would be defined as commercial breeders under LB427, and this bill would surely reduce the number of dog trainers coming to Nebraska. This type of legislation has been introduced in many other states. About ten years ago a similar bill was presented in the U.S. Congress. At that time much of the same wording and requirements, such as housing, recordkeeping, and numerical limits on animal ownership, were contained in the bill. It was defeated in committee then, so the sponsor group decided to take this bill to the states where it might be easier to pass. This bill was promoted by The Humane Society of the United States. This group would like to put an end to animal ownership. Their Web site says that they are against controlled shooting areas; against the export of horse meat, which has left the horse industry in ruins; they are against the use of research animals, which has been responsible for saving tens of thousands of human lives; they are anti-livestock production; and are associated with the radical group the Fund for Animals, which has been found responsible for burning down several animal research facilities in the Pacific Northwest. The Humane Society of United States' Web site claim they operate several shelters and sanctuaries but never identify any of these. I have numerous other concerns with this bill which are outlined in my written statement. I'm not going to have time to finish it all. One of them is the controlled climate which, again,

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would affect the dog trainers that come to Nebraska each year that are now going to be classified as commercial breeders. They would not be able to maintain that temperature of regulation between 45 and 85 degrees. I will have to heat and cool a dog kennel for three dogs year-round because of this requirement. I'm also very concerned about the rescue groups which would now be considered commercial breeders under this rule, would have to pay a \$150 fee and meet all the housing requirements. These are not-for-profit groups, they are private individuals that are housing these dogs until they get a chance to be placed in their lifetime home. Ronald Reagan once said that "governments tend not to solve problems, only rearrange them," and this bill would do exactly that. I ask the committee not to advance LB427. Thank you. [LB427]

SENATOR CARLSON: Okay. Thank you for your testimony. [LB427]

TOM MANEELY: I hope I stirred you up. [LB427]

SENATOR CARLSON: Just as you began, Senator Lathrop joined us. So he's here with us. [LB427]

TOM MANEELY: Good afternoon, sir. [LB427]

SENATOR CARLSON: Any questions? Senator Wallman. [LB427]

SENATOR WALLMAN: Thank you, Chairman Carlson. Thank you for showing up, Tom. I have an outside dog, too, and it doesn't have temperature control. [LB427]

TOM MANEELY: Yes, sir. [LB427]

SENATOR WALLMAN: And it's a hunting dog too. [LB427]

TOM MANEELY: Yes, sir. [LB427]

SENATOR WALLMAN: And I can...thank you for this testimony. [LB427]

TOM MANEELY: Thank you very much. I think your point I'd like to expand on for just a moment. Several years ago South Dakota had an extremely hot stretch during the opening weekend of their pheasant season and some of us may remember that numerous dogs died as a result of heat stress. Hunting dogs in particular need to be conditioned to the different temperatures that they will be subjected to and I detailed that more in my written statement. Thank you. [LB427]

SENATOR CARLSON: Okay. Senator Harr. [LB427]

SENATOR HARR: All right, well, let's begin. I just want to clarify the record. Tom, thank

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you for coming. [LB427]

TOM MANEELY: You're welcome. [LB427]

SENATOR HARR: You are a field representative for the AKC, but you are here in your individual capacity. [LB427]

TOM MANEELY: That's true, but I believe that... [LB427]

SENATOR HARR: Okay. Yes or no. Yes. [LB427]

TOM MANEELY: ...can I...yes, okay. [LB427]

SENATOR HARR: Okay. And it is true also that AKC has not taken a stand on this bill. [LB427]

TOM MANEELY: That's incorrect, sir. [LB427]

SENATOR HARR: Okay. [LB427]

TOM MANEELY: The American Kennel Club has sent a letter to this committee detailing the same points that I kind of stated. I can forward it to you by e-mail when I get home. I can probably access it on my laptop. But they have... [LB427]

SENATOR HARR: If you could send that to the committee, that would be wonderful. Okay. [LB427]

TOM MANEELY: They are admittedly against the four-dog rule. [LB427]

SENATOR HARR: Thank you. All right. Now you say you would be a commercial breeder under this bill. [LB427]

TOM MANEELY: That's correct. [LB427]

SENATOR HARR: Okay. As this bill...and I'm just going to read you the statute as I've done earlier, and you tell me where you fit in. [LB427]

TOM MANEELY: Okay. [LB427]

SENATOR HARR: You just stop me. "A commercial breeder means a person engaged in the business of breeding dogs." Are you in the business of breeding dogs? [LB427]

TOM MANEELY: No, sir. [LB427]

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SENATOR HARR: Okay. Who so...right now...and then it goes on to say... [LB427]

TOM MANEELY: I'm good so far, I'm golden. [LB427]

SENATOR HARR: Well, but it only applies to people engaged in the business of breeding dogs. And then there are four criteria:... [LB427]

TOM MANEELY: Yes, sir. [LB427]

SENATOR HARR: ...Who sell, exchange, lease, or in any way transfer or offer to sell, exchange, lease or transfer 31 or more dogs in a 12-month period beginning on April 1, of each year. [LB427]

TOM MANEELY: Yes, sir, that's correct. [LB427]

SENATOR HARR: So that is not you. [LB427]

TOM MANEELY: That is not me, no. [LB427]

SENATOR HARR: Okay, (b)... [LB427]

TOM MANEELY: Or. [LB427]

SENATOR HARR: ...Who owns or harbors four or more dogs, intended for breeding, in a 12-month period beginning on April 1 of each year. [LB427]

TOM MANEELY: There we go. That's the point that I really have exception with... [LB427]

SENATOR HARR: Okay. [LB427]

TOM MANEELY: ...and it would affect me. [LB427]

SENATOR HARR: So your house dog is intended for breeding? [LB427]

TOM MANEELY: Let's look at that statement, "intended for breeding." How are we going to define "intended for breeding," just because they are intact, not spayed or neutered? My competitive dogs lose total value when they become sterile. [LB427]

SENATOR HARR: Well, you earlier stated it wasn't intended...you said it was a house dog, it was intended for a house dog. [LB427]

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TOM MANEELY: Certainly,... [LB427]

SENATOR HARR: Okay. [LB427]

TOM MANEELY: ...but because it's intact, the wording of this bill, the new wording of this bill would make...would classify me and thousands of other dog owners in this state as commercial breeders. [LB427]

SENATOR HARR: Boy, I think we're going to agree to disagree on that one. [LB427]

TOM MANEELY: But can you explain to me, sir, how a... [LB427]

SENATOR CARLSON: Now I'm going to stop you right there. [LB427]

TOM MANEELY: Okay, I'm sorry. [LB427]

SENATOR HARR: Yeah, I get to ask the question. [LB427]

SENATOR CARLSON: We're asking the questions. You're answering the questions. [LB427]

TOM MANEELY: Okay. I could redirect that answer. [LB427]

SENATOR HARR: And I guess...and to get back to this 85/45 degree temperature, I think you would agree with me most breeders have puppies and the intention for that is for puppies, not for dogs that you have out in your yard as a regular house owner. Yes or no, would you agree with me? [LB427]

TOM MANEELY: Yes. Can I expand on that at all? [LB427]

SENATOR HARR: No. [LB427]

TOM MANEELY: Thank you. [LB427]

SENATOR HARR: If someone else wants to ask a follow-up, they're more than free to. [LB427]

TOM MANEELY: That's fine, sir. [LB427]

SENATOR HARR: So your issue, and I just...again I just want to clarify the record, is that you believe you would be a commercial breeder. [LB427]

TOM MANEELY: That's one of them, yes, sir. [LB427]

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SENATOR HARR: Okay. The other is that you do not like the temperature requirements. [LB427]

TOM MANEELY: That is true, yes, sir. [LB427]

SENATOR HARR: Okay. Even though it applies to... [LB427]

TOM MANEELY: It would be restrictive to dog trainers in Nebraska, yes, sir. [LB427]

SENATOR HARR: Well, okay. [LB427]

TOM MANEELY: Further explanation will be in my written...is in my written statement. I haven't had time to read the entire thing to you. Thank you. [LB427]

SENATOR HARR: Okay. [LB427]

TOM MANEELY: Here, the page just brought a copy of the letter from the American Kennel Club dated January 26, 2011. It's fairly lengthy, but they...in the letter they state their opposition. They state again that there are 140 dog events held in this state which over 17,800 dogs participated in and generated \$9 million. [LB427]

SENATOR HARR: I guess...before...why don't you make a copy and deliver that to all of us... [LB427]

TOM MANEELY: Yes, sir. I certainly would love to. [LB427]

SENATOR HARR: ...seeing we're kind of at a disadvantage where you can read it and we can't. [LB427]

TOM MANEELY: Well, I'm surprised it wasn't sent...you want me to make a copy and send it today or e-mail you, sir? [LB427]

SENATOR CARLSON: With your permission, we're going to do it right now. [LB427]

TOM MANEELY: Thank you, thank you, Katie. [LB427]

SENATOR HARR: And I guess I have no further questions. [LB427]

SENATOR CARLSON: Okay. Thank you. Any further questions? Senator Karpisek. [LB427]

SENATOR KARPISEK: Thank you, Senator Carlson. Thank you very much for being

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here, sir. If we raised the number of dogs from four to five or six, does that...? [LB427]

TOM MANEELY: Well, sir, if you really think about the logic behind the regulations, breeders should be determined by the amount of puppies they produce, not the amount of dogs they have in their ownership. Now if you want to address breeders, that's the way you do it. If you want to address dog owners, then you would go through the numerical. You know, we're trying to lump everything together in this bill. [LB427]

SENATOR KARPISEK: Well, we're not trying...I don't think we're trying to get at dog owners. I think we're trying to get at breeders and where you think you're a breeder, which I think we can possibly disagree that you would fall into that. But if we went to six dogs then...you know, where it says, "intended for breeding, in a 12-month period beginning on April 1 of each year," I think, to me, the word "each year" connotes breeding every year. [LB427]

TOM MANEELY: I think that we are looking at different things that really bother us there. The terms "intended for breeding," who determines that? Would I as the owner determine that or would some arbitrary body or possibly the Ag Committee determine that? It's not in the rules the way the revision is written. You know, the fact is, we have a wonderful bill that would protect these animals if it was enforced. But instead of enforcing it and putting our might...and the strength of the Ag Committee behind the current laws, we are going to throw more rules at it. That seldom works. [LB427]

SENATOR KARPISEK: All right. Thank you, sir, thanks for being here. Thank you, Senator Carlson. [LB427]

TOM MANEELY: Thank you very much. [LB427]

SENATOR CARLSON: Thank you. Any other questions? Seeing none, thank you for your testimony. [LB427]

TOM MANEELY: Thank you for your time, Senators. I appreciate it. [LB427]

JUDY WILLIAMSON: I've never been here before, Senator Carlson, but there was an issue that was brought up that you questioned one person previously about... [LB427]

SENATOR CARLSON: Ma'am, let's... [LB427]

JUDY WILLIAMSON: Do you want me to do it afterwards? [LB427]

SENATOR CARLSON: I'd like you to turn in your green sheet. Did you do that? [LB427]

JUDY WILLIAMSON: Yeah, I did. [LB427]

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SENATOR CARLSON: Okay. And then just take the place there and introduce yourself and spell your name and then you have five minutes to talk about whatever you'd like. [LB427]

JUDY WILLIAMSON: Okay. Okay. [LB427]

SENATOR CARLSON: Okay? And just relax and enjoy it. (Laughter) [LB427]

JUDY WILLIAMSON: Sure. [LB427]

SENATOR CARLSON: Okay. [LB427]

JUDY WILLIAMSON: This is the hot seat. Good afternoon, Chairman Carlson and members of the Ag Committee. My name is Judy Williamson, J-u-d-y W-i-l-l-i-a-m-s-o-n from Stamford, Harlan County, Nebraska. Since 1985 I have been a professional dog breeder along with my husband and five children who operate a family business of raising puppies. I would like to speak to you today about at least three scenarios that my family and I are greatly concerned about with regards to LB427, and for the better lack of words, places us between a rock and a hard place. Number one, regulations and guidelines, USDA versus state: When state first began the original creation of the Commercial Dog and Cat Inspection Act in 2000, USDA-licensed breeders, like myself, were led to believe that laws and regulations under this act would run parallel with governing regulations of USDA. Beguiled by statements made that since we were already inspected by USDA, our veterinarian, as well as other entities such as AKC, there would be no need for the state to pursue any type of inspection, only in the instance of a complaint. But the truth is the state routinely inspects more often than USDA now. Further, under the state regs I'm required to have two licenses, pay two fees instead of the single license and fee I maintained for USDA. Our housing facilities were carefully planned, built and established under USDA guidelines with the advice from our USDA inspectors. But under LB427 our facilities will be forced to start all over if we want to be outstanding, a financial burden that will absolutely bankrupt our business. Which regulations do we follow, USDA or state? Second, financial instability: Our revenue from sales has plummeted to an all-time low due to the economy but also as a result of the continual push by The Humane Society of United States and their puppy mill ads that flood the media, elevating the public's opinion of anyone that raises puppies for a profit as a deplorable business and portrays us as criminals depicting us as intentional animal abusers. Interrogated with questions, we are scrutinized if we don't relinquish full details concerning the affairs of our business or subject the privacy of our home to public invasion in order to escape the innuendoes of being dubbed a puppy mill. However, most generally it is the breeder that is unlicensed with no inspections that falls into the type of category and for which this Inspection Act was originally intended. Puppies are still raised and sold on street corners by many who have yet to obtain a

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license or subject their breeding operation to any type of inspection. At least 75 percent of my fellow licensed breeders have gone out of business due to the economy and especially the public's opinion of our livelihood. This bill, if passed, will be devastating, forcing the majority of the remaining licensed professional breeders of AKC purebred puppies out of business, leaving most consumers the only option of purchasing an unregistered mix-breed puppy from HSUS or an unlicensed breeder. LB427 targets those who are already licensed and inspected with arbitrary and restrictive requirements resulting in astronomical expenditures for veterinarian care, remodeling, etcetera, when we're already struggling to keep our business alive. Third and last, our place in agriculture: Because business falls within the realm of the Bureau of Animal Industry, the Department of Agriculture, this bill has been rightly placed before you, the Agriculture Committee, because this bill indeed is an integral part of Nebraska's agriculture. I share great concerns with fellow citizens from our rural communities that question the ramification this bill could pose in the future for their ag-related animal industry, such as cattle, hogs, chickens, horses, etcetera, within our state. True, dogs/puppies are not a consumable commodity in our society, but they are a viable production that consume our desires for that special canine companion and fulfill therapeutic needs whether physical or emotional. In conclusion, seriously, do you feel we need more regulations? We've got a lot. Financially, how are we to afford the changes worded in this bill if we want to be outstanding? It will literally destroy our business and most assuredly put an end to the pet industry for the state of Nebraska. And what future repercussions could this bill possibly have on other ag-related animal industry in Nebraska? I ask that you please oppose LB427. Thank you so much for your time, patience, and allowing me to speak, even though I've got a quivering voice today. [LB427]

SENATOR CARLSON: Okay. Thank you for your testimony. Now you're from Stamford. Is your operation in town or in the country, where are you? [LB427]

JUDY WILLIAMSON: It's in the country. It's on my folks' place. [LB427]

SENATOR CARLSON: And where's that located from Stamford? [LB427]

JUDY WILLIAMSON: In Alma, 15 miles. My nursery is next to my home. [LB427]

SENATOR CARLSON: Well, I ask that because I wanted to find out if you live in my district and you do, and your testimony was especially good. (Laughter) [LB427]

JUDY WILLIAMSON: Well, thank you. I did want to tell you though that you had asked about what is the percentage of good breeders and I'd like to read from a January 30th... [LB427]

SENATOR CARLSON: That's my question to you then, go ahead. [LB427]

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JUDY WILLIAMSON: Okay. January 30, 2009, I get this memo from Dr. John Boucher, the veterinarian for the state of Nebraska. So he should be creditable, I believe. Right? [LB427]

SENATOR CARLSON: I'm asking the questions. [LB427]

JUDY WILLIAMSON: (Laugh) He says we have now completed at least one inspection of all of our commercial dog and cat operator inspection licensed facilities. The results from 2008 inspections are as follows: 48 percent had zero noncompliant items; 43 percent had one to four noncompliant items; and only 9 percent had five or more noncompliant items. These statistics seem to indicate that overall Nebraska dog breeders are doing a good job in providing for the health and comfort of their breeding animals. Most of the noncompliant items were discovered and were corrected right there in inspection. And most common, the noncompliant items were basically recordkeeping. [LB427]

SENATOR CARLSON: Okay, I'm going to stop you there. [LB427]

JUDY WILLIAMSON: And you can stop me there. [LB427]

SENATOR CARLSON: That answers that, I appreciate that. Do we have other questions of the committee? Well, is this your first time to testify? [LB427]

JUDY WILLIAMSON: Yes, it is. [LB427]

SENATOR CARLSON: Did you enjoy it? [LB427]

JUDY WILLIAMSON: No. (Laughter) [LB427]

SENATOR CARLSON: Okay. [LB427]

JUDY WILLIAMSON: It's very nerve-racking. I'd rather be on the Bob Barker, you know, come on down show, I think. [LB427]

SENATOR CARLSON: Okay. All right. Thank you for being here. [LB427]

JUDY WILLIAMSON: Thank you. [LB427]

SENATOR CARLSON: Next testifier. Welcome. [LB427]

CINDY JOHNSON: Thank you. Good afternoon, Chairman Carlson, senators of the Agriculture Committee. My name is Cindy Johnson, spelled C-i-n-d-y J-o-h-n-s-o-n. I

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live and operate a professional kennel south of Holdrege, Nebraska. I wish to address most concerns I have regarding the breeding practices that would be required with LB427. First concern that I have is, for you to be considered an "outstanding breeder," you must meet all the requirements of LB427 immediately, at which time you will be published on the state Web site and you will receive a certificate stating that you are an outstanding breeder. But if you choose to use the grace period, you cannot be considered an "outstanding breeder" and cannot breed your females until they are 18 months of age. This process really confuses me. My dogs do not cycle the first time until seven to nine months of age. I do not breed until her second cycle, seven to eight months later, making her 14 to 17 months of age. Under LB427, I would not be able to breed her at that time, therefore requiring me to wait until she is over two years of age to breed her for the first time. Many veterinarians disagree with that policy, saying that the dogs can be bred as early as 10 to 12 months if they are mature. In fact, they many times will free-whelp better if they are younger rather than older when they have their first litter. LB427 also requires physical exams for more frequent breedings. Our veterinarians say it would not be helpful and there isn't much that could determine by examining the dogs that we, as professional breeders, wouldn't already know and be practicing. Again, this is what we as professional licensed breeders would already be practicing. Therefore, it is a waste of our veterinarians' time and our money, both of which can be used for efficiently. Most breeders' vet bills already run into thousands of dollars each year and we can't afford to spend money for unnecessary things. Second, there's a terrible misconception about the breeding practices of dogs. Some have stated that we breed our dogs over and over and over, having three litters per year and an average of six puppies per litter. Statistics and my experience show that an average litter size is 3.1 and that dogs cycle only about every seven to eight months and many cycle less than that. We are professional breeders and will base our decision to breed the female again on past experience and her current condition. Professional breeders are not going to risk breeding a dog that is not in good condition because we are well aware that it can and will affect the health of the female and her puppies. Dogs are rested more often than we are credited for. In fact, most dogs will take an automatic rest from breeding on their own. When we attend breeding educational seminars, the concerns are not how to decrease fertility; we are studying ways to increase fertility. Many of our females only have two to four litters in their lifetime as it is. Unfortunately, the public has not been educated correctly. They think that dogs are able to be bred every few months and that we care only about a profit, because they are being swayed by the negative and unfair publicity that is being pushed upon them by the HSUS, ASPCA, and the humane society advertising us as nothing but a puppy mill. My third concern is the paragraph about exercising female dogs that are heavy pregnant or have puppies nursing. We have long been taught by our veterinarians and educational seminar instructors that dogs should be bathed and put in whelping areas two weeks prior to whelping, so they are given special food while pregnant and to get them away from the other dogs in their primary enclosures. They are never removed under any condition, unless it is an emergency, until the puppies are weaned. The risk of disease

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by removing a mother for exercise is too great and taking her away from young puppies stresses the puppies, and while bringing the mother back in, temperatures can make the puppies sick with colds and even pneumonia. This also goes along with the paragraph that requires all whelping areas have to have doors to the outside. Mothers will stand in the doors chilling the puppies; the puppies will be pulled out into the cold or heat while being latched on during nursing and will die in the inclement weather. This is a real danger to the health of these young puppies. The question today is, do we allow law to be passed that will be...put these important issues in the hands of those who are not truly acquainted with the raising of puppies and the care required; or rather it be left to the professional breeders who are experienced and their veterinarians who are not only educated in this field but who are well-acquainted with the dog breeders by doing their veterinary care? I am personally inspected at least four times per year as I'm USDA/state licensed. I have an annual inspection by my vet and an AKC inspector. It has been very difficult over the last two and a half years to make ends meet. I purchased two high-end buildings with all the amenities just before the economy failed. These buildings were totally and completely within the guidelines of the state and USDA regulations. Now with the debt that I've incurred to purchase the best, LB427 would not only put me out of business but I would go bankrupt as there would be no place to go with my facilities or the dogs that I so dearly love. I ask that before you vote that each of you take a few minutes to read all the letters that you have received today who are opposed to these outrageous rules set forth in LB427, many who state that not only will they do no good but will actually do harm to the program and the dogs themselves. I respectfully ask you to vote against LB427. Thank you. [LB427]

SENATOR CARLSON: Okay. Thank you for your testimony. Any questions? Senator Harr. [LB427]

SENATOR HARR: Thank you. [LB427]

CINDY JOHNSON: Yes, sir. [LB427]

SENATOR HARR: Well, first of all, just to clarify the record, I don't think there's been any evidence presented that HSUS is any part of this bill, so I just want to clarify the record on that. I am...well, you are a professional breeder; I am a citizen legislator, so I am ignorant. What is a professional breeder? What does it take to be a registered professional breeder? [LB427]

CINDY JOHNSON: To me what a professional breeder is, someone that has done everything in their power to meet the requirements of the state. I personally am state and USDA licensed. I meet the regulations. I have good inspections. I take very good care of my dogs. It is very important to me that I have highly socialized puppies. [LB427]

SENATOR HARR: So these requirements, are they requirements of how you treat the

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animals or is it education on the biology of an animal? I just... [LB427]

CINDY JOHNSON: It's probably a mixture of all of that. You know, of course I do everything I can to learn genetics, to learn how to keep good healthy dogs, how to... [LB427]

SENATOR HARR: Is that required as part of the professional...? [LB427]

CINDY JOHNSON: Yes, yes. [LB427]

SENATOR HARR: And that's under what certification? [LB427]

CINDY JOHNSON: That is under...that is my personal...let me think my thought here...that's my personal...that's what I want to be as a professional breeder. [LB427]

SENATOR HARR: Okay. Good. Okay. But as far as what the state certifications are and the USDA certification, those certifications are based somewhat similar to what we're looking at today. I'm not saying they're the same, but they're somewhat similar in that they...to be certified, you have to do X amount of space, X amount of heat, light. It doesn't require any veterinary training in that regard, does it, to be qualified? [LB427]

CINDY JOHNSON: You mean for me to have veterinary training? [LB427]

SENATOR HARR: No, it doesn't require you to have veterinary training to be certified as a breeder under USDA or under the state. [LB427]

CINDY JOHNSON: No. I have to have a veterinarian that comes to my place and inspects annually or, in my case, more often. [LB427]

SENATOR HARR: Okay. Thank you very much. I appreciate you for coming down here and for listening to my questions and answering them very, very nicely. [LB427]

CINDY JOHNSON: You're welcome. Thank you. [LB427]

SENATOR CARLSON: Senator Brasch. [LB427]

SENATOR BRASCH: Thank you, Chairman, and thank you. What I have in front of me is the form that was submitted with Mr. Schaaf and it says state of Nebraska and there's a list of...it looks like 30-some criteria that an inspector... [LB427]

CINDY JOHNSON: Yes. [LB427]

SENATOR BRASCH: Okay. And each of these inspectors, they have the rules and

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regulations and all the specifics, this is just the quick checklist of were these things met?
[LB427]

CINDY JOHNSON: Correct. [LB427]

SENATOR BRASCH: And I think that was one of the questions that Senator Harr was asking, based on what. So your standards and the ones in here are the minimum standards and exercise is one of these. [LB427]

CINDY JOHNSON: Yes. [LB427]

SENATOR BRASCH: How many...do you always see the same inspector? Do you...how many...you're inspected three times a year by the same person? [LB427]

CINDY JOHNSON: As far as the state inspector, yes. As far as USDA, a lot of times two come. As far as the veterinarian, it would be between two. At AKC it's usually the same.
[LB427]

SENATOR BRASCH: So your facilities are inspected up to six, seven? [LB427]

CINDY JOHNSON: I can be...I have...one year I was inspected six times. [LB427]

SENATOR BRASCH: Very good. And I'm asking that question because from the other group, they were concerned about well-being of puppy mill puppies. And so the state of Nebraska and other dog/cat associated professionals do come frequently? [LB427]

CINDY JOHNSON: Absolutely. Yes, ma'am. [LB427]

SENATOR BRASCH: Okay. Thank you. Thank you for testifying. Thank you, Chairman.
[LB427]

SENATOR CARLSON: Thank you. Senator Wallman. [LB427]

SENATOR WALLMAN: Thank you, Chairman Carlson. Yes, as far as the puppy genetics and everything, does the kennel club inspect that for healthy hips and all this stuff? [LB427]

CINDY JOHNSON: You can through the AKC, they will have vets available at shows and such for us to certify hips, certify eyes and that type of thing. So as a professional breeder, I do try to do that, yes, sir. [LB427]

SENATOR WALLMAN: Thank you. [LB427]

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CINDY JOHNSON: Yes, sir. [LB427]

SENATOR CARLSON: Thank you. Any other questions? Okay, seeing none, thank you for your testimony. [LB427]

CINDY JOHNSON: Thank you, sir. [LB427]

SENATOR CARLSON: Next testifier. By my count this is the fifth one. [LB427]

SENATOR WALLMAN: Sixth one. [LB427]

SENATOR CARLSON: This is the sixth one, so we are down to three minutes. And those of you that are waiting to follow, adjust your testimony to three minutes. And the green light will come on and away you go. Welcome. [LB427]

BOB YARNALL: (Exhibits 23 and 24) Thank you. My name is Bob Yarnall, Y-a-r-n-a-l-l. And I'm president of the American Canine Association. Chairman Carlson and honored members of the senate Agricultural Committee my name is Bob Yarnall and I'm representing the true concerns of hundreds of breeders here in the great state of Nebraska in concerns on LB427. Different breeds of dogs have different, vastly different needs due to their sizes, due to the texture of their coats, due to their temperaments, and what they've been bred for, for generations. The only truly qualified individual to establish the care, exercise, socialization, grooming needs, breeding program, and best housing types is the Nebraska licensed state veterinarian of the breeder, not a panel in Lincoln. The American Canine Association tracks the breeding of millions of dogs throughout North America and the Caribbean. The average conception rate is 67.2 percent if the female is bred two to four times in a single heat cycle. So the notion that a female in a professional breeding facility is going to have a litter of puppies every time she comes in heat, statistically it just doesn't happen. The LB427 would only allow, if you're looking at the term, my dog, we bred her one time, we bred her two times this heat cycle, we bred her three times this heat cycle, would only allow one breeding to take place in a 18-month period without having veterinary written permission. So the terminologies of this bill are flawed and should be talking about whelping a litter rather than just having the female bred. The additional problematic areas of LB427 is the requirement for no more than four parts of ammonia per million is extraordinarily restrictive. It does not take into account the breeders that are also required to clean and sanitize their kennels. Pine-Sol or similar products are commonly used in the sanitation agent and they are an ammonia base. Even OSHA minimum standard for you and I is 50 parts per million, yet this bill is calling for four parts per million. Animal breeders will be forced to purchase industrial animal scrubbers, or air scrubbers rather, or massive tunnel ventilation costing tens of thousands of dollars in equipment and energy costs. Similar bills have been introduced in states such as Pennsylvania. And when you're looking the restriction on temperature of not allowing it to go above 85 degrees, there's

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nothing wrong with it being 85.1 degrees. And what USDA asked for is for a mechanical manipulation of the air to make wind tunnels in the summer time to have air flowing through there like it's a spring day, fresh air, but you're moving the air. It's not stagnate. And we feel, as we've shown in Pennsylvania, that if you take this bill as it's written and it becomes law, you will put out 95 percent of the breeders. [LB427]

SENATOR CARLSON: Okay. Thank you for your testimony. Any questions? Senator Karpisek. [LB427]

SENATOR KARPISEK: Thank you, Senator Carlson. Thank you for being here. Talking about the four parts per million on the ammonia, is that detectable to the nose? [LB427]

BOB YARNALL: No, it's not. As a matter of fact, studies that have been done extensively at Penn State University for swine which would probably be the most similar mammal to canines, or dogs, shows that they didn't have any negative effect at 20 parts per million. And we've included OSHA's regulation in handouts for you as well. [LB427]

SENATOR KARPISEK: Okay. Thank you very much. Thank you, Senator Carlson. [LB427]

SENATOR CARLSON: Senator Harr. [LB427]

SENATOR HARR: Okay. Well, first of all, this falls under the voluntary part, is that correct? Or are you under the conception that this is not voluntary...this program is not voluntary? [LB427]

BOB YARNALL: Well,... [LB427]

SENATOR HARR: That's a yes or no. [LB427]

BOB YARNALL: Ninety percent yes. [LB427]

SENATOR HARR: Okay. And this four parts per million, I understand that that is pretty hard to understand or to...for us as humans. I used to have a hunting dog and the reason I had a hunting dog was because it could smell things I couldn't. It could find animals I had no idea were there. And I think...is that the purpose of this four points per million is to address that issue? [LB427]

BOB YARNALL: We see no scientific study of that at all. [LB427]

SENATOR HARR: Okay. Okay. But my question is, is that...is that why that's there, do you think, because dogs can (inaudible) smell things that we as humans can't? [LB427]

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BOB YARNALL: Well, I think, in answering your question, that this is emotionally based in picking this number. [LB427]

SENATOR HARR: Okay. Well, then let me ask you this. Can dogs smell things that humans can't? [LB427]

BOB YARNALL: Yes, they can differentiate odors. Uh-huh. [LB427]

SENATOR HARR: Let's try it one more time. Can dogs smell things that humans cannot? [LB427]

BOB YARNALL: The dog's senses in their nasal passages, they have far more cilia and they can smell better than we can. [LB427]

SENATOR HARR: Okay. That's what I was wondering. [LB427]

BOB YARNALL: But that... [LB427]

SENATOR HARR: Thank you very much. [LB427]

SENATOR CARLSON: Okay. Any other questions? And where are you from? [LB427]

BOB YARNALL: The American Canine Association from Clermont, Florida. [LB427]

SENATOR CARLSON: Okay. And you came from Florida to testify? [LB427]

BOB YARNALL: It wasn't for the weather. (Laughter) [LB427]

SENATOR CARLSON: All right. Thank you. [LB427]

SENATOR LATHROP: That would be a yes. [LB427]

SENATOR CARLSON: How many people do we have left to testify in opposition? Okay. Try not to repeat what somebody else has said and we'll still welcome you here. Welcome. [LB427]

KEVIN PETERSON: Senator Carlson, members of the Agriculture Committee, good afternoon. I am Kevin Peterson, for the record that is spelled K-e-v-i-n P-e-t-e-r-s-o-n. My family and I are crop and livestock producers near Osceola in Polk County. I currently serve on the Nebraska Farm Bureau Federation board of directors and I'm here today testifying for Nebraska Farm Bureau in opposition of LB427. I appear before you today to speak on behalf of our members who are dog breeders but also our members who raise livestock. I want to start by saying that our members are very

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sensitive to issues related to the care and well-being of animals. Our livelihoods come from providing daily care to animals, and we take that obligation and responsibility very, very seriously. LB427 poses some major questions about how the state handles animal care issues. To us those questions are: number one, how do we ensure good management and care for the animals without overregulating and take away the management element of private business; and number two, what is the right venue to have the conversation about these types of day-to-day management issues? LB427 answers those questions in a way that we can't support. To the first question, it seems to us that the bill is very prescriptive in nature. It details the specifics of what I would have to do as a dog breeder on a daily basis and goes too far in taking away some of the individual decision making about how animals are cared for. There has to be a level of decision-making ability when working with animals. I'm a pork producer and can tell you that every care situation is different. What works in providing care one day might not work the next. Flexibility is the key when caring for animals. We think LB427 goes too far in the specifics of animal care and takes away that flexibility. To the second question, it has been our experience that state law is generally used to set broad policy for the state and that specifics and details of that policy are left to be determined by the responsible state agency through rules and regulation. And in this case we do have a state dog and cat breeding inspection program. If there are concerns about specific practices to us, that would be the place to have that conversation. We are not suggesting that changes are needed, but that would be the better venue for that conversation if it needs to happen. For those reasons, we are opposed to LB427. I want to take this opportunity to thank the Nebraska Humane Society for bringing this bill to our attention ahead of time. We appreciate the strong relationship that Farm Bureau has had with them in the past and want to work to continue to improve that relationship. Thank you and I would be happy to answer any questions you might have. [LB427]

SENATOR CARLSON: Okay. Thank you, Kevin. Any questions of the committee? Hearing none, thank you. [LB427]

KEVIN PETERSON: Thank you. [LB427]

SENATOR CARLSON: Next testifier. Welcome. [LB427]

MARK CHRISTENSEN: (Exhibit 25) Hello. This is my first time also, so we'll start out, my name is Mark Christensen and that is C-h-r-i-s-t-e-n-s-e-n. I own a small dog kennel and I'm a dog trainer. And before...I can kind of start off on some random things before I get to my sheets of paper here because I've listened to all the other things. And one of the things I guess was proposed before, if dog trainers are coming to the state of Nebraska for dog competitions, that would be a worry that I have here because many of these dog trainers come with 16 to 18 dogs. And they're here for maybe up to a week, ten days, and so I don't know how these rules would work with them because they are here and some of those dogs might be bred. And so when you're talking is this a

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breeding dog or not, like with the man from the AKC, that would be something that, is this a breeding dog or not. Well, maybe he wants to breed that dog two, three years down the road. So I would consider somebody like that may be considered a breeder. I'll tell you a little about myself, I'm over in Stanton, Nebraska, and I train hunting dogs and I also train all kinds of obedience dogs. I go all over the Midwest and do dog training seminars and I stood in front of a few hundred and a few thousand. So I've talked to a lot of people about how to work with your dog, how to work with your dog correctly, and like I said, that way people have dogs that are well-behaved and they're not having to get rid of them. And so I really feel some bills like this hurt small business, and I can say in a lot of ways I probably meet every recommendation on this bill already, I don't doubt that for a second, but I do that because I'm a small business and my customers want it, not the state. And I think my customers are what make me a good business and if I don't do well, my customers will talk to me about that. And I say that as a dog breeder, dog trainer, and I have customers in my place every day. I have exercise yards that are...one is two acres large, has toys, has those types of things. I do that because if someone drops their dog off for boarding or training, I need to be able to show them where their dog is going to be and how they're going to play and what they're going to do. And so...but I don't think that's the responsibility of anybody besides me and the customer. I have...I personally don't breed a dog until after it is two years old because I do all the things like OFA which checks their hips. We do DNA testing on our dogs. And dogs don't quit growing as far as structurally, as far as large breed dogs, until they're two. So up until that point, their bones don't fuse and so, therefore, we don't breed that dog until it's over two. So we have all the DNA tests, the eye test, the hip test, you name it, genetics. I've been licensed since 1999-2000 when that bill was passed. I think that's a good bill. I'm getting inspected at least three times a year now, and maybe four or five times. And when I say three to five, why I say that is right now I'm inspected once a year by the AKC, every other year by the state of Nebraska, and I'm also inspected by my veterinarian. [LB427]

SENATOR CARLSON: Okay. Thank you for your testimony. Any questions of Mr. Christensen? Yes, Senator Brasch. [LB427]

SENATOR BRASCH: Thank you, Chairman. And thank you, Mr. Christensen, for taking the time to come here and patiently wait. This is a constituent from Stanton County and I do want to commend you for being very engaged in watching...I know he's watched the sessions and legislation in the committee today and I do know that you had a lot of questions of our office, to our legislative aide. And with that I believe that in your industry if you represent a group of people, you are to be commended for the scrutiny, the time that you have to travel here today. Thank you. [LB427]

MARK CHRISTENSEN: Thank you very much. [LB427]

SENATOR CARLSON: Okay. Thank you. Any other questions? Senator Lathrop.

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[LB427]

SENATOR LATHROP: What kind of hunting dogs do you train? [LB427]

MARK CHRISTENSEN: I train all kinds of hunting dogs. I train pointing dogs...mostly retrievers, but I have a couple of pointing dogs that almost year-round. And one of the reasons I'm licensed is because I'm training anywhere between...we limit ourselves to 16 dogs a month, but I can have anywhere from 8 dogs, when it's slower, up to 16 dogs a month that I'm training. So, pointing dogs, flushing dogs, I train a lot of pet dogs also. [LB427]

SENATOR LATHROP: None of your operation though involves breeding, does it? [LB427]

MARK CHRISTENSEN: Yeah, we do breed dogs too. [LB427]

SENATOR LATHROP: Do you? [LB427]

MARK CHRISTENSEN: We breed Labradors. We've been breeding Labradors since 1994. [LB427]

SENATOR LATHROP: Okay, thanks. [LB427]

SENATOR CARLSON: Okay. Any other questions? Okay, thank you for testifying. [LB427]

MARK CHRISTENSEN: Thank you so much for listening to me. [LB427]

SENATOR CARLSON: Next testifier. Welcome. [LB427]

ROB HURD: Good afternoon. Thank you. My name is Rob Hurd, it's R-o-b H-u-r-d. It's an honor and a privilege to address this committee today. I thank you for allowing me to speak. I'm a national field representative for America's Pet Registry. My company has had a 20-year relationship with the dog breeding industry in Nebraska and I speak today on behalf of our loyal customers in your state. I speak in opposition to LB427. This bill would add unnecessary regulations and undue financial hardships on an industry that is already regulated and inspected under current Nebraska state laws and, in some cases, under USDA law. Your state already has an excellent kennel licensing, regulation, and inspection laws in place. You also have a very comprehensive consumer protection law in place. The commercial pet breeders joined in a cooperative effort in past years to help write these very laws. It appears evident to me that this legislation is closely related to legislation introduced in many other states in the past several years. And there's no question in my mind that the basis for this bill can be directly or indirectly linked to The

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Humane Society of United States. This legislation and similar legislation are not based on sound animal husbandry practices, instead are based on animal rights' issues. The mandate of breeding decisions and kennel management practices are best left to the experienced kennel operator and their veterinarian, rather than mandated by laws written by people who appear to have little animal husbandry experience if any. There appears to be only one purpose to this type of legislation and that is to curtail or end the breeding of pets. Please listen to this quote from Wayne Pacelle, president of HSUS, "We've turned sentiment into legislation and legislation into law." HSUS has its eyes on Nebraska and other Midwestern states. To think otherwise is to ignore the truth behind their agenda. They may claim to support animal welfare, but their goal is to establish radical animal rights' laws in all 50 states. This has been proven by recent passage of livestock production laws in states like Arizona, Florida, Michigan, California, as well as overly restrictive commercial kennel regulations in states like Missouri, Washington, Oregon, Tennessee, and Oklahoma. The real agenda of groups like HSUS, masked behind local humane organizations, is apparent. Restricting or ending the production of animals used as food or for companionship is their ultimate goal. They have spent tens of millions of dollars to promote legislation in these states. You have an excellent set of kennel laws and regulations that are serving your residents well. Please let those programs work. I would ask that you not move LB427 forward at this time. [LB427]

SENATOR CARLSON: Okay. Thank you for your testimony. Senator Harr. [LB427]

SENATOR HARR: Thank you for coming to testify. You are entitled to your own opinions but not your own facts. The testimony before the committee here today is that HSUS has nothing to do with this legislation. Nebraska Humane Society came in, they are not part of HSUS. They stated they wrote this on their own with no assistance from HSUS. I feel that a lot of people coming in here today are trying to muddy the waters and they're trying to connect this to HSUS. And the fact of the matter is, other than your opinion, there is absolutely no evidence presented to this committee today to that fact or to that end. And I guess that's all I really have to say. [LB427]

SENATOR CARLSON: Okay. Any other questions? And you have a right to come and testify like you did and we appreciate that. [LB427]

ROB HURD: Thank you, appreciate it. [LB427]

SENATOR CARLSON: Thank you. And how many more testifiers do we have? Okay. Okay, you're recognized to speak. [LB427]

LOREN PACHTA: (Exhibits 26, 27, 28, and 29) Okay. Mr. Chairman and members of the Committee, thank you for the opportunity to appear here today to share my views in opposition to LB427. My name is Loren Pachta, that's L-o-r-e-n P-a-c-h-t-a. I also am passing around...brought testimony from a breeder in Gothenburg, Nebraska, that you'll

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find...also, I brought a letter from PIJAC, the Pet Industry Joint Advisory Council which is...recognized around the world as one of the largest pet industry association representing breeders, pet suppliers in everything from fish to snakes, anything, so...and they are in opposition to this bill as well. I am a resident of Chester, Nebraska, although our family business is located just across the border in Mahaska, Kansas. We purchase puppies only from USDA- and state-licensed professional breeders and market them to retail pet stores throughout the United States and Mexico. We take very serious our obligation to provide superior animal care, healthy, quality puppies to our retail pet stores. Nebraska breeders have provided a large portion of those puppies since our company began in 1969. Retail pet store consumers are curious about where their new pets come from. State and federal licensing can assure them that they have come from good and caring facilities. At the same time licensing and inspection program requirements must be responsible or they will only force licensed breeders out of business with adverse effects on our local economies. Licensed breeders are caring, responsible breeders...excuse me, Nebraska licensed breeders are caring, responsible breeders who love their dogs. They know and understand, in order to produce healthy, quality puppies, which we demand, they must provide their adult dogs and puppies with quality care and a healthy environment. Any additional regulations will only regulate these good breeders out of business. Nebraska has an excellent licensing and inspection program which is working very well. The current regulations are very well enforced and already address any concerns. We do not experience problems with the licensed kennels. We should be proud of our program in Nebraska. LB427 is undue and places unnecessary burdens on not only breeders but owners of intact dogs. And I put emphasis on licensed breeders because there's a difference between breeders that are licensed and not licensed, and some of the dogs that come from breeders may have not been licensed breeders, some of the pictures and things that you've seen today. In this time of depressed economy, we do not want to force our Nebraska families to lose a major source of their income. Many of them depend on their kennel for their livelihood. The Nebraska economy cannot afford to lose millions of dollars which flow into the state from other states which supports many jobs. Our company employs 75 people, half of which are Nebraska residents. LB427, if passed, would drastically reduce the number of breeders we could buy from in the state of Nebraska, which will affect Lambriar employees. I respectfully ask that you review the comments from the Nebraska pet breeders, PIJAC, veterinarians, agribusinessmen, trade and agricultural organizations, and oppose LB427 and disapprove this legislation. Thank you for the opportunity to appear today and share my views. If you have any questions, I would be happy to answer them to the best of my ability. [LB427]

SENATOR CARLSON: Okay. Thank you. I'm going to ask a question right off the bat. You brought a letter from a Penny Fattig from Gothenburg. [LB427]

LOREN PACHTA: Yes. [LB427]

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SENATOR CARLSON: Is that an e-mail? [LB427]

LOREN PACHTA: Yes, it came by e-mail. [LB427]

SENATOR CARLSON: Okay, that's why there's not a signature. [LB427]

LOREN PACHTA: Right. [LB427]

SENATOR CARLSON: What about the letter from PIJAC? [LB427]

LOREN PACHTA: PIJAC also came by e-mail. [LB427]

SENATOR CARLSON: That came by e-mail, okay. Okay. Are there questions? [LB427]

SENATOR HARR: Yes, quickly. [LB427]

SENATOR CARLSON: Senator Harr. [LB427]

SENATOR HARR: First of all, do you see this program as voluntary or involuntary?
[LB427]

LOREN PACHTA: I see it as...just a small portion of it is voluntary and most of it is
mandatory. [LB427]

SENATOR HARR: Okay. What part do you see as voluntary? [LB427]

LOREN PACHTA: The...in section...is it 10, with the...well, the exercise part, I believe.
[LB427]

SENATOR HARR: Section 10 you see as voluntary? [LB427]

LOREN PACHTA: Uh-huh. I may be off on that but... [LB427]

SENATOR HARR: Well, that is the part about enclosures. So...so you don't see the
part, Section 8, the outstanding designation, you don't see that as voluntary? [LB427]

LOREN PACHTA: There's parts of it that are voluntary and parts that are not. [LB427]

SENATOR HARR: All right. I guess...what parts...here's what I'm trying to do, I'm trying
to get at the core of the problem and I still haven't been convinced what issues...I hear
it's bad for business; I hear that. These letters from the vets, they don't address
healthcare at all. They're all about business. I hear this is letting the camel's nose under
the tent for HSUS. I may not agree with that because I think this is proactive to prevent

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them from coming in. But I feel there is a lot of emotion in this room about this issue and all day I've been asking specifically what...and this is maybe the better question than what part is voluntary and involuntary, what is your specific problem with this legislation? What do we need to do to make it better? I'm a citizen legislator; you're the professional breeder. You tell me what we need to do to make this legislation better, to make sure that it is just merely voluntary so that we can reward those who wish to excel to a higher level. [LB427]

LOREN PACHTA: Well, your current regulation has everything in place. It addresses all, in my opinion, it is undue...it's over regulation, undue regulation. Everything is there that you need right now. It's already there. [LB427]

SENATOR HARR: Okay. And I'll...again, I'm having...I must not be very clear. I'm having this problem: what do we need to put in place? This is a voluntary...you're saying everything we need for dog breeders is there. I get that; that's good, that's well, and that's great. There are people you heard out here testifying, proponents of this bill. What they were saying, and I'm summarizing it, is they had two arguments: one, this is a proactive bill to keep HSUS out of Nebraska, which I think everyone in this room...well, the majority of the people in this room don't want HSUS in this state. You would agree with me? [LB427]

LOREN PACHTA: Yes. [LB427]

SENATOR HARR: You don't want in this state. [LB427]

LOREN PACHTA: No. [LB427]

SENATOR HARR: Okay. You're in Kansas so you probably have to already know about them. [LB427]

LOREN PACHTA: Well, I'm a Nebraskan. [LB427]

SENATOR HARR: Okay. But your business is in Kansas. [LB427]

LOREN PACHTA: Right. [LB427]

SENATOR HARR: Okay. So we don't want HSUS here. So what we want to do is we want to kind of create a program, a voluntary program, and I think that's the intent of this program is to prevent...not just we're okay, this is average, and that's where we are, we're okay with the animals. This is to say, hey, this is a higher quality. We are higher-quality breeders, we hold ourselves to a different level. What is required to hold those people...to make it a voluntary program, what would I need to put in this legislation to make it a voluntary program? Not whether you agree with what those are,

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because we can go down that road, and we'll go down that road possibly, but what in here doesn't make it voluntary and what does make it voluntary? [LB427]

LOREN PACHTA: Well, I feel like if everybody...the breeders meet all the requirements of the state, now they're an outstanding breeder. Okay? If you want to go above and beyond that, you need to probably start over and involve breeders, involve the breeders of the state and let them be involved in that. And you know I'm a distributor, so I'm satisfied that what they're doing is satisfactory. [LB427]

SENATOR HARR: And you don't think you could charge more money if you had one that came with this higher seal? [LB427]

LOREN PACHTA: I do. We do charge more money for anybody that has zero violations on their inspection report. [LB427]

SENATOR HARR: Okay. And you say you're a... [LB427]

LOREN PACHTA: If you have a clean inspection report when you sell to us, you get premium. [LB427]

SENATOR HARR: Okay. And you say you're a distributor. Can you describe what is a distributor? [LB427]

LOREN PACHTA: Well, we buy from USDA- and state-licensed breeders and we buy in about seven or nine states, including Nebraska, and we sell to retail pet stores in the United States and Mexico. So we're...we're the middle man, we're the distributor, we're the experts in transporting and marketing, getting the puppies from the breeder to the pet stores. [LB427]

SENATOR HARR: So you want to have a high-quality product, you'd agree with me? [LB427]

LOREN PACHTA: Yes, uh-hum. [LB427]

SENATOR HARR: And USDA provides a good quality, you'd agree with me. [LB427]

LOREN PACHTA: Um-hum. [LB427]

SENATOR HARR: Do you think you could charge more if you had a higher certificate? [LB427]

LOREN PACHTA: Well, we already are. [LB427]

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SENATOR HARR: Okay. That answers my question. [LB427]

SENATOR CARLSON: Okay. Any other questions? Thank you for your testimony. We have but two more, I believe. Please come forward and welcome. [LB427]

BETTY DISTERHAUPT: Thank you. Good afternoon, Senators of the Ag Committee. My name is Betty Disterhaupt, that's spelled B-e-t-t-y D-i-s-t-e-r-h-a-u-p-t. I live in Stuart, Nebraska, and have operated a small kennel for over 41 years. The content of this bill goes against almost everything we are taught at canine educational seminars, as well as advice from our vets. For example, we spent a lot of money to elevate our dogs off the ground to eliminate the risk of disease and make it easier to clean. Yet this bill is calling for some solid flooring which would defeat that purpose. It refers to outstanding breeders increasing pen heights to 12 inches of head room instead of 6 inches, which is current law. This makes no sense. To raise the pen height also raises our heat lamps 6 inches on puppies, therefore we would have chilled puppies. To rebuild all the pens, this would be very costly and harmful to the puppies, and where would we house the dogs during the rebuilding process? Our veterinarians agree this bill would be harmful effects to our dogs. I ask you to take a few minutes and read the letters from the attending veterinarians and vote against LB427. Thank you. [LB427]

SENATOR CARLSON: Okay. Thank you for your testimony. Any questions? Seeing none, thank you. [LB427]

BETTY DISTERHAUPT: Thank you. [LB427]

SENATOR CARLSON: Next and I think last testifier in opposition. [LB427]

SHELENE COSTELLO: (Exhibit 30) Hi. My name is Shelene Costello, S-h-e-l-e-n-e C-o-s-t-e-l-l-o. I used to be a dog groomer for many years. I do, have had dogs all my life. I read the bill to say that there's four intact dogs, they are intended for breeding whether they are or not. I have had ten litters in my entire life. But at that time I've had...at least four intact animals at all times. In this bill there are regulations that say that when you sell an animal you must have information on the benefits of spaying and neutering. Some of the studies are now coming out and saying, oh, guess what, maybe the benefits are over touted. Keeping animal, guide dog--I don't have the studies in front of me because I don't have copies of them--the guide dog associations have done their own in-house studies on spaying and neutering and found out that by keeping their animals intact until 12 to 14 months old, until sexual maturity, that they are healthier. The studies on humans are showing that removing the sex hormones can cause...contribute towards cancer and shorter life spans. Taking them wholesale out of animals can cause the same thing. There's a study on Rottweilers out there right now also that says...has proven that the animals that were kept intact at least until they were adults lived at least a year longer with less health problems. I have working livestock

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guardian dogs. I raise dairy goats, I have poultry. We have lots of coyotes, bob cats, foxes, opossum, and raccoons that are more than happy to come help themselves to my livestock. I want dogs out there that keep them off. If they're following these regulations and they have to be indoors where they have to have 45 degree temperatures or up to 85, they can't be out with the stock. My dogs...the blizzard we had last week, one of my young dogs, she is seven months old, stayed out in the blizzard the whole time, his own choice. He had a shed completely out of the weather. He preferred to be out with the stock where he could keep an eye on everything, didn't get cold. If he had to be in heated area, he couldn't be out there doing his job. My dogs are not always fenced in, there are times, but they do spend times in a crate. The crate regulations here I can't...for me, reading the thing, I cannot tell if my dogs being in a crate or, for that matter, being tethered when I'm working with them, because they have...they can't be supervised, they have to be locked away from the stock so they can't hurt them while they're learning, if I cannot chain or tether them for at least part of the time, I'm not sure how I can keep them with me while I'm doing other things to keep an eye on them. I also think that there are things in here that are contradictory. One place it does say you can breed them every 12 months, another place says you cannot breed them every 18 months unless a vet says otherwise. It says in here that dogs can be bred at 12 months. Many large breed dogs shouldn't ever be bred that young. My dogs don't even often come in season until they're over 12 months old. It says eight years old. My dogs often live into their teens. An eight-year-old dog is barely middle-aged. If they've had one or two litters, eight years old is nothing to go ahead and have a second litter. Like I said, I've had dogs all my life. I've only had ten litters the entire time. While I have intact dogs, it does not mean they are meant to breed. Mostly, we're just getting to the point where they're old enough we know if they have working drive. [LB427]

SENATOR CARLSON: Okay. All right. Thank you for your testimony. Any questions? Okay. We appreciate it. Thank you for coming. [LB427]

SHELENE COSTELLO: Sure. [LB427]

SENATOR CARLSON: (Exhibits 31-41) And I have to ask once more, are there any more that want to testify in opposition? Now, for the record I need to read in that we have letters of opposition from Jane Long; Michael Maddox; Shelene Costello; Darin Cox; Penny Fattig; from Dr. Cindy Sasse; Dr. Jim Jochim; Dr. Richard Kesler; veterinarian Mark Lamml; Brian Welborn, veterinarian; Mike Nussbaum, veterinarian; Tim Sobotka, veterinarian; and Lindsey Janzing, veterinarian. Now we move to...are there any people that...yes, Senator Bloomfield. [LB427]

SENATOR BLOOMFIELD: I'm not sure but that there was one more wanting to testify, I thought I caught a hand back there. [LB427]

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SENATOR CARLSON: Is there a hand back there of somebody wanting to testify in opposition? [LB427]

TRACI CHRISTENSEN: I will. I don't have my form written out, but I will gladly fill one out. [LB427]

SENATOR CARLSON: Well, go ahead and testify, give us your name and spell it and then fill one out when you're done, please. [LB427]

TRACI CHRISTENSEN: Okay. My name is Traci Christensen, T-r-a-c-i, Christensen, C-h-r-i-s-t-e-n-s-e-n. A big portion of this is, is the exemplary or outstanding mandatory or voluntarily? As a breeder we DNA test our dogs. We do x-rays. Any dog not being able to certify, passing these certifications is never ever bred. These are standards I have place on myself to classify as an outstanding breeder. However, if you classify a dog by an outstanding breeder by type of flooring they're on, by the size of their pen, I think that gives a purchaser a false sense of security in looking for a breeder. You as a purchaser of a dog need to research that individual breed and that individual breeder to see what you're looking for. That stamp doesn't necessarily mean they're producing outstanding dogs. It doesn't mean they are producing genetically clean dogs. That is based on the individual consumer to research that out. I don't think it's fair for the state to say one person who chooses to breed their dog once every 18 months is better, because their pen is bigger or because they're on solid flooring is better than the person who chooses to breed their dog once a year, and perhaps that other person who breeds their dog once a year, does all the DNA test, does all the extensive research and testing to produce good quality dogs. So I think it would give you a false sense of security. The other thing is, I really don't feel that this bill will perhaps keep the Humane Society of America out of Nebraska. I think it gives them a foothold into Nebraska to then pursue on to further legislation that pertains to cattle, hogs, poultry, and other animals within the state. [LB427]

SENATOR CARLSON: Okay. Thank you for your testimony. Any questions? [LB427]

SENATOR HARR: She was looking at me the whole time. I got to ask a couple of questions. (Laughter) [LB427]

TRACI CHRISTENSEN: Please do. [LB427]

SENATOR CARLSON: All right. Okay, Senator Harr. [LB427]

SENATOR HARR: Because I agree with you with a lot of what you're saying. But I think where the confusion lies is this isn't saying this dog is going to be better, this breed is better, this dog is going to have a good temperament. What it says to me, and you can correct me if I'm wrong, that this dog was treated in a manner consistent with what the

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statute says. [LB427]

TRACI CHRISTENSEN: Absolutely. [LB427]

SENATOR HARR: Okay. And I think there are those who believe, and we can disagree on this, that if you are treated to the statute, that the dog is treated to a certain degree more humanely. [LB427]

TRACI CHRISTENSEN: Um-hum. Absolutely. [LB427]

SENATOR HARR: I agree 110 percent with what you are saying on...you have to do your research. [LB427]

TRACI CHRISTENSEN: Absolutely. [LB427]

SENATOR HARR: That is exactly right, which sometimes makes it hard to buy from a distributor. [LB427]

TRACI CHRISTENSEN: Absolutely. [LB427]

SENATOR HARR: But...it is right, that is what you have to do to get a good breed. And so I appreciate your testimony today. And I just wanted to clarify that. And I do disagree with the foothold, but we'll save that for another hard day. [LB427]

TRACI CHRISTENSEN: Fair enough. [LB427]

SENATOR CARLSON: Okay. Any other questions? Okay, thank you. Oh no, no, no. [LB427]

TRACI CHRISTENSEN: Oh, yes, I'm sorry. [LB427]

SENATOR CARLSON: Senator Karpisek. [LB427]

SENATOR KARPISEK: I'm sorry. Thank you. I just wanted to say I'm glad you got up and came up so you don't have to go home and kick yourself all night for not coming up and saying something. [LB427]

TRACI CHRISTENSEN: Well, thank you. [LB427]

SENATOR KARPISEK: And I do kind of agree with you on the foothold thing and we'll see how we can work this out. But I'm glad you got up and thank you for your testimony. [LB427]

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TRACI CHRISTENSEN: Thank you very much. [LB427]

SENATOR CARLSON: Okay, thank you. Anyone else want to testify in opposition? Does anyone want to testify in a neutral position? Seeing none, that will close the hearing on LB427. Now we're going to take a five-minute break. I need it and I know others need it. And those of you that are in the overflow room, please come over here and we're going to go to LB305 and LB306 next. If you're not really interested in that in this room, please allow others to come in. Thank you for coming. (See also Exhibit 42) [LB427]

BREAK

SENATOR CARLSON: (Recorder malfunction)...on LB305. Senator Larson, you're recognized to open. [LB305]

SENATOR LARSON: Thank you, Senator Carlson and members of the Agriculture Committee. I am Tyson Larson, T-y-s-o-n L-a-r-s-o-n, and I represent the 40th District of Nebraska from O'Neill. Today, I'm introducing LB305 which moves for the creation of a state meat inspection agency in the state of Nebraska and is to be operated by the Department of Agriculture. Currently, 27 states have a state meat inspection agency, including five of our neighboring states. Nebraska's lack of a state meat inspection agency puts our rural agricultural producers at an extreme disadvantage compared to their counterparts in neighboring states. It is for this reason a state meat inspection agency is crucial to the future of economic development in rural Nebraska as well as Nebraska's agricultural community. A state meat inspection agency under federal law will be able to inspect all types of meat. That inspection process and the inspected meat will be at least equal or better than the USDA inspection process. Many rural and small producers are continually finding it more and more difficult to find facilities in which they cannot only process their meat but also get it inspected in order to market their products to the general public. A state program will benefit producers in niche markets to sell individual cuts of meats to consumers. With the 2008 farm bill, which I will pass out, state-inspected meat can now be transported and sold across state lines providing new marketing opportunities for these producers. LB305 is a first step to opening access to those rural and small producers because the creation of a state meat inspection agency will put more inspectors in rural Nebraska to ensure the health of small farming and ranching operations across the state. One important benefit of a state program is that other states who have meat inspection agencies report that state inspectors are more accessible to processing facilities than USDA inspectors. Better access to inspectors will lead to jobs in communities with processing facilities, increase profits for agricultural producers, and added economic growth in rural communities in which these small producers reside. As a committee, I believe that it is extremely important that we look hard at the future of agriculture in Nebraska, and I believe that LB305 has much to offer in the area of opening access. For these reasons, I would encourage the committee to

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vote to pass the bill in order to ensure that it is heard in front of the full Legislature. And I'd be happy to take any questions and let my... [LB305]

SENATOR CARLSON: Okay. Thank you, Senator Larson. Any questions? Senator Harr. [LB305]

SENATOR HARR: Thank you. After the last hearing, I'm not sure if we need anything better than USDA. (Laughter) But seriously, I know this has been an issue that's very special to you. You've spent a lot of time on this and you've worked with us a lot on this, asked us our concerns, and I want to commend you for your hard work on this legislation. I think it's a very good piece. And so, thank you very much for all your hard work. [LB305]

SENATOR LARSON: Thank you, Senator Harr. [LB305]

SENATOR CARLSON: Any other questions? Senator Karpisek. [LB305]

SENATOR KARPISEK: Thank you, Senator Carlson. Senator Larson, thank you for bringing this. It's just your bad luck. In five years, you've finally hit into something that I know about (laughter) maybe. Why are we at a disadvantage for not having a state meat inspection? [LB305]

SENATOR LARSON: As I said in my opening, a state meat inspection agency would offer more avenues to these small producers. Right now, and as you say, you know a little bit about this, you being in the locker business yourself. Yes, lockers can get USDA inspectors, but in rural Nebraska it's extremely difficult for them to get inspectors. And so this will basically open up more avenues to get more inspectors out into rural Nebraska to those facilities that aren't as readily able to get USDA inspectors currently. [LB305]

SENATOR KARPISEK: If you have a...is it not true, if you have a plant, they...and you are under USDA inspection, they have to get you a USDA inspector? [LB305]

SENATOR LARSON: If you have a plant and you wish to be USDA inspected, yes, they do have to get you an inspector. But oftentimes in the smaller facilities, like I said, it is harder to get one. They do have to come but it costs a lot of money and it is harder to get them out in those rural areas consistently. [LB305]

SENATOR KARPISEK: Do you mean that the plant has to pay for those inspectors then if they... [LB305]

SENATOR LARSON: It depends if it's an amenable or nonamenable product. USDA-wise, the larger processing plants on amenable products, the USDA pays for it.

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But nonamenable products, it's a fee-for-service basis. [LB305]

SENATOR KARPISEK: And in the 2008 farm bill, it did say that you could interstate ship, but can you do that yet, or is that still kind of hung up? [LB305]

SENATOR LARSON: (Exhibit 1) You know, the 2008 farm bill, I guess the pages aren't here to pass around, does say that they may allow for it. Obviously, the USDA is still...how do I want to say this, opening it up to an 18-month question period. But I also have heard from a number of other people that if somebody wanted to challenge it that they could definitely challenge it. And I've also heard that with 2010 farm bill it's going to change from "may" to "shall." So it's...if you want to say it's open to interpretation, you can. But the 2008 farm bill, as will be passed around, shows that the Department of Ag...the USDA, or the U.S. Congress, I should say, has opened it up, the avenue to ship this meat across state lines. [LB305]

SENATOR KARPISEK: Very good. And thank you. You've done your homework on it. And I have mixed emotions on it, as you know. We've talked about it. I thought that this was a very good idea until my colleagues at the meat processors of Nebraska were not in favor of it and had a couple reasons why. [LB305]

SENATOR LARSON: Well, as we've talked about in our personal conversations, Senator Karpisek, those that are USDA inspected can choose to stay USDA inspected. They do not have to move to the state inspection program. This moves, as I said, an opening for more facilities to get inspectors. And if they do not wish to be state inspected, they do not have to be state inspected. They can continue on with USDA federal inspection. There's no...anything in the legislation or FSIS that says they have to be state inspected if the state has state inspection. So, honestly, I understand the concerns of your constituents, but I don't think that it really would affect them if they just stay federally inspected. [LB305]

SENATOR KARPISEK: Well, I think being able to interstate ship would make a huge difference. [LB305]

SENATOR LARSON: Uh-huh. Uh-huh. [LB305]

SENATOR LARSON: Do you want to talk a little bit about how we're going to pay for this or is that going to be someone behind you? [LB305]

SENATOR LARSON: I'm happy to talk about it if...do you want to talk about an initial pay or the fee for service? Currently, I...in order to start the program, I take \$200,000 from the Commercial Feed Fund. I know there's some people behind me that will raise some concerns about the taking of that money out of the Commercial Feed Fund, but it is an agricultural fund. And as it has been rated before for nonagricultural products, I

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feel that this is a worthy investment for those people that have invested their money into that fund. I think we all understand the ramifications of it. After the initial two-year program in which we do take that \$200,000, the bill suggests that we move to a fee-for-service based. As I said when we talked about amenable and nonamenable products, currently nonamenable products by the USDA are fee for service so there is the thought that it shouldn't be a problem. But the Department of Ag under the bill right now has to report back to the Legislature November 15 of 2011 and continue to work with the Legislature on what the best way to move forward with paying for the program is, whether it's fee for service or General Funds. But we think a fee for service would be fine. [LB305]

SENATOR KARPISEK: Very good. Thank you, Senator Larson. Again, good job and it's a very interesting subject to me, so thank you. Thank you, Senator Carlson. [LB305]

SENATOR LARSON: Thank you, Senator Karpisek. [LB305]

SENATOR CARLSON: Okay. Any other questions? Senator Larson, in one of your descriptions of how...the source of funds for this, I would refer to prior use of that source as a positive implementation rather than the word that you used, which I don't want to repeat. [LB305]

SENATOR LARSON: (Laugh) Thank you. Yes, a positive implementation of the funding. [LB305]

SENATOR CARLSON: Okay. Any other questions? Okay. Thank you and, obviously, you'll be here to close on your bill. [LB305]

SENATOR LARSON: Thank you. Yes. Thank you. [LB305]

SENATOR CARLSON: All right. We're ready for positive testifiers and again it's the Chairman's prerogative and so we're going to go the first four allowing five minutes and then beyond that we're going to go to three. So...in the box there. Welcome. [LB305]

BUTCH HUGHES: Good afternoon. I'm Butch Hughes from Hastings, Nebraska, my background being raised on a farm out of Lincoln County and spending some farming years around Paxton and I'm... [LB305]

SENATOR CARLSON: And I'm going to stop you. Spell your last name, please. [LB305]

BUTCH HUGHES: Hughes, H-u-g-h-e-s. [LB305]

SENATOR CARLSON: Okay. [LB305]

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BUTCH HUGHES: And I live in the Hastings area in Adams County, have an acreage. We've been in the horse rescue business for a few years. That is just kind of probably the catalyst that brought this bill about in some regard. But to digress, I really think that the federal meat inspectors have had Nebraska on a leash, and I encourage this committee to approve this LB305 to allow Nebraska to inspect our own meat. It just gives us so much more accountability, quality, and fluid in the economic sector. Plus, it will take care of the issue that we have in our horse population where we have a lot of horses that are unwanted and no place to go. So I think the thing can be funded by user fees. You know, I think that would be very easy. I don't think that we need to budget for it, other than the fact that who uses the service, if they want to market the meat and get it inspected, they can pay for it. I think that would be easily done. So also this issue has to do with stewardship. I'm probably talking more into the horse arena than any other area. We in Nebraska, for most of us, we really love our animals and probably the last thing we want them to do is to suffer when they come to the point where they're no longer able to perform or they're just beyond...they lose their teeth or whatever. And I think it's critical that we take advantage of the stewardship element and have a place to dispose of them. Plus, in the Midwest, once we get this passed, that other states will appreciate the fact that we have a place to go with the horses. So...and also the other thing is, I think inaction sometime on the part of the Legislature costs a lot of money. Sometimes the proactive part of the Legislature costs a lot of money too. But this is one arena where I think we can stick our nose into and come out very well. [LB305]

SENATOR CARLSON: Okay. Thank you for your testimony. Any questions of Mr. Hughes? I have one, because I don't know this. There be a...I mean, there's a horrendous range of what's a horse worth? What's a good performing horse worth, average? [LB305]

BUTCH HUGHES: Well, since we haven't been able to get rid of the ones we don't want, it's really been diminished. So it's not uncommon to be able to buy a pretty good saddle horse for \$1,500 to \$1,800. And it's, you know... [LB305]

SENATOR CARLSON: That's a ballpark figure of what a good... [LB305]

BUTCH HUGHES: For me, you know,... [LB305]

SENATOR CARLSON: Okay. [LB305]

BUTCH HUGHES: ...but I think you get up in cow country, up there in Arthur County, you're going to find a real good saddle horse is going to bring a lot more. [LB305]

SENATOR CARLSON: All right. Now a criticism of this effort will be that there are going to be good horses that still have a useful life that are taken into this facility before their time because of the profitability of the meat. I have no idea. What is a dressed horse

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worth to the processor? [LB305]

BUTCH HUGHES: I guess we'll find out when we get the horse plant going again. I really know either,... [LB305]

SENATOR CARLSON: You don't know either. [LB305]

BUTCH HUGHES: ...but I just know that, I think, profitability sometime has become a dirty word in our vocabulary and...but I guarantee if somebody has a horse and they love it, they're not going to run it to the plant. So it's...horses are very expensive to raise and very expensive to have around. So to raise a horse for the meat is going to be...would be a really hard challenge to make any money. So I don't see it as a profit motive. [LB305]

SENATOR CARLSON: Okay. Okay. Thank you. All right. Senator Lathrop. [LB305]

SENATOR LATHROP: I do have questions about this and I guess being a city guy, although I am a horse owner, not a \$1,500 horse owner, but I have a question about the killing of horses. Is there a statute or law or some prohibition against euthanizing horses in this country? [LB305]

BUTCH HUGHES: I'm not aware of any prohibition to euthanizing horses. [LB305]

SENATOR LATHROP: Okay. I...for some reason I was under the impression that we had some kind of a prohibition against it. Maybe somebody else will talk about that or square me away. And so if we don't have any problem, what you would be talking about is essentially horses, for whatever reason, that have outlived their usefulness, if I can use that term,... [LB305]

BUTCH HUGHES: Yes. [LB305]

SENATOR LATHROP: ...they're not able to be ridden or whatever, and they would be then used for human consumption, is that it? [LB305]

BUTCH HUGHES: There's other countries that use it for human consumption. I'm not aware of any out here in the United States. Mexico and France and some other European countries use it. [LB305]

SENATOR LATHROP: So are they...are we talking about consumption for a different purpose, like animal feed? I'm trying to find a delicate way to ask these questions without sounding callous. [LB305]

BUTCH HUGHES: Oh, there's other...I mean, there's other places to go with the meat

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and with the products you would get from a horse, you know, by the slaughter process. I mean, there's...so it's more than just meat. And I think probably the big issue is stewardship. I really don't think that we...this is something we want to take, something, and just throw it away. We're supposed to make the best of it and I think that... [LB305]

SENATOR LATHROP: So right now what happens, you talk about a...let's just take a regular...well, let's take a trail horse. Something that's kind of old and it's over at the Game and Parks, and now its back hurts or its hip hurts, and it seems to be lame. What can we do with that horse today? [LB305]

BUTCH HUGHES: Well, basically, you can euthanize it and bury it. [LB305]

SENATOR LATHROP: That's it? [LB305]

BUTCH HUGHES: That's it. Or you can put it on a...find a carrier that...and along with other horses and be carted down to Mexico to be slaughtered. And so there is horse processing plants out of this country, which makes for... [LB305]

SENATOR LATHROP: So if there is a horse that has bad teeth, the hoofs, develops joint problems, and it is in pain, you can put it down... [LB305]

BUTCH HUGHES: Absolutely. Absolutely. [LB305]

SENATOR LATHROP: ...like you would any other pet. [LB305]

BUTCH HUGHES: Yes, absolutely. [LB305]

SENATOR LATHROP: And now if you slaughter these horses, what purpose is that meat? Is that for human consumption? Is that what we're talking about? [LB305]

BUTCH HUGHES: Some of that is, if it goes...not here in our country because there's not a market for it. But in other countries there is a market. [LB305]

SENATOR LATHROP: All right. And I've gotten an e-mail from somebody and this is a real question for me because as I said, my daughter has a show horse and I've seen that thing get some medical attention and it gets shots from time to time and different medications. And an e-mail that I got was...expressed some concern about whether this...these critters can be fit for human consumption when they're at the end of life and they've been subject to injections or different chemicals or medications. Do you have a thought about that? [LB305]

BUTCH HUGHES: Well, that's why we'd have our...be a meat inspection, there would be some quality control there. Absolutely, there's...if there's a...the aged horse just like a

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downer cow, you know, you're not supposed to be putting a downer cow, the one that can't "motate" on their own, into the food supply. So there's a host of guidelines for the meat processing to go... [LB305]

SENATOR LATHROP: And maybe that's part of it that I don't understand... [LB305]

BUTCH HUGHES: Yeah, it could be... [LB305]

SENATOR LATHROP: ...which is what happens when they inspect it. But if this horse has been getting shots in its joints and things like that, if it has had trouble getting around, whatever they would use for that purpose, you're saying that they could identify that in inspection. [LB305]

BUTCH HUGHES: It could be. It would be just how thorough they want to be. But normally, your older stock in the cattle business, we call them the canner cows, a lot of that stuff doesn't go into the meat consumption. It goes into the...you know, our dog food and our cat food and other...and they're recycled into the animal. [LB305]

SENATOR LATHROP: Okay. And right now, we don't do that. We just bury them. [LB305]

BUTCH HUGHES: Right now we don't do that with horses. [LB305]

SENATOR LATHROP: If a horse dies naturally, can we use the meat then, or do we have to bury it? [LB305]

BUTCH HUGHES: Oh gosh, no. No. Well, no, if it's natural death, it's...no, we dispose of the carcass. [LB305]

SENATOR LATHROP: Okay. And that's all, right now, state law or is that a federal statute that prohibits it? [LB305]

BUTCH HUGHES: I don't think there's any law that guidelines that. I'm not aware of any. I just know that we're...it's just how we operate in the rural area that we lose a horse, we...or have to put him down, we normally bury them. [LB305]

SENATOR LATHROP: Okay. And this bill would open up the market because the meat would be inspected and then it would have a commercial value. [LB305]

BUTCH HUGHES: Oh gosh, yes. Yes. [LB305]

SENATOR LATHROP: Okay. [LB305]

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BUTCH HUGHES: I guess the big thing on this bill that I see, it takes the federal inspector leash off of Nebraska so we can get our own meat out the door and make sure it has a...reflects a quality that we currently have in Nebraska, which is high. [LB305]

SENATOR LATHROP: Okay. [LB305]

BUTCH HUGHES: So it actually enhances our own...not just in disposing of horses but for cattle and other and poultry. So it's a tremendous step forward for Nebraska. [LB305]

SENATOR LATHROP: And Senator Carlson asked you about the value of horses, and I assume we're just talking about a standard ordinary saddle horse that might be used... [LB305]

BUTCH HUGHES: Yeah. [LB305]

SENATOR LATHROP: ...on a ranch or farming operation or pleasure, for that matter. And you said \$1,500 to \$1,800? [LB305]

BUTCH HUGHES: Yeah. You can buy a lot of good saddle horses for that. [LB305]

SENATOR LATHROP: Is the value of the...is the value of the animal if I were to sell it to the place where it might be slaughtered, what's the value? Is that near what you just described, \$1,500? [LB305]

BUTCH HUGHES: I can't answer that. I'm going to say if you...it depends on what their market is. It's going to be a buyers' market. I think the big thing on a horse is you're going to have a place to go with the horse to where you just didn't...you just didn't throw the horse away. You know, the waste of...and that is just absolutely wasteful. [LB305]

SENATOR LATHROP: Okay, but there's nothing about this bill... [LB305]

BUTCH HUGHES: So it may be 200 bucks, it may be 300 bucks, I don't know what the market... [LB305]

SENATOR LATHROP: Oh, okay. Well, that gives me an idea. [LB305]

BUTCH HUGHES: It's certainly not going to be what a good riding horse would bring, so. [LB305]

SENATOR LATHROP: Okay. Okay. That's helpful. Thank you. [LB305]

BUTCH HUGHES: Yeah. [LB305]

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SENATOR CARLSON: Okay. Any other questions? Good. Thank you for your testimony, Butch. [LB305]

BUTCH HUGHES: You're welcome. Thank you. [LB305]

SENATOR CARLSON: All right. Next testifier. Welcome. [LB305]

DEBBIE BORG: (Exhibit 2) Thank you, Senator Carlson, and good evening. I'm Debbie Borg, D-e-b-b-i-e B-o-r-g, a farmer, mother, and hobbyhorse owner, and I am supporting LB305. I farm with my husband on a fifth-generation family farm and we have owned and enjoyed horses most of my life. Currently, my family owns four horses. This bill will produce two important outcomes. First, it will provide economic development for Nebraska. A state meat and poultry inspection system will enhance animal harvesting business opportunities, and provide another avenue for Nebraska producers and consumers to be more closely connected, a growing agricultural trend in our nation. The other outcome is emotional for many parties as this bill will enable the development of horse slaughter facilities and reestablish important interstate and, perhaps, international markets for horse meat, an economic driver for business we once enjoyed in the United States. This is a point I want to focus on today. I, like many citizens, was concerned in 2006, when the Humane Society of the U.S. lobbyists influenced Washington, D.C., politicians to eliminate funding for federal slaughter inspection. What would happen to all the horses formerly processed through U.S. slaughter facilities? At that time, HSUS lobbyists suggested more horse rescue facilities would open. But South Dakota State University grad students recently reported just this month, there are now about 170,000 unwanted horses each year. They found 432 horse adoption facilities in the country. If each facility can take 50 horses, they can only house 21,600 horses, leaving a net of 148,400 horses without care. This research proves that beyond the flurry of celebrity-sponsored horse shelters, horse rescue facilities have clearly not met the need to care for the staggering number of excess horses in the United States. In fact, just the opposite has happened, as more hungry horses struggle to survive today than prior to 2006. The Internet site AMillionHorses.com documents the inhumane conditions many horses have endured since the 2006 domestic horse slaughter ban. In spite of the starry-eyed fervor that brought about the elimination of domestic horse slaughter, these horses are suffering cold and deprivation because of surreal notions of people who are unable to draw distinctions between animals and humans. Those insistent on imposing such notions on others through legislation and regulation seek to strip our society of private property rights, long recognized as pillars of our civilization. Horse owners are now deprived of the freedom to engage in open trade of horses, which they can no longer afford to harbor, in a humane way that benefits others through economic activity or directly by feeding up to one million people worldwide, 16 percent of the world population. The loss of government-inspected horse meat and by-products has substantially affected our U.S. economy. For instance, the export value of horse meat

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for human consumption was approximately \$26 million prior to the elimination of U.S. horse slaughter. Today, it's zero dollars, and we are currently importing one million pounds of horse meat from Canada and most of that is going to a business in North Platte for zoo diets to feed the big cats and other carnivores. In addition to such economic opportunities, the lost ones, the shortsighted problems that my fellow animal welfare supporters predicted prior to the end of horse slaughter have materialized, and these problems have resulted in real costs that are especially hard to bear in hard economic times. In 2007 the Bureau of Land Management spent \$26 million to support wild horses and burros kept in short- and long-term holding facilities. By 2010 the BLM budget for the wild horse and burro program had ballooned to \$65 million, of which \$37 million went to care for these animals in short-term holding facilities. Given time, I could tell you much more, but let me finish today by saying that I sincerely hope this committee will move this bill forward as a common-sense solution to a very big problem throughout the United States. Nebraskans are regularly making headlines for our common-sense approaches, such as our Governor declaring we simply don't spend more than we can bring in. Passing this bill is all about common sense, protecting the freedoms for which our founding fathers fought, and, more importantly, doing the right thing for the horse. There are somewhere between 100,000 and 150,000 horses in the U.S. that are probably experiencing some form of inhumane treatment, and this bill would reinstitute a very humane option to solving this costly problem. Thank you very much. [LB305]

SENATOR CARLSON: Thank you, Debbie, for your testimony. Do we have any questions? Done very well, thank you. [LB305]

DEBBIE BORG: Thanks. [LB305]

SENATOR CARLSON: Next testifier. [LB305]

DEBBIE BORG: (Exhibit 3) I have supporting testimony from Trent Loos, who couldn't be here today. So I would like to enter this also. [LB305]

SENATOR CARLSON: Okay. Give that to page. Welcome. [LB305]

DARREL EBERSPACHER: Thank you. Members of the Ag Committee, my name is Darrel Eberspacher. That's E-b-e-r-s-p-a-c-h-e-r. I'm a retired farmer, fourth-generation draft horse owner and breeder. I've just completed my tenth year as president of the Belgian Draft Horse Corporation of America, which is the largest draft horse registry in the world. Our family has sold horses throughout most of the United States and Canada. And I support LB305 which will establish a state meat and poultry inspection system, hoping to work in conjunction with or in place of federal meat inspectors. This bill was badly needed since funding for federal horse slaughter inspections has been stopped. Our corporation, Belgian Corporation, did its best to stop efforts in Congress.

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To close...in the closing of slaughter facilities and with our lobbyists' efforts, we were able to keep these actions bottled up in the ag committees and commerce committees for several years until about 2006 or 2007 when the animal rights' folks were able to get a floor vote and pass the bill which effectively closed the slaughter plants because inspections were...inspectors were pulled from the facilities. This stopped all foreign shipments of horse meat and what had been a good export business simply disappeared. What was worse was the fact that unwanted or unneeded horses had lost any chance for a humane end of life, with a way to harvest meat for a useful purpose. Instead, the value of horses plummeted and many people in desperation just hauled their horses to the countryside, turned them loose, and that is why in many states we have horses running loose on public lands, in the desert. We know they're domesticated because they still got halters on. For a short while rescue facilities sprang up, but soon after...soon either became overwhelmed. There was also charlatans who raised money for horse rescue and took in a few horses and pocketed the rest of the money. We've had some rescue facilities in Nebraska that have run out money for the feed and care of their animals and they've had law enforcement step in to take custody of said animals. And guess who got to foot the bill? The taxpayers. That is the reason that many county officials' organizations across the United States have been in favor of a return to opening slaughtering facilities and resuming the export business because of the effect on their budgets. Only in a politically correct America could thousands of dollars be spent on an animal that should have been cheaply and humanely disposed of before any money was spent. We haven't even considered the wild horse problem, which also affects Nebraskans as taxpayers. Money is spent for the maintenance of holding facilities and dry lots in caring for the animals, waiting for the wild horses to be adopted, which doesn't happen that often anymore. What is not widely known is that we've spent in excess of \$100 million over the past four years to just warehouse these wild animals. Today, they're somewhere in the neighborhood of 33,000 wild horses and burros, but the public lands can only carry around 28,000 head in a good year. The result is, every year we warehouse more animals at taxpayers' expense. The worse thing is that the wild horses will double in numbers every five years. You may ask why I'm spending so much time in these depressing details, it is to point out to you the extreme importance of passing this bill. We can solve many problems as well as saving taxpayer funds, while also creating a cash flow for what is now a throwaway product. I'd call it good old Nebraska common sense to pass this bill. And as a member of a registry, another thing that really has become a problem is one of the goals of most registries is to improve their individual animals, and that's a common goal for all registries. But when you have lost an avenue to dispose of animals that aren't acceptable because of temperament, structure, or quality, they get sold. And they get put in the pipeline and some of them raise offspring and you end up spinning your wheels as far as a registry is concerned. One thing I haven't brought up is the lack of humane oversight on the horses that are exported live for slaughter at facilities across the borders, and this is especially Mexico. There will be a lot less chance of abuse and inhumane treatment if we provide a good end of life result for these unwanted or unneeded horses. [LB305]

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SENATOR CARLSON: Okay. All right. Thank you for your testimony. Any questions?
Senator Wallman. [LB305]

SENATOR WALLMAN: Thank you, Chairman Carlson. Yes, you know that takes a
bigger packing plant. You know, I mean, the rails have to be higher for horses, don't
they, than for cattle? [LB305]

DARREL EBERSPACHER: Pardon me? [LB305]

SENATOR WALLMAN: Slaughtering plants have to be modified for horses. [LB305]

DARREL EBERSPACHER: Well, we had one in Gibbon that was modified for horses,
yeah. [LB305]

SENATOR WALLMAN: Okay. Thank you. [LB305]

DARREL EBERSPACHER: And could I just say one other thing? For your information
on the value of horses, there's a lot of horses that bring 15 cents a pound and if you've
got 1,000-pound horses, you're not going to raise it for profit. [LB305]

SENATOR CARLSON: Okay. Thank you. Senator Bloomfield. [LB305]

SENATOR BLOOMFIELD: Thank you for coming down today. Can you give us an
estimated cost of keeping a horse for a day? [LB305]

DARREL EBERSPACHER: Well, it depends on what time of the year, if you've got them
on pasture, if you've got them...if you're dry lotting them and if you're... [LB305]

SENATOR BLOOMFIELD: Well, let's stretch it out to a year, year-round maintenance
on a horse. [LB305]

DARREL EBERSPACHER: Well, you've probably got...there's a lot of people that board
horses for \$5 for a short period of time and sometimes it's \$10 a day, and that's with
care. [LB305]

SENATOR BLOOMFIELD: Thank you. [LB305]

SENATOR CARLSON: Okay. Any other questions? Yes, Senator Karpisek. [LB305]

SENATOR KARPISEK: Thank you, Senator Carlson. Thank you, Mr. Eberspacher. If a
horse goes down, can you have...will a rendering plant take the horse? [LB305]

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DARREL EBERSPACHER: Uh-huh. Yep, but it costs you. I've lost...I've kept my horses. I had a 24-year-old mare that we had to put down. That's another question. You can put down horses, but there's a cost involved, anywhere from \$100 to \$150 just to put the horse down. Then to have a rendering truck come to pick it up is another \$75 to \$100. And a lot of people cannot afford that. They can't even afford to feed their own horses and that's the reason they're turning them loose. [LB305]

SENATOR KARPISEK: But don't also, if you would have a steer go down or a bull, it would cost you the same amount for the rendering? [LB305]

DARREL EBERSPACHER: No. [LB305]

SENATOR KARPISEK: No. [LB305]

DARREL EBERSPACHER: No, in fact, I live close to the Briggs feedlot, Seward, and not that they have a lot of losses, but they actually...I don't think it costs them to pick up beef cattle. But to pick up a horse, they'll charge me \$75. [LB305]

SENATOR KARPISEK: All right. If anybody else knows more of an answer to that, I'd like to know that because in my meat market, I had to pay for them to come pick up the offal. So... [LB305]

DARREL EBERSPACHER: Well, it depends... [LB305]

SENATOR KARPISEK: You can't now, you're done. (Laughter) [LB305]

DARREL EBERSPACHER: Got you. [LB305]

SENATOR KARPISEK: But, if anybody else testifies knows, but... [LB305]

DARREL EBERSPACHER: And I'll say one other thing about euthanizing a horse and burying it. There are some places that have laws against burial of horses because it gets into the groundwater. [LB305]

SENATOR KARPISEK: All right. Thank you, Mr. Eberspacher. [LB305]

DARREL EBERSPACHER: Thank you. [LB305]

SENATOR CARLSON: Okay. Any other questions? Now I'm not going to ask you here because it's not appropriate, but before you get away tonight I want to talk to you about Belgian horses and the State Fair, okay? [LB305]

DARREL EBERSPACHER: Okay. That's great. I'd love to talk to you about that. [LB305]

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SENATOR CARLSON: Thank you. All right. Next testifier. You are welcome and you're the last one that can talk five minutes. [LB305]

MICHAEL KELSEY: Very good. Thank you. Thank you, Chairman Carlson. Good afternoon, members of the Agriculture Committee. My name is Michael Kelsey, M-i-c-h-a-e-l K-e-l-s-e-y. I'm the executive vice president of Nebraska Cattlemen and here today representing Nebraska cattle and beef producers in support of LB305. First, let me begin by thanking Senator Larson for introducing the bill, as well as the host of cosponsors. We appreciate that very, very much. As you've heard, the 2008 farm bill included important provisions that created opportunities for livestock producers through state meat inspection programs. LB305 creates, under the direction of the Nebraska Department of Agriculture, an agency to inspect meat and meat products for human consumption in compliance with federal regulations. While commodity products provide a base level market, progressive producers continue to seek avenues to add value to their cattle by pursuing creative marketing opportunities. LB305 allows producers in smaller processing plants further options to pursue potential market prospects. First objective of Nebraska Cattlemen's current three year strategic plan is to position Nebraska as the beef epicenter of the United States. While there are many important facets to make this goal a reality, LB305 can play a very important role. Nebraska beef production can and should include all types of production models, both large and small, both highly integrated, and highly specific. Nebraska Cattlemen has and believes in this bill so much so that our legislative committee made it a priority bill for our organization for this session, and we would respectfully request your approval in forwarding the bill to the full legislative body for consideration. I'd be happy to answer questions. And I think I might be able to take a stab at the rendering question, if I understood you correctly, Senator, and that was, is there a charge for rendering cattle? And the answer to that is, it depends. For the most part there is, and that is specifically a process...or a result of a federal regulation that was enacted a couple of years ago in response to bovine spongiform encephalopathy or BSE. Specifically that rendered cattle over 30 months of age must have their spinal column removed before they can be rendered. This provided a great deal of regulatory burden on renderers and so they had to, to offset the cost, of course, they passed that on to the producer. And so most of our members would incur a cost for rendering. Some, depending upon location, may or may not. That's entirely up to the renderer. But for the most part there is a cost associated. [LB305]

SENATOR CARLSON: Okay. Thank you for your testimony. Any questions of Mr. Kelsey? Senator Karpisek. [LB305]

SENATOR KARPISEK: Thank you, Senator Carlson. Thank you, Mr. Kelsey. Why would I, as a meat market, want to have state inspection rather than federal if I'm going to have to pay for my inspection per head rather than having the federal inspector provide it for free? [LB305]

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MICHAEL KELSEY: That's a great question, and I think that would be a business decision that you would have for the ability to make. Right now you're limited that if you want to market your products across state lines, federal inspection in Nebraska...federal inspection is your only option because we don't have a state inspection program. If we should initiate one, as this bill would do, then you would have an additional option. Would it cost you a little more in that case? Perhaps, it would. Hopefully, then you could offset that by marketing higher product. In this case, Nebraska beef, for instance, or in the case of our members. So I think that would be a decision, a business decision that you would have the opportunity to make. [LB305]

SENATOR KARPISEK: But you would still have Nebraska beef no matter if it was a federal inspector or a state inspector? [LB305]

MICHAEL KELSEY: True, but currently under federal inspection you couldn't label it Nebraska beef without going through some federal guidelines, where under state inspection, working with the State Department of Agriculture, maybe we could. Again, that's in addition to LB305. Let me be clear on that, that we would have to do some additional protocol. But I think, quite frankly, it would be much easier to work with our Department of Agriculture than it would with USDA to create that. [LB305]

SENATOR KARPISEK: Well, I had some state inspectors that I would disagree on that. (Laughter) And we can talk later about that. But also, though, remembering that the state inspection has to be equal to or greater than federal. [LB305]

MICHAEL KELSEY: That's correct. [LB305]

SENATOR KARPISEK: So...and I know it seems like I'm beating this bill up and I don't mean to. I want to get down to why is this good, and is it going to be able to pay for itself, and why would I as the processor want to do it? We have to make sure that we can interstate ship instead of intrastate because that was always the issue before. If a person right now in Table Rock, Nebraska, could sell to Scottsbluff, but not...so how many, 400 miles away, but not 20 miles across into Kansas, what good is that doing if it's equal to or greater than? So we need to make sure that we clear that hurdle. But then I still am trying to get at, what is our big draw? How could I make...why would it be better for me to be state rather than federal? And if it comes down to working with the inspectors, I really have...I don't think that's always going to be true. [LB305]

MICHAEL KELSEY: That's an interesting perspective, Senator. [LB305]

SENATOR KARPISEK: And if I could, one more question. Senator Larson said there are 27 states currently that have this, and I know you're the cattle guy, but why aren't they slaughtering horses? [LB305]

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MICHAEL KELSEY: They're not as creative as Nebraska. (Laughter) So I don't know that. That's a good question. I don't know the answer. [LB305]

SENATOR KARPISEK: You know Oklahoma puts out a lot of smart guys. You would think they would be on this, right? (Laughter) [LB305]

MICHAEL KELSEY: Well, I raise the IQ in both states. There you go. (Laughter) [LB305]

SENATOR KARPISEK: All right. Thank you, Mr. Kelsey. [LB305]

MICHAEL KELSEY: Thank you. [LB305]

SENATOR CARLSON: Any other questions? Let me ask something because this has kind of come up as what's an advantage to it. Right now, I'm told that if a horse that's beyond mid-age is up for sale, it's not worth nearly what it was a few years ago. And if we had a facility that provided for someone to take that horse to, as they got older, and humanely put them down, they might be worth more and there might be more people in the market to buy somebody's horse than there are right now. Would that be a fair statement? [LB305]

MICHAEL KELSEY: I think it's a very fair statement to say that the value of horses has been depleted due to some of the federal legislation. We're going to talk about that under LB306, I believe. And certainly we will as we testify on that bill. But I think that is a fair assessment. If we can establish a value for a very good product, which is horse and horse protein, then obviously that elevates the value to the producer. But that's not the most important reason for that consideration. The most important reason is the stewardship of the horse in the end of its useful life. And that is the most important reason for us to consider at least that portion, in our opinion, from a cattleman's perspective. When you consider LB306 and LB305 for...excuse me, LB305 for that type of processing, horse processing, it's more important for us to consider the stewardship than it is the profitability, although that is an important component. [LB305]

SENATOR CARLSON: But I think if a horse passed middle age and we have this facility available, in terms of humaneness, there are more people that are willing to take that horse and take care of it and give it some additional good life than if there's nothing they can do after a certain point, they will tend to stay away from it. And then there's more taken to rescue and then we know what's happening there, that the results aren't what they were intended to be. [LB305]

MICHAEL KELSEY: I would agree with you. [LB305]

SENATOR CARLSON: Okay. Thank you. Any other questions? Good. Thank you for

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your testimony. And now we are at the three-minute mark. Welcome. [LB305]

DAWN KUCERA: (Exhibit 4) Thank you. Before I begin my testimony I do have a letter to present to all of you on behalf of the Nebraska Veterinary Medical Association. Good afternoon. My name is Dawn Kucera, D-a-w-n K-u-c-e-r-a. My family and I are crop and livestock producers from Madison and we also own and operate Sandramere Beef (sic), a direct market meat business. I'm a member of the Madison County Farm Bureau and I'm here today on behalf of Nebraska Farm Bureau Federation to offer the organization's support to LB305. The Nebraska Farm Bureau has longstanding policy that supports the creation of a state meat inspection program. We've supported previous legislative efforts to establish such a program, the most recent being the effort of Senator Jennie Robak back in 2000. The establishment of a state meat inspection program has the potential to open many doors for Nebraska farmers and ranchers who are interested in direct marketing their meat and poultry products. In order to direct market our meat products, we are required by law to process our animals at a federally inspected locker in which a federal inspector is present on the kill floor at the time of slaughter. For our farm, we have two lockers that meet this requirement, both over 40 miles away. LB305 would allow all lockers the option of processing for resale and give producers more options for processing. Currently, regardless of processing options, all lockers in our area have waiting periods of a month up to a year to schedule animals. By creating this opportunity of lockers to have more revenue potential, I believe new processing businesses may be more viable. This all boils down to opening many more options for livestock producers to market their meat. Our business has seen tremendous success and a steady increase in customer base over our ten years of existence, due, in part, to the awareness of customers to buy locally. This bill would allow more producers to capitalize on that push. I do want to point out that we have concerns with the bill in term of the way it is funded. Because the program would be a new state program, we are concerned about taking funds from existing programs. Thank you for the opportunity to testify and I would be glad to try and answer any questions. [LB305]

SENATOR CARLSON: Okay. Thank you for your testimony. I missed your first name. [LB305]

DAWN KUCERA: Dawn. [LB305]

SENATOR CARLSON: Okay. Thank you. Are there questions from the committee? Seeing none, thank..you want... [LB305]

DAWN KUCERA: I would just like...I wanted to address.... [LB305]

SENATOR KARPSEK: Can I ask her a question? [LB305]

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SENATOR CARLSON: Yes, Senator Karpisek. [LB305]

SENATOR KARPISEK: Go ahead. (Laughter) [LB305]

DAWN KUCERA: I just wanted to address your issue on why, possibly lockers can consider it. And I take it from my standpoint, as a producer, the locker I work with is very gracious about letting me come down and be there when they are processing, cutting my meat. And one of the concerns that I see is that federal inspectors, they not...it depends on the size of the locker, but one federal inspector can cover two, three, four lockers in an area. And so sometimes the locker is waiting, you know they've got critters standing waiting for that federal inspector to get there to process and that can create a bottleneck on some days at the locker. So not knowing how the state program would be set up, but hopefully that would alleviate a bottleneck like that as far as for the processing for the locker. [LB305]

SENATOR KARPISEK: I think that...and that is true. And I did not slaughter so I...not so, and I should say, people who do slaughter now are federal exempt and they will do it for you. It's your steer, it goes to you. It can't be sold over the counter, for my city folk on the committee. (Laugh) But the question is, is how many inspectors will we have, state inspection, and will that happen or will we have two or three that are running their tails off, and again, it gets into the funding. Senator Larson is very confident that the funding will be there and I hope he's right. But I understand what you're saying and that is bad when you're waiting on something because it stresses the animal. [LB305]

DAWN KUCERA: Uh-huh. Uh-huh. [LB305]

SENATOR KARPISEK: And thank you for coming. [LB305]

SENATOR CARLSON: Okay. Any other questions? Thank you. Next testifier. Welcome. [LB305]

HARRY MUHLBACH: Welcome. My name is Harry Muhlbach, H-a-r-r-y M-u-h-l-b-a-c-h. First of all, I want to thank all you guys for working for us. I wanted to make...on Lathrop's on vaccinating a horse and stuff, if that horse would...if this would go through and start being meat, it's the veterinarian's responsibility plus the packer's responsibility to ask you if that horse is on any medication, you may have to sign a waiver, or if they give the horse a vaccine that has a withdrawal time. And that's the veterinary or the packer may have you sign that there's no medication in that meat if it's for human consumption. One other little thing about the rendering plants is, if you can verify that you've got an animal under 30 months of age, they'll pick it up for free. And the horses are a little bit more expensive around here. I live in Lancaster County and I also farm in Buffalo County. In Lancaster County a horse costs \$125 minimum if the rendering plant even will take it. Now on this bill...this bill that got passed through in Washington, D.C.,

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is actually inhumane to horses. We keep talking about this pet horse. Well, more horses in the United States and Nebraska are not pets. They are breeding stock, they're wild horses, they're raised. And so we're tying in all horses into pets, and a horse is a unique animal. It can be a pet or it can be a source of food. So it's a crossover...it's kind of a crossover animal. And the...more than 50 percent of the horses aren't pets. So we have to remember that. I..another problem is, I have is, I have a small construction business and I have people calling me, since this bill was passed where we can't slaughter horses anymore, asking me what to do with the horse. I'll bury a horse. And they ask me to bury it on my property, and I says, I'm not running a cemetery. I says, you bury it. And then there will be people that have horses that are being boarded that don't have any place to have a horse buried, so they're caught in between. And then I have some people come to me that are concerned about horses, and I says, well, I've got two horses. Our family has horses, my brother's family has got horses, and I says, I'll give you a horse for free. Well, no. I said, well, I don't have any use for this horse anymore, in fact I will give you \$50 and you take the horse. And they still refuse to take the horse. And the other thing about horses and trading horses right now is that we can trade horses out of Nebraska if we lose the name of the horse and the ownership of the horse. I had a neighbor that was telling me about some horses that were west of Lincoln. I said, where did you get rid of your horses? He says, they went to Texas. And then I got to talking a little more, and he says, well, they ended up in Canada. They tried to move them to Texas under...it's hard to move a horse out of the United States into...if they know that it's going for kill to cross the border. And them horses traveled to Texas back to Canada before they finally moved them out of this country. And on as far as they could have a checkoff maybe on horses, people would be willing to pay to have horses processed and this bill needs to move forward. [LB305]

SENATOR CARLSON: Okay. Thank you. Any questions of the committee? All right. Thank you for your testimony. Welcome. [LB305]

MINDY PATTERSON: (Exhibit 5) Good afternoon. Mr. Chairman, members of the Agriculture Committee, my name is Mindy Patterson, M-i-n-d-y P-a-t-t-e-r-s-o-n. I am from a community just outside of St. Louis, Missouri. I come here today representing the United Horsemen to testify in favor of LB305. LB305 creates a state meat inspection agency in Nebraska, which will open avenues for small- and medium-size producers to have their agricultural products more readily inspected. Currently, Missouri also has a state meat inspection agency that inspects both meat and poultry products. This program has been very successful in the state of Missouri and has been an excellent alternative for producers who do not have a direct access to USDA inspectors. Missouri's inspection agency has also offered a lot to the economy of the state because of the fact that the agricultural producers have more access to processing facilities. I would also like to talk about a second attribute of LB305, the fact that it would help pay the way for horse processing in the state of Nebraska. This legislation is extremely important, not only to the United Horsemen but the entire market as a whole. We knew

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the consequences of the 2007 ban on horse processing would be bad, but no one could have predicted the horrific outcome that haunts the U.S. horse industry today. With 100,000-plus unneeded, unwanted and infirm horses nationwide, their unfortunate destination has been that of abandonment on public and private lands, only to face unnecessary and painful death from starvation and thirst. Meanwhile, the increasing population of unadoptable horses are left to live out the last of their years in shelters across our nation, many of which require financially burdensome care costing taxpayers a pretty penny and, in many cases, are forced to suffer further when funding is no longer available. We face this challenge as a result from the reaction to dishonest emotional propaganda driven by the radical animal rights' organizations in our country. And rather than relying on the facts and on experts in the horse community, the well-funded campaign led by The Humane Society of the United States used emotion and misinformation to pressure lawmakers to outlaw horse processing in the United States. I've provided you with an exhibit for the committee which documents the neglect and abandonment of horses in America as the direct result of a lack of U.S. processing plants. Today the market is so devastated, many horse owners have no motive to take their horses to auction and pay the fees. As a result, they cut them loose and abandon them. Lack of horse processing in America has taken a \$1.2 billion industry to its knees, taking feed companies, feed stores, tack and other horse supply companies along with it, further devastating the horse economy in America. As a lifelong horsewoman, my greatest fear is upon us that we are witnessing the disappearance of the horse culture in America. Our hope is that with the reinstatement of horse processing, we can put a halt to the unnecessary suffering of the thousands of unwanted, abandoned, and infirm horses and revitalize the horse industry in our country. I urge you to please vote for LB305. [LB305]

SENATOR CARLSON: Okay. Thank you for your testimony and thanks for coming this distance today. Do we have questions? Senator Karpisek. [LB305]

SENATOR KARPISEK: Thank you, Senator Carlson. Thank you for coming. Missouri has state meat inspection. Why aren't they slaughtering horses in Missouri? [LB305]

MINDY PATTERSON: Well, actually we have had a bill on the floor in the past year. Things have moved along very slowly. Jim Viebrock, a state representative, was courageous enough to put it forth. We actually have another bill that we're working on in Missouri that's at the Capitol again this year. So it's in the works, just hasn't come to the floor. And I must also really thank Senator Larson for his courageous efforts in bringing this forward. [LB305]

SENATOR KARPISEK: He's gotten a lot of bad e-mails. We see them all. (Laughter) [LB305]

MINDY PATTERSON: Well, and that's just it. When you asked earlier why more states

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aren't putting it forward, there are ramifications. The animal rights' activists are...they actively pursue people and make their life very uncomfortable. [LB305]

SENATOR KARPISEK: And I just did want to say that I've been to Swiss Meats in Hermann and they even did a little processing for me and I enjoyed the wine while I was there also. [LB305]

MINDY PATTERSON: Excellent. Yes, Hermann is beautiful. Thank you. [LB305]

SENATOR KARPISEK: Thank you. Thanks for coming. [LB305]

SENATOR CARLSON: Thank you. Any other...wait a minute, wait a minute. Any other questions? I wanted to ask you...and tell you a good thing about the Unicameral. That's our form of government in Nebraska. The reason what's happening in Missouri, and you get a bill that's proposed and never sees the light of day is because they don't operate like a Unicameral. [LB305]

MINDY PATTERSON: Uh-huh. [LB305]

SENATOR CARLSON: Every senator that produces a bill or introduces a bill gets a public hearing, regardless of what anybody thinks about it. And that's the strength of the Legislature. That's why you're able to be here today and thank you for coming. [LB305]

MINDY PATTERSON: Yes, thank you very much for your time. [LB305]

SENATOR CARLSON: Okay. Thank you. Welcome. [LB305]

JOHN SCHONEBERG: (Exhibit 6) Yes, Senators, my name is John Schoneberg, J-o-h-n S-c-h-o-n-e-b-e-r-g. I'm from Sutton. I would like to express my support for LB305 and hope that this will eventually create a place to go with unwanted horses. My wife and I have been lifelong horse owners as were our fathers. My three sons have enjoyed horses all their lives and I'm hoping for the same for my grandchildren. Our family has operated two cataloged horse sales per year for 31 years. We cater to those whose daily job is done on horseback, as well as for those who just own a horse for the pleasure of it. A good part of our state is ranch country where many people make their living horseback. Like all equipment, horses can break down and/or wear out. I'm hoping this bill will lead to a place to go with these horses that have served their purpose and are no longer useful, as well for those that were never going to be useful due to, for instance, an injury or disposition. I'm hopeful it is a start to the remedy of this situation that we find ourselves in. We had a consignor from Manitoba, Canada, that would bring anywhere from 20 to 55 head of colts to our sale every fall for ten years because they could get so much more here even with the added expenses. That's no longer the case and hasn't been for the last four years. With the floor of the market

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substantially reduced, the cost of the average horse today is approximately one-third of what the same horse would cost four to five years ago. In 31 years of horse sales, not only here in Nebraska but across the U.S., I don't ever recall registered colts bringing \$10 or no bid at all. And today, that's a common occurrence. If the best solution we can come up with for unwanted horses is now rescue operations, then I would also like to express my support for LB306. I read yesterday's Lincoln Journal Star article on this issue, particularly the many quotes from Wayne Pacelle, president of The Humane Society of the United States. And one quote in particular he stated, and I quote, "the majority viewed horses as companion animals rather than livestock." I wonder how many farmers and ranchers were surveyed. Just looking into the 1961 edition of Webster's Dictionary, it gives the definition of livestock as: animals kept or raised for use or pleasure; farm animals kept for use and profit. Mr. Pacelle and those surveyed are certainly entitled to their opinions, as I am, a livestock owner. Thank you for your time. [LB305]

SENATOR CARLSON: Okay. Thank you for your testimony. Any questions? Okay. Thank you. How many more people do we have wanting to testify as proponents? Okay. As you can, make your way forward and be ready to go. Welcome. [LB305]

MILES GARWOOD: Hello, Senator Carlson and members of the Ag Committee. My name is Miles Garwood, M-i-l-e-s G-a-r-w-o-o-d. I'm a financial advisor from Atkinson, Nebraska, and I...you might be kind of asking yourself, why is a financial advisor here testifying on this bill. My family ranches, both my dad and my uncle on our home place south of Atkinson, and I serve between six and seven hundred clients, most of those spread out through the Sandhills, and a great deal of them have ties to the meat market. Really have three things that I wanted to point out and I know a couple of them have already been addressed here this evening. First and foremost, a lot of...like I said, a lot of my clientele are folks who are individual or family businesses, farms or ranches, and I really feel like this bill will help them have an additional opportunity to market different types of meat that maybe they haven't been able to market in the past, creating additional opportunities for those families. Secondly, I think it creates a potential for additional jobs in our rural communities. Obviously, if we are processing new types of meat that we haven't been processing in the past, there's going to be additional facilities possibly for that and there will be jobs that will come with that, and obviously, with more jobs, potential higher tax receipts for the state. And finally, I think the creation of a state meat inspection agency could open additional foreign markets for types of meats that we haven't been marketing before, in a very small way helping to offset our balance of trade deficit that we've seen as a country grow over the last few years, and I think that would be a very small way that we could help offset that. With these things being said, I'll take any questions. [LB305]

SENATOR CARLSON: Okay. Thank you for your testimony. Any questions of the committee? Seeing none, thank you. Next. [LB305]

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TANNON DVORAK: Thank you, Senator Carlson and the Ag Committee. My name is Tannon Dvorak, T-a-n-n-o-n D-v-o-r-a-k. I'd like to preface my testimony with that I'm generally not pro regulation. I am, however, encouraged by the language in LB305 because it is pro local regulation and it's pro common sense. I actually traveled here with Miles, the previous testimony, and I am one of his clients who represents an aggressive new look to agriculture in Nebraska. I am a fifth-generation rancher. I have a 450 cow-calf unit and off there I produce up to 300 head of yearling grass-fed cattle into a niche market that is growing and that has limits mostly on the supply side, not the demand side. Currently, my entire production leaves the state of Nebraska and is processed in Cannon Falls, Minnesota, and then directly marketed from that processing facility to organic and niche markets in the Twin Cities in Minnesota. I'm encouraged by this. Again, I do not like adding additional layers of regulation to the regulations that are already in place, but it would be exciting to me to allow young entrepreneurs the opportunity to take advantage of markets that are evolving and capture those vertically within the state of Nebraska. Thank you. Any questions? [LB305]

SENATOR CARLSON: Okay. Thank you for your testimony. Senator Karpisek. [LB305]

SENATOR KARPISEK: Thank you, Mr. Dvorak. Where do you live? [LB305]

TANNON DVORAK: Atkinson, Nebraska. [LB305]

SENATOR KARPISEK: Okay. Is there...are Braun's federally inspected? [LB305]

TANNON DVORAK: They are not. Our closest federally inspected facility is in Wausa, Nebraska, about a two-and-a-half-hour trip. [LB305]

SENATOR KARPISEK: So that...and I know that is a situation where no one is close enough to make it worthwhile. However, yours are going to Minnesota, so. [LB305]

TANNON DVORAK: There's no need for them to go to Minnesota, though. There's lots of local interest. I don't believe that we would have to take them all to Minnesota. I don't know why we would be interested in allowing that revenue to leave the state. [LB305]

SENATOR KARPISEK: Then why not Wausa? [LB305]

TANNON DVORAK: Because of the trip that you've pointed out. It's two and a half hours for me and because of their...as was brought up by a previous presenter, their lack of room. I have a 300...you know, I process up to 300 head a year. We have processed in Wausa before just for local farmers' markets. My father, who is of less physical capacity, was doing it as a hobby and we could do two head a year, which to support... [LB305]

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SENATOR KARPISEK: Doesn't quite get you there, does it? [LB305]

TANNON DVORAK: ...no, it doesn't offer me a viable solution. It was just something that we did for fun. [LB305]

SENATOR KARPISEK: Yeah. Very good. Good luck. Thanks. [LB305]

TANNON DVORAK: Thank you. [LB305]

SENATOR CARLSON: Okay. Thank you. Next testifier. [LB305]

DERRY MAYFIELD: Good afternoon, I guess, Senator Carlson and the rest of you Senators, Senate Ag Committee. I'm Derry Mayfield, I'm from Seward, Nebraska. I'm a horse... [LB305]

SENATOR CARLSON: Spell your last name. [LB305]

DERRY MAYFIELD: Mayfield, M-a-y-f-i-e-l-d. [LB305]

SENATOR CARLSON: Thank you. [LB305]

DERRY MAYFIELD: I'm from Seward, Nebraska. I'm a horse buyer and I also do some selling of horses. I buy horses that get exported to Mexico most of the time, some of them go to Canada. And to answer some of your pricing on what horses are worth, if you take an 800- to 900-pound horse right now, it's worth about 5 to 6 cents a pound. The 900- to 1,000-pound horse is worth anywhere from 8 to 15 cents. Your 1,000-pound or above, I can pay up to 20 cents a pound for, is what I get, to answer some of your prices on horses. For another example, four years ago, let's just say I'd go to a guy's house and buy 20 horses from him and give him \$600 apiece. Nowadays, I'll go over there and give him \$70 apiece. So instead of \$12,000 in his pocket, he's getting \$1,400 in his pocket. That money is not going to be spent anywhere, you know. So anyway, just want to hope that you guys support LB305, and I'd like to thank Senator Larson for bringing it up. As a producer...also I produce buffalo and it would be great to sell my buffalo that way but, you know, as federally inspected, we got limited markets in our area too. Henderson is the closest one for me. And to leave the state or whatever, I can't do that right now, so. I guess if you have any questions, that's all I have to say. [LB305]

SENATOR CARLSON: Okay. Appreciate you being here. Thank you for your testimony. Any questions? Senator Bloomfield. [LB305]

SENATOR BLOOMFIELD: If you do go to Henderson with a buffalo, can you get a

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federal inspector to inspect that and then sell it across lines? [LB305]

DERRY MAYFIELD: I don't know if you can sell it across the state lines, but I know you can market it like in a restaurant, because a friend of mine used to have a restaurant in Seward and they'd take that meat to Henderson to be federally inspected so they could sell it in their restaurant. And that would make it more, you know, available for local restaurants and local producers to produce their meat locally. [LB305]

SENATOR CARLSON: Okay. Any other questions? Thank you for your testimony. How many more proponents do we have? Okay, two. Welcome back, Clem. [LB305]

CLEM DISTERHAUPT: Thank you. Senator Carlson and Ag Committee, my name is Clem Disterhaupt, spelled C-l-e-m D-i-s-t-e-r-h-a-u-p-t, and the spelling hasn't changed since the last time I spoke. I live on a ranch in Stuart, Nebraska. I believe that LB305 is a common-sense bill. The bill provides for a state meat and poultry inspection program and is not only needed but can be helpful in aiding our weak economy. We've been horse breeders of registered paint horses for a number of years, as well as miniature horses. We trail ride and our horses are basically our pets. And we no longer breed, but common sense tells us that this is, as much as we love our horses, we agree there should be something useful done with them and not wasted. Slaughter horse prices in earlier years, I'm talking 12, 15 years ago where it got up to 40 to 60 cents a pound. That's the highest that we've seen. And the plants were in operation, which means that a 1,000-pound horse would bring \$400 to \$600. But you couldn't raise them for that. If you were considering trying to raise them and sell them for \$400 to \$600, you were done because you'd have to raise it to two years of age, and it would cost you \$500 a year to raise it, so you'd be losing money. At the same time, the horses for pleasure are worth \$1,500 to \$4,000. So no one is going to slaughter horses unless they have no practical purposes whatsoever. As much as we love our horses, we would not slaughter them unless they were suffering and in pain, and we would rather see that happen and put them...have them put down humanely than for us to have to have a vet do it, and bury it, and go through the big cost. LB305 is common sense and I ask you to support the bill. Thank you. [LB305]

SENATOR CARLSON: Okay. Thank you for your testimony. Any questions? Thank you. Welcome. [LB305]

JOHN HANSEN: Mr. Chairman, members of the committee, good evening. For the record, my name is John K. Hansen, J-o-h-n, Hansen, H-a-n-s-e-n. I'm the president of Nebraska Farmers Union here today as our organization's president and also our lobbyist. We represent 5,200-some farm and ranch families across the state of Nebraska. State meat inspection has been one of those issues that our organization has worked on for 20-some years. While I've been president we've had several very successful efforts that were...never quite got the ball across the finish line, but we did

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get Senator Robak's bill passed, and was vetoed by Governor Johanns, and we ran short of override votes on that bill. One of the issues that came up the last time we took a run at this--and we're doing it primarily for economic reasons to create new marketing opportunities for niche and value added, small business, all of those kinds of things, which we think is really important to maintaining and growing rural economic development opportunities--was the issue of reciprocity and equivalency at the federal level. So if you had a state meat inspection program then you couldn't sell that inspected product, even though it was at an equivalent level with federal inspection, across state lines. You could import foreign products that...from overseas that had far less inspection and produced at much lower quality levels that created economic and competitive disadvantage. So the emphasis for creating a state meat inspection program was really in jeopardy because we didn't have that ability. So our organization spent a lot of time and effort to get that issue resolved in the last farm bill. Our current national president, Roger Johnson, was then the president of the National, State Departments of Agriculture and that was their priority issue in the last farm bill. We worked very closely with them. They were able to get it implemented. The necessary language was included, and so we've now opened up that door and that opportunity, so we think it's entirely appropriate that the state of Nebraska now revisit that issue and review this opportunity. We think it is a very important issue. If you were to take the horse issue completely out of it, it would still be an issue that we would bring would there be no horse component to it. And certainly the horse component is a very significant component. Quite frankly, all of us national ag organizations got caught sleeping at the switch in 2006 when the authority for funding...for funding for federal inspectors at meat plants for horses went forward, which has caused then this whole problem and this backlog of animals that are at the end of their careers. With that I'd end my testimony and answer any questions. [LB305]

SENATOR CARLSON: Okay. Thank you, John. Any questions? Seeing none, thank you. [LB305]

JOHN HANSEN: Thank you very much. [LB305]

SENATOR CARLSON: (Exhibit 7) Anyone else testifying as a proponent? We have letters of support from veterinarian Philip Hardenburger, from Larry Sitzman of Nebraska Pork Producers, and from Trent Loos of Litchfield. So those letters are to be read into the record. Now we are open for those in opposition to the bill. How many people do we have that want to testify in opposition? Okay. Please come forward. Welcome. [LB305]

VALERIE HINDERLIDER: Thank you. Welcome, and hello to all you Nebraskans. My name is Valerie Hinderlida, V-a-l-e-r-i-e, Hinderlida, H-i-n-d-e-r-l-i-d-e-r. I have the Break Heart Ranch Horse Rescue in Minden, Nebraska, that's Kearney County. And I don't have a lobbyist. I don't have all kinds of handouts. What I come here to say is,

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number one, I feel that this bill that has come out has went to great extremes not to mention what it really is pushing, and that's horse slaughter. Why can't the bill just come right out and say, Nebraska, we're putting horse slaughter out here for you to tell us what you want us to do? I was never contacted by anybody. I have rescued horses in Nebraska for nine years. I came to Nebraska from Oregon because of the horse culture here. I came as a trainer. But back in 2002, someone said, I've got this horse that needs to be rescued and that's where I started. And so when...yes, it's an emotional issue. I don't agree horses should suffer. That's what I spend my 24/7, every day of my life is making sure they don't. I am a nonprofit organization. My salary is zero. I go to great length to educate Nebraskans. I'm there 24/7 for phone calls. How do I feed my horse? How do I take care of my horse? What do I do for law enforcement that won't enforce the laws on animal cruelty? What do I do? I'm there. How many horses have been dropped off in my driveway? How many have been abandoned? How many have I been notified? Zero. None. My horses come from people who have lost their jobs. That's right on you guys' doorsteps. It comes from people that have lost their homes. It comes from people that are irresponsible. And this bill is going to promote that. Let's sit down and come up with a reasonable solution, not kill them all because we don't know what to do. I hear stewardship all over this place. Let's be responsible. Stop breeding. Stop being irresponsible. Stand up. We're Nebraskans, stand up and say, hey, this horse is...no, these horses that go to slaughter, they're not old, tired, sick horses; they're young horses. You think these meat people for human consumption, do you want an old tough rangy horse? No, you don't. You want a young one. Do we promote that kind of business in Nebraska where these breeders and other people are going to be sending their young horses there to die? No. And it's not humane. Let's talk about humanity. Nobody has touched on that yet. It's not humane. I don't have handouts. You can go to the Internet, you can look at some of the things and you can see things that will break your heart. Is that what Nebraska horses deserve? No, it's not. And I'll be the first one to say, don't let them suffer. There is a solution, but good Lord, contact me, talk to us. Talk to the pros and the cons, and the horse breeders, and the people that that's their life here in Nebraska, and say, how do you think we should handle this problem? Don't shove it down my throat. Don't try to make me responsible for the fact that people won't stand up and do what they're supposed to. So our solution to the unwanted, which to me are homeless horses in Nebraska, is to kill them all? It's for jobs. Jobs for who? How many? We don't have a clear answer on...even we can export the meat. We have horses that are filled with all kinds of drugs. Right now, there is no way to tell whether that horse has Banamine, Bute, Prednisone, Ace, and Rompin in them. Darling International picks up the horses that die here in Nebraska. [LB305]

SENATOR CARLSON: Okay, I'm going to...please wind it up. Thank you. Thank you. Now do we have any questions of the committee? Yes, Senator Lathrop. [LB305]

SENATOR LATHROP: Can I just ask a couple? [LB305]

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VALERIE HINDERLIDER: Yes. [LB305]

SENATOR LATHROP: How long have you been doing the horse rescue? [LB305]

VALERIE HINDERLIDER: Nine years. [LB305]

SENATOR LATHROP: And you said you've been...do you just...is there a limit to how many horses you take? [LB305]

VALERIE HINDERLIDER: Yes, because I don't want to be one of the rescues that end up with horses that are sick and hurt or starving. [LB305]

SENATOR LATHROP: Okay. So how big of an operation do you have? How many acres do you have? [LB305]

VALERIE HINDERLIDER: I run 14 acres. I've had as many as 50 horses at one time. [LB305]

SENATOR LATHROP: And what do you typically have there? [LB305]

VALERIE HINDERLIDER: Anywhere from 15 to 35. It just depends. We adopt them back out into the public, the horses that are adoptable that we feel can go back into the public, 4-H clubs... [LB305]

SENATOR LATHROP: Okay. Well, what happens to the one that's not, that you don't think is adoptable? [LB305]

VALERIE HINDERLIDER: If they have problems that are untreatable, they're humanely euthanized. [LB305]

SENATOR LATHROP: Okay. Thank you. [LB305]

SENATOR CARLSON: Okay. Any other questions? How is your operation financed? [LB305]

VALERIE HINDERLIDER: By donations. [LB305]

SENATOR CARLSON: And is...are some of those donations your own? [LB305]

VALERIE HINDERLIDER: Absolutely. [LB305]

SENATOR CARLSON: Okay. Otherwise it's people that are interested in what you do and give you money to support your effort. [LB305]

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VALERIE HINDERLIDER: Correct. Correct. [LB305]

SENATOR CARLSON: Okay. Thank you. Senator Wallman. [LB305]

SENATOR WALLMAN: Thank you, Chairman Carlson. Yes, ma'am, thank you for what you do. Have you been to the Mustang sales, you know, from... [LB305]

VALERIE HINDERLIDER: Yes, I have. [LB305]

SENATOR WALLMAN: And they don't bring a whole lot of money anymore. [LB305]

VALERIE HINDERLIDER: No, they don't. [LB305]

SENATOR WALLMAN: And there's more and more horses every year, so I don't know what the answer is. [LB305]

VALERIE HINDERLIDER: Well, taking them off our free roaming areas and putting them into the horse pipeline doesn't help us, sir. And I would like to address the thing with the rendering prices, if someone would let me do that. [LB305]

SENATOR CARLSON: You can respond to that. [LB305]

VALERIE HINDERLIDER: I contacted Darling International, who is the only one here, basically, in Nebraska that picks up rendered animals. They pick up cattle, there is a fee. Thirty months and under for a cow is \$15. Thirty months and over, \$25. Dead calf is \$25 per calf. The horse pick up fee went for \$25, which I paid for nine years \$25. As of February 14, will go up to \$150. The vets have not been notified. Every vet I contacted here in Nebraska had not been notified of the increase of the pick up fee because the vets are only charging between \$107 and \$140 to euthanize, including pick up. [LB305]

SENATOR CARLSON: Okay. Thank you. Any other questions? Okay. Thank you for your testimony. [LB305]

VALERIE HINDERLIDER: Thank you. [LB305]

SENATOR CARLSON: Next person in opposition. Welcome. [LB305]

SHERMAN BIXBY: My name is Sherman Bixby, B-i-x-b-y. I'm just a horse handler and we own horses. I'm not a breeder, I'm not a rescue person. But I wanted to speak with regards to the bill that is being produced is a good bill. It just shouldn't include the slaughter of horses. And you had a question earlier with regards to where the...what legislation is taking place and what the courts have done with the slaughter of horses.

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And this is...you can find this on Wikipedia. You're all familiar with that, if you've got a computer. There were two bills, H.R.503 in the House, and a Senate Bill 1915, that were introduced in the session in 2007 to prevent the slaughter of horses for human consumption in the United States. H.R.503 was passed in the House on September 7, 2006. The bill was anonymously blocked from a vote in the Senate, so both bills died at the end of the session. And H.R.503 and a Senate bill were introduced on January 17, 2007, and the text of those two bills read: A bill to amend the Horse Protection Act to prohibit the shipping, transporting, moving, delivering, receiving, processing, purchasing, selling, or donation of horses and other equines to be slaughtered for human consumption, and for other purposes. A separate bill ensures that none of America's wild Mustangs were sent to slaughter. On February 22, 2007, Republican...or Representative, excuse me, I'm sorry, Robert Molaro introduced a bill, H.B.1711, to the Illinois General Assembly to prohibit the transport of horses into the state of Illinois for the purpose of slaughter for human consumption. And on March 28, the U.S. District Court in the District of Columbia ruled that it was illegal for horse slaughterhouses to pay the USDA for their own health inspections. The next day the USA pulled the inspectors from the Cavel plant, that was the one in Illinois. Effectively, I mean, it was the slaughter of horses for human consumption in the United States. And then it's been challenged in the courts on several occasions. I'm just going to briefly go through on a few of those. On January 19, 2007, the Fifth U.S. Circuit Court of Appeals in New Orleans overturned a lower court's 2006 ruling on a 1949 Texas law. We don't have much of a feeling for Texans in here. But the Texans in 1949, they had a law that banned horse slaughter for the purpose of selling the meat for food on grounds that the Texas law was invalid because it had been repealed by another statute and was preempted by federal law. However, a panel of three judges on the Fifth Circuit Court disagreed, saying that the law still stood, and this is from 1949. [LB305]

SENATOR CARLSON: Okay. I'm going to stop you there. The red light is on. [LB305]

SHERMAN BIXBY: Oh. Has it been five minutes? Three. [LB305]

SENATOR CARLSON: What? Okay. You should get five minutes. Go ahead. [LB305]

SHERMAN BIXBY: Oh, great. And on the Fifth Court disagreed, saying that the law still stood and was still enforceable. On March 6, 2007, without comment or descent, the 19 judges of the United States Court of Appeals on the Fifth Circuit rejected the petition by three foreign-owned slaughter plants seeking full court review of the three-judge panel's January 19, 2007, decision. Needless to say, there have been several court appeals and none of them have stood. And that's why there is no horse slaughter in the United States for human consumption. The courts have tested it, and it just hasn't worked. And so you can try to test it here, but I'm just telling you in advance you might run into some problems. So does that...did that answer your question? [LB305]

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SENATOR LATHROP: I think so. [LB305]

SHERMAN BIXBY: Okay. And if you wanted to look at this, you can look at it on Wikipedia. All right. [LB305]

SENATOR LATHROP: Okay. Thank you. [LB305]

SENATOR CARLSON: Thank you for your testimony. [LB305]

SHERMAN BIXBY: Right. You had questions? [LB305]

SENATOR CARLSON: Senator Harr. [LB305]

SENATOR HARR: Thank you, Mr. Chairman. What is the search on Wikipedia to find that? [LB305]

SHERMAN BIXBY: What's that? [LB305]

SENATOR HARR: What is the search on Wikipedia? [LB305]

SHERMAN BIXBY: Oh, it's horse slaughter. [LB305]

SENATOR HARR: Just horse slaughter? [LB305]

SHERMAN BIXBY: Yeah. [LB305]

SENATOR HARR: Okay. [LB305]

SHERMAN BIXBY: We'll get it there. [LB305]

SENATOR CARLSON: Okay. Senator Karpisek. [LB305]

SENATOR KARPISEK: Thank you, Mr. Bixby. Thank you, Senator Carlson. So what do you propose to do with these horses? [LB305]

SHERMAN BIXBY: Oh, okay. First of all, part of the problem is it's not being addressed with the laws as being written and that is, the primary problem is we've had all these horses because of breeders and the breeders have overbred, and because of that we have more horses than we needed. Just like...okay, from an economic standpoint, we had too many homes built in the United States. The price of a home went down to a third or a half. [LB305]

SENATOR KARPISEK: Okay. But what do you want to do with them now that we have

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them? We can argue all day why we have them, but now what? [LB305]

SHERMAN BIXBY: Okay. We need to regulate the breeding of horses, and regulate the breeders if we're going to regulate anything. [LB305]

SENATOR KARPISEK: So you're going to regulate private industry to do that? [LB305]

SHERMAN BIXBY: You can. [LB305]

SENATOR KARPISEK: You can? [LB305]

SHERMAN BIXBY: You can. You're doing it with dogs. [LB305]

SENATOR KARPISEK: No, that the bill says that we are, maybe, going to do that with dogs. [LB305]

SHERMAN BIXBY: Oh, I understand that. But that's...there can be regulations that allow. First of all you, can register a license and get permits for stallions in order to breed your stallion. You can have a registration for all the horses so that...you know, you can keep control of them. [LB305]

SENATOR KARPISEK: Okay. And so now that we've got them, all these horses are being loaded up on rail car or semi and being shipped to Mexico or to Canada for slaughter. Now, is that humane? Is that how we want to have them treated? [LB305]

SHERMAN BIXBY: Actually, there...like the lady that was here before, there are rescue places that will take care of them. [LB305]

SENATOR KARPISEK: And she can take 15 to 30 and we've got... [LB305]

SHERMAN BIXBY: Well, at some point in time when the breeders stop overbreeding then there will be less horses for the rescue people to have to deal with. [LB305]

SENATOR KARPISEK: But what do we do in the meantime? That's my question. [LB305]

SHERMAN BIXBY: In the meantime, we have lower prices, and lower prices keep breeders from overbreeding and it takes time. It takes time for the housing industry to get back on its feet. [LB305]

SENATOR KARPISEK: But how long has this been going on? [LB305]

SHERMAN BIXBY: What? [LB305]

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SENATOR KARPISEK: How long has this been going on? [LB305]

SHERMAN BIXBY: Only since 2007. [LB305]

SENATOR KARPISEK: Okay. Very good. Thank you, Mr. Bixby. [LB305]

SHERMAN BIXBY: Very good. [LB305]

SENATOR CARLSON: Thank you. Senator Bloomfield. [LB305]

SHERMAN BIXBY: Yes, sir. [LB305]

SENATOR BLOOMFIELD: Yes, I would be just a little curious of how you're going to regulate the wild Mustangs. [LB305]

SHERMAN BIXBY: That's a good question. I have no idea. [LB305]

SENATOR BLOOMFIELD: Thank you. [LB305]

SHERMAN BIXBY: Haven't thought that through. [LB305]

SENATOR CARLSON: Okay. Thank you. Any other questions? Seeing none, thank you for your testimony. [LB305]

SHERMAN BIXBY: Thank you. [LB305]

SENATOR CARLSON: Anyone else in opposition? [LB305]

MICHAEL LESCHINSKY, SR.: Mr. Chairman, Ag Committee, thank you. My name is Michael Leschinsky, Sr. It's M-i-c-h-a-e-l L-e-s-c-h-i-n-s-k-y. I am a senior. I'm just a citizen here. I've got four of these so-called unwanted horses. You know, yeah, there's a problem. Like the previous guy said, the breeders are the problem. We're trying to...trying to, how's the best way to put it, just slaughter them and not rectify the problem. Even though the market is down, there's still people just out there breeding, to be breeding. Just for an example, I got one horse that wasn't a color the breeder wanted so he just threw it away. Well, do you throw your kid away because it's not the exact way you want it? As far as not...human consumption, every one of my horses is on some kind of supplement whether that be my 17-year-old quarter horse has a birth defect, she's on a supplement for that birth defect. States right on the back of the box, not to be used for human consumption. So is there a state regulator that's going to be able to dictate what that horse has taken in? And are we going to be able to take the ramifications when somebody eats that meat that wasn't fit for human consumption? I

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mean, I realize there's a problem, but just slaughtering to be slaughtering isn't going to fix the problem. We've got a bill introduced to regulate dog breeders. Like the previous testimony said, you can register stallions. I've got a registered horse and them registries do very diligently watch what happens in their registry. They're very adamant about it and they make sure that the horse matches what that was originally registered with. So there is ways to regulate what goes on. And that's about all I've got to say. [LB305]

SENATOR CARLSON: Okay. Thank you for your testimony. Any questions? Senator Harr. [LB305]

SENATOR HARR: Just quickly, where are you from? [LB305]

MICHAEL LESCHINSKY, SR.: I'm from Grand Island. [LB305]

SENATOR HARR: And you came down here just to testify for this? [LB305]

MICHAEL LESCHINSKY, SR.: Yep. [LB305]

SENATOR HARR: Thank you very much. [LB305]

MICHAEL LESCHINSKY, SR.: Yes, sir. [LB305]

SENATOR CARLSON: Senator Bloomfield. [LB305]

SENATOR BLOOMFIELD: Is there anything in this proposed law that forces you as a horse lover to have your horse slaughtered... [LB305]

MICHAEL LESCHINSKY, SR.: No. [LB305]

SENATOR BLOOMFIELD: ...as you understand the law? [LB305]

MICHAEL LESCHINSKY, SR.: No, but my fear is just like the guy that was up here for the bill that says he buys horses. The market went from \$600 down to \$60. Whether you can get a \$1 at auction or \$60 to kill your horse, what's to say that Mr. Joe down the street doesn't see my horse there, my 1,200-pound horse in my pen, takes him out of my pen and takes it to slaughterhouse or to the slaughter? How do I explain that to my daughter that her pleasure horse is now gone because of the down economy and somebody needed \$60, so they took her horse to slaughter? [LB305]

SENATOR BLOOMFIELD: I believe you would explain that by saying there's a doggone thief down there that stole your horse. Had nothing to do with the price. [LB305]

SENATOR CARLSON: Any other questions? Okay. Thank you for your testimony.

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[LB305]

MICHAEL LESCHINSKY, SR.: Thank you. [LB305]

SENATOR CARLSON: Next testifier. Welcome. [LB305]

PEGGY FAIRFIELD: Hello. It's a pleasure to be here and I really appreciate the opportunity to be able to express an opinion. I'm Peg Fairfield. I have been working with children and horses for almost 40 years. I mean, I'm really a lot older than... [LB305]

SENATOR CARLSON: And I'll ask you to spell your last name. [LB305]

PEGGY FAIRFIELD: F-a-i-r-f-i-e-l-d. And I've been working with children and horses for almost 40 years and have used the horses as a tool to enrich children and bring out qualities of self-discipline, respect, patience, perseverance, and they have to have some courage in there too. I have been involved occasionally with therapeutic riding programs and had our horses have a tremendous experience for one young lady who had cerebral palsy and due to what her instructors and her parents discovered, through her involvement with a horse, was that her brain was quite functional. And the next year when we came back to the Special Olympics, she had a computer on her wheelchair and was communicating for the first time. So the horse has abilities that are beyond being ridden at horse shows. They're great teachers. They are loved dearly. We just lost a horse that was...I've had for 21 years, and we had 54 kids come out to his celebration of life. And it was a very dignified and respectful ending for him. And I just wish that every horse could enjoy that rather than being considered a product. And our biggest problem is irresponsible breeding. We have way too many horses out there. If you allow slaughter, you will simply be putting a Band-Aid on the problem. We will continue to have overbreeding, overbreeding, and if you think a trip to the slaughterhouse is fun for horses, you've got another thing coming. They're frightened. It's horrible for them. Feedlots are no picnic. I just watched a segment on Oprah where they were discussing the feedlots for cows and how humane it was. And they had no protection from the weather. If it was 110 degrees out there, they were out there. If it was a blizzard, they were out there. And one friend had a horse that was injured and she decided to take the money and take it...and have it go to a slaughterhouse. She just asked that they put it down immediately, and six weeks later drove by and her horse was out there. And it stood there on three legs for six weeks. And so it is not a humane thing for the horse. The horse has carried our soldiers to war. Our horses pulled wagons for fires. Our horses have a special place in American history and people come from all over the world to see western Nebraska and our culture. I attended an evening in Bayard at Chimney Rock, and they have a steak feed and the ride in the Conestoga wagons. When we sat at that fire, there were people from all over the world, all over the world, because they were so in love with the American cowboy and the American west. The horses are not just a product. The horses have an emotional place in human history, a

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huge place in Nebraska history. They work beside us, they carry us. They take care of our little kids. I had a horse I could put a three-year-old on and that same horse knew when he had an experienced rider and he would go fox hunting and flying over fences and have a dandy time. They're extremely intelligent, but the horse needs to have the opportunity to develop into a useful animal. And so many horses that end up in the slaughterhouses are young animals. They never get that chance. And so it isn't just the old lame or the unused or unwanted horses that end up there, it's the overflow from a marketplace that is out of control. And it is irresponsible breeders and it's...we have three rescue horses in our barn right now. So I can tell you, it's just the irresponsibility that is the cause of this problem, and I'd rather solve the cause than keep putting a Band-Aid on it and just have suffering of thousands of horses in a slaughterhouse. [LB305]

SENATOR CARLSON: Okay. Thank you for your testimony. Any questions? [LB305]

SENATOR LATHROP: Maybe just a short one, if I can. [LB305]

SENATOR CARLSON: Yes, Senator Lathrop. [LB305]

SENATOR LATHROP: Where do you do the...you do the work with the kids with special needs? [LB305]

PEGGY FAIRFIELD: I have a 4-H club, the Harmony Hill Stables has a Harmony Hill 4-H Club. [LB305]

SENATOR LATHROP: And you have kids with developmental disabilities then? [LB305]

PEGGY FAIRFIELD: I don't currently, but in the past I had a neighbor with cerebral palsy, and in the past we've taken our horses to the Special Olympics for the disabled to ride. [LB305]

SENATOR LATHROP: Where's Harmony Hill at? [LB305]

PEGGY FAIRFIELD: We're on South 56th Street. [LB305]

SENATOR LATHROP: In Lincoln? [LB305]

PEGGY FAIRFIELD: In Lincoln. [LB305]

SENATOR LATHROP: Okay. Thanks. [LB305]

SENATOR CARLSON: Okay. Thank you. [LB305]

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PEGGY FAIRFIELD: Any other questions? [LB305]

SENATOR CARLSON: Any other questions? I know a little bit about what you do with therapy and know that it's a great thing. So thank you for what you do. [LB305]

PEGGY FAIRFIELD: Thank you. [LB305]

SENATOR CARLSON: Thank you for your testimony. Anyone else testifying in opposition? Seeing none. Is there anyone testifying in a neutral position? [LB305]

PAT PTACEK: Good evening. [LB305]

SENATOR CARLSON: Welcome. [LB305]

PAT PTACEK: (Exhibits 8 and 9) It's nice to be here in this nice warm hearing room instead of outside in the howling wind, even on a subject such as this. [LB305]

SENATOR LATHROP: I've forgotten what the weather is like outside. (Laughter) [LB305]

PAT PTACEK: Yeah, you will be shocked. Anyway, Mr. Chairman and members of the committee, my name is Pat Ptacek, last name is spelled P-t-a-c-e-k. I'm executive vice president of the Nebraska Grain and Feed Association. We represent cooperatives, elevators, feed mills, ethanol producers, and grain dealers, and represent about 80 percent of the storage capacity in the state of Nebraska. I come before you today not in opposition to what I think is a pretty good idea, because when I worked at the state Department of Agriculture in the mid-'90s there was a strong push to try to get the state meat inspection program implemented. Then came 2000 and I do see it as a value-added opportunity. And I do want to commend the senator for bringing this bill up for your consideration. Of course, we do have concerns with the funding. And while the association has no strong feelings regarding the establishment of the state meat inspection program, one way or the other, we are strongly opposed to the initial funding of the program from a \$200,000 ear tag transfer over the course of two years from the Commercial Feed Administrative Cash Fund. Now as you know, the Commercial Feed Administrative Cash Fund derives its money from the fee paid by elevators, ethanol producers, and feed manufacturers in feed ingredients. The fund is intended...it's a per-ton fee and it's intended to support the state Department of Agriculture's feed inspection program. Under law, the state director of Agriculture has the discretion to call a hearing with the affected industries who remit the fees into the state feed inspection program to either increase or lower the per-ton fee based upon the needs of the program. This fund, which usually amasses a surplus, has over NGF's, as you know, continued objections repeatedly been tapped into some very worthy programs that helped agriculture. And I know, Senator, you had a program that benefited from it and

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benefited the people in the Republican River Basin and it was an ag-related program that we originally gave on it and you took the money and spent it well. But we have remained consistent on trying to keep that...the fund of the integrity and the fees derived to go to the mission that it was created to serve basically. Over two years ago and after several legislative transfers of hundreds of thousands of dollars from the Commercial Feed Administrative Cash Fund to unrelated programs to the General Fund, the NGF and the Nebraska Cooperative Council called on the department and successfully supported a regulatory reduction in the per-ton fee from the statutory ceiling of 10 cents per ton to 6 cents per ton and where it currently stands. The significant surpluses in the cash fund from amassing and making the fund less attractive as a means to fund unrelated programs, that's basically why we made that move. Because of the ethanol industry's abundant production of DDGs, the fund, even in its current per-ton fee, continues to amass a surplus--and if there is someone from the Department of Agriculture that can correct me on this, but I believe I heard it correctly--and even after reducing the per-ton fee to its current level of 6 cents, the projected surplus for this year amounts to about \$310,000. The association, in a positive way, instead of coming to just object to spending that money for a program unrelated to the feed inspection fee, we'd like to offer for this committee's consideration a positive amendment intended to keep any surplus in the Commercial Feed Administrative Cash Fund at a minimal level. Basically, the amendment will call for a mandatory statutory 1-cent reduction in the per-ton fee tax to 5 cents per ton beginning January 1, 2012, and lasting at least through July 1, 2014. Importantly, the amendment would still retain the state director of Agriculture's authority to call a hearing between the affected parties if the director determines that it is necessary to adjust the rate of the inspection fee anytime during the two-year period, or just as they have the authority to do now. The association believes that the adoption of the amendment only represents a prudent approach to managing any short-term future surplus in the Commercial Feed Administrative Cash Fund from increasing into the cash cow it has repeatedly become over the past several years. Additionally, during the initial establishment of the state meat inspection program, LB305 does not identify an ongoing funding mechanism for its operation. The 1-cent reduction in the feed tax would not only reward the industry that has paid into this cash fund over these many years, but also assure that any surplus in the cash fund would not become a partial ongoing funding mechanism for the continued operation of a meat inspection program. In any case, the association would rather see the fund transfer...what I'm saying, we would be amenable if we could work on an amendment that might reduce that down to a level that still sustains somewhat of a surplus but keeps it less attractive. With that, I close my comments and would try to answer any questions you might have. [LB305]

SENATOR CARLSON: Okay. Thank you, Pat, for your testimony. Senator Lathrop. [LB305]

SENATOR LATHROP: Do I understand....you read that really fast and I was trying to

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follow you and... [LB305]

PAT PTACEK: I'm sorry. I know you guys are in a hurry and... [LB305]

SENATOR LATHROP: This is my first time, my first contact... [LB305]

PAT PTACEK: Sure. [LB305]

SENATOR LATHROP: ...with this fund so I didn't realize we were taking it out of a fund that was intended for one purpose, and you obviously feel this use is not consistent with its original... [LB305]

PAT PTACEK: Fairly strongly because...yeah, go on. [LB305]

SENATOR LATHROP: Okay. So is it your position that you're okay with it and you will allow the use of these funds as long as we drop the charge or the surcharge from 6 cents to 5 cents? [LB305]

PAT PTACEK: I realize that this committee will do what they think is the wisest approach. [LB305]

SENATOR LATHROP: Sure. [LB305]

PAT PTACEK: As opposed to these funds going to the General Fund for a deficit appropriation, we'd rather it go to an ag-related program. However... [LB305]

SENATOR LATHROP: So you're okay with that as long as we drop it down to a nickel. [LB305]

PAT PTACEK: I would like that to be considered because I think we need to look at the prudent management of that surplus, and over the years it has gotten very high. And it has become tempting for lawmakers or other internal agencies to might want to take, attack that fund. [LB305]

SENATOR LATHROP: Okay. I just wanted to make sure I understood your position. I think I do. Thanks. [LB305]

PAT PTACEK: Sure. Okay. Thank you. [LB305]

SENATOR CARLSON: Thank you. Any other questions? Senator Bloomfield. [LB305]

SENATOR BLOOMFIELD: It's my understanding then from Senator Lathrop's questioning, I just want to clarify it for myself, you would rather see this go to a

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ag-related fund such as the meat inspection than have it go to the General Fund for deficit reduction. [LB305]

PAT PTACEK: Yes, we would. Yes, we would. We would also like to have that one-time, two-year, 1-cent reduction. Oh, and by the way before I forget, about the Mustangs, I heard on NPR radio about a month ago, they're instituting a pilot sterilization project, as they've done with the ponies on Chinoteaque Island, so. [LB305]

SENATOR CARLSON: Okay. Thank you. Any other questions? Well, appreciate your testimony and also appreciate you bringing a solution to your concern, putting it in front of us. [LB305]

PAT PTACEK: Thank you very much. Appreciate it. [LB305]

SENATOR CARLSON: Thank you. Welcome. [LB305]

LORAN SCHMIT: (Exhibit 10) My name is Loran Schmit, and I'm here today on behalf of the association of Nebraska Ethanol Producers. This is not the kind of bill which normally has an impact on the ethanol industry. The Nebraska Ethanol Producers Association has no position on the main purpose of LB305. The reason I'm testifying here today is because of the reasons expressed by Mr. Ptacek, and I just want to say that Senator Larson proposes to transfer \$100,000 from the Commercial Feed Administration Cash Fund for each of the next two fiscal years to begin the program. And has been explained before, this is not the first time the money has been transferred from the fund, and we all have learned how to do those things in a manner which usually has some good purpose. We agree with Senator Larson that because of the budget shortage, any money above that needed by the Department of Agriculture to administer the commercial feed program will probably be transferred. We want to emphasize that the needs of the department should take precedent over any other purpose. Based upon the information supplied to us by the Department of Agriculture, we believe there is sufficient money in the fund at the present time to make the transfer for each of the next two years. We would not oppose the transfer if Senator Larson and the committee would adopt the amendment offered by Nebraska Grain and Feed. This amendment would reduce the tax on the feed from 6 cents to 5 cents per ton beginning January 1, 2012, which would prevent the building up of a surplus in future years. If the Department of Agriculture determined that they needed additional funds for the Commercial Feed Administration Cash Fund, they could hold a hearing and increase the fee if it were justified. Under Section 3(3) of the bill, it appears that it is the intent of Senator Larson that the program shall generate sufficient funds to pay for the cost of the program. We would oppose continual funding out of the LB305 program from the cash feed fund. I commend Senator Larson for his attempt to solve an existing problem. I'd be glad to answer any questions. [LB305]

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SENATOR CARLSON: Okay. Thank you for your testimony, Senator Schmit. Any questions? Seeing none. Thank you. [LB305]

LORAN SCHMIT: Thank you. [LB305]

SENATOR CARLSON: Next. [LB305]

ED WOEPPEL: (Exhibit 11) I'm Ed Woepfel, representing the Nebraska Cooperative Council. That's W-o-e-p-p-e-l. Bob Anderson had hoped to be here today, was not able to make that, but I do have a statement for him that I want to talk about just a little bit. Senator Carlson and members of the Agriculture Committee, my name is Robert C. Andersen, serve as president of the Nebraska Cooperative Council. The council is a trade association representing approximately 90 percent of Nebraska's farmer-owned grain and supply marketing cooperatives. We're here today to testify in a neutral capacity on LB305. Senator Larson seeks to establish a state inspection program under the Federal Meat Act and Poultry Products Inspection Act. Our membership understands the problems that currently exist regarding the disposal of old horses and the loss of economic value for those owners due to the lack of horse slaughter facilities. We compliment Senator Larson for addressing this problem. We note that LB305 seeks to transfer \$100,000 from the Commercial Feed Administrative Cash Fund in both 2011 and 2012 to finance the proposed state inspection program. Presently, the cash fund fee is 6 cents per ton on feed sold in Nebraska. In 1990 there were about 2.2 million tons assessed the fee, and in 2010, 11 million tons were assessed that fee and, of course, that growth was due to the dried distillers grains, the DDGs that Pat had referenced. The commercial feed inspection program is fully funded by the fees collected. No state funds are utilized for that program. The Department of Agriculture has six field staff that conduct the inspections. These field staff spend about 70 percent of their time on feed; the rest is on other department responsibilities. The violations that they find are mostly with biological and antibiotics. In 2009-10 they tested 2,283 samples in which 237 were in violation or about 10.4 percent. We have traditionally advocated that when a certain industry or segments of an industry generate the funds for a certain cash purpose, those funds should be utilized accordingly. To us, it's the integrity of the process. After considerable discussion, we come before you in a neutral capacity on the transfer of \$100,000 in both 2010...or excuse me, 2011, 2012. We recognize that funds would ultimately be used in agriculture. We would strongly recommend that the Agriculture Committee, that if a state meat and poultry inspection program is implemented that commences in FY 2013, that the state meat and poultry inspection program be user financed, and no further funding from the Commercial Feed Administrative Cash Fund be utilized. The beneficiaries of the proposed program should be asked to provide funding for that program. And I'd be glad to respond to any questions then that the committee may have. [LB305]

SENATOR CARLSON: Okay. Thank you for your testimony, Ed. Are there any

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questions? Seeing none, thank you. [LB305]

ED WOEPPEL: All right. [LB305]

SENATOR CARLSON: (Exhibit 12) Anyone else in a neutral capacity? I do have a letter here that I should have mentioned in opposition to the bill from Jocelyn Nickerson, the Nebraska state director of The Humane Society of the United States. Senator Larson, you are recognized to close. [LB305]

SENATOR LARSON: Thank you, Senator Carlson and members of the Agriculture Committee. I just wanted to come up here and clarify a few things. The first one deals with the laws around the United States that Mr. Bixby brought up. First of all, there are no federal laws restricting the slaughter of horses, the process of horses for human consumption. Second of all, the Texas law that was passed in 1949 I think needs a little bit of clarification. It was passed right after WWII to help the beef industry in Texas because at that time a lot of...especially Texans ate horse meat. And the beef industry in Texas was failing considerably. So it was a law passed to strengthen the beef industry and then kind of got lost on the books, and which they rediscovered in 2007, unfortunately. So, like I said, neither of these...and the one in Illinois...again, Illinois did pass that but neither the Texas law or the Illinois law pertains to Nebraska in any way, because we currently do not and neither does the federal level. So the fact that he suggests that we will face legal ramifications is false because we are not governed by either Illinois or Texas, and the body that does govern over us does not have any stipulations on us currently. Second of all, we heard a lot about why the processing of horses has ceased and that was because of the 2006 lobbying of Congress by The Humane Society of the United States to cut the appropriations to USDA inspectors. At that time they...the Appropriations Committee listened and we now find ourselves in the situation that we are in. Another concern that was brought up is medicines in the horses. As our buyer said, oftentimes you can sign waivers and whatnot that the horse hasn't had so many medicines in so many days, and the same thing is done with cattle. Again, one of the opponents to the bill said that he gives his horse medicine that on the bottle it says not for human consumption. Well, we give our cattle medicine that says not for human consumption on it as well. But, again, those cattle are certified not to have any of those medicines for a certain number of days and at that point they are able to go to processing and the meat is edible. So the same process...it's the same for horses as it is for cattle. And I know everybody, for a fact, on this panel eats meat and I guarantee they had some of those medicines pumped into them. They touch on prices of the horses very well. I think one of the things that we have to continue to look at and to stay on the horses, horses are livestock. They're not pets and, as one of the opponents liked to say, they're definitely not children. They are used on farms and ranches. They are livestock that are personal property. You don't have to take your horse to processing if you don't want. It is a personal issue. If you want to euthanize your horse and pay for that, you can do that yourself. On the whole of LB305, this bill

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looks to open markets for small and niche producers. This is good for rural Nebraska. It's good for the United States, and it's good for horses all around. This is...you know, as we continue to look forward we have to look at ways to reinvigorate rural Nebraska and this is one thing, as Mr. Dvorak and Mr. Garwood pointed out, it starts to open up those markets. It opens up that market for that niche producer so he doesn't have to take his cattle to Minnesota. He can have them processed in Nebraska, hopefully, so St. Paul and the Twin Cities aren't getting that meat. Maybe Omaha and Lincoln are getting that meat. And also he mentioned vertical integration. That's jobs in rural Nebraska, not just on the horses. This is good for all products and meat that we can service in Nebraska, and I think the Cattlemen touched on it as well. They're trying to become...they want Nebraska to be the beef capital of the country. This is a step to also make Nebraska the beef capital of the country. This is good for economic development. It's good for Nebraskans and it's definitely good for the state of Nebraska. [LB305]

SENATOR CARLSON: Okay. Thank you, Senator Larson. Any questions? Senator Bloomfield. [LB305]

SENATOR BLOOMFIELD: Senator Larson, we had a testifier up here that...I don't remember his or her name, that stated that horses were...they carried us, they led us through the snowstorms and all whatnot that a good horse will do. [LB305]

SENATOR LARSON: Uh-huh. [LB305]

SENATOR BLOOMFIELD: But it's my understanding, too, and I would ask you if it's not yours, that they not also feed us from time to time? [LB305]

SENATOR LARSON: Horses did feed us from time to time, through the Civil War, through World War II, World War I, pretty much any war that we've had in our history. They fed a lot of Americans through those times. [LB305]

SENATOR CARLSON: Okay. Any other...Senator Karpisek. [LB305]

SENATOR KARPISEK: Thank you, Senator Carlson. Here comes the softball, Senator Larson. (Laughter) Why... [LB305]

SENATOR LARSON: I don't know if that's true with you. [LB305]

SENATOR KARPISEK: Well, I told you, you ran into one thing I know about. (Laughter) Why don't other states, do you think, why aren't the other 27 states doing it? [LB305]

SENATOR LARSON: Other states are working towards this. I know Wyoming has passed legislation to start working towards this, North Dakota has, Montana has, and as we heard from Mindy, Missouri is as well. This is an issue that is being taken up by

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many states. We understand the issues. Oftentimes, as the states that I mentioned, they are states in which...that are agriculturally based, more so than the eastern states have state meat inspection agencies. I think as all of you have received as many e-mails as I have on the issue, both pro and con, that the cons have an argument to make that is very personal and heartrending, but at the same time, as I said, we have to continue to look at this through the eyes that horses are livestock. They're not...definitely not our children and, you know, you can consider one your pet, and if you do consider one your pet you don't have to have it processed by any means. [LB305]

SENATOR KARPISEK: Thank you. And I just want to make clear for the record that my worry on this bill is...or what I need to be convinced of is, why is it better to have state rather than federal? It is not the horse issue at all. [LB305]

SENATOR LARSON: No, no, and I understand that and I'll touch that. You know, and don't take this the wrong way, Senator Karpisek, you're looking at it definitely through the processing standpoint. [LB305]

SENATOR KARPISEK: Sure. [LB305]

SENATOR LARSON: I mean, you as somebody that had a local locker and whatnot, you're asking yourself, why should there not be federal...or why should there be state and not federal. And like I said, you can still be federal. The state just continues to open up more avenues for producers to get their products out there. If you do not wish to be on the federal level, you don't have to. We have to look at this through the standpoint of the producers, as well as the processors. I mean, they have a role to play, but we can also open up avenues for the processors like the one in Atkinson that does it. What was the name of it? I'm... [LB305]

SENATOR KARPISEK: Baun's. [LB305]

SENATOR LARSON: Braun's in Atkinson. They may be willing at that point to either expand or get a state meat inspector. We had to look at the whole idea of the bill and not just through the one aspect. And I don't want to step on your toes by saying...(laugh) [LB305]

SENATOR KARPISEK: No, not at all. No, not at all and for full disclosure this was my big idea before I ever came to the Legislature and the Nebraska Association of Meat Processors explained to me...most of the arguments I've had today came from them and they got me to understand why. I think the biggest thing is the interstate shipping, so. [LB305]

SENATOR LARSON: Yeah, and like I said in my opening, we are addressing that issue very much. So I think with the language in the 2008 farm bill, it opens it up regardless of

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whether USDA has come out 100 percent on it or whatnot. And we are to continue to work on the federal legislation to change that "may" to "shall." And even at the "may" I mean the cases are, I'm sure, lining up to work on it to make sure that it can go across state lines. And if we're waiting, just waiting for Secretary Vilsack, at that point, obviously, a lot of pressures can be applied in many different aspects. [LB305]

SENATOR KARPISEK: Well, and I want to say it's a very interesting issue. Again I commend you for bringing it because it is trying to do some economic development, and it's a great talking point no matter what. I am worried about the funding also, but...thank you. [LB305]

SENATOR LARSON: Oh, I think, obviously, they brought up the...the neutral testifiers brought up the funding and that's fine. I'm willing to work with them on their amendment, as I have been working with them. We have to continue to work with the Department of Agriculture and the Governor as we move along in the committee process, but I am willing to work with them on the amendment. [LB305]

SENATOR KARPISEK: Thank you, Senator Larson. Thank you, Senator Carlson. [LB305]

SENATOR CARLSON: Okay. Any other questions? Thank you, Senator Larson. [LB305]

SENATOR LARSON: Thank you. [LB305]

SENATOR CARLSON: (Exhibit 13) I did miss a letter here that was in opposition and I'm guessing on the name as signed it's Sandra Lab, I'm going to say. So that's another, second letter in opposition. With that we close the hearing on LB305. It is now 18 minutes until 7:00. We're going to take a five-minute break. At 10 minutes until 7:00, we'll move on to LB306. (See also Exhibit 14) [LB305]

BREAK

SENATOR CARLSON: Okay. We are ready to open our hearing on LB306, so those of you that are preparing to testify from a positive standpoint, please make your way to the front. And, Senator Larson, you're recognized to open on LB306. [LB306]

SENATOR LARSON: (Exhibit 1) Thank you, Senator Carlson and members of the Ag Committee. I would like you all to take a look at the amendment to LB306 that I have just handed out. It does make very substantive changes to the language of the bill and I will be speaking to those substantive changes at this point. I am Senator Tyson Larson, T-y-s-o-n L-a-r-s-o-n, and I represent the 40th District of Nebraska from O'Neill. Today, I'm introducing LB306 which provides a way to address the problems that our state

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faces due to the high number of unwanted and abandoned horses. In the past years, the number of horses that are not adequately cared for has risen dramatically. Horses are so plentiful that there is little to no market value, so instead of being able to sell a horse to cover some of the costs associated with its care, an owner is faced with the expensive option of euthanasia, continuing to feed the horse, or abandoning it. There are only a handful of places that currently accept the care of these horses, leaving many to be abandoned when the owner is no longer able to care for them. As it was drafted, LB306 requires any humane society, equine shelter, or rescue organization to accept and provide care for any horse that is presented by a law enforcement officer or agency, or face a Class IV misdemeanor for each occurrence. A Class IV misdemeanor carries a minimum fine of \$100 and a maximum fine of \$500. Today, I'm introducing an amendment to LB306 to clarify some provisions in the bill. One of the reasons that there are so many unwanted horses that are abandoned on other people's property is the cost of adequate care for the horse is very high. I recognize that many of the entities covered by this bill are run primarily on private donations and operate as nonprofit organizations. Most of these entities do not have the financial resources available to effectively deal with the number of horses that would be dropped off. And the intent of this legislation is not to place an undue burden on smaller organizations that only have the funds to cover their current level of services. Organizations with substantial annual revenue equaling or exceeding over \$20 million, however, have enough resources available to provide care to additional animals that would be presented to them. For this reason, only those organizations with a gross annual revenue over \$20 million would be required to accept custody and care of horses. As amended, this would not apply to organizations who cannot afford to be...as amended, organizations who cannot afford would not be required to take additional animals. This amendment also changes the failure to accept a horse from a criminal fine to a civil penalty according to the rules to be developed by the Department of Agriculture. This change also incorporates a hearing process for any entity that is charged with being in violation of this law, creating a due process effect. One final change under the amended version, organizations only have to accept horses that are delivered by a law enforcement officer or agency. Organizations will still be able to reject a horse when presented by an individual. I ask the committee to evaluate this bill and its goal of providing an outlet for many of the state's unwanted and abandoned horses, and definitely mistreated horses that law enforcement officers now have to take, and send this bill to the Legislature for a full vote. [LB306]

SENATOR CARLSON: Okay. Thank you for your opening. Are there questions?
Senator Lathrop. [LB306]

SENATOR LATHROP: It looks like involuntary servitude to me. [LB306]

SENATOR LARSON: Involuntary in how? [LB306]

SENATOR LATHROP: Well, if I'm running some operation and now I can't say no, and

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I'm going to be penalized if I do? [LB306]

SENATOR LARSON: We are looking at a way to possibly look at...to take these horses. Oftentimes, law enforcement is forced to take these horses because they have to handle them and they... [LB306]

SENATOR LATHROP: I appreciate that, but here's, I guess, my question. Did you introduce this to make a point about your last bill or do you really mean it? [LB306]

SENATOR LARSON: This bill needs to be considered on its own basis. Obviously, there are ties to LB305. If this committee feels that with...as amended, it is acceptable to go to the full floor, then... [LB306]

SENATOR LATHROP: Let me put it differently. If I have a big cattle operation, and I mostly see those as an Omaha guy driving from Omaha to Norfolk where I have cases from time to time and I see these big feedyards along the Highway 275... [LB306]

SENATOR LARSON: Cuming County. [LB306]

SENATOR LATHROP: Yeah, in Cuming County, primarily. And what if we just made a statute that said, well, if you have a big feed operation you've got to take abandoned horses? [LB306]

SENATOR LARSON: A lot of these operations that would fall under the \$20 million and above have taken a personal agenda on this issue and have facilities across the nation and, therefore, would... [LB306]

SENATOR LATHROP: Okay. Okay. So what you want to do is just say, well, you're on the other side of me on a bill and so you're going to end up taking all these horses, and if you don't we're going to penalize you. [LB306]

SENATOR LARSON: I'm not saying that they are on the other side of me on a bill. They have opened their own rescue operations across the nation and... [LB306]

SENATOR LATHROP: Okay. Literally, I'm not trying to be a wise guy... [LB306]

SENATOR LARSON: No, no, I understand. [LB306]

SENATOR LATHROP: ...about it nor pound you on it. I just wanted to understand what the point of it was and now I think I get it very clearly. Thank you. [LB306]

SENATOR CARLSON: Okay. Thank you. Any other questions? I have one. [LB306]

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SENATOR LARSON: Thank you, Senator Carlson. [LB306]

SENATOR CARLSON: I think I've caught it here, but clarify it for me. I understand Class 1, and I understand Class 2, and Class 3, is that simply for a rescue operation? [LB306]

SENATOR LARSON: Uh-huh. Class 3 on definition says, an organization whose sole mission is to rescue or advocate for animals belonging to a specific breed. An entity that meets the requirements for a Class 3 entity cannot be classified as a Class 1 entity or a Class 2 entity. When we were drafting the classes, basically, yes, any rescue operation in the state that solely focuses on one breed would not be considered a Class 1, therefore, not be required to accept the horse. [LB306]

SENATOR CARLSON: To follow up a little bit on Senator Lathrop's question or concern,... [LB306]

SENATOR LARSON: Uh-huh. [LB306]

SENATOR CARLSON: ...is this anything at all like a county hospital that somebody shows up and needs attention and that hospital cannot turn them away? [LB306]

SENATOR LARSON: It's very similar and I think you could also make the argument to what the Legislature did a few years ago with children where you could drop your child off at a hospital and the state would have to take it. [LB306]

SENATOR CARLSON: Okay. Thank you. Any other questions? Senator Lathrop. [LB306]

SENATOR LATHROP: Yes, the only difference is, is that the federal statute that indicates or mandates that hospitals not turn somebody away, also is tied to Medicaid funding. So those hospitals that can't turn somebody away are at least getting something for it. And your bill, correct me if I'm wrong, makes no provision for payment to the people who have to take... [LB306]

SENATOR LARSON: The takings issue can be raised, but at the same time that's why we put it at \$20 million. Those organizations that have the money to do it can. And to solve the takings issue, it has to be law enforcement. It can't be an individual dropping the horse... [LB306]

SENATOR LATHROP: What do you mean, the takings issue? [LB306]

SENATOR LARSON: The takings issue legally, legal takings issue. What you're referring to, the Medicaid, it's tied to Medicaid funding. The state has to reimburse those hospitals for individuals. [LB306]

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SENATOR LATHROP: Sure. Well, I have to tell you, I...okay. If there's...if this is done to make a point, I get that. But if it's done as a serious measure to advance, what are we going to do with these horses, I have to say that it's got to be completely unconstitutional to make somebody do something and not pay them for it, unless it's the state of Nebraska. [LB306]

SENATOR LARSON: Forcing the state of Nebraska taking...forcing... [LB306]

SENATOR LATHROP: Well, yeah, we could say, the state of Nebraska Department of Agriculture and some rancher operation that they run cannot refuse to accept one of these rescue horses. We could do that because we are the state and we're... [LB306]

SENATOR LARSON: Uh-huh. [LB306]

SENATOR LATHROP: ...putting the burden on ourselves essentially, but I don't think we can put it on any private business, in my own judgment, but... [LB306]

SENATOR LARSON: I understand. [LB306]

SENATOR CARLSON: Okay. That's what we're here for is ask these questions. Any other questions? Okay. Thank you, Senator Larson. [LB306]

SENATOR LARSON: Thank you. [LB306]

SENATOR CARLSON: We've had the opening on LB306. How many positive testifiers do we have? Okay. Okay. Welcome back. [LB306]

MICHAEL KELSEY: Thank you, Senator Carlson and members of the Agriculture Committee. It's been a long day. I appreciate your work and your patience. My name is Michael Kelsey, M-i-c-h-a-e-l K-e-l-s-e-y. I'm the executive vice president of the Nebraska Cattlemen and here representing Nebraska cattle and beef producers in support of LB306. I would like to begin by thanking Senator Larson for introducing the bill. Nebraska Cattlemen members have seen firsthand the abandonment of unwanted horses. A specific example would involve a cattleman returning to check a fallowed pasture to find several horses, some dead, having been abandoned by unknown owners. These scenarios seem to coincide with the passage of federal legislation several years ago, 2006, as you've already heard, that prohibited the funding of USDA inspection of horse processing plants. It's ironic indeed, in our opinion, that the care of unwanted horses is being furnished by landowners who understand the responsible animal stewardship and the fallacy of the prohibition on the federal level while extreme activists, mostly from outside of Nebraska, continue to demand for policies that have promoted abandonment of horses. This is not about revenge. This is about

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accountability. And I understand there may be some constitutional questions and I think it's very appropriate that we discuss those and talk about that. But we cannot allow actions of irresponsibility to be promoted and then allow those organizations to walk away and not take accountability for their actions. And that's what this is, in our opinion. Is it a point? Perhaps, it is. But at the same time we're stewards in this state and we take care of our responsibilities and we ask others to do the same. Be happy to answer any questions. [LB306]

SENATOR CARLSON: Okay. Thank you, Mr. Kelsey. Senator Harr. [LB306]

SENATOR HARR: Since you brought it up, who are those organizations? [LB306]

MICHAEL KELSEY: Primarily, you've heard several of them mentioned. There are several, but primarily HSUS is one that has advocated on the federal level the prohibition of horse processing. There are several other extreme animal rights groups that do so. It's interesting to me in our discussion with the humane organizations in Nebraska, they have presented to us, I cannot speak for them, obviously, in front of the Legislature, but I can share what they have shared with us, that they do not support that type of philosophy and, in fact, have distanced themselves from the national organizations in this regard. So it seems to be more of an outside of Nebraska, yet we inherit this problem. And so that's our position today. [LB306]

SENATOR HARR: Thank you. [LB306]

MICHAEL KELSEY: You bet. [LB306]

SENATOR CARLSON: Any other questions? [LB306]

SENATOR LATHROP: Yes. I have just a simple one. [LB306]

SENATOR CARLSON: Yes, Senator Lathrop. [LB306]

SENATOR LATHROP: I think I get it. I didn't get the memo before the hearing started, but I think I get it. But I do want to ask another question as long as we're on it. Are there any of these facilities here in the state of Nebraska? [LB306]

MICHAEL KELSEY: If you look at Senator Larson's amendment, if an organization that fits has an office then, yes, there is one, at least one and perhaps others. [LB306]

SENATOR LATHROP: Well, do they have a facility where they actually take these horses anywhere? [LB306]

MICHAEL KELSEY: I don't think they have a facility but, if I read the amendment

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correctly, it says an office or a facility. [LB306]

SENATOR LATHROP: So what we were going to do was take these horses over to the lobbyists or the government relations office, (laughter) take them through the lobby of the bank building probably where they're at and leave them there, and then they're subject to a penalty if they don't accept them? I'm assuming that I cut down on the opposition testimony with these questions. [LB306]

MICHAEL KELSEY: (Laugh) Perhaps, you did. [LB306]

SENATOR LATHROP: Shorten our night. [LB306]

MICHAEL KELSEY: And obviously, there is a sense of humor in this in terms of a chuckle,... [LB306]

SENATOR LATHROP: A little, yeah. [LB306]

MICHAEL KELSEY: ...but there's also a sense of seriousness and I appreciate your question. [LB306]

SENATOR LATHROP: Well, I appreciate that this is a message. Okay. I get it. Thank you. [LB306]

MICHAEL KELSEY: Very good. Thank you, sir. [LB306]

SENATOR CARLSON: Thank you. Anyone else? Okay. Thank you for your testimony. Welcome back. We want to make your trip worthwhile. [LB306]

MINDY PATTERSON: Thank you so much, Mr. Chairman and members of the committee. My name is Mindy Patterson, M-i-n-d-y P-a-t-t-e-r-s-o-n, and I am testifying on representing the United Horsemen to testify in favor of LB306. As stated earlier, the national organization that put a stop to horse processing in our country should be accountable for this very unfavorable situation that is taking place in our country right now with the abandonment of unwanted horses, and I believe also that they should be held accountable. I find that LB306 provides a very viable alternative and it basically provides an outlet where they can put their money where their mouth is, so to speak. If they took it upon themselves to shut down processing in our country, then they should have come up with a viable alternative instead of that of suffering horses all across our nation. [LB306]

SENATOR CARLSON: Okay. Thank you. [LB306]

MINDY PATTERSON: Thank you. [LB306]

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SENATOR CARLSON: Are there questions of the committee? Senator Lathrop. [LB306]

SENATOR LATHROP: Well, yes, I suppose that if we, in our budget cutting process, decide to stop providing care or Medicaid for people with mental illness, then by the same logic they should bring them to the Capitol, right, when we get done, if we don't provide for the mentally ill in the state and we cut the funding? This may be my first time where I've had a bill in five years... [LB306]

SENATOR HARR: Some would argue, Steve, they already do. (Laughter) [LB306]

SENATOR CARLSON: We're getting a little bit out of control here. [LB306]

SENATOR HARR: I apologize. [LB306]

SENATOR CARLSON: Okay. [LB306]

SENATOR LATHROP: Well, I think the bill is...but the point, I guess, is that I've never had a bill that was just intended to make a statement and... [LB306]

SENATOR CARLSON: Okay. All right. Thank you for your testimony. [LB306]

MINDY PATTERSON: Thank you. Uh-huh. [LB306]

SENATOR CARLSON: Anyone else testifying in a proponent position? Welcome back. [LB306]

HARRY MUHLBACH: Yeah, my name is Harry Muhlbach, M-u-h-l-b-a-c-h, from Lincoln, Nebraska. Before the amendment come in here I was probably against the bill, but we have to...as the state of Nebraska, we didn't represent ourselves very good in Washington, D.C., when that bill got...when they slid this horse bill through there. And then this HSUS is still pushing on our throat. They watch every hearing that we have in the state of Nebraska. I was at the hearing two years ago when Nebraska was working with the livestock...in the livestock committee when we rewrote that so they couldn't mess with us at the livestock level. And we need to just stand up and say we're not...if you guys are going to preach it, you've got to have some solutions. You can't just start forcing it down on us without any solutions. And they've done things without any solutions. And so maybe...this bill may help hold them at check at least or something to give an idea that we're not going to roll over and just start giving in to them. [LB306]

SENATOR CARLSON: Okay. Thank you. Are there questions? Thank you for your testimony. Anyone else as a proponent? Okay. How many do we have that will testify as opponents? Okay, please come forward. [LB306]

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VALERIE HINDERLIDER: My name is Valerie Hinderlida, V-a-l-e-r-i-e, Hinderlida, H-i-n-d-e-r-l-i-d-e-r. Hopefully, this time I get my full five minutes. I would like to say that I'm an opponent to this bill mainly because I don't think it's addressing all the problems that we have in Nebraska with our horses, and steps that we could be taking to make this problem better. And instead of saying the sky is falling, we need to shove these horses to slaughter. Let's address some of the problems. High fuel prices drive up hay prices, drive up feed prices. Let's address some of that. People that's losing their jobs and can't keep their horses, people losing their homes; breeding, there's breeding problems, shotgun breeding, yes, that is a problem, but let's address these problems instead of just trying to shove it all off on one entity. I get nothing from HSUS but from what I've heard today, and I didn't realize there was so much venom out there for HSUS, I've never got 1 cent from them. But I can't believe that they are the know-all, end-all to this horse...supposedly horse problem that we have here in Nebraska. I think we need to sit back. I appreciate Senator Larson's taking an amendment on this bill because I thought it was totally laughable. But I drove five hours round trip, and I have 38 horses to feed out in below zero weather, to come here and say to the Legislature that let's work together. I do think there is other ways to work together. Why can't we? Am I so old and jaded that we've lost this, let's work together, come up with a solution, instead of all talking about product? And if you want to call it irresponsibility, we're promoting that. We are promoting that here in Nebraska. And do we want to be known as the state that has the best cattle in Nebraska and also as the state that slaughters their own horses? I don't think so. And who in Nebraska...how many people are going to want that minimum wage job to slaughter these animals? It's not going to be Nebraskans. So just think about that. And I'm for a solution to help the horses and to help them from being suffering and to help people that can't sell their horses. But I'm dead set, a solution where you're trying to make one person the fall guy. Thank you. [LB306]

SENATOR CARLSON: Thank you for your testimony. Any questions? Yes, we do have some questions. Senator Bloomfield. [LB306]

SENATOR BLOOMFIELD: You jumped to the conclusion, I believe, that any job created would necessarily be a minimum wage job. [LB306]

VALERIE HINDERLIDER: In the past, Senator, in all horse rescue slaughter operations the majority of those jobs are filled by illegal aliens. [LB306]

SENATOR BLOOMFIELD: That was not the point of my question. It's not necessarily... [LB306]

VALERIE HINDERLIDER: But we don't pay them high... [LB306]

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SENATOR BLOOMFIELD: It is not necessarily a minimum wage job. [LB306]

VALERIE HINDERLIDER: That's what it has shown in the past for Cavel and Beltex, sir. [LB306]

SENATOR BLOOMFIELD: Would you, as a Nebraskan, rather have a minimum wage job or no job? [LB306]

VALERIE HINDERLIDER: You tell me how many Nebraskans you can pull off the street that says, I'm going to slaughter horses for a minimum wage. [LB306]

SENATOR BLOOMFIELD: Were I unemployed and in need of a job, I would take that job. I would take that job. [LB306]

VALERIE HINDERLIDER: They'll work at McDonald's, they'll work...no, I don't agree with you, sir. I've had...I've heard from constituents, that people that said, I'll starve first. I'll pick up beer cans. I'll do whatever I can, but I am not going to work in a slaughterhouse. Okay, that's how come the illegal aliens come in here anyway because we don't want to do those jobs. And when we open up jobs for slaughter, that's the kind of people we bring in here that cost Nebraska far more in services than what they're bringing in jobs. [LB306]

SENATOR BLOOMFIELD: So now you are suggesting, perhaps, that we close the packing houses in Nebraska? [LB306]

VALERIE HINDERLIDER: Well, are you talking...who works in the packing...a lot in the packing...Lexington, for example. [LB306]

SENATOR BLOOMFIELD: You think we ought to close it? [LB306]

VALERIE HINDERLIDER: I didn't say...I'm saying we're spending more money by supporting the people that work there than we're getting jobs...in economy in Nebraska. [LB306]

SENATOR BLOOMFIELD: We're going to disagree on that. [LB306]

VALERIE HINDERLIDER: Okay. Honestly, sir, I'm very upset with our government because I was told not to come here because the mind was already made up and my word would not matter, but I came anyway. So, yes, we will disagree, sir. Thank you. [LB306]

SENATOR BLOOMFIELD: Well, we appreciate you coming. [LB306]

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SENATOR CARLSON: Okay. Thank you. Are there any other questions? And, ma'am, just a moment here. We do appreciate you coming and it's not easy to get in front of a group and if you feel like that you're in the minority and that what you have to say isn't being heard, and we are listening. Now, so, I do admire you for being able to come here and twice you've come forward and really shared what your feelings are and that's what this process is about. You are the second house in Nebraska, and so thank you for coming. [LB306]

VALERIE HINDERLIDER: And thank you for kind of reinstating my faith in our government. [LB306]

SENATOR CARLSON: Okay. Thank you. Next testifier, please. [LB306]

MICHAEL LESCHINSKY, SR.: Chairman, Senators, Michael Leschinsky, it's M-i-c-h-a-e-l L-e-s-c-h-i-n-s-k-y. As I've listened to the proponents and the opponents, I always hear one thing--accountability. We are doing nothing in either one of these bills to make the people that are responsible accountable. I'm just going to leave it at that. [LB306]

SENATOR CARLSON: Okay. Thank you for your comments. Any questions? Okay. Thank you. [LB306]

MICHAEL LESCHINSKY, SR.: Thank you. [LB306]

SENATOR CARLSON: Next testifier, please. [LB306]

PEGGY FAIRFIELD: Hello, once again. I'm Peg Fairfield, P-e-g F-a-i-r-f-i-e-l-d. It seems to me that the bill proposed is frivolous and is not a serious response to the problem of the overpopulation of horses. The irresponsibility does lie largely in part to the breeders. In the thoroughbred racing arena, horses are churned out by the hundreds. They leave the racetrack at an early age and then they have a life of what? So many are ruined on the track. And I don't feel this bill really is addressing the issue of what to do with the unwanted and the excessive horse population. The serious way to address it is to say, why do we have an overpopulation of horses? The economy has a lot to do with it and that was something none of us could control. We're all victims of the economy. But instead of finding a reasonable solution, we're looking at frivolous bills. And I'm disappointed that this bill would even be brought forward. There are options for horses that we just simply cannot care for. The options are there. There is respectable euthanasia. They have...we just had to have a horse put down over Thanksgiving and it's an anesthetic and so the horse literally goes to sleep and feels no pain. There's nothing horrifying to the horse like being in a slaughterhouse. The bodies can be used. They don't have to be buried. They can be put in a rendering plant and the horse has already had a safe passage of death and their bodies can still be used. Their bodies can

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be buried. There are cremation services that could...that is a business that certainly, you know, someone could invest in to deal with these bodies of these animals. There are some available but not many. But a feedlot is not humane. And not addressing the issue of overpopulation is ignoring the problem that exists. [LB306]

SENATOR CARLSON: Okay. Thank you. I want to make a comment on a statement and it's not...I understand the statement, but again I'll say that you can look at it as a strength or a weakness, but I think it's a big strength of the Unicameral in that every single bill that anybody brings forward is going to be scheduled for a public hearing, and you're part of the second house to come in and testify how you feel on that bill. Other states, the majority leader, the minority leader, the committee chair and so forth can take a bill and throw it in the wastebasket. That's not how we operate in Nebraska. So every bill gets its hearing and that's why we're having one today. [LB306]

PEGGY FAIRFIELD: And truly I am grateful for the opportunity to speak to you all because that's what our country is about. And I brought my students here and my 4-H club members because I wanted them to see our government in action. So thank you for the opportunity. [LB306]

SENATOR CARLSON: Yeah, thank you. Any questions? Senator Lathrop. [LB306]

SENATOR LATHROP: Yeah, just maybe one last comment to echo what he said. You know, I sit here and yesterday we had hearings that went late into the evening, too, and people that come in and say, I feel so privileged to be here or thank you for listening to me. It's your government, you know? I mean, I appreciate the sentiment, but the reality is, you have every right in the world to be here and you didn't...we're not doing you a favor. This is what you have a right to do and so we're glad you're here. [LB306]

PEGGY FAIRFIELD: I think with world events such as they are, and having traveled into countries that don't offer that right, I appreciate it very much. [LB306]

SENATOR LATHROP: Yeah. [LB306]

PEGGY FAIRFIELD: Thank you. [LB306]

SENATOR CARLSON: (Exhibit 2) Thank you. Next testifier. Okay. Seeing none, do we have anybody testifying in a neutral position? We do have for the record an opponent of the bill, Jocelyn Nickerson, state director of The Humane Society of the United States. Senator Larson is recognized to close. He waives closing. With that we close the hearing on LB306. Thank you for coming. (See also Exhibit 3) [LB306]