

Date of Hearing: April 10, 2024

ASSEMBLY COMMITTEE ON AGRICULTURE  
Esmeralda Soria, Chair  
AB 2436 (Alanis) – As Introduced February 13, 2024

**SUBJECT:** Cattle: inspections: fees

**SUMMARY:** This bill would increase various cattle inspection fees per head of cattle from \$1.50 to \$1.60, with certain exceptions, as specified. This bill would increase reinspection fee of \$0.70 per head cattle to \$0.80 per head of cattle. This bill would increase the inspection of carcasses with the hide on and of hide fees from \$2 to \$2.10 for each carcass or hide that is inspected.

**EXISTING LAW:**

- 1) Requires cattle to be inspected before being moved or transported under certain circumstances, including before cattle are moved out of the state. (Food and Agriculture code (FAC) 21051)
- 2) Provides that inspection of cattle consists of the examination of the cattle for all brands and marks, and, in the case of unbranded cattle, for natural marks, sex, and breed, and includes the issuance of a certificate of inspection. (FAC 21051)
- 3) Authorizes the Secretary of Food and Agriculture to impose a prescribed service charge for each site at which an inspection is performed. (FAC 21051.3 )
- 4) Establishes various inspection fees per head of cattle to supplement this site-based charge, generally of \$1.50 per animal, with certain exceptions. (FAC 21283)
- 5) Authorizes any person who receives cattle from any cattle sale market, upon request and payment of a fee of \$0.70 per head before accepting delivery of any cattle from that market, to have a reinspection of the cattle. (FAC 21290.5)
- 6) Existing law generally requires a brand inspection fee to be paid at the point of inspection in the amount of \$2 for each carcass or hide that is inspected and \$2 for each carcass or hide inspected originating in those counties or geographical areas where a point-of-origin inspection is maintained. (FAC 21563.5)

**FISCAL EFFECT:** Unknown.

**COMMENTS:** The Bureau of Livestock Identification (BLI) is the State's brand registration and inspection program protecting cattle owners in California against loss of animals by theft, straying, or misappropriation. BLI applies the Food and Agricultural Code (FAC) to protect and regulate the livestock industry. BLI has four offices located throughout California. This bureau is financed, in its entirety, through brand registration and inspection fees paid by cattle owners.

In California cattle inspections are required at the following times:

- 1) Whenever cattle are sold or ownership is transferred.

- 2) Prior to transportation out of any designated modified point-of-origin inspection area, for purposes other than sale or slaughter and no change of ownership is involved.
- 3) Exception to above: If cattle are moved to a destination point (salesyard, slaughterhouse, or registered feedlot), they will be inspected at the destination point instead of point of origin.
- 4) Prior to transportation out of state.
- 5) Upon entry into a registered feedlot.
- 6) Prior to slaughter.
- 7) Prior to release or sale from a public salesyard or public or private cattle sales market.
- 8) Prior to transportation or movement from premises designated as quarantine, restricted, or isolated areas pursuant to Section 9565.

According to the author, Inflationary pressures, increased wages for brand inspectors, the transition to an electric vehicle fleet in furtherance of the state's climate goals, and other economic pressures have increased the BLI's operating expenses in recent years. As inspection fees are the Bureau's sole source of revenue, fees will need to increase commensurate with costs for BLI to continue providing vital services to California's livestock producers. This bill is supported by the very producers it would impact: In November of 2023, the Bureau's Advisory Board unanimously voted in favor of increasing the statutory fees.

The rural and geographically-vast nature of livestock production makes ranchers particularly vulnerable to theft, including livestock theft. Additionally, the high input costs of ranching make the theft or other loss of valuable cattle particularly harmful for beginning and socially disadvantaged ranchers. BLI is charged with uniform inspection of all cattle at change of ownership or movement out of state and seeks to prevent and prosecute all livestock theft and misappropriation. These inspections ensure improved efficiency, animal welfare, and productivity. BLI's services insulate from harm those ranchers who are – including by virtue of their geographic, economic, or social status and conditions – most vulnerable to crimes such as cattle theft and most likely to suffer significant economic harm from such theft.

The bill does not increase the fee, but ups the amount the fee can be increased. This will provide BLI the needed flexibility to remain revenue neutral while safeguarding cattle producers against theft and misappropriation.

#### **REGISTERED SUPPORT / OPPOSITION:**

##### **Support**

California Cattlemen's Association  
California Farm Bureau Federation  
Western United Dairies

##### **Opposition**

None on file.

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