

AGRICULTURE COMMITTEE: 56TH ASSEMBLY SESSION

MINUTES OF MARCH 4, 1971

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MEMBERS PRESENT: CHAIRMAN: Virgil Getto, Melvin Howard, Norman Glaser, William Swackhamer, Roy Young, Roy Torvinen, Frances Hawkins.

GUESTS: Lee Burge, Director of Department of Agriculture, Assemblyman Richard Bryan; Mr. Bigliari, Buck Kirn, Fallon, Nevada; Bob Hendrix, Fallon, Nevada; Bill Mendes, Carson Valley Meat Co.; Mr. Charles Prchall, Meat Inspector; Assemblyman Richard Bryan;

The first order of business before the committee was:

AB 456: Extends additional privileges to licensed cash buyers.

Mr. Burge testified on this bill:

Is a department proposal, to allow a cash buyer under the licensing provisions to be eligible for a license under any of the other dealer classifications without paying an additional \$40.00 fee. He holds a cash buyers license, and would be able to get a dealers or commissioned merchants license without paying another fee.

Mr. Getto asked why the other fee was instituted in the first place, was there a reason for it?

We have interpreted the present law in this case where the man has a cash buyers license and he wanted a dealer's license, then he would have to have the second \$40.00 fee, under the present wording of the law.

Mr. Glaser wanted to know if the people dealing in livestock, farm products etc. pay with cash, and was cash buyer defined as strictly cash.

Mr. Burge said a certified check or cash.

AB 455: Provides additional regulations of livestock and produce brokers.

Mr. Burge testified on this bill:

This bill has to do with the bonding provisions on dealers. The first change under 576 provides, that if a bond company pays off on any portion of the bond the department should have notice of it within 48 hours.

Mr. R. Young said he thought 48 hours was a short period of time to let the department know.

Mr. Galloway from the department of agriculture stated that there was three procedures for a person to indicate a claim against the bond.

The problem being that if a person files through the Insurance Company Commissioner's Office, or if it is done direct as an informal demand for payment the department has no knowledge of it.

Mr. Torvinen said the only problem he could see on the time period was if the bonding company received, in the afternoon mail on a Friday, a claim, they couldn't ordinarily get it copied and returned to the claimant until Monday, then they would not be complying with the law.

Mr. Galloway said the 48 hours was a figure the bill drafter came up with, which could probably be changed.

Mr. Torvinen will see the bill drafter for an amendment on the time period.

Mr. Burge directed the committee's attention to the 1st page, line 15; "The aggregate liability of the surety to all claimants shall in no event, exceed the amount of the bond " for each and every licensing period", meaning each year , these license are renewed the first of each year this then, would provide that if a claim were made against the bond in the first year, the renewal of that bond would still be \$5,000, (not bond, license).

Mr. Getto wanted to know is a claim of \$1,000 against a \$5,000 bond, if the buyer has to reinstate that bond, or if the \$5,000 covers the whole year.

Mr. Galloway said the law was silent in this regard, and it has been a very difficult one to interpret, this is what we hope is covered further back in other sections of the act. We have had interpretations given both ways, That the maximum liability against that bond is \$5,000. At the present time it is not restricted to the license period, there is a one year statute of limitation against proceeding against the bond. After the first year the bond still only has the \$5,000 maximum liability of the present time, which would then cover, you could say, up to a two year period of time. Under this provision, after the first year, the bond would then have a \$10,000 maximum liability, because it makes the maximum liability \$5,000 for each and every licensing period. There is no provision in the law at the present time, as to what the department will do if and when a payment is made out of this bond to re-instate it back to the \$5,000.

Mr. Galloway referred to page 3 line 38, a new condition of suspension or revocation of a license, that the licensee has failed to refuse to maintain and keep a bond or other security as required by the provisions of 040.

Mr. Buck Kirn, Representative of the Industry from Fallon, Nevada commented on the bills:

Mr. Chairman, we as buyers have a \$5,000 bond, then we have to extend an additional 40 to 50 dollars to the Department of agriculture which I am presuming is to take care of brand inspection, I would like to know why we have to pay the other \$40 or \$50 to the agriculture department.

Mr. Burge replied it was the cost of the issuance of the license. \$40.00.

Mr. Bob Hendrix of Fallon, had a question about the bonding.

AB 172: Requires prepackaged meat to bear USDA grade.

Chairman Getto asked who wanted to start testimony on the bill.

Mr. Mendes, Carson Valley Meat Company, said the United States Government doesn't even require this, this looks to me as if it is consumerism really because the consumer has a choice, He can buy USDA marked meat if he wants to, stores advertise this. This is bringing undue pressure on people that shouldn't have it brought upon them. For Example; Moffatt's Manteca fed, this man would rather have this on his beef than the United States Government's USDA grade choice. People want to buy this, maybe they want to buy my meat even if it doesn't have a grade at all on it, they get it cheaper. When you force grading, you are going to force an increase in the cost to the consumer, because, it costs to grade it USDA, and this price is passed on to the consumer.

There was questions of Mr. Mendes by Mr. Torvinen about the grading.

Right now Mr. Mendes's plant is inspected by the Veteranarian, if something is found to be wrong, it is reported. Then a detailed inspection takes place.

Mr. Glaser wanted to know how many plants had a Federal grader the state of Nevada, Mr. Mendes said one, in Yerington. Mr. Glaser asked how many plants there are in the State of Nevada, Mr. Mendes answered 5 small plants; in addition to this, The one in Yerington.

Mr. Richard Bryan had this to say about the bill: There is an ambiguity in the bill and I want to state that it was not the intention of myself as the introducer or any of the other co-sponsors to require any other additional grading or classification other than that being presently used. The purpose for which I introduced the bill was to make it a truth in labeling or packaging type of approach. I believe that if there is a Federal Grade attached to it, I've heard some of the discussion previously and I am not trying to defend the grading, there is plenty of room for argument on that basis. I am saying that if there is a Federal Grading, I believe that a supermarket that sells the prepackaged meat, so that the consumer really doesn't have much of a chance to look under and around the package. That package should bear a Federal Grade if there is one. There is an awful lot of misleading advertising done today; it is not my intention to have additional grading. My approach is truth and labeling.

Mr. Bryan will draw an amendment to clarify the wording of the summary on the bill; when awarded was the key word Mr. Bryan said.

Mr. Charles Prchall, Veterinary Meat Inspector was next to testify on AB 172:

Ordinarily a Vet meat inspector has very little to do with grading, however, I am fortunate, I was associated with grading during World War II, everything in those days had to be graded. Very little people can name three grades of meat. So these people has to rely on labeling. This is a good point, I think everything that is choice should be labeled choice, but, if it is choice it should be marked as such and not be left to the retailer. Mr. Prchall discussed the different cuts of meat. You are going to have difficulty if you try to grade anything other than roasts or steaks.

He further explained how the carcasses are graded. You can get two grades on one carcass.

Miss Hawkins asked Mr. Prchall the question about sawdust on butcher shops (AB)

Mr. Prchall answered that when sawdust was used on the floor they can sometimes find the sawdust in the hamburger, because the meat will either fall off the table, or a man will put a box on the floor and then put the box on the table on which the meat is handled.

The following was related to Assemblyman Hawkins: Miss Hawkins stated there was more filth and possibility of injury when the sawdust was not on the floor. Mr. Prchall said sawdust was unclean, more was put on top each day, instead of changed. Mr. Swackhamer stated that the law relates that the sawdust has to be changed every day. Mr. Prchall said this was true, but when you put the sawdust on in the morning and you work on it all day, sometime or another during the day a piece of meat will fall on the floor, at this point Mr. Swackhamer asked if Mr. Prchall thought the man picked up the meat and kept on working on it. Mr. Prchall said it did happen. Mr. Getto asked if that piece of meat falls on the floor and there isn't any sawdust on the floor, and the meat is still picked up, it could be just as contaminated just as easily as if it had sawdust on it. Mr. Prchall, said this is true. Mr. Howard said he thought they were overlooking the intent of this bill, the biggest thing being overlooked is the safety factor. The meat scraps on the floor and they are slick and there is a possibility of the men slipping into one of the saws.

Mr. Prchall said they had found that the people had not removed the sawdust daily, as they should, they found that where sawdust was permitted it was piled up in the corner, under equipment that was difficult to clean and to keep clean, we found that it was generally objectionable. As far as the safety factors are concerned, there is chemicals on the market that can be painted on the floor that have adhesive substance to them, that will prevent a man from slipping. There are so many substances that could replace sawdust that we feel that it is a nuisance and it could and should be eliminated.

SB 215: Permits use of sawdust on butcher shop floors:

There is prior testimony on this bill, by Mr. Prchall.

Bigliari, former owner of a meat market on South Virginia Street. On the retail level only, I believe in it for cleanliness, if you clean it once a day, it is also very good for safety.

Mrs. Fullstone, Consumer made a statement at this time: Could you tell me if there is a law today that actually forbids sawdust on the floors, because I rather think this should fall under that sanitation department of the department of health.

Answer:

There is a present law that forbids the sawdust on the floor.

Mr. Prchall stated that sawdust has been proven to be detrimental, another reason is that an investigation or survey made by the Health Department in Arizona, in which they gave a bacterial flora account to sawdust and it was terrifically high. If the sawdust was used sparingly and cleaned every day, you could get away with using it, but it isn't done. There isn't enough inspectors to check and see that this is done. And it has to be enforced.

Mr. Mendes stated that as it is known, we have been struggling desperately to get the wholesome meat act in the state, we want clean meat, so we as meat packers and other people produce a clean product. We have sawdust in our cooler, but we are going to get rid of it, Doc has been down there, and I can testify to this, that sawdust does get on the meat. Mr. Mendes spoke on the different types of flooring that could be put down, and the drainage. I say this, if we are going to have the wholesome meat act and want clean meat, then why not take it further from we who are subject to this act, right on to the consumers table.

Mr. Kirn, Fallon, Nevada had this to say: I hated to get rid of my sawdust too, the state program is patterned after the Federal program on the wholesome meat act. I had a salesman demonstrate a "black light" in a cooler, and it shows every bit of the dust from the sawdust on the walls on the meat, As long as you are going to have an inspection program within the state, that will automatically come under your inspectors and they will determine whether that sawdust will be used or not. I think this should be governed by the health department.

Mr. Kirn spoke on compulsory breeding, we are of the opinion,

it takes a feed program of around 150 days to have choice beef We don't believe it takes that long to feed a beef, we feed our own beef down in Fallon, we know if there is any antibiotics in those cattle that we feed, but we think that in 80 to 100 days you have more desirable beef than you do at 150. The people in Reno we sell to in Reno, the people who use that meat most extensively have the choice grade of meat, the fat in this beef is a problem because they don't know what to do with it, how to salvage it, they mix it with ground meat, which they are entitled to use 29% and that meat has to be lean, if there is any fat they will send it back. Mr. Kirn spoke on the different grades of meat and said the Federal Grading service pride themselves in being the only self-supported department in the U. S. Government, Do you know how they are self-supporting? They, like Yerington, has federal grading the rest of us don't, well, if that is forced upon us then that Federal Grader, I think, it will amount to 17 or 18 hundred dollars a month, he proportions that out, and we would be sharing with People's Pack in Yerington

Mr. Edmunson of the Department of Health, I travel state wide and check the food establishments. It is a little embarrassing to us to say to one man, you can cut meat with sawdust, and the other man can't, because of wholesale business, what I have found in

approximately 90 % of the food service places that I have inspected, that, where the meat market has sawdust on the floor, it is found in the product. There are two states that do not allow sawdust on the floors, and that is Oklahoma and Kansas. In the food service manual of the U. S. Public Service Health, does not allow sawdust.

AB 428: Conforms Nevada's meat and poultry inspection to federal inspection law.

Walt Christenson, Meat Inspection Supervisor for the State Health Department. This bill merely conforms the Nevada meat and poultry inspection law to those as described in the federal wholesome meat law, our previous law covered the basic factors it did not have all the definitions in it and was vague in several places, this bill merely broadens this area to poultry and cover the other situations.

Mr. Getto asked if the bill goes beyond the slaughter house

Answer: no, this bill covers the slaughter houses and the wholesale process, it does not cover the retails. It gives us authority to follow through into retail shops, to be sure that nothing but inspected meat is being sold and the meat that is imported into the state bears the inspection label of the Federal Government, and that all meat that is sold has been inspection under compliance and evaluation, it does not intail sanitation.

Mr. Swackhamer had a question about section 16, and who the hearing was to be held before.

Answer: I believe the officer referred to is the State health officer, that was confirmed by Mr. Mastrioni, The State Board of Health.

Mr. Swackhamer wanted to know if the person in question is stopped while he awaited the hearing.

Answer: Mr. Mastrioni stated if it was a health hazard he would say yes. Equipment no.

Miss Hawkins pointed out that the bill did not clearly state who the hearing was held before.

Mr. Getto thought this should be clarified.

Walt answered, the definition of officer in here is the

is the State Health Officer or his representative by designation.

Mr. Getto said he didn't see anything in this bill defining officer, it was pointed out that it was defined in the statutes--583.

INDUSTRY

Mr. Mendes, stated he supported this bill.

Mr. Getto asked Mr. Christensen how many more inspectors would this bill require.

Answer: Requirement for the state, 1 meat inspector supervisor, 6 inspectors,

Mr. Getto: How many do we have now?

Answer: 4 1/2 inspectors.

Mr. Getto asked if Mr. Christensen supported this bill.

Answer: Yes.

Mr. Getto asked everyone how they felt about turning the whole thing over to the Federal Government. Letting them take over the meat inspection.

Mr. Kirn thought it would be a great mistake

Mr. Getto wanted to know if it was turned over to the Federal Government, would it jeopardize some of the smaller slaughter houses.

Mr. Kirn said it would.

Mr. Mendes said he understood what the Governors thinking is, and can understand trying to save money, I'm not sure really, but I think there is 16 businesses in the state that employ between 100 and 150 people, and probably do about \$6,000,000 to \$8,000,000 a year, and I think that the United States Government will take over the whole state of Nevada if you say come on in. It leaves you with a funny feeling to think that you are in business today and tomorrow you can be legislated out of business. It will really make me feel bad if the State of Nevada doesn't continue this program.

Mr. Glaser asked about sec. 22, sub-paragraph 4, which gets into intrastate hauling or moving or importing of animals that I think would probably effect the range livestock industry in the state in whether they are disabled, diseased or dying. I'm just wondering how stringent they are going to be about transporting these

animals.

Answer: Mr. Prchall, we in meat inspection would like to examine the animals that are classified as 4-D, to see if the animal is diseased. We want the dead animal transported to the rendering plant and in no way to get it into food channels. We are asking the owners to take the animals to plants that have inspection and not to the exempt plants, and not to sell them illegally.

We want to have people trained to inspect these animals and determine if they are salvagable.

Mr. Glaser wanted to know if the wording in this law would preclude the shipping of the animal to the destination, and the decision of where the animal went to tank or consumption.

Mr. Prchall: I don't believe at all that the intent here, this is within the state.

Mr. Howard confirmed the definition of officer, it is found in 583.365.

Mr. Getto asked if they changed the bill to clarify the shipping of the cattle, would it harm the bill. Mr. Glaser is to see Mr. Christensen and work on changing the wording.

Meeting adjourned at the hour of 12:00 noon.

smithers