

From: [Noelle Cremers](#)
To: [Carroll, John \(BOS\)](#)
Subject: Letter for Public Safety and Neighborhood Services Committee
Date: Tuesday, September 26, 2017 3:58:57 PM
Attachments: [SF Abx Ordinance Letter 9-26-17.pdf](#)

Mr. Carroll,

I've attached my letter regarding File No. 170763 on tomorrow's Public Safety and Neighborhood Services Committee agenda. Please let me know that you've received it.

Thanks,
Noelle

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September 26, 2017

The Honorable Jeff Sheehy
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

RE: Proposed Antibiotic Use in Food Animals Ordinance – File No. 170763

Dear Supervisor Sheehy:

The California Farm Bureau Federation (Farm Bureau) is writing to, unfortunately, express opposition to the proposed ordinance to require reporting of antibiotics used in the production of meat and poultry sold by grocery stores in the city and county of San Francisco. Farm Bureau represents more than 48,000 members as it strives to protect and improve the ability of farmers and ranchers engaged in production agriculture to provide a reliable supply of food and fiber through responsible stewardship of California's resources. California's farmers and ranchers care deeply about the animals they raise and use antibiotics judiciously to prevent, control, and treat diseases in their animals.

California's livestock and poultry producers have a moral obligation to provide for the health and welfare of their animals. Producers want to ensure that antimicrobials remain effective and available to maintain healthy and productive animals by preventing and treating diseases and infections. They likewise recognize the importance of antimicrobials for human medicine and are committed to taking an active role in efforts being made to reduce antimicrobial resistance on state and national levels. As part of these efforts Farm Bureau worked with Senator Jerry Hill in 2015 to gain passage of SB 27. That bill, which is now law, is a first in the nation effort to address concerns about antibiotic use in animal agriculture and includes a requirement that *all* medically important antibiotics be used under the oversight of a veterinarian. No other state requires this.

Further, SB 27 requires California's Department of Food and Agriculture to monitor antibiotic resistance within the major segments (i.e., beef, sheep, poultry, etc.) of California's animal agriculture production system. This monitoring effort will be done in concert with national efforts to monitor antibiotic resistance and usage. The data gathered through this effort will be provided to California's legislature by 2019. The approach set forth in SB 27 requires commitment by California's livestock and poultry producers, but was designed in a way to consider the costs and challenges associated with livestock production and will be feasible for compliance to be achieved, which is not the case with the proposed ordinance.

It is important to understand why antibiotics are used. Animals are raised in herds or flocks and when one animal gets sick the disease spreads quickly throughout the herd or flock. Unlike school children who can be kept home from school when they are sick to prevent the further spread of an illness, it's not feasible to isolate a cow and her calf from the rest of the herd if her

calf gets pneumonia. This means that antibiotics are necessary not only to treat disease, but also to prevent the spread of disease when there is reason to believe the herd or flock is at risk of contracting the illness. Antibiotics are not used for growth promotion purposes, so restrictions on their use can have very real impacts to animals health and welfare.

The proposed ordinance on antibiotic use in food animals will be extremely burdensome to implement with limited benefits to consumers. The proposed ordinance will create record keeping requirements that upend the current market structure and require new individual animal identification that will create significant costs. Additionally, the ordinance is poorly written and appears to require reporting of information regardless of whether meat or poultry is from an animal treated with antibiotics. To help explain why this would occur, it is important to understand the structure of the livestock production system.

Beef Cattle Production

Beef produced and consumed in the United States are originally born on ranches spread throughout the United States. These ranches are called “cow-calf operations” where a rancher owns a herd of beef cows that give birth to a calf each year. Those cows graze rangeland or pastures and nurse their calves for about six-months. The calves are typically sold at weaning to a “stocker operation” where the calves continue to graze for another six to eight months. The stocker operator then sells the calves to a feedlot where they are finished on grain for around three months. When the calf is ready for harvest they are sold again to a “packer” who processes the animal into beef. The packer then sells the beef to grocers and food service operators. The calves are sold in groups and are usually not individually identified. If a calf gets sick and is treated with antibiotics by either the cow-calf operator or stocker operator there would be significant cost to identifying the animal and ensuring that the paperwork documenting the treatment follows the animal as it is sold numerous times.

It is also important to recognize that when animals are sold they are generally sold in groups. However, these groups are later separated and sold again in a different group making it difficult to maintain the information required by the proposed ordinance as each animal moves through the supply chain. Further, there is not an existing system to keep the animal identification with the carcass after slaughter, making compliance near impossible. Ultimately, there is no way that producers will take on the additional costs to provide the information throughout the chain of production and this ordinance will have the effect of banning the sale of beef by requiring a paperwork trail that would make it prohibitively expensive for all but elite consumers.

Sheep Production

Sheep are produced in a manner similar to beef with a broad number of “range producers” who own ewes that give birth to lambs each year. The lambs are then sold to be finished either on forage or in a feedlot. The finished lambs are sold to a “packer” who then sells the lamb to grocers and food service operators. Lamb would have the same costs and challenges as beef producers with providing information through the production chain.

Poultry and Pork Production

Unlike sheep and beef production, pork and poultry production are generally vertically integrated meaning there are not multiple owners throughout the supply chain. Although there is some pork production that still occurs with independent farmers who sell their pigs to processors. These sales would add inordinate costs due to the paperwork necessary to comply with the proposed ordinance.

Regarding poultry, all packages are labeled whether they are antibiotic free or not. Since most of the California product is free of antibiotics today, there are many brands in the nation that send poultry to supermarkets. The labels tell the story. There is no need to burden supermarkets with a job that is almost impossible to do. Consumers should be able to make their choices by reading the labels.

The proposed ordinance creates significant costs throughout the supply chain. To understand the costs it would be valuable to consider the costs estimated for compliance with Country of Origin Labeling (COOL), which required labeling to indicate the country where a wide range of agricultural products including meat and poultry were grown or raised.

In its final rule implementing COOL, the U.S. Department of Agriculture (USDA) estimated the costs to firms for implementing the rule would be \$2.6 billion nationally¹. USDA estimated that each business required to comply with COOL would incur costs of up to \$254,685. The costs contributed to COOL would be an underestimation as compared to the costs incurred under the proposed ordinance because the paperwork documenting the country of origin would apply to the entire group of animals sold, whereas the proposed ordinance would require information for each specific animal as well as the entire group. This is particularly true for beef and lamb production, where groups of animals are sold and then separated and sold again, so each animal does not stay in the original group from its ranch of origin. This makes tracking of information extremely difficult and costly.

It is also important to recognize that producers have no idea where the meat or poultry from their animals will end up being sold, so San Francisco's proposed ordinance will essentially require this information to be collected by every producer in the nation in the event that the meat ends up being sold in San Francisco. In addition to the direct costs USDA estimated in the final rule for COOL, it estimated an economic cost of \$211.9 million in increased food costs and reduced food production. It should be noted that COOL was ultimately scrapped.

The proposed ordinance lacks clarity and presents reporting challenges regardless of whether the meat or poultry sold was from an animal who was treated with antibiotics. The requirement to report the percentage of animals treated with antibiotics and the number of animals raised appears to require that information regardless of whether the meat or poultry was from an animal treated with antibiotics. Further, it isn't clear which group of animals needs that reporting, is it the group of calves from the original ranch, or the calves grazing as stockers after weaning, or the calves in the feedlot? It's also unclear how to report the volume of antibiotics used. If meat or poultry is sold from animals raised without antibiotics, is the volume zero, or does a grocer

¹ 74 Federal Register 2658, January 15, 2009. Pages 2682-2700

still have to report antibiotic usage from the herd or flock mates? Again, this information would be nearly impossible to gather. Compliance with the proposed ordinance will be very difficult for both livestock and poultry producers as well as grocers and Farm Bureau would request you reconsider the introduction of this measure.

It should be recognized that antibiotics are tested extensively prior to authorization by the U.S. Food and Drug Administration and there are clear instructions for their use to ensure that meat and poultry from treated animals is safe to consume. The proposed ordinance provides limited benefits to consumers as the market has already responded to consumer demand for meat and poultry raised without antibiotics. However, despite consumer demand animals will always be at risk of getting sick and needing treatment. This means that a market needs to remain for animals treated with antibiotics. If there's no place to sell animals that have been treated with antibiotics, animals will either suffer as treatment is withheld to maintain economic value, or animals will simply be killed when they are sick, wasting a valuable life and protein source.

Addressing issues of antibiotic resistance are important and that is why Farm Bureau has actively engaged in efforts to better understand whether resistance in livestock and poultry is contributing to resistance in humans and what roles farmers and ranchers can play in reducing resistance. California farmers want to ensure that antibiotics remain effective so that they can treat sick animals as well as their own family. However, focus should be placed on efforts to address resistance rather than create costly reporting systems that don't do anything to change resistance. It is for this reason that Farm Bureau must respectfully oppose the proposed ordinance and requests that it be tabled.

Sincerely,

A handwritten signature in cursive script that reads "Noelle Cremers".

Noelle G. Cremers
Director, Natural Resources and Commodities

CC: Members, Public Safety and Neighborhood Services Committee
The Honorable Scott Wiener, Senate District 11
The Honorable David Chiu, Assembly District 17
The Honorable Philip Ting, Assembly District 19