

Approved \_\_\_\_\_

Date

*Fred A. Kerr*

2/23/83

MINUTES OF THE SENATE COMMITTEE ON AGRICULTURE AND SMALL BUSINESS

The meeting was called to order by Senator Fred A. Kerr at \_\_\_\_\_  
Chairperson

10:00 a.m./~~p.m.~~ on Tuesday, February 22, 1983, 19\_\_ in room 423-S of the Capitol.

All members were present ~~except~~ Senator Ross Doyen (Excused)

Committee staff present: Except Hank Avila

Conferees appearing before the committee:

Warden Noe, Attorney, Holton  
Bill Kanouse, Horton  
Joe Hamel, Horton

Senator Kerr moved the committee minutes of February 17 be approved, seconded by Senator Thiessen. Motion carried.

SENATE BILL 204

Senator Kerr called on Senator Gordon sponsor of this bill. He in turn introduced Attorney Warden Noe who has been working with the Brown County Fair Board.

Mr. Noe stated the Tri County Fair is now an open class and 4-H Fair and known as the Brown County Fair and includes the counties of Atchison, Brown and Jackson, although it is not an officially recognized fair association under the fair laws of 1929. He stated Horton has received some county aid. He stated they would now like to have the bill amended to include K.S.A. 2-143 in order to avoid double taxation in the city. The bill is generalized and eliminates specifications to population and assessed valuation. (He did not have a draft of the desired language for the amendments.)

Section 2 includes how the fair is managed. He felt on line 40 before "seven members" the words "at least" should be added. Section 3 is a new section.

Mr. Kanouse stated some people want to get the fair in another city but since they have been qualifying under the grandfather clause, they want it to remain as a county fair. Mr. Hamel stated he collected the funds from businesses in Horton to take care of expenses other than prizes, and stated they have been doing this without taxing the city of Horton. They want it to remain a county fair and not a city fair.

Answering Senator Kerr's question as to what other fairs (city and county) would be affected under the bill, Mr. Noe stated he did not know.

Senator Gordon stated he would draw up a balloon copy with amendments and contact the proper regulatory body to determine the impact of such a bill.

Senator Kerr called on Senator Montgomery to present his request to have a joint committee meeting of the Agriculture Committees to hear a presentation by the Task Force on Agriculture in the Classroom. Discussion followed, and it was decided the proper people will be contacted relative to such a joint meeting on March 10. (See Attachment 1)

(MORE)

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON AGRICULTURE AND SMALL BUSINESS,  
room 423-S, Statehouse, at 10:00 a.m. ~~p.m.~~ on Tuesday, February 22, 1983, 19   .

Senator Kerr stated Senator Karr had asked that the committee give consideration to a draft proposed legislation titled "Interstate Compact on Regional Agricultural Grain Marketing and Pricing" which Senator Karr distributed (Note Attachment 2). Senator Karr stated the draft was a Regional Marketing Concept and was a culmination of two years' work by the Farmers Union and would be a multi-state effort and not a minimum pricing bill. Senator Gannon and Ivan Wyatt had worked with him on providing an agenda for grain states to effectively address marketing problems and would like to see it introduced as a committee bill. He stated it does have support of some farm organizations but he felt others would not support it.

Senator Gannon stated the draft addresses many concerns and problems and he called specific attention to Page 4 with reference to a Referendum as to whether farmers wanted mandatory controls or not. He felt the language should be introduced and time should be spent looking at the bill.

Senator Karr stated it does have a mill levy for expenses, and the Farmers Union has not always been agreeable to raising such funds.

Page 7 sets out control would be under board members. Senator Karr further stated he understood similar types of discussion will and have taken place in Iowa, Nebraska, Minnesota, North Dakota and South Dakota. It would not go into effect until there is a substantial number of states who vote to become involved.

Answering Senator Allen's question as to the participants for this draft other than the AAM and the Farmers Union, Senator Karr stated the NFO. Senator Allen remarked about the possibility of people out in the area as seeing this as a minimum pricing bill, Senator Karr again pointed out it is a regional marketing concept rather than a minimum pricing bill.

Senator Gannon stated a group of people had approached Senator Karr and himself. They tried to clarify the problems and think there is a possibility that this is a piece of legislation which is palatable to all. He felt we should look at our own problems and address them on a state level.

Senator Montgomery stated he opposes paragraph (E) on Page 10 "It shall be unlawful for any producer to sell...."

Senator Karr moved the committee draft and submit a bill incorporating the language as contained in Attachment 2, seconded by Senator Gannon. Motion failed.

The meeting was adjourned.

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SENATE

AGRICULTURE AND SMALL BUSINESS COMMITTEE

10:00 a.m., Room 423-S

Tuesday, Feb. 22, 1983

Date

NAME	ADDRESS	ORGANIZATION
Diane Jay	238 Gage #1101 <sup>W0006</sup> Topeka	S-V School of Nursing
Yammy Lacey	Halton	S-V School of Nursing
W.B. Venable	Box 813 Syracuse Ks	USO 494 BOE
Marilyn Clowen	RR#1 Salanta, KS	K-State Ag Council
Anita Conlay	Route 2 Dypsum, KS	K-State Ag Council
Leotta Mahler	P.R. 1 - Garnett, KS	K-State Ag Council
Anita Lakin	Ks Salanta	K-State Ag Council
Janie Johnson	1138 Willow St. Ottawa	K-State Ag Council
Kelly Meyer	Rt # 2 Inman, KS.	K-State Ag Council
Jim Ryan	Rt 1 Box 81 New Cambria KS	K-State Ag Council
Valerie Bosted	K-7 Juntura Manhattan, KS	" "
Kevin Karr	Rt. 2 Emporia, KS	K-State Ag Council
Will Kuhl	Rt 1 Clayton, KS	" " " "
Russell Halle	Box 277 Newburg, MO 67107	" " " "
Bryan J. Bruner	1919 Platt Manhattan KS	K-State Ag. Senator
Brian Vining	R.R. 1, Richmond KS	K-State Ag Council
Don Wininger	Rt 2 Box 10 Marion, KS	" " " "

STATE OF KANSAS



TOPEKA

SENATE CHAMBER

February 21, 1983

DON MONTGOMERY

SENATOR, TWENTY-FIRST DISTRICT

MARSHALL, NEMAHA, POTTAWATOMIE,

WABAUNSEE, PARTS OF DICKINSON,

GEARY, MORRIS, RILEY COUNTIES

1218 MAIN

SABETHA, KANSAS 66534

COMMITTEE ASSIGNMENTS

VICE-CHAIRMAN: LOCAL GOVERNMENT

MEMBER: ASSESSMENT AND TAXATION

JOINT COMMITTEE ON ADMINISTRATIVE RULES

AND REGULATIONS

AGRICULTURE AND SMALL BUSINESS

EDUCATION

*Bring this up Tues in Ag Comm*

Senate and House Agriculture Committee Chairmen,  
Senator Kerr and Representative Fuller:

Dear Chairman:

I would like to request a joint meeting of the two agriculture committees for the purpose of having the committees' membership hear from the Task Force on Agriculture in the Classroom.

I'm enclosing an article from the Kansas Farmer giving a brief outline of the purpose of the Task Force of which I am a member. I met with the group on Friday, February 18 and they requested that I try to set up a joint meeting of the Agriculture Committees. We discussed several dates the members could attend and they are: March 1, 3, 10, 22 or 25. Since Ag day is March 22 I would like for us to hear them prior to that. I was wondering if March 10 would be a good time if you feel the Committee would like to hear of the program.

Please advise as to your decision.

Sincerely,

*Don*

Senator Don Montgomery  
Twenty-First District

Copies for:

Members of Senate and  
House Agriculture Committees  
Barbara L. Moyer, Chairman  
Task Force on Ag in the  
Classroom

Enclosures

*Atch. 1*

KANSAS TASK FORCE  
AG IN THE CLASSROOM

CHAIRMAN

Barbara L. Moyer  
Kansas Farm Bureau  
Coordinator Women's Programs  
2321 Anderson Avenue  
Manhattan, Ks 66502  
Bus: 913-537-2261 Ext 126

INFORMATION DIRECTOR

Randall D. Tosh  
Executive Assistant  
Kansas Cooperative Council  
700 Kansas Avenue  
Topeka, KS 66603  
Bus: 913-233-4085

SECRETARY

Loreen Locke McMillan  
Assistant Director  
Domestic Agriculture Marketing  
Kansas State Board of Agriculture  
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Topeka, KS 66612-1282  
Bus: 913-296-3736

Robert Anderson  
President Nat'l Assoc. of Elementary  
School Principals  
Principal, Marlatt School  
Hobbs Drive & Browning Ave.  
Manhattan, KS 66502  
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Helen Bausch  
United Farm Wives  
RR 2  
Mayetta, KS 66509  
913-986-6331

Dr. Harold Blackburn  
Assistant Commissioner  
Educational Services  
State Dept. of Education  
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Dale L. Carey  
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Dr. Calvin Drake  
Professor, Dept. of Animal Science  
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Michael L. Goolsby  
Member Relations Consultant  
Farmland Industries, Inc.  
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Mr. Dee James  
Former State President and National  
V.P. of FFA  
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Home: 913-539-1952

Dr. Gene Kasper  
Director of Special Projects  
for the Board of Regents  
Board of Regents-State of Kansas  
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President Kansas National Educ. Assoc.  
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Don Montgomery  
Senator, Twenty-First District  
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Les Olsen  
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Linda Swiercinsky  
(Member-at-Large)  
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Mildred Walker  
Agricultural Economist, Consumer Marketing  
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Kansas Cooperative Extension Service  
Waters Hall  
Kansas State University  
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Dave Woolfolk  
President Federal Land Bank Association  
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Manhattan, KS 66502  
Bus: 913-776-6931

# Ag in the classroom

Unlike past generations who had a relatively-close connection to the farm, today, a vast majority have no farm ties. Their complete separation from the source of their food and fiber leaves them with little or no understanding of the interdependence of American agriculture with the rest of the economy. Their personal knowledge gives them little basis for recognizing the importance of the industry or for realizing that agriculture is the foundation of life and affects us all as consumers, workers and citizens.

Because of this lack of understanding by the public and particularly students and teachers, a unique effort is going on in more than 25 states. Agricultural and educational leaders are coordinating joint efforts to include agriculture in the classroom.

In Kansas, a 21-member Task Force is at work. Loreen Locke McMillan, Task Force secretary and assistant director, Domestic Agricultural Marketing, Kansas Board of Agriculture, says Kansas' first involvement was last summer at a regional meeting in Lincoln, Neb. There a core group of Kansans heard about the Illinois program which was expanded by Secretary of Agriculture John Block.

A group of 19 persons met in August to draft a state plan. This included the adoption of seven broad concept areas which help educators and farmers see how to fit agriculture into the curriculum and add to the student's understanding of history and the world today.

These concepts include agriculture and history, the geography of agriculture and technology, the economics of agriculture, agriculture and the world, careers now and in the future and major policy issues. The latter includes land use, conservation, chemicals, government interaction with agriculture, world food supplies for the future and other issues.

Randy Tosh, public information officer for the Task Force, says the work has been divided into three main areas of concentration. Clayton Stultz, education program specialist, Economic/Consumer Education, Kansas State Department of Education, heads the curriculum committee. Tosh, executive assistant, Kansas Cooperative Council, is chairing the material committee, and Les Olsen, education program specialist, Agriculture Education, State Department of Education, is in charge of the distribution committee.

Schultz's committee is examining curriculum presently in the public schools and determining

how new or additional material may be used in the classroom. The materials committee is looking at audio visual aids, lesson plans, study guide outlines and the like. Later, they will develop materials, as needed.

The distribution committee will determine the best ways to distribute or market materials to school districts. Their special emphasis will be on in-service training for teachers and programs to foster community support for ag in the classroom.

Their plans are to stress two topics in particular—the economics of agriculture and world food production and distribution.

Tosh wants it made clear. The Task Force is not trying to add a new course to the curriculum. What the members hope to do is to mesh agriculture into the present curriculum. Instead of being generic, Tosh says, let's use agricultural examples.

Barbara Moyer, Task Force chairman and coordinator of women's programs, Kansas Farm Bureau, says, "Our aim is to integrate agricultural information into the math class, geography, social studies and history classes."

Tosh and Mrs. McMillan agree. Both are particularly anxious to introduce agriculture into the elementary curriculum. Small children enjoy learning facts such as how many loaves of bread are made from a bushel of wheat. Even though they may not realize the huge amounts, they learn to appreciate agriculture when they learn that Kansas produces enough wheat to make 24 billion loaves of bread. That's enough for every man, woman and child in the world to have six loaves.

Teaching school children about agriculture is a long-range project. Mrs. Moyer says it will take 10 years to totally integrate the program on a statewide basis. And Tosh says the newly-formed committee is already talking in terms of 20 years and probably longer. It definitely is an on-going project which will continually need additions and updates to keep it current.

Although the Task Force is doing the initial work, Mrs. McMillan says there will be lots of work for volunteers in the future.

In states where the program has been started, the program has had high acceptance among educators. Studying about their own state's economy fits well into social studies programs. People are wanting to learn more about food and where it comes from. Once a program such as this is widespread, agriculture should no longer be taken for granted. □

Be it enacted by the Legislature of the State of Kansas

Section 1 KSA 2-3101 is hereby amended to read as follows:

2-3101 "The Interstate Compact on Regional Agricultural Grain Marketing and Pricing is hereby enacted into law and entered into with all jurisdictions legally joining therein, in the form substantially as follows:

INTERSTATE COMPACT ON REGIONAL  
AGRICULTURAL GRAIN MARKETING AND PRICING

It is the purpose of this compact to protect, preserve and enhance:

(A) The economic and general welfare of citizens of the joining states engaged in the production and sale of agricultural grains;

(B) The economics and every existence of local communities in such states, the economics of which are dependent upon the production and sale of agricultural grains, and

(C) The continued production of agricultural grains in such states in quantities necessary to feed the increasing population of the United States and the world.

(D) The ability of individual producers to maintain a reasonable balance of supply in relation to market needs whereby without denies the individual producer the opportunity to secure a reasonable return equated to parity for their grains, prevents agricultural producers from maintaining a reasonable standard of living, thereby causing financial depression, economic instability, increased economic insecurity, and rising unemployment.

(E) The depressed income of agricultural producers has resulted in a marked decrease of such producers and is a deterrent to the youthful farmers engaging in agriculture.

(F) It is further declared that an emergency now exists resulting from the depressed condition of agriculture in this state and particularly the loss of income to those engaged in the production of wheat, feed grains, and oil seeds.

(G) The Legislature, therefore declares that it is in the public good and general welfare of the citizens of the state to enact this measure under the general welfare and police powers of the state.

#### Article II - Definitions

As used in this compact:

(A) "State" means any state of the United States in which agricultural grains are produced for the markets of the nation and the world.

(B) "Agricultural grains" means wheat, feed grains and oil seeds.

(C) "Producer" means any producer that is engaged in the business of growing or producing wheat, feed grains and oil seeds within the state, and any shareholder of such grain.

(D) "Person" means any individual, corporation, partnership, trust, association, cooperative association and any other business unit or organization.

(E) "Processor" means any person that buys, or otherwise takes title to, or possession of, any grains for the purpose of processing, or manufacturing it, or selling, reselling, or redelivering it to its original or processed form. It shall include all of the following:

(1) Any person or exchange that conducts such business.

(2) Any person or exchange that buys grain from the producer for the purpose of reselling it to any person or exchange that conducts such business.



(F) "Parity" shall have the same meaning as that defined by the provisions of the Agricultural Adjustment Act title 7, section 1301, U.S.C.A.

(G) "Board" shall mean, Kansas Agricultural Grain Marketing and Pricing Board.

(H) "Commission" shall mean Regional Agricultural Grain Marketing and Pricing Commission.

(I) "Agricultural Districts" shall have the same meaning as used in determining the selection of members to the State Board of Agriculture.

### Article III

#### Kansas Agricultural Grain Marketing and Pricing Board Regional Agricultural and Grain Marketing and Pricing Board

##### (A) Organization and Management

##### Kansas Agricultural Grain Marketing and Pricing Board

(1) This act shall provide for the establishment of a Kansas Grain Marketing and Pricing Board, whos duties shall be to carry out the enforcement of marketing quotos established by the Commission as set out in this act.

The Kansas Grain Marketing and Pricing Board shall be made up of two members selected from each of the state's agriculture districts set out by the state for the purpose of selecting members of the state Board of Agriculture.

##### Board Election

Each member of the county ASCS Committee shall have one vote for the purpose of electing "Board" members.

Board members shall be elected for a term of two years, with each board member from each district being elected at alternate times, except at the first election of board members, one member shall be elected for a term of one year and one for a term of two years.

The election shall be held during the month of January.

The Secretary of the Board of Agriculture shall provide a by-mail secret ballot to each member of each county ASCS committee person.

Candidates for their positions shall file for election by paying a \$50 filing fee to the Secretary of the State Board of Agriculture.

These collected filing fees shall be used to reimburse the State Board of Agriculture for the cost of the election, with surplus funds reverting to the permanent fund of the Board.

To participate in these elections, candidates shall provide proof of their eligibility to participate in the election of county ASCS Committee persons of the county of their residence.

#### Referendum

Legislation passed by the State Legislature allowing the formation of the Kansas Grain Marketing and Pricing Board, and its participation in the Commission (Regional Grain Marketing and Pricing Board) shall be ratified by a majority vote of the state producers of the commodities listed in Article 1 (I).

A producer voter shall vote in the county of his residence, and shall be qualified to vote in that county election of ASCS County Committee persons.

The Secretary of the Board of Agriculture shall be responsible for the carrying out of the referendum vote within 120 days after its publication in the statute book.

#### Initial Funding

Upon the enactment of this legislation the State Director of Revenue shall be authorized to levy a 1 mil tax on the gross sale of "grain" marketed in the state income tax year of 1983.

Permanent Funding

Upon the ratification of the interstate compact on Regional Grain Marketing and Pricing Act by a referendum vote of eligible voters, the Governor shall cause to be established a Kansas Agricultural Grain Marketing and Pricing Board Fund, for the purpose of carrying out the purpose of their duties and functions as set forth in this act.

Funding shall be the same as set out in the initial funding with a limit of 3 mils, or otherwise set out by an act of the State Legislature.

Any surplus in the initial fund after all expenses of the referendum and initial election shall be transferred to the permanent fund.

Voting Binding Action

Each member shall be entitled to one vote. A member must be present to vote and no voting by proxy shall be permitted. The Board shall not act unless a majority of the voting members are present, and no action shall be binding unless approved by a majority of the total number of voting members present.

(1) Body Corporate; Seal. The Board shall be a body corporate and shall adopt an official seal to be used as it may provide.

(2) Meetings. The Board shall hold an annual meeting and such other regular meetings as its bylaws may provide and such special meetings as its executive committee may determine. The Board bylaws shall specify the dates of the annual and any other regular meetings, and shall provide for the giving of notice of annual, regular and special meetings. Notices of special meetings shall include the reasons therefore and an agenda of the items to be considered.

(3) Officers. The Board shall elect annually, from among its voting members, a chairperson, a vice-chairperson and a treasurer. The Board shall appoint an executive director who shall serve at its pleasure, and shall fix the duties and compensation of such director. The executive director shall be Secretary of the Board. The Board shall make provision for the bonding of such of its officers and employees as it may deem appropriate.

(4) Personnel. Irrespective of the civil service, personnel or other merit system laws, the executive director shall appoint or discharge such personnel as may be necessary for the performance of the functions of the Board and shall fix, with the approval of the Board, their duties and compensation. The Board shall provide for personnel policies and programs. Employees of the Board shall be eligible for social security coverage in respect of old age and survivors insurance provided that the Board takes such steps as may be necessary pursuant to federal law to participate in such program of insurance as a governmental agency or unit. The Board may establish and maintain or participate in such additional programs of employee benefits as may be appropriate. The Board may borrow, accept or contract for the services of personnel from any state, the United States, or any other governmental entity.

(5) Donations and Grants. The Board may accept for any of its purposes and functions any and all donations and grants of money, equipment, supplies, materials and services, conditional or otherwise, from any governmental entity, and may utilize and dispose of the same.

(6) Offices. The Board may establish one or more offices for the transacting of its business.

(7) Bylaws. The Board shall adopt bylaws for the conduct of its business. The Board shall publish its bylaws in convenient form, and shall file a copy of the bylaws and any amendments thereto with the appropriate agency or officer of the state.

(8) Reports. The Board annually shall make to the Governor and Legislature a report covering its activities for the preceding year. Any donation or grant accepted by the Board or services borrowed shall be reported in the annual report of the Board, and shall include the nature, amount and conditions, if any, of the donation, gift, grant or services borrowed and the identity of the donor or lender. The Board may make additional reports as it may deem desirable.

(9) The Board is hereby authorized to do all things necessary and incidental to the administration of its functions and purpose under this compact.

Regional Agricultural Grain Marketing and Pricing Commission

(1) Membership. There is hereby created an agency of the member states to be known as the Regional Agricultural Grain Marketing and Pricing Commission, herein after called the Commission.

The Commission shall consist of one member from each member state, to be selected from each member's state's Marketing Board, or reasonable facsimile.

Voting Binding Action: Each member shall be entitled to one vote. A member must be present to vote and no voting by proxy shall be permitted. The Commission shall not act unless a majority of the voting members are present, and no action shall be binding unless approved by a majority of the total number of voting members present.

(2) Body Corporate; Seal. The Commission shall be a body corporate and shall adopt an official seal to be used as it may provide.

(3) Meetings. The Commission shall hold an annual meeting and such other regular meetings as its bylaws may provide and such special meetings as its executive committee may determine. The Commission bylaws shall specify the dates of the annual and any other regular meetings, and shall provide for the giving of notice of annual, regular and special meetings. Notices of special meetings shall include the reasons therefore and an agenda of the items to be considered.

(4) Officers. The Commission shall elect annually, from among its voting members, a chairperson, a vice-chairman and a treasurer. The Commission shall appoint an executive director who shall serve at its pleasure, and shall fix the duties and compensation of such director. The executive director shall be secretary of the Commission. The Commission shall make provision for the bonding of such of its officers and employees as it may deem appropriate.

(5) Personnel. Irrespective of the civil service, personnel or other merit system laws of any member state, the executive director shall provide for personnel policies and programs. The Commission may establish and maintain, independently of or in conjunction with any one or more of the member states, a suitable retirement system for its full-time employees. Employees of the Commission shall be eligible for social security coverage in respect of old age and survivors insurance provided that the Commission takes such steps as may be necessary pursuant to federal law to participate in such program of insurance as a governmental agency or unit. The Commission may establish and maintain or participate in such additional programs of employee benefits as may be appropriate. The Commission may borrow, accept or contract for the services of personnel from any state, the

United States, or any other governmental entity.

(6) Donations and Grants. The Commission may accept for any of its purposes and functions any and all donations and grants of money, equipment, supplies, materials and services, conditional or otherwise, from any governmental entity, and may utilize and dispose of the same.

(7) Offices. The Commission may establish one or more offices for the transacting of its business.

(8) Bylaws. The Commission shall adopt bylaws for the conduct of its business. The Commission shall publish its bylaws in convenient form, and shall file a copy of the bylaws and any amendments thereto with the appropriate agency or officer in each of the member states.

(9) Reports to Member States. The Commission annually shall make to the Governor and Legislature of each member state a report covering its activities for the preceding year. Any donation or grant accepted by the Commission or services borrowed shall be reported in the annual report of the Commission, and shall include the nature, amount and conditions, if any, of the donation, gift, grant or services borrowed and the identity of the donor or lender. The Commission may make additional reports as it may deem desirable.

(10) The Commission is hereby authorized to do all things necessary and incidental to the administration of its functions and purposes under this compact.

(B) Committees

The Commission may establish such committees from its membership as its bylaws may provide for the carrying out of its functions.

Article IV - Powers and Duties of Commission

(1) Quotas: When at least 80% of the domestic production (U.S. production) of a particular grain, or a grain of a particular quality

produced in the member states of the Commission (Regional Grain Marketing and Pricing Board) the Commission shall cause to be established marketing quotas for those member states producing those grains, or grain of a particular quality, based on each states average production of the two preceeding years.

These marketing quotas shall be established as near as possible at a level that the market will absorb at 80% parity price.

The first five states that become members of the Commission (Regional Grain Marketing and Pricing Board) may establish the location of headquarters of the Regional Grain Marketing and Pricing Board.

(A) When marketing quotas are established for new member states to the Regional Grain Marketing and Pricing Board, consideration shall be given for the reduced production of member states in previous years, while under marketing quotas.

(B) It shall be the duty of the Kansas Grain Marketing and Pricing Board to carry out the administration of the Commission directive at which time marketing quotas are established.

(C) The state marketing quote shall be determined for each farm as a percentage of that farm's average yield multiplied by the farm's grain base acreage as determined by that county ASCS Board.

(D) The Kansas Grain Marketing and Pricing Board is hereby authorized to make such rules and regulations as in the Board's judgement may be necessary to issue marketing orders and quotas as established by the Commission (Regional Grain Marketing and Pricing Board).

(E) It shall be unlawful for any producer to sell or for any person to purchase any agricultural grains listed in section 1 (c) which are grown in the state that are covered by a marketing order and quote



issued by the Kansas Grain Marketing and Pricing Board. Violations shall incur a civil penalty punishable by assessments equal to twice the value of the grain involved.

(F) The Kansas Grain Marketing and Pricing Board shall monitor commodity transactions, including commodity exchanges and other commodity markets. Upon reasonable cause to believe that an ongoing violation is occurring or that a violation may occur, and upon notification to the party or parties involved, the Kansas Grain Marketing and Pricing Board shall issue an order to restrain the violation, which order shall remain in effect for 10 working days, during which time the secretary will seek a permanent restraining order in a court of proper jurisdiction.

(G) Within 60 days of a reported violation, the Kansas Grain Marketing and Pricing Board shall initiate proceedings to determine if a violation has occurred. If a violation has been found to occur, the Kansas Grain Marketing and Pricing Board has authority to negotiate a stipulation with the offending party or parties, including payment of the fine or penalty in an amount not less than twice the value of the commodity involved. If a stipulation cannot be reached within 60 days, such civil penalty shall be recoverable in civil action brought by the Attorney General of the state.

(H) The Commission is hereby authorized to do all things necessary and incidental to the administration of its functions under this compact.

#### Article V - Finance

(A) Budget. The Commission shall submit to the Governor of each member state and its corresponding Marketing and Pricing Board a budget of its estimated expenditures for such period as may be required by the laws of that state for that state's proportionate share to be funded as they so choose.

(B) Appropriations by Member States. The monies necessary to finance the general operations of the Commission not otherwise provided for in carrying forth its duties, responsibilities and powers as stated herein shall be appropriated to the respective states. Appropriations by member state for the financing of the operations of the Commission shall be apportioned among the member states in the manner determined by the Commission. Each state shall determine the means of funding their state proportioned share.

(C) Accounts; Audits. The Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Commission shall be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the Commission shall be audited yearly by a certified or licensed public accountant and the report of the audit shall be included in and become part of the annual report of the Commission.

(D) Accounts; Examination. The accounts of the Commission shall be open for inspection at any reasonable time.

Article VI - Eligible Parties, Entry  
Into Force, Withdrawal and Termination

(A) Eligible Parties. Any agricultural grain marketing state may become a member of this compact.

(B) Entry into Force. This compact shall become effective initially when enacted into law by any five states prior to July 1, 1988, and in additional states upon their enactment of the same into law.

(C) Withdrawal. Any member state may withdraw from this compact by enacting a statute repealing the compact, but such withdrawal shall not become effective until one year after the enactment of such statute and the notification of the Commission thereof by the Governor of the withdrawing state. A withdrawing state shall be liable for any

obligations which it incurred on account of its membership up to the effective date of withdrawal, it shall remain liable to the extent of such obligation.

(D) Termination. This compact shall terminate one year after the notification of withdrawal by the Governor of any member state which reduces the total membership in the compact to less than five states.

Sec. 2 K.S.A. 2-3101 is hereby repealed

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.