

Approved _____

Date _____

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, March 29, 1983, 19__ in room 423-S of the Capitol.

All members were present except: Senator Ed Reilly (Excused)

Committee staff present: Raney Gilliland, Research Department
Bruce Hurd, Revisor's office
Lorraine Cobb, secretary

Conferees appearing before the committee:

Dr. Gerald Gurss, Kansas Livestock Commissioner
Gerald Riley, Kansas Association of Wheat Growers
Steve Graham, Administrator, Kansas Wheat Commission
John Crofoot, Kansas Grain and Feed Dealers
John Blythe, Kansas Farm Bureau

Senator Karr moved the March 24, 1983 committee minutes be approved, seconded by Senator Gannon. Motion carried.

HOUSE BILL 2534

Raney Gilliland informed the committee this bill was introduced by the House Ways and Means Committee upon the recommendation from the subcommittee which reviewed the Board of Agriculture's budget. The Board of Agriculture indicated Kansas is the only state which tested binder twine and they had no objections to the bill, particularly because the equipment it uses to test binder twine is wearing out and would be very costly to replace. Attention was called to Attachment 1, Fiscal note for H.B. 2534.

Senator Kerr inquired if anyone present wanted to testify on this bill. No one responded.

Senator Karr moved HB 2534 be recommended favorably for passage and be placed on the consent calendar, seconded by Senator Gannon. Motion carried.

HOUSE BILL 2537

This bill with conceptual amendments, as requested for clarification by the committee was discussed (note Attachment 2). Senator Warren moved the amendments be adopted, seconded by Senator Allen. After the ensuing discussion, the motion carried. Answering a question of Senator Gannon, Dr. Gurss stated they have authorization by USDA for their people to supervise the operation of the equipment, and they have the owner of the cattle or animals sign a form to release them from any liability. He feels by having authority and doing the dipping it is much better than placing a quarantine on the cattle or animals suspected of having scabies.

Senator Karr moved House Bill 2537 be recommended favorably for passage as amended, seconded by Senator Montgomery. Motion carried.

PIK PROGRAM - Senator Kerr stated that the committee having agreed on the need for clarification, a bill had been drafted clarifying that the mill levies for grain would apply on wheat, corn and grain sorghum under the PIK program. (See Attachment 3). This bill would have to be presented through an exempt committee.

(MORE)

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON AGRICULTURE AND SMALL BUSINESS,
room 423-S, Statehouse, at 10:00 a.m./~~pm~~ on Tuesday, March 29, 1983, 19

Senator Kerr asked if anyone was present who wanted to appear relative to such a proposal.

Gerald Riley stated they had taken a quick poll and the KAWG board favored treating the grain under the PIK program as new wheat as it is still in the marketplace. Senator Kerr stated this grain replaces that which would have been raised. Mr. Riley stated if the mill levy was not collected there could be a loss of some \$320,000. He stated this was for promotion of the products and he felt a pretty cheap promotion.

Steve Graham distributed Attachment 4 and called attention to Secretary Block's letter (previously distributed to committee members) which stated cotton under the PIK program would be considered as a new product by the USDA. The Wheat Commission Board favors the grain under the PIK program being considered as new wheat. He agreed with Mr. Riley's figure as to the amount which could be lost should this not be specified.

John Crofoot stated if the clarification as set out in the proposal was not made it would create bookkeeping problems. They are supportive of this proposal.

John Blythe stated the Farm Bureau is very supportive of all four grain commissions and they support this proposal.

After further discussion, Senator Thiessen moved the drafted bill be submitted to the Ways and Means Committee with the request that it be referred to the Committee of the Whole, seconded by Senator Allen. Motion carried.

Senator Kerr stated Senator Montgomery had expressed concern about two articles in the recent copy of the Kansas Farmers Union newspaper which he thought contained inaccuracies. Senator Kerr said he shared Senator Montgomery's concern.

Senator Gannon stated he feels the committee has a very open-minded chairman. Senator Karr stated they were a day late in presenting the draft for a bill for the committee's consideration but that he feels it is difficult to bring a controversial measure to this committee. Senator Allen disagreed with him and asked just what issues he had in mind.

After some discussion, Senator Kerr stated he would personally write a letter to the Editor of the Kansas Kontakt newspaper; he would be agreeable to the whole committee signing the same, but if they preferred not to he would send it over his signature only.

The meeting was adjourned.

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SENATE

AGRICULTURE AND SMALL BUSINESS COMMITTEE

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

Tuesday, March 29, 1983
Date

NAME	ADDRESS	ORGANIZATION
Donald Jurnquist	Lindsborg	Kans Wheat Comm.
Herald P. Pyle	Highland	K.A.W.C.
Oden Swenson	Topoka	Ks Bd of Ag
Max Seacat	Greensburg	Kans Wheat Comm.
Steve Frazer	Winfield	" " "
Steven Graham	Hutchinson	K.S. Wheat Comm.
Mary Fischman	Topoka	Dir of Budget
G.D. Turner		Comm. Health
Mike Bean	Topoka	KLA

The Honorable Bill R. Fuller, Chairperson
Committee on Agriculture and Livestock
House of Representatives
Third Floor, Statehouse

Dear Representative Fuller:

SUBJECT: Fiscal note for House Bill No. 2534 by Committee
on Ways and Means

In accordance with K.S.A. 75-3715a, the following fiscal
note concerning House Bill No. 2534 is respectfully submitted to
your committee.

House Bill No. 2534 would repeal the functions of the State
Board of Agriculture relative to the testing and measuring of
binder twine.

In FY 1982 the actual receipts of this fee fund were \$510.
On an annual basis, it is estimated that approximately \$425 of
revenue will be lost. It is estimated that repeal of this
statute will not have a measurable impact upon expenditures of
the State Board of Agriculture.

Alan D. Conroy
Alan D. Conroy
Budget Analyst

For the Director of the Budget

ADC:dh

Atch. 1

HOUSE BILL No. 2537

By Committee on Ways and Means

3-2

0016 AN ACT concerning the Kansas animal health department; re-
0017 lating to control and eradication of scabies in cattle and other
0018 animals; authorizing certain fees and providing for the dispo-
0019 sition thereof.

0020 *Be it enacted by the Legislature of the State of Kansas:*

0021 Section 1. (a) The livestock commissioner of the Kansas an-
0022 imal health department is hereby authorized to ~~acquire~~ ^{supervise the operation of} cattle
0023 and other animal dipping equipment ~~which is used in the control~~ ^{owned by the United States department of agriculture}
0024 and eradication of scabies in cattle and other animals and which
0025 is made available by the federal government ~~(for use by livestock~~
0026 ~~producers)~~ and others under the supervision of the livestock
0027 commissioner. The livestock commissioner is hereby authorized
0028 to fix, charge and collect a fee ~~per head~~ ^{from the owner of such cattle and other animals which} in an amount of not more
0029 than \$3 per head, to recover all or part of the costs of operating ^{are dipped as provided in this section}
0030 and maintaining such cattle and other animal dipping equip-
0031 ment.

0032 (b) All moneys received by the livestock commissioner for
0033 fees under this section shall be remitted to the state treasurer at
0034 least monthly. Upon receipt of each such remittance, the state
0035 treasurer shall deposit the entire amount thereof in the state
0036 treasury and such amount shall be credited to the animal scabies
0037 fee fund, which is hereby created. All expenditures from the
0038 animal scabies fee fund shall be for operating expenditures for
0039 operation and maintenance of such cattle and other animal dip-
0040 ping equipment and shall be made in accordance with appropri-
0041 ations acts upon warrants of the director of accounts and reports
0042 issued pursuant to vouchers approved by the livestock commis-
0043 sioner or by a person or persons designated by the livestock
0044 commissioner.

Atch. 2

SENATE BILL NO. _____

By

AN ACT concerning agriculture; relating to the wheat and grain commissions and providing for levy and assessment as provided in K.S.A. 2-2608 and 2-3007 on grain acquired under the federal payment-in-kind program.

Be it enacted by the Legislature of the State of Kansas:

Section 1. Any wheat, corn or grain sorghum acquired by a grower as defined in K.S.A. 2-3001, under the provisions of the federal payment-in-kind (PIK) program, shall be subject to the excise tax, assessments and other provisions of K.S.A. 2-2608 and 2-3007.

Sec. 2. This provision of the act shall expire on September 30, 1985.

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

1983 KANSAS WHEAT PRODUCTION AND PIK ESTIMATE

Kansas Base Wheat Acreage Total		13,990,121
Less Regular Agriculture Diversion Program		<u>1,470,473</u>
	Leaves	12,519,648
Less 10-30% PIK Acreage		<u>1,926,230</u>
	Leaves	10,593,418
Less Whole Base PIK Acreage		<u>774,359</u>
	Kansas Acres Harvested	9,819,059
Estimated Yield Per acre (32bu. X Above)		
Leaves Bushels Harvested		314,209,888
Total PIK Acres	2,702,589	
Estimated Yield Per Acre 30.40, 95% of Normal Yield		
Gives PIK Bushels		<u>82,158,705</u>
Total Bushels Harvested and PIK		396,368,593

Atch. 4