

Approved

Date 2-28-85

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE AND SMALL BUSINESS

The meeting was called to order by Lloyd D. Polson at
Chairperson

9:00 a.m./~~xxx~~ on February 13, 1985 in room 423-S of the Capitol.

All members were present except: Representative Apt, who was excused.

Committee staff present:

Raney Gilliland, Legislative Research Department
Norman Furse, Revisor of Statutes' office
Mary Jane Holt, Committee Secretary

Conferees appearing before the committee:

Harland Priddle, Secretary, Kansas State Board of Agriculture
Ken Johnson, Kansas LP Gas Association
Mike Beam, Executive Secretary, Cow-Calf/Stocker Division, Kansas Livestock
Association

Representative Neufeld moved to approve the minutes of January 29 and
January 30, 1985. Representative Long seconded, and the motion carried.

Harland Priddle explained the purpose of H.B. 2005 is not to add any new responsibilities, authorities or fiscal notes, it is merely an update of 27 references to weights and measures that date back as far as 1909. He recommended changing line 0094 to read "the Secretary shall employ a State Sealer and other such personnel as necessary to enact this law.

Ken Johnson, Kansas LP Gas Association, stated his association approves of the change suggested in H.B. 2005 by Harland Priddle.

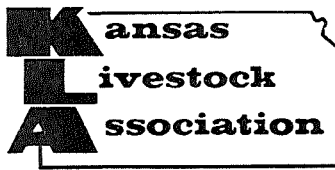
Mike Beam appeared as an opponent to H.B. 2004. He testified he felt the large scale testing program is a consumer program, and if the program is warranted, it should be paid for by the Kansas consumer and not the owner/operator of large scales, (Attachment A). He suggested that Section 4 of the bill be changed to specify that scale owners regulated by U.S.D.A.'s Packers and Stockyards Act be exempt from the Weights and Measures Division's annual testing program, (Attachment B).

The Chairman closed the hearings on H.B. 2004 and H.B. 2005.

Harland Priddle reported on his meeting on Monday in Washington, D.C. In his capacity as President of the Mid-America State Departments of Agriculture, which is composed of 12 midwestern states, he is a member of the Board of Directors for the National Association of the State Departments of Agriculture. They met to discuss the budget that is being prepared by the administration for agriculture and to talk about the farm bill. He stated that agriculture is not being looked at as a profit industry as it should be, and the budget deficit is a critical and primary objective.

The meeting adjourned at 9:45 a.m.

The next meeting will be at 9:00 a.m. on Thursday, February 14, 1985, in Room 423-S.



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Owns and Publishes The Kansas STOCKMAN magazine and KLA News & Market Report newsletter.

Statement of the

Kansas Livestock Association

with regard to the

Large Scale Testing Program
(HB2004)

before the

House Agriculture & Small Business Committee

Rep. Lloyd Polson, Chairman

presented by

Mike Beam

Executive Secretary, Cow-Calf/Stocker Division

February 13, 1985

2/13/85
Attachment A

Mr. Chairman and members of the committee, I'm Mike Beam representing the 9,500 members of the Kansas Livestock Association. KLA is a voluntary membership association of farmers and ranchers who depend on the livestock industry for their livelihood. We represent a diverse group of producers. A large part of our membership includes cow-calf and stocker producers. Many of these operations produce grain and forage for their own use or for sale as a cash crop. Compared to other state livestock groups, KLA is unique because cattle feeders and private/commercial feedyards rely on the same organization as cow-calf, stocker, sheep and swine producers.

By looking at the composite of KLA membership you can see why our association has a lot of interest in and concern about the Kansas large scale testing program. Our members are both buyers and sellers of agricultural commodities. The accuracy of large scales is important to KLA members. An inaccurate scale causes a substantial financial loss to buyers or sellers of agricultural products.

Many of our members are well versed on the history and functions of the large scale testing program. In 1977, KLA was very active in opposition to a proposal to fund this program through user fees. KLA and other ag groups were successful in obtaining increased funding for this program for the purchase of an additional truck and to provide sufficient funds to operate and maintain existing trucks. We feel the large scale testing program is a consumer program and if the program is warranted it should be paid for by the Kansas consumer and not the owner/operator of large scales.

I'd like to summarize why KLA has adopted a policy resolution in opposition to the proposal outlined in HB2004.

First of all, most scales are already checked frequently by scale testing companies. I have found that many feedlots and grain elevators have a maintenance contract with a large scale testing company which includes periodic inspections. This summer I conducted a brief, random phone survey of 10 of our feedyard members. (See attachment.) One feedyard had their scale checked every three months, seven were inspected twice a year and two were checked annually. The cost to have the scales checked ranges from \$100 to \$130 per test. These are costs they incur on their own initiative because they can't afford to have an inaccurate scale.

We are fearful that if scales are registered and checked annually it could set a precedent for future increases in license fees for scale owners. In later years if more funding is needed in the Weights & Measures Division, some lawmakers might advocate that scale owners pay a registration fee to cover the cost of the program. We opposed this in 1977 and I feel confident that our position will be consistent in the years to come.

KLA's greatest concern about HB2004 is the burden it places on individual farmers and ranchers who own their own large capacity scales. Many ranches in the Flint Hills or other grazing areas maintain and own a scale for their own use. I assume there is a large number of grain farmers and stocker operations who also have their own set of scales.

On occasion, a business transaction may occur on a weight determined on farmer-owned scales. In this event, I contend the two parties involved are satisfied that the scales are accurate. A farmer/rancher scale owner may be satisfied that his scale is accurate and not want to pay the price of an annual inspection. This bill would mandate that farmer/rancher scale owners who occasionally transact business over their scales pay for an annual inspection. If the bill was changed to exempt the infrequent user, this proposal would be more palatable to our members.

As a point of information, large capacity scales owned and maintained by licensed auction markets and packer buyers are regulated by USDA's Packers & Stockyards Act (P&S). These scale owners are required to show proof of inspection at least every six months. I'd suggest that Section 4 of this bill specify that scale owners regulated by P&S are exempt from the Weights & Measures Division's annual testing requirement.

Thank you for giving us the opportunity to express our concerns and thoughts on the proposed change in the large scale testing program. I hope I have successfully convinced members of this committee there are several genuine concerns about the proposal as outlined in HB2004.

Thank you.

ATTACHMENT

- 1) Circle E Feedlot, Inc., Potwin
 - * Scales are checked every six months
 - * Three sets of scales, cost - \$282 each time
- 2) Decatur County Feedyard, Inc., Oberlin
 - * Scales tested twice each year
 - * Cost - \$145 each time
- 3) Supreme Feeders, Inc., Liberal
 - * Cattle scales checked every three months
 - * Truck scales tested twice per year
 - * Cost - \$150 per test
- 4) Flint Hills Beef Feeders, Inc., Potwin
 - * Three different scales, each tested twice per year
 - * Cost ranges from \$81 to \$129/scale, depending on the size
- 5) HRC Feedyards, Inc., Scott City
 - * Scales are tested every six months
 - * Cost for five scales is \$550 each time
- 6) Pratt Feeders, Inc., Pratt
 - * Three scales are tested twice per year
 - * State has tested scales every year
 - * Cost is approximately \$150/set of scales
- 7) Scott County Feeders, Inc., Scott City
 - * Three scales are tested once a year
 - * To test three scales costs \$300
- 8) Ward Feedyard, Inc., Larned
 - * Scales are tested every six months
 - * Cost is \$130/scale plus mileage (\$300)
 - * State has not tested scales for 2-3 years
- 9) Ellis County Feeders, Inc., Hays
 - * Scales are tested every six months
 - * Cost - \$540 each time
- 10) Solomon Valley Feedlot, Inc., Beloit
 - * Scales are checked once a year
 - * Cost - \$130/scale

0083 representative. Each large scale testing and service company
 0084 shall have at least one technical representative in its employ at
 0085 each licensed place of business in Kansas. No large scale testing
 0086 and service company license may be issued or renewed under
 0087 this section until the large scale testing and service company has
 0088 employed a technical representative for each place of business
 0089 who has passed the examination prescribed by the state sealer.

0090 (d) No large scale testing and service company license may
 0091 be issued or renewed under this section until the applicant's
 0092 weights have been tested for accuracy and sealed by the state
 0093 sealer. The state sealer is authorized to accept a certification of
 0094 the accuracy of the applicant's weights or measures issued by the
 0095 national bureau of standards or by a weights and measures
 0096 laboratory certified by the national bureau of standards in lieu of
 0097 a test by the state sealer, if such certificate shows that the
 0098 weights or measures have been tested within the 12 calendar
 0099 months next preceding the license application.

0100 New Sec. 3. (a) The state board of agriculture with the rec-
 0101 ommendation of the state sealer may adopt, amend and revoke
 0102 reasonable rules and regulations concerning:

0103 (1) Standards of workmanship for large scale testing and
 0104 service companies;

0105 (2) requirements for contractual responsibilities and fulfill-
 0106 ment of agreements by large scale testing and service compa-
 0107 nies;

0108 (3) furnishing of reports and information necessary for the
 0109 state sealer to carry out the provisions of sections 1 to 11,
 0110 inclusive; and

0111 (4) other matters necessary for the administration of the pro-
 0112 visions of sections 1 to 11, inclusive.

0113 (b) For purposes of inspection, the state sealer or authorized
 0114 representatives of the state sealer may enter upon private prem-
 0115 ises with consent of the occupant.

0116 New Sec. 4. (a) The owner or operator of a large scale which
 0117 is used for the commercial weighing of commodities shall have
 0118 the large scale tested and inspected at least annually for accu-
 0119 racy. The test shall be conducted by a licensed large scale testing

This section does not apply to entities regulated and supervised by the Packers & Stockyards Act of the United States Department of Agriculture.

2/13/25

Attachment B

0120 and service company in accordance with rules and regulations
0121 adopted by the state sealer. The test weights used by the large
0122 scale testing and service company shall have been approved and
0123 sealed by the state sealer pursuant to K.S.A. 83-123 and amend-
0124 ments thereto within the 24 calendar months preceding the date
0125 of the test. The annual tests and inspections of each large scale
0126 shall be at the expense of the owner or operator of the large scale.

0127 (b) A large scale testing and service company which conducts
0128 tests pursuant to this section shall, at the time of testing and
0129 inspection, promptly furnish to the owner or operator of the large
0130 scale a report showing the results of the tests and inspection.
0131 Within five calendar days thereafter, the large scale testing and
0132 service company shall furnish a copy of such report to the state
0133 sealer.

0134 (c) Subject to the provisions of K.S.A. 83-121a and amend-
0135 ments thereto, the owner and operator of a large scale which is
0136 found to be inaccurate at the time of testing shall withdraw
0137 immediately the large scale from further use until the necessary
0138 corrections, adjustments or repairs are made and the large scale
0139 is determined to be accurate by a large scale testing and service
0140 company. Large scales which have been repaired or serviced
0141 shall meet the tolerances and specifications adopted by the state
0142 sealer by rule and regulation. The large scale testing and service
0143 company shall notify the state sealer of any large scales which
0144 are found not to comply with such tolerances and specifications.
0145 A copy of the report prepared by the large scale testing and
0146 service company showing the results of the large scale test and
0147 the work done to correct any deficiencies shall be filed with the
0148 state sealer by the owner or operator of the large scale within 15
0149 days after the test and inspection has been completed.

0150 New Sec. 5. When the state sealer has been notified by a
0151 licensed large scale testing and service company that a large
0152 scale does not comply with tolerances and specifications adopted
0153 by the state sealer, by rule and regulation, then the state sealer
0154 may test the large scale for accuracy within 30 days after repairs
0155 have been made. The state sealer may charge and collect a
0156 validation fee of \$50 for such test from the large scale testing and

← for more than 5 sale
transactions annually