

MINUTES OF THE Senate COMMITTEE ON Agriculture

The meeting was called to order by Senator Allen at  
Chairperson

9:00 a.m. ~~pm~~ on April 12, 1985 in room 423-S of the Capitol.

All members were present except: Senator Doyen (excused)  
Senator Karr (excused)  
Senator Kerr (excused)  
Senator Thiessen (excused)

Committee staff present: Raney Gilliland, Research Department

Conferees appearing before the committee: Marsha Hutchison, Kansas Grain & Feed Dealers Association

Senator Allen called the committee to order at 9:05 a.m.

The chairman explained the committee meeting was called to take action on SB 380, a bill to correct some language of SB 300 which was passed earlier this session. Senator Allen called on Marsha Hutchison to testify on SB 380, the trailer bill to SB 300.

Ms. Hutchison handed out a written statement listing the changes. (see attachment A).

Senator Arasmith made a motion the committee recommend SB 380 favorably for passage. Senator Gannon seconded the motion. Motion carried.

Senator Allen declared the committee adjourned at 9:15 a.m.





**KGFDA**

**KANSAS GRAIN & FEED DEALERS**

*Association*

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SB 300 TRAILER BILL

What SB 300 Does-----

1. Amends the language that deals with irrevocable letters of credit to make it acceptable to IRS. In its current form, SB 300 would not allow the proceeds from a deferred payment grain sale to be income tax deferred until the next year.
2. Adds a requirement that grain must be delivered to the warehouseman by the producer BEFORE he (producer) can demand a letter of credit for a deferred pricing contract.
3. Establishes a method of setting the grain price for purposes of determining the dollar amount of a letter of credit issued for delayed pricing contract.
4. Requires that grain contract must be in default before the letter of credit can be drawn upon.

*4/12/85  
attachment A*