

Approved March 28, 1986
Date

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./~~pm~~ on March 17, 1986 in room 423-S of the Capitol.

All members were present except: Representative Apt, Dean, Freeman, Rezac, Roenbaugh, Solbach and Teagarden, who were 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:

Tom Tunnell, Kansas Grain & Feed Dealers
Frank McBride, Chairman, Legislative Committee, Kansas Grain & Feed Dealers
Al Coleman, Mill Mutual Insurance Company
Rich McKee, Kansas Livestock Association
Joe Lieber, Kansas Coop Council
Bill Fuller, Kansas Farm Bureau

Hearing on S.B. 518-Limitation on Liability of grain warehouse bonds.

Tom Tunnell testified in support of S.B. 518. The bill would limit the liability of a bonding company to the amount stated on the bond. Losses occurring in previous years would still be covered by the bond, except that the aggregate total of the losses could not exceed the penal sum of the bond. The 60 day notice bonding companies are required to give before cancelling a bond will benefit the Kansas grain warehouse industry as well as the Grain Inspection Department, Attachment I.

Frank McBride also testified in support of S.B. 518, Attachment II. The accumulative feature is actually jeopardizing the ability to provide the basic bond which the law requires. He stated S.B. 518 will correct a very serious problem affecting the grain industry in Kansas and ultimately Kansas grain producers.

Al Coleman testified in support of S.B. 518. In answer to a question from the Committee, he stated his company does not require a certificate of deposit from the grain warehouses.

Rich McKee testified in support of S.B. 518 and stated if the bill did not receive favorable consideration by legislature, current law could eliminate a number of grain facilities from doing business in Kansas, Attachment III. He stated the Committee of Kansas Farm Organizations also urges favorable consideration of this bill, and attached a membership list of organizations belonging to the Committee of Kansas Farm Organizations.

Joe Lieber stated S.B. 578 addresses the problem of the "cumulative bond" and urged favorable consideration of the bill, Attachment IV.

Bill Fuller testified Kansas is the only state which has the "cumulative bond" provision. Fewer bonding companies are willing to write bonds for the grain business in Kansas. This bill would bring Kansas into compliance with other states concerning grain warehouse bond "stacking", Attachment V.

The Committee discussed amending the bill to require a letter of credit or a certificate of deposit instead of a bond.

Tom Tunnell stated he would provide to Committee members that requested such information, a list of bonding companies doing business in Kansas and the number of bonds issued. These lists are Attachment VI.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE AND SMALL BUSINESS,
room 423-S Statehouse, at 9:00 a.m./~~p.m.~~ on March 17, 1986.

Representative Buehler moved to recommend S.B. 518 favorably.
Representative Eckert seconded the motion. The motion passed.

Representative Neufeld made a motion the Committee introduce a
resolution declaring March 20, 1986, Agriculture Day. Representative
Kent Campbell seconded the motion. The motion passed.

The Committee meeting was adjourned at 9:35 a.m.

The next meeting will be Tuesday, March 18, 1986, at 9:00 a.m.
in Room 423-S.

GUEST REGISTER

DATE March 17, 1986

HOUSE OF REPRESENTATIVES
COMMITTEE ON AGRICULTURE AND SMALL BUSINESS

NAME

ORGANIZATION

ADDRESS

Rich McKee

K. L. A.

Topeka

Tom Jummel

KGFDA

Hutchinson

Al Coleman

The Mill Mutual

K. C., Mo.

Frank McBride

Evans Grain Co

Salina, KS

Jol Luber

Ks Co-op Council

Topeka

Chris Wilson

KS Grain & Feed Ass'n

Hutchinson

Bill Juller

Ks. Farm Bureau

Manhattan



KANSAS GRAIN & FEED DEALERS

Association

1722 NORTH PLUM, BOX 949

A/C 316 662-7911

HUTCHINSON, KANSAS 67504-0949

STATEMENT OF THE
KANSAS GRAIN AND FEED DEALERS ASSOCIATION
BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE & SMALL BUSINESS
REGARDING SENATE BILL 518
MARCH 17, 1986

Chairman Polson and members of the Committee,

I am Tom R. Tunnell, Executive Vice President of the Kansas Grain and Feed Dealers Association. KGFDA is a non-profit, voluntary organization that has members involved in all phases of grain handling, merchandising and processing. Over 95% of all Kansas state licensed warehouses are KGFDA members.

Senate Bill 518 addresses a problem that has plagued the Kansas grain warehouse industry for many years. That problem relates to the limited number of bonding companies willing to issue warehouse bonds in Kansas. Most bonding companies are unwilling to issue bonds to our grain warehousemen because Kansas statutes, as interpreted by a 1967 Attorney General's opinion, require bonds to be "cumulative" term bonds rather than continuous in form as is the case in all other states. In other words, with cumulative liability as is the case in Kansas, a bonding company writing a \$200,000 bond for five years could possibly be committing itself to a \$1 million loss. In actuality, this situation (where the actual claim exceeded the face amount of the bond) has only occurred once to the best recollection of the Kansas Grain Inspection Department, but because this unlimited exposure exists, bonding companies simply would prefer not writing bonds in our state.

(Continued)



3/17/86
Hs. ASB
Attachment I

If I could call your attention to page 2 of the bill, you will note that a statement has been added to KSA 34-229 that would clarify this situation and in fact limit the liability of a bonding company to the amount stated on the bond. Losses occurring in previous years would still be covered by the bond except that the aggregate total of the losses could not exceed the penal sum of the bond. You will note that language has also been added that requires bonding companies to give 60 days notice before cancelling a bond. In the event of bond cancellation, the 60 days notice will facilitate a smooth transition from one bonding company to another for the licensee and the Grain Inspection Department.

I have with me today to offer further testimony in support of Senate Bill 518, the Chairman of the KGFDA Legislative Committee, Mr. Frank McBride, and Mr. Al Coleman of the Mill Mutuals Insurance Company, who represents one of the major bond underwriters doing business in Kansas today. In support of our position, I would like to call your attention to the attachment to my statement which is a copy of a newsletter from the Iowa Grain and Feed Association which illustrates how desperate the bonding environment has become in some other states. You will note that already in Iowa some 57 grain elevators have had their surety bonds cancelled and 21 have actually lost their license because of their inability to secure replacement bonds. Also attached to my statement is a letter from the Kansas Insurance Department supporting the change Senate Bill 518 will accomplish if approved by the Legislature.

Senate Bill 518 will not solve all our bond problems in Kansas; however, it will remove a thorn that has been in the side of bonding companies for many years and in fact an excuse used for not writing bonds in our state.

Mr. Chairman, I would be happy to stand for questions now or wait until the conferees with me today have finished their testimony. Thank you.

* * * * *



IOWA Grain and Feed ASSOCIATION

2882 106th Street, Des Moines, Iowa 50322 / (515) 276-0066

FOR MEMBERS ONLY

BULLETIN #4

PAGE 1

JAN. 29, 1986

Robert L. Skinner, CAE
Executive President

ITEMS IN THIS BULLETIN

FEED

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9 FGIS Conducts Mtg on Changing Method for Reporting Dockage
9 \$1.3 Billion in Cuts Recommended in USDA Budget Under Phrase I of Gramm-Rudman Law
10 FGIS Finalizes Changes in Recordkeeping Rules
10 Export Sales
11-12 Basic Grain Inv. Acctg. School Program and Registration Form
14 Warehouse Bond Problem Hits Federal Houses
16 Basic Grain Inventory School
17 IGFA Has Grain Measurement Service

IGFA / LEGISLATURE TACKLE BONDING CRISIS

At first it was just an isolated problem, but over the past three weeks the commercial bonding situation for Iowa elevators and grain dealers has reached crisis proportions. It is this bonding crisis that has occupied most of the time of your IGFA lobbyists and the House and Senate Ag Committees during the first two weeks of the Legislature.

THE SITUATION - As of this writing some 57 grain elevators have had their surety bonds cancelled by their bonding companies and 21 have had their licenses cancelled as a result of being unable to secure replacement bonds.

IGFA believes that this is the tip of the iceberg - we are getting daily reports of outright cancellations or severely increased collateral requirements. Your Association believes that it is entirely possible that 200-250 additional elevators may receive adverse notices from their bonding companies in the next 60-90 days.

For those firms that are not cancelled outright, we believe that tighter underwriting guidelines will make it extremely difficult to secure a bond. We have been in contact with virtually all companies providing bonds to the Iowa industry and must confirm that

increased underwriting standards will at least require an irrevocable letter of credit from a national bank in the face amount of the bond.

In addition, some sureties will also require:

- * A 50% write-down of physical assets.
- * A 2.5 or 3 to 1 asset to liability ratio.
- * Unqualified certified audits.
- * Blanket personal indemnification agreements in addition to the above.

IGFA has also learned that some major sureties will no longer consider deferred dividends or preferred stock in regional cooperatives as assets in determining the net worth or asset-liability position of local cooperatives.

ACTIONS TO DATE: Your Association has been working very hard to secure action by the General Assembly to head off a major collapse of the Iowa elevator industry.

As you read this, the Governor may well be signing an emergency "stop-gap" bill that will give us some "breathing-room" to come up with a long-term solution to the bonding crisis. This bill (SF-2064) will provide an extra 30 days on your present bond, thus allowing the Iowa Commerce Commission an extra 30 days in their statutory mandate of suspension, revocation and load-out.

The bill also provides that a letter of credit from either a state or national bank can be substituted for the bond. This legislation may be retro-active to January 1, 1986 and will become effective immediately.

THE LONGER-TERM SOLUTION: IGFA supports, and is aiding in the drafting of legislation to replace the current commercial surety system with a "grain indemnity fund". Both the Senate and House Ag. Committees have made this fund a priority and such action has the support of the leadership of both parties in both houses of the legislature.

Both indemnity proposals basically follow the outline of the Ohio Grain Indemnity Fund, which calls for a merger of our current two industry code chapters -- 542 - Grain Dealers and 543 - Warehouse -- into one "Iowa Grain Handler" chapter.

The fund would be mandatory for all Iowa-licensed facilities (federal houses will keep their current commercial warehouse bonds). It would be funded by either a fraction of a cent per bushel assessment, replacement of bond premium, or a combination of the two.

The fund is set to "cap" at \$10 million (no assessments would be made after the "cap" is reached) with 100% payout to producers who have grain losses. The proposal may require tighter licensing requirements.

WHAT YOU CAN DO NOW

1. Come to your DISTRICT MEETING (see registration form in this Bulletin) to learn the latest on this critical situation and provide your input.
2. Determine how the new tighter underwriting requirements for commercial bonds would impact on your firm and if you would even qualify for a surety bond.
3. Let IGFA, your state senator and state representative know how you would be affected by tighter bonding requirements...they understand the problem, but need your "grass-roots input."
4. Keep your Association informed of your thoughts...we will try to keep you informed of this fast-moving and changing situation.

SURETY UNDERWRITERS ASSOCIATION
OF
KANSAS CITY

RECEIVED MAR 7 1986

March 4, 1986

Mr. Sam Rida
Kansas State Grain Inspection Department
P. O. Box 1918
Topeka, KS 66601

Dear Mr. Rida:

It is my understanding after visiting with Dale Gebauer, the Bond Manager at Alexander & Alexander in Kansas City, you were interested in feedback from surety companies with regard to Senate Bill No. 518.

Our Association discussed the Bill and specifically the insertion of the following language which removes the cumulative liability feature of the bond, "the liability of the surety on the bond shall not accumulate for each successive license period the bond covers. The total liability of the surety shall be limited to the amount stated on the bond or as charged by an appropriate Rider or Endorsement to the bond." Surety companies are opposed to cumulative liability features in any bond and the insertion of the above wording is viewed by our Association as a positive modification to the Grain Warehouse Bond forms.

One other feature which most sureties view as a positive aspect for various financial guarantee type of bonds is the inclusion of a cancellation provision in the bond form where if the surety deems appropriate, they can provide the obligee with 30, 60 or 90 days notice of cancellation on the bond with regard to any future liability. The surety company remains obligated for any liability through the date of cancellation. This may be a modification you would also wish to consider in the bond form.

While our Association supports the elimination of the cumulative liability feature and would also endorse the inclusion of a notice of cancellation provision, obviously, the underwriting of individual bonds will be left to each surety company.

Yours very truly,

Raymond W. Fleming
President
(913) 451-9091

RWF/pkt

cc: Tom R. Tunnell
Executive Vice President
Kansas Grain & Feed Dealers Association
P. O. Box 949
Hutchinson, KS 67504-0949



STATE OF KANSAS

KANSAS INSURANCE DEPARTMENT

420 S.W. 9th
Topeka 66612-1678 913-296-3071

1-800-432-2484
Consumer Assistance
Division calls only

FLETCHER BELL
Commissioner

February 20, 1986

Mr. Sam Reda, Chief
The State of Kansas
Grain Inspection Department
535 Kansas Avenue, 8th Floor
Topeka, KS 66603

Grain Warehouse Bonds

Dear Mr. Reda:

This acknowledges our recent telephone conversation regarding the accumulative effect of the existing Kansas grain warehouse licensing bond provisions and find that the situation has not changed since 1979. That is, the cumulative feature of the Kansas law allowing liability to accumulate from year to year could be eliminated. Surety companies seem to feel that the feature is definitely a deterrent to writing bonds in the state of Kansas.

Further, it seems that once the bond is filed, there is no way the surety can be released of liability until the bonds comes up for renewal and the surety decides not to renew. If this feature of the law were changed, it would relieve present fears that if a warehouse were to develop problems the surety would still be on the bond and further losses could occur.

It is for this reason that I ask you to give serious consideration to the revision suggested above, as well as any other changes that you feel would ease difficulty grain warehouse owners seem to be having in their attempt to secure the bonds required by statute. I appreciate your cooperation and hope that if you have any questions or comments you will not hesitate to contact me.

Very truly yours,

Fletcher Bell
Commissioner of Insurance

Raymond E. Rathert
Fire and Casualty Supervisor

RER:RDH:NR:jbf
4771

STATEMENT OF
THE KANSAS GRAIN & FEED DEALERS ASSOCIATION
BEFORE THE
KANSAS HOUSE OF REPRESENTATIVES
COMMITTEE ON AGRICULTURE AND SMALL BUSINESS
BY
FRANK J. McBRIDE

MARCH 17, 1986

Mr. Chairman and Members of the Committee:

My name is Frank J. McBride. I am chairman of the legislative committee of the Kansas Grain and Feed Dealers Association which I represent here today. I am also a member of the Board of Directors and a past president of that association. I have been engaged in the grain business since 1949, the past 32 years of which have been with Evans Grain Company, Salina, Kansas.

I am pleased to have the opportunity to speak today in support of SB-518. I believe that the change it will accomplish is long overdue. In fact, I seriously question whether it was ever the legislative intent of K.S.A. 34-229 to require the penal sums of consecutive bonds to accumulate. In reading K.S.A. 34-229, I can find no reference to the accumulative feature. I therefore believe that the problem arose when the Kansas bond form was prepared, since it is written to cover a licensed period and because a bond must be furnished for each licensed period, rather than on a continuous basis, such as in Nebraska, we have ended up with the accumulative feature. The very fact that the Attorney General was asked to render an opinion in 1967 on this aspect would also substantiate the theory that the original legislative intent was unclear.

But whether or not it was the legislative intent, I must stress that SB-518 is correcting a very serious problem affecting the grain industry in Kansas and ultimately Kansas grain producers. I understand Kansas is the only state having this accumulative feature in its warehouse bonding requirement. All other states, which have grain warehouse licensing agencies, limit total

3/17/86 Hs. ASB
Attachment II

liability to the penal sum of the bond.

I believe you are all aware of the serious problems affecting the insurance industry or more specifically the problems affecting those purchasing insurance today. Since the entire insurance industry has gone through an agonizing period of high claims and low profit margins, insurance premiums have been raised astronomically. In many instances, insurance companies are merely withdrawing from certain markets. In either event, the consumer is suffering from it.

A bond is not an insurance policy. It is merely a guarantee by a corporate surety that a business will meet its obligations as established by law. The company writing the bond must therefore look to the assets of the business for reimbursement of that guarantee if it is used. And since a bond premium is relatively low, the corporate surety must feel adequately secured before issuing the bond. I know from experience that bonding companies require a net worth equal to several times the penal sum of the bond. But going beyond that, I am aware of requirements where an irrevocable letter of credit or even a certificate of deposit equal to the amount of the bond must be pledged before a bond will be written. In the worst case scenario, the bonding company withdraws from writing bonds in Kansas because with the accumulative bond feature there could still be exposure even with a letter of credit or certificate of deposit.

I understand that to the knowledge of the Kansas Grain Inspection Department, the accumulative bond feature has been used only once. We believe the limited additional protection provided by the accumulative feature is too high a price to pay since it is actually jeopardizing the ability to provide the basic bond which the law requires.

I urge each of you to support SB-518. Thank you.



2044 Fillmore • Topeka, Kansas 66604 • Telephone: 913/232-9358
Owns and Publishes The Kansas STOCKMAN magazine and KLA News & Market Report newsletter.

STATEMENT OF
THE KANSAS LIVESTOCK ASSOCIATION
TO THE COMMITTEE ON AGRICULTURE AND SMALL BUSINESS
REP. LLOYD POLSON, CHAIRMAN
RELATIVE TO SB 518
SUBMITTED BY
RICH MCKEE
EXECUTIVE SECRETARY, FEEDLOT DIVISION
MARCH 17, 1986

Mr. Chairman, members of the committee I am Rich McKee representing the Kansas Livestock Association. KLA represents a broad range of farmers and ranchers.

The Kansas Livestock Association rises in support of SB 518. The association membership took this position at it's February 24, 1986 legislative meeting. In reviewing this bill the KLA membership felt that unless it received favorable consideration by this legislative body, current law could eliminate a number of grain facilities from doing business in Kansas. Thus limiting marketing opportunities for Kansas producers. With the tremendous economic pressures being applied to the producers of grain KLA feels that it is imperative to maintain and expand marketing outlets for ag products. For this reason and others listed by

3/17/86 Hs. A 5B
Attachment III

the many proponents of this bill the Kansas Livestock Association urges favorable recommendation of SB 518 for consideration by the full House of Representatives.

Speaking on behalf of the Committee of Kansas Farm Organizations (CKFO) I would also urge you to consider favorable passage of SB 518. CKFO, a group of 21 ag organizations has also reviewed this bill and took a position supporting its passage. A membership list of those organizations belonging to CKFO is attached.

Committee of . . .

Kansas Farm Organizations

Kathy Peterson

Legislative Agent
2301 S.W. 33rd Street
Topeka, Kansas 66611
(913) 267-4356

MEMBERSHIP LIST

The Association Milk Producers
Kansas Agri-Women
Kansas Association of Soil Conservation Districts
Kansas Association of Wheat Growers
Kansas Cooperative Council
Kansas Corn Growers Association
Kansas Electric Cooperative
Kansas Ethanol Association
Kansas Farm Bureau
Kansas Fertilizer and Chemical Association
Kansas Grain and Feed Dealers Association
Kansas Livestock Association
Kansas Livestock Marketing Association
Kansas Meat Processors Association
Kansas Pork Producers Council
Kansas Seed Dealers Association
Kansas Sheep Association
Kansas Soybean Association
Kansas State Grange
Mid-America Dairymen
Kansas Veterinary Medical Association

Testimony of
Joe Lieber
Executive Assistant
Kansas Cooperative Council
to
House Agriculture and Small Business Committee
March 17, 1986
SB 518

Mr. Chairman and members of the committee. I am Joe Lieber, Executive Assistant for the Kansas Cooperative Council.

At present Kansas statutes require every applicant for a public warehouse license to have a bond; and since Kansas also has a "cumulative bond" provision, sometimes called bond stacking, many bonding companies are not willing to write bonds in Kansas.

If this trend continues, the results will be no bonds, no licenses, no warehouse and no place for producers to market their grain.

Since Senate Bill 518 addresses the problem of the "cumulative bond" provision we urge your favorable consideration of the bill.

3/17/86 Hs. A5B
Attachment IV



PUBLIC POLICY STATEMENT

HOUSE AGRICULTURE AND SMALL BUSINESS
Representative Lloyd Polson, Chairman
March 17, 1986

RE: S.B. 518 - Limitation of Liability on Grain Warehouse Bonds

Presented by:
Bill R. Fuller, Assistant Director
Public Affairs Division
KANSAS FARM BUREAU

Mr. Chairman and Members of the Committee:

I am Bill Fuller, Assistant Director of the Public Affairs Division of Kansas Farm Bureau. I am speaking on behalf of the farmers and ranchers who are members of Kansas Farm Bureau. We are PROPONENTS of S.B. 518 ... a bill that brings Kansas into compliance with all other states concerning grain warehouse bond "stacking."

After sitting on your side of the table when S.B. 1, 2, 3, 4, 5, and 6 were approved during the 1983 Session of the Kansas Legislature, and after chairing the "Task Force ... To Reduce Grain Warehouse & Dealer Failures" last winter, it has become apparent **Kansas has a unique problem in bonding grain warehouses. Kansas is the only state which has the "cumulative bond" provision.**

At first blush, this requirement may appear to provide additional protection to grain producers. However, this would be a hollow claim. Kansas is the only state with this provision ... and

3/17/86 Hs. ASB
Attachment V

it has only been used once. In the "real world," this requirement is hindering grain warehouses in acquiring bonds ... a requirement for licensing and doing business. Fewer and fewer bonding companies are willing to write bonds for the grain business in Kansas. As a result, the continued operation of some grain elevators is being threatened. Loss of markets, especially in communities where only one grain elevator now exists, can be devastating. Of course, any loss of elevators decreases competition which will likely result in a lower price for the producer.

In closing, we urge the passage of S.B. 518 in order to protect markets for Kansas grain producers. I will attempt to answer any questions you may have. Thank You!

THE STATE OF KANSAS



JOHN CARLIN
GOVERNOR
MARVIN R. WEBB
DIRECTOR

GRAIN INSPECTION DEPARTMENT
GENERAL OFFICE

235 S. Topeka, P.O. Box 1918, Topeka, Kansas 66601

INSPECTION POINTS
ATCHISON KANSAS CITY
COLBY SALINA
DODGE CITY TOPEKA
HUTCHINSON WICHITA

INSPECTION DIVISION

WAREHOUSE DIVISION

PHONE (913) 296-3451

PHONE (913) 296-3454

Listed below are the names of the bonding companies, the number of bonds in effect for each company as of FEBRUARY 27, 1985:

NAME OF BONDING COMPANY	NUMBER OF BONDS
Farmland Mutual Insurance Company, Des Moines, Iowa	139
Michigan Millers Mutual Insurance Co., Lansing, Michigan	31
I G F Insurance Company, Des Moines, Iowa	26
Grain Dealers Mutual Insurance Company, Indianapolis, Indiana	24
St. Paul Fire and Marine Insurance Company, St. Paul, Minn.	19
Safeco Insurance Company of America, Seattle, Washington	16
National Surety Corporation, Rolling Meadows, Illinois	12
Aid Insurance Company (Mutual) Des Moines, Iowa	8
Allied Fidelity Insurance Company, Indianapolis, Indiana	8
American Druggists Insurance Co., Cincinnati, Ohio	8
Commercial Union Insurance Company, Boston, Massachusetts	8
United Fire & Casualty Company, Cedar Rapids, Iowa	6
Federal Insurance Company, New York, New York	5
United Pacific Insurance Company, Tucoma, Washington	5
Western Casualty and Surety Company, Ft. Scott, Kansas	5
Western Surety Company, Sioux Falls, South Dakota	5
Fidelity and Deposit Company of Maryland, Baltimore, Md.	4
Universal Surety Company, Lincoln, Nebraska	4
AETNA Casualty and Surety Company, Hartford, Conn.	3
Aid Insurance Company (Mutual) Lincoln, Nebraska	3
American Casualty Company of Reading, Penn.	3
Hartford Accident and Indemnity Company, Hartford, Conn.	3
Ranger Insurance Company, Houston, Texas	3
Travelers Indemnity Company, Hartford, Conn.	3
American States Insurance Company, Indianapolis, Indiana	2
Continental Insurance Company, New York, New York	2
Employers Mutual Casualty Company, Des Moines, Iowa	2
Fireman's Insurance Company, Newark, N. J.	2
Millers Mutual Insurance Assn. of Illinois	2
Seaboard Surety Company, New York, New York	2
Northwestern National Insurance Company, Shawnee Mission, Kansas	2
American Insurance Company, San Francisco, California	1
American Insurance Company, San Novato, California	1
Federal Insurance Company, Warren, N. J.	1
Fireman's Fund Insurance Company, San Francisco, California	1
Insurance Company of North America, Philadelphia, Penn.	1
Kansas Fire & Casualty Company, Topeka, Kansas	1
New Hampshire Insurance Company, Manchester, New Hampshire	1
Ranger Insurance Company, Wilmington, Delaware	1
Reliance Insurance Company, Philadelphia, Pa.	1
State Surety Company, Des Moines, Iowa	1
Transamerica Insurance Company, Los Angeles, California	1
	376

Attachment VI 3-17-86
Hs. ASB

BONDING COMPANIES

515-244-5145 Ext. 244
Aetna Casualty & Surety Company
511 Fifth Avenue
Des Moines, Iowa 50309

Aetna Casualty & Surety Company
P. O. Box 13167
Kansas City, Missouri 64199

Mid Insurance Company (Mutual)
P. O. Box 80758
Lincoln, Nebraska 68501
(800 228-4011 Robert Jones)

American Casualty Company
CNA Insurance
P. O. Box 1375
Kansas City, MO 65151
(816) 756-0300

American States Insurance Co.
500 North Meridian
Indianapolis, Indiana 46206

American States Insurance Company
3400 Van Buren
Topeka, Kansas 66605
(913) 266-8735

Employers Mutual Casualty Co.
P. O. Box 712
Des Moines, Iowa 50303 C.L. Rood

Employers Mutual Casualty Company
Box 1739
Wichita, Kansas 67201
Dessa Pennington (316) 685-5471

Farmers Elevator Mutual Insurance Company
Fleur & Bell Streets
Des Moines, Iowa 50303

David Hollingsworth
Farmland Insurance
1963 Bell Avenue
Des Moines, Iowa 50315

Fidelity & Deposit Company of Maryland
34 Corporate Wood, Suite 320
10950 Grand View
Overland Park, Kansas 66210

Fink & Williams Insurance
2901 S.W. Burlingame Rd.
Topeka, Kansas 66611-2001
(913) 267-3131

Fireman's Fund Insurance
700 Main Street Suite 900
Kansas City, MO 64105

Jerome Niemann, Jr.
The Mills Mutual
One Pierce Place Suite 1260 W
Itasca, IL 60143-1269
(312) 250-8600

Al Coleman
Mill Mutuals - Southwest Region
560 Kansas City Board of Trade Bldg.
Kansas City, MO 64112 4800 Main St.
(816) 561-7877

Grain Dealers (Mutual)
Omaha, Nebraska
(800 228-9780)

Great American Insurance Company
P. O. Box 994
Shawnee Mission, Kansas 66201

Hartford Accident & Indemnity Company
P. O. Box 2927
Shawnee Mission, Kansas 66201
Peggy Schwartz
(913) 384-4400

I.G.F. Insurance Company
2882 106th St.
Des Moines, Iowa 50322
(515) 276-2766

I.G.F. Insurance
Manhattan, Kansas
Greg Brown
(913) 537-4157

R. B. Jones Insurance or
Alexander & Alexander
P. O. Box 13647 911 Main St.
Kansas City, MO 64199
Erwin Schrag, Jr. or Linda Wheeler
(816) 391-1475

(Shirley Wichert 800 362-2104
Kansas Farmers Service Association
1600A No. Lorraine
P. O. Box 1747
Hutchinson, Kansas 67504-1747

Marsh & McLennan, Inc.
(The Home Indemnity Co.)
127 West 10th
Kansas City, MO 64105
(816) 221-4422) Mary Ann Rangel

Marsh & McLennan, Inc.
Chicago (312) 648-6304
Barbara Bowden

BONDING COMPANIES

Maryland Casualty Company
3910 Keswick Road,
Box 1228
Baltimore, Maryland 21203

Merchants Mutual Bonding Company
2100 Grand
Des Moines, Iowa 50312

Mid-Continent Casualty Company
P. O. Box 1409
Tulsa, Oklahoma 74101
(Priscilla Rieff)

National Surety Corp.
Fireman's Fund American Insurance Co.
P. O. Box 13206
Kansas City, Missouri 64199

Ben Trammell
Northwestern National Insurance Co.
240 Fox Hill Bldg.,
P. O. Box 7008
Shawnee Mission, Kansas 66208
(913) 357-4455 1-800-332-5124

RGB/Schmidt Insurance, Inc.
P. O. Box 916 913-827-7233
Salina, Kansas 67402-0916

Ranger Insurance Company
P. O. Box 2807
Houston, Texas 77252-2807
1-800-392-1970

Reliance Insurance Company
P. O. Box 833
Shawnee Mission, Kansas 66201
(913) 649-8780

Safeco Insurance Co. of America
c/o Marsh & McLennan, Inc.
1500 Northstar Center
Minneapolis, Minnesota 55402
(612) 371-8000
Laurie M. Dale

Safeco Insurance Company of America
Mr. Harry A. Koch, Jr.
Harry A. Koch Co.
2121 So. 44th St.
Omaha, NE 68105

St. Paul Fire & Marine Insurance Co.
385 Washington
St. Paul, Minnesota 55102

St. Paul Fire & Marine Insurance Co.
Kansas City Service Center
P. O. Box 2954
Overland Park, Kansas 66201

Seaboard Surety Company
90 Williams Street
New York, New York 10038

State Automobile & Casualty Underwriters
Surety Administrative Offices
P. O. Box 394
Des Moines, Iowa 50302
(515) 284-7500 Peggy King

State Surety Company
4550 W. 109th, Suite 204
Shawnee Mission, Kansas 66211
(913) 491-4308 1-800-255-0066
Bobbie Belz or Ben Trammell

State Surety Company
Lincoln Building
P. O. Box 80208
Lincoln, Nebraska 68501 402-477-3991

Transamerica Insurance Group
P. O. Box 12739
North Kansas City, Missouri 64116
1-800-821-5072
Karen Blackmore

Travelers Insurance Company
9800 Metcalf Avenue
P. O. Box 2919
Overland Park, Kansas 66201

Trinity Universal Insurance Co. of Ks., Inc.
Fairlawn Service Center
Box F - 689
Topeka, Kansas 66604
Claudia Nodean (913) 272-2310

Trinity Universal Insurance Company
2000 Ross Avenue
Dallas, Texas 75222

United Fire & Casualty Company
118 Second Avenue, S.E.
Cedar Rapids, Iowa 52401
(319) 399-5700

NDING COMPANIES

United Pacific Insurance Company
P. O. Box 833
Shawnee Mission, Kansas 66201

United States Fidelity & Guaranty Co.
310 Regency Parkway
Omaha, Nebraska 68114
(800-642-9990)

Universal Surety Company
P. O. Box 80468
Lincoln, Nebraska 68501
1-800-228-4580

Douglas Kinney
Western Casualty & Surety Company
10500 Barkley
P. O. Box 2966
Overland Park, Kansas 66201
(913) 341-8100

Western Surety Company
101 South Phillip
Sioux Falls, South Dakota 57192