

Approved April 8, 1986
Date

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE AND SMALL BUSINESS

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

8:30 a.m./~~p.m.~~ on March 31, 1986, 19 in room 423-S of the Capitol.

All members were present except:

Committee staff present:

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

Conferees appearing before the committee:

Marvin Webb, Director, Kansas State Grain Inspection Department
Jeff Brockhoff, Hiawatha

Committee consideration of S.B. 596—Control of noxious weeds on federal lands.

Representative Clifford Campbell moved to recommend S.B. 596 favorably for passage. Representative Apt seconded the motion. The motion passed.

Hearing on H.B. 3115—An act concerning Kansas State Grain Inspection Department relating to fees on factor only determination.

Marvin Webb presented a list of additions to H.B. 3115 requested by the State Grain Inspection Department, and a request that all references to functional unit licensing be deleted from the current regulations as published in the Kansas register on January 16, 1986, Attachment I.

Representative Apt distributed an amendment to H.B. 3115, Attachment II.

Representative Apt made a motion to amend H.B. 3115 by inserting on line 157, page 3, the following "new Sec. 2. License fees for a public warehouse license under K.S.A. 34-103a and amendments thereto shall not be computed on the basis of location grain capacity of fully functional facilities as required under K.A.R. 25-4-4 as adopted by the Director of the Kansas State Grain Inspection Department and filed with the Revisor of Statutes on December 2, 1985 and to renumber subsequent sections accordingly; that a fee of \$75.00 per weight plus \$11.00 an hour for check testing of large weights in elevator headhouses be adopted; amend line 74 to read "factor only analysis"; and increase the late mailing charge for filing license applications from \$3.00 to \$5.00 per day. Representative Sallee seconded the motion. The motion passed.

Representative Apt moved the bill be amended by changing the effective date of the act from publication in the statute book to publication in the Kansas Register. The motion was seconded by Representative Eckert. The motion passed.

Representative Apt moved to recommend H.B. 3115 favorably for passage, as amended. Representative Sallee seconded and the motion passed.

Committee consideration of S.B. 696—Authorizing the stay of certain foreclosure judgments relating to agricultural properties. (Family Farm Rehabilitation Act)

Norman Furse explained the amendments requested by Senator Winter and Representative Sprague, the Federal Land Bank and the Kansas Bankers Assoc.

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 8:30 a.m. ~~XXX~~ on March 31, 1986

Jeff Brockhoff testified on the foreclosure of his family farm. He did not think that the proceedings by the federal land bank was a good forbearance policy. He distributed Attachment III.

The Committee meeting was recessed at 10:00 a.m. until adjournment of the House.

The Committee met at 11:00 a.m. on adjournment of the House to resume consideration of S.B. 696.

Representative Dean moved to amend Section 1, line 28, after the period to delete the next sentence and replace it with "The legislature finds and declares as follows: (a) That the economy of this state is based to a large extent on agriculture and that the livelihood of individual farmers, ranchers and agribusinessmen in this state is placed in jeopardy as a result of low commodity prices, high interest rates, the declining value of land used for agricultural purposes and the increasing rate of farm foreclosures; (b) that agricultural economic conditions in this state have caused a severe economic emergency for this state; and (c) that farm foreclosures in this state are contributing to a decline in the value of real property and increasing the economic hardships of citizens in this state. For these reasons, the legislature finds and declares that the purpose of this act is to assist in stabilizing the economic conditions of this state and that this act is to be liberally construed so as to effectuate that purpose." Representative Eckert seconded the motion and the motion passed.

Representative Dean moved to adopt the amendment in Section 2, (c), line 46 by changing the period to a comma and adding "not including the gross income of a spouse from sources other than the farming operation." The motion was seconded by Representative Neufeld and the motion passed.

Representative Solbach moved conceptually to add to line 54 after the period "or who has been foreclosed upon." Representative Neufeld seconded and the motion passed.

Representative Hamm moved to conceptually amend new Section 6 to reflect that the interest be made in quarterly payments as was passed by the House COW in H.B. 2691. Representative Apt seconded the motion. The motion passed.

Representative Apt moved to insert in line 105 after the word "for" the words "the next". Representative Buehler seconded and the motion passed.

Representative Eckert moved and Representative Clifford Campbell seconded to add to line 108 after the word "payment" the following, "or after the entry of the order for periodic payments". The motion passed.

Representative Neufeld moved and Representative Hamm seconded to delete in line 111 the period after the word "judgment" and add "except that no stay of execution of the judgment shall apply to a cosignor or guarantor of a loan, other than the defendant-owner's or purchaser's spouse, with respect to the difference between the fair market value of the collateral and the full value of the judgment." The motion passed.

Representative Buehler moved to add on line 122 after the word "purchaser" the words "either by periodic payments under subsection (e) or by a single payment" The motion was seconded by Representative Solbach. The motion passed.

Representative Clifford Campbell moved the Committee adopt the amendment on line 75, after the period, to add "If a foreclosure action

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is initiated after January 1, 1986, and prior to the effective date of this act, but a sheriff's deed has not been delivered, in all proceedings subject to this act, a defendant-owner or purchaser may apply for the protection contained herein notwithstanding time limitations otherwise provided." Representative Apt seconded and the motion passed.

Representative Solbach moved to add on line 59 before the word "shall" the words "purchased prior to the effective date of this act". Representative Neufeld seconded and the motion passed.

Representative moved to reconsider his motion. Representative Long seconded, and the motion passed. Representative Solbach withdrew his motion to amend line 59.

Representative Neufeld moved to adopt technical amendments on line 123 by adding after "(1)" the words "in case of agricultural land," on line 129 after "both" the words "(2) in the case of agricultural property, the interest and depreciation for the next one year on the fair market value of the agricultural property or (3) both such amounts if agricultural land and agricultural property are involved"; on line 133 after the word "purchaser" the words "either by periodic payments under subsection (e) or by a single payment"; on line 134 after "(1)" the words "in case of agricultural land" and on line 140 after the word "both" the words "(2) in the case of agricultural property, the interest and depreciation for the next one year on the fair market value of the agricultural property or (3) both such amounts if agricultural land and agricultural property are involved". Representative Sallee seconded the motion and the motion passed.

Representative Apt moved to conceptually amend lines 145 through 149 by striking everything after the word "to" on line 145 and adding "the interest rate available on fixed real estate mortgages as specified in KSA 16-207b at the time such payment is due, or the contract rate of the mortgage, whichever is less". Representative Roenbaugh seconded the motion. The motion failed.

Representative Bryant moved to approve the interest rate as proposed by Representative Apt, minus one percent. Representative Clifford Campbell seconded the motion. The motion failed.

Representative Buehler moved and Representative Sallee seconded to amend line 166 by deleting the word "parcel" and inserting the words "part or portion". The motion passed.

Representative Teagarden moved to amend line 188 to insert after the word "court" the words "or if the defendant-owner or purchaser has obtained such stay through fraud or misrepresentation" and to insert after the word "court" on line 194 "or has obtained such stay through fraud or misrepresentation". The motion was seconded by Representative Neufeld. The motion passed.

Representative Campbell moved to add to new Section 9 after the word "property" on line 202, "or (d) any agricultural land, or parcel thereof, or agricultural property on which a stay of execution of a judgment has previously been obtained under this act, or had debts discharged". The motion was seconded by Representative Eckert. The motion passed.

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Representative Apt moved to insert on page 2, in line 49, after the period "This definition does not include farm products, as defined in K.S.A. 84-9-109 (3) and amendments thereto, which are intended for resale in the normal course of business." Representative Long seconded and the motion passed.

Representative Solbach proposed changing "an adjudicated bankrupt" in the amendment in line 202 to "an adjudicated debtor in bankruptcy". The Committee adopted his change by acclamation.

The Committee meeting was adjourned at 1:00 p.m.

The next meeting will be at 9:00 a.m., Tuesday, April 1, 1986 in Room 423-S.

THE STATE OF KANSAS



JOHN CARLIN
GOVERNOR
MARVIN R. WEBB
DIRECTOR

GRAIN INSPECTION DEPARTMENT

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REMARKS FOR THE HOUSE AGRICULTURE COMMITTEE

PRESENTED

BY

MARVIN R. WEBB, DIRECTOR

KANSAS STATE GRAIN INSPECTION DEPARTMENT

MONDAY, MARCH 31, 1986

9:00 A.M.

ROOM 423-S - STATE HOUSE

3-31-86 H. ASB
Attachment I

MR. CHAIRMAN POLSON AND MEMBERS OF THE HOUSE AGRICULTURE COMMITTEE:

AS YOU KNOW, THE WAYS & MEANS COMMITTEE REQUESTED HB 3115 BE DRAWN UP IN ORDER FOR THE KANSAS GRAIN INSPECTION DEPARTMENT TO COLLECT FEES FOR SERVICES RENDERED.

IN ADDITION TO THE FEES INCLUDED IN THIS BILL, WE ARE REQUESTING THE INCLUSION OF A NEW FEE PERTAINING TO THE CHECK-TESTING OF LARGE WEIGHTS IN ELEVATOR HEAD-HOUSES. THE FEE WILL BE \$75.00 PER WEIGHT PLUS \$11.00 PER HOUR. THIS FEE WILL BENEFIT THE INSPECTION DIVISION. WE ALSO REQUEST LINE 74 OF HB 3115 BE CHANGED TO READ:

"FACTOR ONLY ANALYSIS -- CLASS ONLY"

FEES WE REQUEST TO BE INCLUDED PERTAINING TO THE WAREHOUSE DIVISION ONLY ARE AS FOLLOWS:

INCREASE HOURLY CHARGE FROM \$15.00/HOUR to \$20.00/HOUR FOR SPECIAL EXAMINATIONS.

INCREASE LATE MAILING CHARGE FOR FILING LICENSE APPLICATIONS FROM \$3.00 to \$10.00 PER DAY.

IT IS ALSO REQUESTED THAT ALL REFERENCES TO "FUNCTIONAL UNIT LICENSING" BE DELETED FROM THE CURRENT REGULATIONS AS PUBLISHED IN THE KANSAS REGISTER ON JANUARY 16, 1936.

Proposed Amendment to House Bill No. 3115

Be amended:

On page 3, following line 157, by inserting the following:

"New Sec. 2. The license fee for a public warehouse license under K.S.A. 34-103a and amendments thereto shall not be computed on the basis of location grain capacity of fully functional facilities as required under K.A.R. 25-4-4, as adopted by the director of the Kansas state grain inspection department and filed with the revisor of statutes on December 2, 1985."

And by renumbering subsequent sections accordingly.

3/31/86 Hs. A5B
Attachment II

D/A Range	D/A Ratio	ROI
Under 70%	56%	6%
70-100%	85%	13%
100-130%	116%	15%
Over 130%	159%	15%
	43%	3%
	44%	9%
	63%	10%
	63%	4%
	65%	5%
	78%	16%
	78%	11%
	78%	8%
	83%	15%
	86%	16%
	92%	8%
	98%	18%
	107%	7%
	111%	12%
	113%	16%
	114%	10%
	115%	36%
	119%	4%
	123%	11%
	128%	24%
	134%	8%
	136%	21%
	180%	6%
	186%	25%

3/31/86 Hs ASB
Attachment III