

Approved April 10, 1986
Date

MINUTES OF THE Senate COMMITTEE ON Agriculture

The meeting was called to order by Senator Allen at
Chairperson

10:13 a.m./~~XXX~~ on April 2, 1986 in room 423-S of the Capitol.

All members were present ~~XXXX~~

Committee staff present: Raney Gilliland, Legislative Research Department
Arden Ensley, Revisor of Statutes Department
Avis Swartzman, Revisor of Statutes Department

Conferees appearing before the committee: Paul Fleenor, Kansas Farm Bureau

Senator Allen called the Committee to order and called for Committee action on Committee minutes.

Senator Gannon made a motion the minutes of the April 1 Committee meeting be approved. Senator F. Kerr seconded the motion. Motion carried.

The Chairman called on Paul Fleenor, who did not get to testify the day before because of lack of time, to testify on SCR 1640.

Mr. Fleenor gave copies of his testimony to the Committee (attachment 1). Mr. Fleenor urged the Committee to recommend favorable action by the Legislature on SCR 1640.

The Chairman declared the hearing closed on SCR 1640 and called for Committee action.

Committee discussion centered around the meaning of 'fully funded' in line 63. Staff explained that the Kansas Wheat Commission has been funding the wheat research with about \$80,000 and the Legislature has been funding the program with about \$28,000; so fully funding in SCR 1640 means the state would now be funding the research with about \$110,000 to \$120,000. With funds as they are for the state right now, the question was asked, "Where will the state get the money to fund this research"? Another statement was made expressing the feeling that agriculture will be left out of the state budget and not receive its fair share and thus these requests need to at least be presented to the Ways and Means Committee. It was stated that probably the budget request from Kansas State did not include the request for funding of wheat research and that it should have been included.

Senator F. Kerr made a motion that the President of Kansas State, the Dean of Agriculture, the head of the Extension Department, the head of the Experiment Stations and the Chairman of the Board of Regents be informed that the university budget should have included a request for funding for the wheat research and that in line 65 after the word 'funding' that a comma be added and the words 'from the General Fund or other available sources' be added. Senator Arasmith seconded the motion. Motion carried.

Senator F. Kerr made a motion the Committee recommend SCR 1640 favorable for passage as amended. Senator Gannon seconded the motion. Motion carried.

The Vice-Chairman called on Senator Doyen for a report from the subcommittee on SB 735. *Atch. 2*

Senator Doyen called on Avis Swartzman to review a balloon draft of SB 735.

CONTINUATION SHEET

MINUTES OF THE Senate COMMITTEE ON Agriculture,
room 423-S, Statehouse, at 10:13 a.m./~~4:30~~ on April 2, 19 86

Ms. Swartzman explained that Kansas is to receive one million dollars from the federal Job Training Partnership Act funds and hopefully displaced farmers of Kansas will be able to qualify for education grants using those funds and that under Title 2A another \$800,000 is eligible for this program. Staff suggested a substitute SB 735 be written.

Committee discussion included whether or not to request a substitute bill for SB 735 be written or whether to amend SB 735 and who would be eligible for the provisions provided by SB 735.

Senator Gannon made a conceptional motion that the language of the bill be written so that the opportunities available by this bill would be available to any farmer as defined in the bill who does or does not already have a degree be eligible for schooling in any educational program as defined in the bill and that the State Board of Education select the applicants to be accepted for this schooling. Senator Doyen seconded the motion. Motion carried.

Senator Gannon made a motion the wording of the bill read that a farmer or a member of the family of a displaced farmer be eligible for the provisions of SB 735. Senator Montgomery seconded the motion. Motion carried.

Senator Montgomery made a motion the Committee recommend a Substitute SB 735 favorable for passage. Senator Karr seconded the motion. Motion carried.

The Chairman adjourned the Committee at 11:00 a.m.



PUBLIC POLICY STATEMENT

SENATE AGRICULTURE COMMITTEE

RE: S.C.R. 1640 ... State Funding for Research Projects at KSU on Nonfeedstuff and Nonfoodstuff Uses of Wheat **and** Additional Funding for Value-Added Research

April 1, 1986
Topeka, Kansas

Presented by:
Paul E. Fleener, Director
Public Affairs Division
KANSAS FARM BUREAU

Mr. Chairman and Members of the Committee:

We appreciate very much the opportunity to speak **in support** of S.C.R. 1640, the resolution before you which urges full funding for research projects at KSU on nonfeedstuff and nonfoodstuff uses of wheat and consideration for additional funding for value-added research as part of any economic development program.

The history of the nonfeedstuff and nonfoodstuff research at KSU is well known to members of this committee. You know that the state has put in a modest amount and the balance for the research has come from the Wheat Commission. The farmers and ranchers who are members of Farm Bureau in Kansas are very supportive of the Commodity Commissions and of the International Grains Program at Kansas State University. We have a policy position on the Commissions and the work of IGP which indicates that strong support. It further recommends "...the Kansas Legislature increase appropriations to the IGP from State General Fund monies to enhance the promotion, market development and utilization of our Kansas grains."

*April 2, 1986 Sen. Ag.
attachment 1*

Attached to our statement you will find the full and complete text of another policy position relating to Kansas State University.

Mr. Chairman and Members of the Committee the kernal of S.C.R. 1640, in our view, is contained in lines 0046 through 0067. In addition to calling on the Kansas Legislature to fully fund the research on nonfeedstuff and nonfoodstuff uses of wheat we are particularly interested in the WHEREAS clauses that speak to the need in Kansas of enhancing economic development, of establishing new and existing businesses that add value through manufacturing of Kansas agricultural products, and continue and expand wheat research and value-added product development research at KSU.

Kansas Farm Bureau has been, for the past year, meeting with the Kansas Bankers Association and the Kansas Chamber of Commerce and Industry, at their initiation originally, to explore ways to strengthen agriculture, the basic industry in this state. In December, 1985, our three organizations had an opportunity to meet with Dr. Walter Woods, Dean of Agriculture at Kansas State University, to discuss agricultural development and the marketing of our commodities, products and by-products. Our three groups had asked Dr. Woods to make a proposal that we could bring to the Legislature and could share with the group at the University of Kansas (Institute for Public Policy and Business Research) studying economic development. Dr. Woods' presentation to us

focused on the need for research in diversification of agricultural production, value-added product research, and technical assistance on production and market development.

In this testimony in support of S.C.R. 1640 we want to focus on the value-added research. Dr. Woods paper indicates that: "Value-added production amounts to adding labor services to agricultural commodities produced in Kansas. These activities may include conditioning, storing, packaging, and processing. It may include repositioning existing products or the development of entirely new products." He went ahead to indicate potential for value-added in:

(a) Food coatings - Currently, Kansas wheat is not used in the billion dollar industry of food coatings ... the making of batters, etc.;

(b) "Lite" foods - Modern value-added foods are those that emphasize nutritional concerns of consumers. Opportunities exists for combining meat and fiber products for diet conscious consumers;

(c) Extrusion products - Snack foods represent a \$25.2 billion industry (as of 1985). Most snack foods are cereal based. Opportunities exists for combining cereal and meat products via extrusion technology;

(d) New uses for wheat and sorghum grain - new uses might be created by separating into components and, where necessary, modifying components by physical, chemical, or biochemical means.

Efficient methods to wet-mill wheat and to starch protein, germ, brand, and other components must be developed.

Dr. Woods proposal, for this portion **only**, called for an investment by the State of Kansas of \$342,000 and that would assist professors already on board at KSU with five technical assistants, graduate students through stipend, other operating expenses and equipment. We would be happy to provide members of this committee with the full set of recommendations advanced by Dr. Walter Woods and supported by the three organizations who have been meeting together. Only a portion of these items have been incorporated in the so-called Redwood-Krider Report and further condensed by the Legislative Commission on Economic Development.

Thank you for the opportunity to make these comments in support of S.C.R. 1640 and additional research to enhance economic development.

Kansas State University

We believe that agriculture must be the highest priority at Kansas State University. We commend the Legislature and KSU for the vital contributions which have benefited all segments of society through teaching, research and the Cooperative Extension Service.

We encourage close cooperation between county Farm Bureaus and county Extension Councils in order that beneficial services to rural families, and the excellent relationships that have been established over the years, may be continued in a most effective way.

We request adequate funding for the farm assistance program operated cooperatively by the Extension Service and the State Board of Agriculture. Especially during this critical time in agriculture, we recognize the need for farm families to have access to meaningful management, counseling and support programs.

We urge higher priority and increased appropriations for both facilities and staffing for the Departments of Agronomy and Animal Sciences and Industry.

We strongly recommend expanding the International Grains Program to enhance market development and exports for Kansas grain producers.

We support establishment of an International Meats Research and Export Trade Center at Kansas State University which will enhance export opportunities.

We believe the Kansas Board of Regents should authorize, and the Kansas Legislature should provide funding for, development at KSU of an intensive international marketing and export curriculum to train students in foreign trade.

Kansas has an outstanding College of Veterinary Medicine located at Kansas State University, Manhattan. In order to maintain the excellence of the College of Veterinary Medicine, and to provide for the stated needs of the College to enhance veterinary teaching, research and service, we urge the Governor and the Kansas Legislature to fully fund the budget of the College of Veterinary Medicine.

An opportunity exists to broaden and strengthen the research and teaching of the College of Veterinary Medicine in cooperation and partnership with the State of Nebraska, the University of Nebraska, Lincoln, and the Meat Animal Research Center at Clay Center, Nebraska. We encourage development of this partnership. We urge the Governor of Kansas, the Kansas Legislature and the Board of Regents to support and foster with their counterparts in Nebraska creation of a Regional College of Veterinary Medicine which we believe would be cost-effective and mutually beneficial to agricultural producers, the animal industries, and the citizens of both states.

SUBSTITUTE FOR SENATE BILL NO. 735

By Committee on Agriculture

AN ACT providing employment preparation assistance allowances for Kansas displaced farmer trainees.

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

Section 1. As used in this act:

(a) "Kansas displaced farmer employment preparation assistance allowance" or "assistance allowance" means the provision of financial assistance by this state to an eligible displaced farmer trainee.

(b) "Eligible displaced farmer trainee" or "eligible trainee" means a person who: (1) Is a resident of Kansas; (2) is a displaced farmer or a member of the family of a displaced farmer; (3) requires educational services in preparation for productive employment; (4) is eligible for employment and training services authorized under the federal job training partnership act; (5) has financial need; and (6) is enrolled in or has been accepted for admission to an educational program operated by an eligible institution.

(c) "Displaced farmer" means a person who is or has been primarily engaged in the business of farming, ranching, agribusiness or other agriculture-related activity and the primary source of whose income is or has been such business or activity and who is in the process of losing or has lost such source of income.

(d) "Educational program" means a certificate of completion program, an associate degree program or a baccalaureate or higher degree program which is operated by an eligible institution and which is designed to prepare persons for productive employment.

(e) "Accelerated program" means an educational program which requires a period of not more than 12 months for

*4-02-86 Sen. Ag.
attachment 2*

completion.

(f) "Eligible institution" means an educational institution which qualifies as an eligible service provider under the federal job training partnership act, which has in effect a policy of employment assurance, and the main campus or principal place of operation of which is located in Kansas.

(g) "Employment assurance" means the policy of an eligible institution which provides for planning, developing and operating educational programs that meet occupational opportunity needs and for giving persons who complete such programs guidance and assistance in obtaining productive employment.

(h) "State board" means the state board of education.

Sec. 2. (a) Within the limitations of appropriations therefor and in accordance with the provisions of this act, the state board may provide an assistance allowance for every eligible trainee enrolled full time in an educational program at an eligible institution.

(b) In each school year, the state board shall provide initial assistance allowances for the 500 applicants therefor who have the greatest financial need as determined from a confidential financial needs statement on the basis of accepted criteria of a nationally recognized financial needs analysis agency.

(c) In addition to the provision of initial assistance allowances under subsection (b), the state board shall continue to provide assistance allowances for eligible trainees who have not completed an educational program. Assistance allowances shall be provided for eligible trainees for not more than one educational program.

(d) An assistance allowance shall provide, upon certification by an eligible institution that an eligible trainee is enrolled full time in an educational program, for payment of an amount for tuition and fees for the educational program in which the eligible trainee is enrolled of not to exceed the lesser of such amount or (1) an amount equal to the average

amount of the tuition and fees of full-time students who are enrolled at the community colleges if the educational program in which the eligible trainee is enrolled is a certificate of completion program or an associate degree program, or (2) an amount equal to the average amount of the tuition and fees of full-time students who are enrolled at the state universities if the educational program in which the eligible trainee is enrolled is a baccalaureate or higher degree program. In addition to amounts provided for tuition and fees, an assistance allowance shall provide for payment to an eligible trainee of an amount not to exceed \$2,400 for subsistence expenses while the eligible trainee is enrolled in an educational program if the educational program in which the eligible trainee is enrolled is an accelerated program. An assistance allowance for an educational program which is not an accelerated program shall be provided for not more than four semesters, or the equivalent thereof, if the educational program is a certificate of completion program or an associate degree program and for not more than eight semesters, or the equivalent thereof, if the educational program is a baccalaureate degree program.

(e) An eligible trainee who is eligible for the award of a tuition grant or a state scholarship, may be awarded any one of the same in addition to the provision of an assistance allowance. The amount received as an assistance allowance by an eligible trainee shall not be considered in determining financial need under the tuition grant program or the state scholarship program.

Sec. 3. (a) The state board shall adopt rules and regulations for administration of the Kansas displaced farmer employment preparation assistance allowance program and shall:

- (1) Publicize procedures for application for assistance allowances;
- (2) provide application forms and forms for financial needs statements;
- (3) select financial needs analysis agencies;
- (4) determine eligibility of applicants for assistance

allowances;

(5) determine those educational institutions which qualify as eligible institutions;

(6) notify each person who is eligible for the provision of an assistance allowance;

(7) approve and provide for assistance allowances;

(8) determine full-time enrollment in an educational program;

(9) determine the average amount of tuition and fees of full-time students who are enrolled at the community colleges and at the state universities;

(10) provide for apportionment of assistance allowances if appropriations therefor are insufficient for payment in full to all eligible trainees;

(11) request any eligible institution to furnish any information relating to and necessary for administration of the employment preparation assistance allowance program;

(12) evaluate the employment preparation assistance allowance program each year and make a report thereon to the governor and the legislature.

(b) The secretary of agriculture, in connection with administration of the farm assistance, counseling and training referral program, and the secretary of human resources, in connection with administration of the job training partnership act, shall assist the state board in publicizing the Kansas displaced farmer employment preparation assistance allowance program and shall encourage persons who are eligible for participation therein to apply for assistance allowances.

Sec. 4. Each applicant for a Kansas displaced farmer employment preparation assistance allowance, in accordance with rules and regulations of the state board, shall:

(a) Complete and file an application for the provision of an assistance allowance;

(b) be responsible for the submission of a financial needs statement on the basis of which eligibility for the provision of

an assistance allowance shall be determined;

(c) report promptly to the state board any information requested relating to the administration of the employment preparation assistance allowance program.

Sec. 5. (a) Payments to eligible trainees of amounts provided as assistance allowances for tuition and fees shall be made at times specified by the state board upon vouchers approved by it and upon warrants of the director of accounts and reports. Payments of such amounts may be made by the issuance of a single warrant to each eligible institution at which an eligible trainee is enrolled for the total amount of tuition and fees provided as assistance allowances for all eligible trainees enrolled at that institution. The director of accounts and reports shall cause such warrant to be delivered to the eligible institution at which the eligible trainee or trainees are enrolled. Upon receipt of such warrant, the eligible institution shall credit immediately the account of each eligible trainee enrolled at that institution by an amount specified by the state board for each such eligible trainee.

(b) If an eligible trainee discontinues attendance before the end of an educational program, after the eligible institution has received payment under subsection (a), the eligible institution shall pay to the state: (1) The entire amount which the eligible trainee would otherwise be entitled to have refunded not to exceed the amount of the assistance allowance; or (2) if the eligible trainee has received payments under any federal program of student assistance, the state's pro rata share of the entire amount which the eligible trainee would otherwise be entitled to have refunded, not to exceed the amount of the assistance allowance.

(c) All amounts paid to the state by an eligible institution under subsection (b) shall be deposited in the state treasury and credited to the displaced farmer employment preparation assistance allowance discontinued attendance fund which is hereby created. All expenditures from the displaced

farmer employment preparation assistance allowance discontinued attendance fund shall be for assistance allowances.

(d) Payments to an eligible trainee of amounts provided under assistance allowances for subsistence expenses shall be made at the rate of \$200 per month for each month, not to exceed 12 months, that the eligible trainee is enrolled full time in an accelerated program. Such payments shall be made each month, at the beginning thereof, upon vouchers approved by the state board and upon warrants of the director of accounts and reports. The director of accounts and reports shall cause such warrants to be delivered to the eligible institution at which the eligible trainee is enrolled.

Sec. 6. This act shall take effect and be in force from and after its publication in the statute book.