

Approved

March 17, 1987
Date

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE AND SMALL BUSINESS

The meeting was called to order by Representative Clifford V. Campbell at
Chairperson

9:06 a.m./~~xxx~~ on February 25, 1987 in room 423-S of the Capitol.

All members were present ~~except~~

Committee staff present: Norman Furse, Revisor of Statutes Office
Raney Gilliland, Legislative Research Department
Pat Brunton, Committee Secretary

Conferees appearing before the committee: Jim Allen, State Senator, Kansas
Sam Brownback, Kansas Secretary of Agriculture
Howard Tice, Executive Director, Kansas
Association of Wheat Growers
F. E. Bliss, President of the Board of State
Fair Managers, Longton, Kansas
Paul Fleener, Director of Public Affairs,
Kansas Farm Bureau
Wilbur Leonard, Legislative Agent, Committee
of Kansas Farm Organizations
Chris Wilson, Director of Governmental
Relations, Kansas Grain and Feed Dealers
Association and the Kansas Fertilizer and
Chemical Association

Senator Jim Allen gave a brief explanation of Senate Bill 3, an act concerning the State Board of Agriculture. Senator Allen stated that probably the major part of the bill is confirmation by the Senate of any new incoming Secretary's of Agriculture. Another important part of the bill concerns the number of delegates permitted to attend the annual meeting of the State Board of Agriculture. The third part of the bill proposes to make three new additions to the State Fair Board. These new members would be one individual each from the Kansas Chamber of Commerce; the Travel Industry Association of Kansas; and the Kansas Technology Enterprise Corporation.

Sam Brownback testified that the State Board of Agriculture is generally in agreement with the proposed changes as set out in SB 3, Attachment I. The Board's suggestions for changes are listed on the attachment.

Howard Tice testified in support of SB 3 on behalf of the members of the Kansas Association of Wheat Growers. In his testimony, he asked the committee to consider one amendment to the bill which would allow more delegates from the Kansas Association of Wheat Growers, Attachment II.

F. E. Bliss testified that the Board of State Fair Managers supports SB 3 as it is written, Attachment III.

Paul Fleener appeared before the committee with comments made in support of SB 3, Attachment IV. He stated the Kansas Farm Bureau has a policy position that is silent on the issue of confirmation of the Kansas Secretary of Agriculture.

Wilbur Leonard testified in support of SB 3, Attachment V. He stated that in regards to the provision with respect to Senate confirmation of the Secretary of Agriculture, the individual member organizations would make their views known to this committee as they see fit to do so.

Chris Wilson appeared before the committee in support of SB 3, Attachment VI. She stated this bill would give statewide agribusiness associations the

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 9:06 a.m. ~~p.m.~~ on February 25, 1987.

opportunity to send a delegate to the State Board of Agriculture's Annual Meeting.

The meeting adjourned at 10:00 a.m.

The next meeting of the House Agriculture and Small Business Committee will be Thursday, February 26, 1987, at 9:00 a.m. in Room 423-S.

PRESENTATION TO THE KANSAS HOUSE COMMITTEE
ON AGRICULTURE AND SMALL BUSINESS

by

SAM BROWNBACK
KANSAS SECRETARY OF AGRICULTURE

February 25, 1987

Thank you Mr. Chairman and the rest of the Committee for allowing the State Board of Agriculture this opportunity to testify before you regarding a bill we consider extremely important, that being Senate Bill 3 and its restructuring of some of the things dealing with the State Board of Agriculture.

I would like to say at the outset that the State Board is generally in agreement with the proposed changes and I shall go through each specifically.

CHANGES REGARDING SECTION B

We have several suggestions regarding Section B of the proposed bill affecting the State Board of Agriculture. The State Board feels that having only 50 qualified electors of a county being able to put forth a delegate is too low. Section B is a petitioning procedure and as such the State Board does not feel like it would take much at all for an individual to get 50 signatures and that perhaps this standard is too low to merit a delegate status. They suggest more along the lines of requiring 100 petitioners sign a petition in order to send a delegate. This as well would be more in line with the size of membership that we require per county organization to send a delegate to the State Board of Agriculture Annual Meeting.

CONFIRMATION OF THE SECRETARY BY THE SENATE

The State Board of Agriculture is not opposed to the Secretary being confirmed by the Senate as provided in K.S.A. 75-4315 B. Indeed if the Secretary could not be confirmed by the Senate, one would have to wonder about his or her ability to be effective as a Secretary. The only problem we would have in this area is that according to statutes, the Secretary can only be selected for a two-year term and we do not think it would be fitting or worthy of the Senate's time for every two years to take up the confirmation of the Secretary. Therefore, we would suggest that the wording be changed to state that every new Secretary of the State Board of Agriculture be confirmed by the Senate. This would get away from an every two year confirmation.

ADDITIONAL MEMBERS TO THE STATE FAIR BOARD

The State Board of Agriculture is not opposed and supports adding additional members to the State Fair Board. The only comment that they would have regarding the amendments to K.S.A. 74-520 would be that the three proposed new individuals be selected each by their own organization, rather than nominating three and the State Board of Agriculture or in fact, the State Fair Board picking one of the three nominees. The Board feeling that if these groups and entities are to put forth someone on the State Fair Board that they should be their own person and behold only to their own organization and not to any selection procedure by the State Fair Board.

DELEGATE STATUS GIVEN TO STATEWIDE NON-PROFIT AGRIBUSINESS ORGANIZATIONS

As agriculture goes, so goes agribusiness. The two are intertwined inextricably. The same things that affect agriculture affect agribusiness. Witness the recent downsizing and downturn in agriculture and its impact on agribusiness. For these reasons, and because agribusiness can add much to the consideration and input process of the State Board of Agriculture, it is the

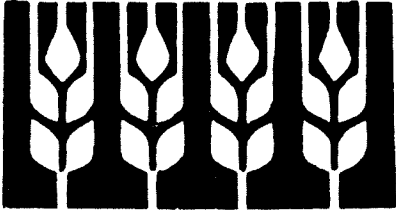
State Board's request that statewide non-profit agribusiness organizations that provide direct input and output goods and services to production agriculture be granted delegate status at the State Board of Agriculture Annual Meeting. We would suggest one per organization similar to the delegate status granted statewide breed associations and crop associations. Attached hereto is a proposed amendment to cover this particular area.

By doing this we are proposing the sending of delegates to the Annual Meeting by such organizations as the: Kansas Feed and Grain Dealers Association, Kansas Fertilizer and Chemical Institute, Wichita Farm Credit System Association, Kansas Meat Processors Association, Kansas Ag Bankers Association (KABAR), and others specifically organized as non-profit entities of a statewide nature that represent an industry providing direct input or output goods and services to production agriculture. We feel that this will strengthen the State Board and tie those together who are very logical compatriots.

Again, I thank you for this opportunity to make this presentation to you and I further applaud your efforts to address the needs of the Kansas State Board of Agriculture. We are an old institute, being over 116 years old and adjustments are necessary to make sure that we are meeting the needs of the times.

I would be happy to respond to any questions.

**KANSAS ASSOCIATION
OF WHEAT GROWERS**



TESTIMONY

SENATE BILL 3

House Committee on Agriculture & Small Business,
Chairman, Rep. Clifford Campbell
Submitted by Howard W. Tice, Executive Director

On behalf of the members of the Kansas Association of Wheat Growers, I appreciate this opportunity to appear in support of Senate Bill 3.

I would state at the outset, that the KAWG supports the Kansas Board of Agriculture as an effective, well organized and responsive agency for our state's number industry. In that light, we had some misgivings about making the Secretary's position subject to confirmation by the Senate, because of our concern over partisan politics becoming too great a part of Board of Agriculture operations. However, if it is necessary in order for the Secretary to be a full fledged part of the Governor's Cabinet, we can support it.

If broadening the Board of State Fair Managers by adding representatives from KCCI, tourism, and technology will work to draw more people to the State Fair, then it can only be a plus, as long as we retain the key element of agriculture as the core of the fair. We feel the training of our young people for the future is vital, and the State Fair competition is a very important part of that process. I'm not sure I understand the reasoning behind the Senate's change in the name of the Fair Board, but I do know that the present arrangement shares management responsibility among Board members, and makes them a vital and functioning part of the fair. It also insures that no State Fair Executive Secretary, in the future, can take too much responsibility upon himself, or become too powerful. Here again, we can apply the expression we heard so much last year, "If it ain't broke, don't fix it." Some of the ideas in Senate Bill 3 are positive modifications. We see no reason to modify the name of the Board of State Fair Managers.

We also agree with the amendment that allows our friends in agri-business associations to participate in the Board of Agriculture convention.

I would like to ask for one amendment to the bill. It is along the lines of the one allowing agri-business associations to send delegates to the convention.

Currently, the Kansas Association of Wheat Growers is allowed only one delegate. We have grown much larger than we were when the current structure was adopted, and now have several county associations that have 100 or more members, or are approaching that number. Out statewide membership is nearly 4,000. We feel we should be given the same opportunity for input as other farm organizations of similar size.

In a meeting with the Board of Agriculture last year, which was attended by representatives of several other farm organizations, this issue was raised, and supported by all members of the Board, Secretary Priddle, and the other organizations present.

Our proposed amendment would simply add a new subsection (10) to Section 1(a) to read as follows: one from each county Kansas Association of Wheat Growers organization with a voting membership of not less than 100.

As of our latest computer readout (December) this would mean that nine counties would qualify to send delegates. As our membership grows in other counties, this would increase.

ATTACHMENT II
Feb. 25, 1987

(10) one from each county Kansas association of wheat growers organization with a voting membership of not less than 100.

0047 (9) one from each county national farmers' organization with
0048 a voting membership of not less than 100;

(11) 0049 ~~(10)~~ one from each association of statewide character repre-
0050 senting a particular kind or a particular breed of livestock; and

(12) 0051 ~~(11)~~ one from each association of a statewide character for
0052 promotion of a farm crop or crops; and

(13) 0053 ~~(12)~~ **one from each nonprofit association, with a voting**
0054 **membership of not less than 100, of statewide character for the**
0055 **promotion or representation of a specific industry in agribusi-**
0056 **ness. For the purposes of this subsection, agribusiness means**
0057 **suppliers of goods or services used in the farming operation as**
0058 **defined in K.S.A. 1986 Supp. 2-3402, and amendments thereto.**
0059 **Each delegate authorized under this subsection shall be directly**
0060 **involved in the industry of agribusiness represented.**

0061 (b) In addition to the delegates provided for in subsection (a)
0062 of this section, one individual from each of the counties may
0063 attend the annual meeting of the state board of agriculture as a
0064 delegate, if a petition is signed by not less than ~~150 50 100~~ [50]
0065 qualified electors of the county who are agricultural producers or
0066 landowners and who are not voting members of the farm bureau
0067 association, farmers' union, grange, national farmers' organiza-
0068 tion or Kansas livestock association or who are voting members
0069 of any such farm organization which has a voting membership of
0070 less than 100. Agricultural producers and landowners shall be
0071 those persons who are qualified to vote in the agricultural stabi-
0072 lization and conservation service's county elections. No person
0073 shall sign more than one petition. A petition shall not be filed
0074 with the county election officer prior to September 1 of each
0075 year. The county election officer shall submit to the secretary of
0076 the state board of agriculture on or before the first Friday fol-
0077 lowing the second Tuesday of December of each year, the
0078 individual named as a delegate on the first petition which is
0079 filed. In addition to the foregoing, the county election officer
0080 shall certify to the secretary the sufficiency of each signature as
0081 to the qualification of the individual as an elector of the county
0082 and that the number of signatures on the petition has been
0083 determined to be in accordance with the provisions of this

TESTIMONY TO HOUSE COMMITTEE ON AGRICULTURE AND SMALL BUSINESS

ON SENATE BILL 3

by
F.E. BLISS

PRESIDENT OF THE BOARD OF STATE FAIR MANAGERS

February 25, 1987

I am F.E. Bliss, President of the Board of State Fair Managers. I would like to thank you, Chairman Campbell, for holding these hearings on this very important issue. We always appreciate the support this Committee gives the Kansas State Fair.

On March 7, 1986 the Board of State Fair Managers approved a resolution to expand the present 13 member board to include representation from organizations such as: the Kansas Chamber of Commerce and Industry and the Travel Industry of Kansas. Such new members would possess full board responsibilities to bring their expertise to the State Fair.

On October 21, 1986 the Board of State Fair Managers moved to cooperate and confer with Senator Jim Allen in devising legislation to expand the Board by three additional positions.

At the most recent meeting, on January 15, 1987, the Board approved the concept of Senate Bill #3 and instructed President F.E. Bliss to request some minor changes. These changes were made by the Senate Agriculture Committee and are a part of the current bill.

On February 4, 1987 during our conference call with the Board of State Fair Managers, a discussion of the name change to "State Fair Board" was held. A poll of the Board indicated a concurrence of the name change to State Fair Board.

The Board of State Fair Managers supports Senate Bill #3 as it is written.

ATTACHMENT III
Feb. 25, 1987



PUBLIC POLICY STATEMENT

HOUSE COMMITTEE ON AGRICULTURE

RE: S.B. 3 - Concerning the State Board of Agriculture

February 25, 1987
Topeka, Kansas

Presented by:
Paul E. Fleener, Director
Public Affairs Division
Kansas Farm Bureau

Mr. Chairman and Members of the Committee:

My name is Paul E. Fleener. I am the Director of Public Affairs for Kansas Farm Bureau. The legislation before you is designed to bring about some modifications in the structure of the process of selecting delegates to the Annual Meeting of the State Board of Agriculture, to bring about the confirmation of the Secretary of the State Board of Agriculture, and to broaden representation on the State Fair Board.

Following the activity of the 1986 Session we brought the topic of the State Board of Agriculture and its structure, duties, responsibilities and the processes by which delegates are selected to the attention of our members in our Policy Questionnaire in August of 1986. We were seeking to find out the desires of farmers and ranchers who belong to Farm Bureau in the State of Kansas in regard to the State Board of Agriculture.

We favor one of the changes suggested in the bill. We have a suggestion for amending one section. We have a policy position that is silent on the third issue ... that of confirmation.

Mr. Chairman and Members of the Committee, it was not long ago that this Legislature changed the statute regarding the State

Board of Agriculture, reducing significantly the number of members an agricultural organization must have in order to qualify to select a delegate to the Annual Meeting of the State Board of Agriculture. At that time a new provision was added which gave an opportunity for circulating and signing of a petition by electors in any county who are agricultural producers but who are not voting members of Farm Bureau, Farmers' Union, Grange, NFO and others who do select delegates. At that time the number of 150 was used. Now, Senate Bill 3 proposes to take that down to 50 producers (SEE line 64). It seems to us that to standardize the figure at 100 for all of the associations, those who do have voting members of 100, and those who belong to no organization, so that everyone is on the same footing in selecting delegates to the Annual Meeting.

As indicated, our policy is silent on the confirmation. That question was raised. For a time it seemed to me, a staff member, the discussion of that issue would be resolved in favor of the position taken by S.B. 3. Notwithstanding that feeling on my part, the delegates, when they met in Wichita on December 1 & 2 in a business session, opted not to address confirmation in the policy position, a copy of which is attached.

We do support Section 3 of Senate Bill 3 in lines 221 through 238 where the State Fair Board is broadened. We think it is appropriate that business and industry, travel and tourism, and KTEC (Kansas Technology Enterprise Corporation) ... since we're all interested in economic development and technical advancement in this state ... be included as members of the State Fair Board.

Mr. Chairman, these comments are made **in support of S.B. 3.**
We would be pleased to respond to any questions.

State Board of Agriculture

The present Kansas method of electing a State Board of Agriculture, which board employs the administrative head of the State Department of Agriculture, is unique among the states. We believe a close study of the history of the Department of Agriculture in Kansas will reveal that agriculture, and indeed the whole state, has been well served because the Department has never been placed in a partisan political position. For that reason, we support a continuation of the present system.

We support the present method of electing the State Board of Agriculture. We support selection of the Secretary of the State Board of Agriculture by the elected members of the Board.

Members of the State Board of Agriculture now serve as the Board of State Fair Managers. We believe a new State Fair Board should be created to establish policy and operating procedures for the State Fair in Hutchinson. Members of the new State Fair Board should include the members of the State Board of Agriculture and one person each from business, industry, and travel and tourism.

We recommend that the Legislature establish a Division of Rural Initiatives within the State Board of Agriculture and that programs of the new Division be jointly administered by the Secretary of the State Board and the Dean of the College of Agriculture/Director of Extension at Kansas State University, or appropriate Division heads designated by the Secretary and Dean.

We further recommend the State Board of Agriculture develop a program for grading and quality evaluation of confectionary sunflowers and oil sunflowers.

Committee of . . .

Kansas Farm Organizations

Wilbur G. Leonard
Legislative Agent
109 West 9th Street
Suite 304
Topeka, Kansas 66612
(913) 234-9016

TESTIMONY SUPPORTING
THE PROVISIONS OF SB 3

House Committee on Agriculture
and Small Business
February 25, 1987

Mr. Chairman and Members of the Committee:

I am Wilbur Leonard, the legislative agent for the Committee of Kansas Farm Organizations. I appreciate the opportunity to appear before you on behalf of the 23 farm related organizations which comprise our membership.

We support wholeheartedly the thrust of Senate Bill No. 3 in expanding the base for participation in the annual meeting of the state board of agriculture. There are a number of statewide agribusiness organizations engaged directly in various areas of production and marketing of food and fibre. Their representation is not only a recognition of their value to agriculture but their delegates will bring additional expertise to the meeting.

Likewise, fixing at 50 the number of signatures required on petitions to send additional county delegates to the annual meeting will afford the opportunity for some geographical areas which are not now represented to send delegates.

We believe the concept of voting by secret ballot in the election of board members is reasonable for the same reason that we favor the election of public officials by secret ballot.

We also support the provisions with respect to the addition of members to the state fair board which emphasizes the cooperation of all segments of the Kansas economic community.

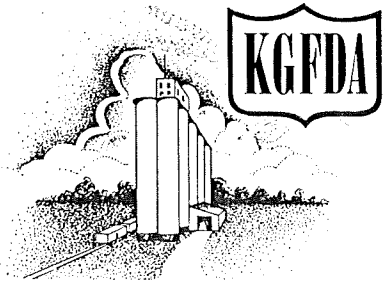
ATTACHMENT V
Feb. 25, 1987

The provision with respect to Senate confirmation of the secretary we leave to our individual member organizations to make their views known to this committee as they see fit to do so.

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Members of the Committee of Kansas Farm Organizations:

ASSOCIATED 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 COOPERATIVES
KANSAS ETHANOL ASSOCIATION
KANSAS FARM BUREAU
KANSAS FERTILIZER & CHEMICAL INSTITUTE, INC.
KANSAS GRAIN & FEED DEALERS ASSOCIATION
KANSAS LIVESTOCK ASSOCIATION
KANSAS LIVESTOCK MARKETING ASSOCIATION
KANSAS MEAT PROCESSORS ASSOCIATION
KANSAS PORK PRODUCERS COUNCIL
KANSAS RURAL WATER DISTRICT ASSOCIATION
KANSAS SEED DEALERS ASSOCIATION
KANSAS SHEEP ASSOCIATION
KANSAS SOYBEAN ASSOCIATION
KANSAS STATE GRANGE
MID-AMERICA DAIRYMEN
KANSAS VETERINARY MEDICAL ASSOCIATION
KANSAS WATER WELL ASSOCIATION



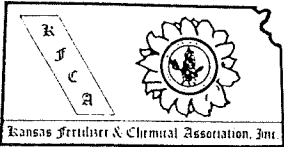
KANSAS GRAIN & FEED DEALERS

Association

1722 NORTH PLUM, BOX 949

A/C 316 662-7911

HUTCHINSON, KANSAS 67504-0949



KANSAS FERTILIZER AND CHEMICAL ASSOCIATION, INC.

Box 1392

Hutchinson, Kansas 67504-1392

316-662-2598

STATEMENT OF THE
KANSAS GRAIN AND FEED ASSOCIATION
KANSAS FERTILIZER AND CHEMICAL ASSOCIATION
TO THE HOUSE AGRICULTURE AND SMALL BUSINESS COMMITTEE
CLIFFORD CAMPBELL, CHAIRMAN
REGARDING SENATE BILL 3
FEBRUARY 25, 1987

Mr. Chairman and Members of the Committee, I am Chris Wilson, Director of Governmental Relations of the Kansas Grain and Feed Dealers Association (KGFDA) and the Kansas Fertilizer and Chemical Association (KFCA) and appear before you today on behalf of both associations in support of Senate Bill 3.

This bill would give statewide agribusiness associations the opportunity to send a delegate to the State Board of Agriculture's annual meeting. As agribusiness associations, we are seeking the right and responsibility of having a voice in the Board's decision-

making process at its annual meeting.

I believe we would all agree that the total agricultural industry is much broader than production agriculture. While production is of course the base of our industry, it takes 20 percent of all Americans in the labor force to bring our food from farm to the worldwide table. The members of our Associations take pride in being a vital part of Kansas agriculture. Our members are integral links in the chain of production, transportation, processing, marketing and distribution of grain. Each of our segments of the industry is an important part of the state's economy. KGFDA's members represent over 900 million bushels of licensed storage space in Kansas and market about \$2 billion worth of grain annually. Over 8,000 Kansans are employed by the grain and feed industry. The state's fertilizer and chemical industry markets about 1.5 million tons of fertilizer alone each year, employing over 2,000 people.

As with the rest of agriculture, and to a great degree, the rest of the total economy of the state and nation, the economic health of our industries is directly tied to the well-being of production agriculture. We are interdependent. Recognizing that fact, agribusiness has endeavored to support policies and programs which benefit production agriculture. Our Associations have become more and more involved at both the state and national levels in working for legislation which we believe is in the best interests of the agricultural industry as a whole, recognizing that as production agriculture goes, so goes the rest of the industry.

We feel, therefore, that it is only right and logical to recognize statewide agribusiness organizations as a part of the state's agriculture, with at least some representation to the state's agricultural administrative body. We appreciate the working relationship we have had and continue to have with the Board of Agriculture and the Board's support of this measure. We are also proud to be a part of the Committee of Kansas Farm Organizations and appreciate the support of the other agricultural organizations for agribusiness representation to the Board of Agriculture.

Because of our role in Kansas agriculture, we have a relationship to every program and regulatory area of the State Board of Agriculture. We feel we make a helpful contribution to the Board's programs. For instance, the feed tonnage fees paid by our members support not only feed inspection but other areas of the Board's budget as well. Fertilizer tonnage fees assessed our industries provide approximately \$444,000 to the Board's annual budget. We support the Board's other programs by participating wherever possible. With the right to have representation at the annual meeting, we will also accept the responsibility of providing input to the Board to the best of our ability.

I would also mention that the laws administered by the Board directly affect our industries. The Board has always been an effective administrator and regulator. We do not seek this change to in

any way have undue influence over our regulators. What we do seek is to be recognized as an important part of Kansas agriculture and a part of the Board of Agriculture process, with the same opportunity for input as other agricultural organizations.

We therefore urge your support for Senate Bill 3. Thank you for the opportunity to present this statement. I will be happy to answer any questions you may have.