

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

9:05 a.m./~~p.m.~~ on February 27, 1987 in room 423-S of the Capitol.

All members were present ~~xxxxxx~~

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

Conferees appearing before the committee: Don Sallee, State Representative, Kansas
Joe Lieber, Executive Vice President,
Kansas Cooperative Council
Chris Wilson, Director of Governmental
Relations, Kansas Grain and Feed Dealers
Association
Mike Beam, Executive Secretary, Cow-Calf/
Stocker Division, Kansas Livestock
Association
Bill Fuller, Assistant Director, Public
Affairs Division, Kansas Farm Bureau

Representative Sallee, author of House Bill 2246, explained the purpose of the bill. He stated this bill would abolish three positions in the State Grain Inspection Department. He also pointed out one change in the original version that he would amend. Lines 121 through 124 should be deleted. This position would need to remain classified to maintain one cooperative agreement with the federal government regarding inspections, Attachment I.

Joe Lieber testified on HB 2246 stating the Kansas Cooperative Council supports the provisions of HB 2246 that remove the office of first assistant director and the position of personnel director. He further stated concerns with the declassification of the supervising weigh master and position of warehouse examiner, Attachment II.

Chris Wilson representing Kansas Grain and Feed Dealers Association testified on HB 2246 stating support of the sections of the bill which abolishes the positions of assistant director and personnel director. She further stated opposition of the provision of the bill which would make the warehouse examiner's position unclassified, Attachment III.

Mike Beam representing the Kansas Livestock Association testified in favor of HB 2246 urging the committee to vote favorably on this bill, Attachment IV.

Bill Fuller made comments regarding HB 2246 as an individual, not for Farm Bureau. He stated that two years ago he served as chairman of a Task Force made up of approximately twenty-two members of the grain industry and of producers. The Task Force made some very strong recommendations that would help to update the Grain Inspection Department. That Division, the Grain Inspection Department, is the only department in this country that is entirely funded by fees collected from industry. Mr. Fuller further stated that Farm Bureau neither supports or opposes this bill as they have no policy on this.

Chairman Campbell requested a copy of the report from the Task Force.

The meeting adjourned at 9:32 a.m.

STATE OF KANSAS

DON SALLEE
REPRESENTATIVE, FORTY-NINTH DISTRICT
ATCHISON, BROWN, DONIPHAN,
AND JACKSON COUNTIES
R.R. 2
TROY, KANSAS 66087



TOPEKA

HOUSE OF
REPRESENTATIVES

COMMITTEE ASSIGNMENTS
MEMBER: AGRICULTURE AND SMALL BUSINESS
ENERGY AND NATURAL RESOURCES
TRANSPORTATION

TO: House Agriculture and Small Business Committee
Clifford Campbell, Chairman

FROM: Representative Don Sallee

RE: House Bill 2246

DATE: February 27, 1987

Mr. Chairman and Members of the Committee:

House Bill 2246 abolishes 3 positions in the State Grain Inspection Department. Those positions are the Assistant Director, the Supervising Weighmaster and the Personnel Director. It is my feeling as well as the present director's that these positions are not needed and monies could be saved by their elimination. There is one change in the original version that I would amend. Lines 121 thru 124 should be deleted. This position would need to remain classified to maintain one cooperative agreement with the federal government regarding inspections. That is the entire purpose of the bill and I would attempt to answer questions.

ATTACHMENT I
Feb. 27, 1987

0083 (e) (b) The appointment of the director shall be subject to
 0084 confirmation by the senate as provided in K.S.A. 75-4315b and
 0085 amendments thereto, and *the director shall be serve* at the
 0086 pleasure of the governor.

0087 (d) (c) The director ~~and first assistant director~~ shall not,
 0088 ~~directly or indirectly,~~ be interested, *directly or indirectly*, in
 0089 buying or selling grain ~~either on the director's or assistant direc-~~
 0090 ~~tor's own account or for others, nor shall either of them~~ *the*
 0091 *director* be directly or indirectly interested in handling or stor-
 0092 ing grain as a public warehouseman or on private account during
 0093 their terms of office.

0094 (e) (d) Whenever the term "chief inspector" or "chief in-
 0095 spector of the grain inspection department" is used in any statute
 0096 relating to the inspection of grain, it shall be construed to mean
 0097 the director of the Kansas state grain inspection department.

0098 (e) *The position of first assistant director is hereby abol-*
 0099 *ished.*

0100 Sec. 4. K.S.A. 75-1702 is hereby amended to read as follows:
 0101 75-1702. Upon entering the duties of office, the director ~~and the~~
 0102 ~~first assistant director~~ shall take an oath to faithfully and strictly
 0103 discharge the duties of such individual's office according to the
 0104 law and the rules and regulations prescribing the duties.

0105 Sec. 5. K.S.A. 75-1703 is hereby amended to read as follows:
 0106 75-1703. ~~The director shall be authorized to may~~ appoint a
 0107 suitable person as a supervising weighmaster who shall be
 0108 qualified to superintend the work of weighmasters at the various
 0109 inspection points within the state and shall be qualified to
 0110 supervise and regulate the weighing of grain at all warehouses
 0111 operating under the Kansas public warehouse law. *On and after*
 0112 *the effective date of this act, the position of supervising weigh-*
 0113 *master shall be in the unclassified service under the Kansas civil*
 0114 *service act.* (a) ~~The director shall be authorized to may~~ appoint
 0115 suitable and qualified persons as inspectors in charge of stations
 0116 and to appoint, a scale tester, and to appoint suitable and quali-
 0117 fied persons as and assistant inspectors, or assistant weighmas-
 0118 ters. The director ~~shall be authorized to may~~ appoint a ware-
 0119 house examiner, a supervisory field warehouse examiner, and

172	2246
Fiscal Note	Bill No.
1987 Session	
February 23, 1987	

The Honorable Clifford Campbell, Chairperson
Committee on Agriculture and Small Business
House of Representatives
Third Floor, Statehouse

Dear Representative Campbell:

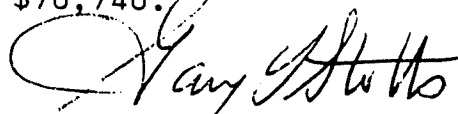
SUBJECT: Fiscal Note for House Bill No. 2246 by
Representative Sallee

In accordance with K.S.A. 75-3715a, the following fiscal note concerning House Bill No. 2246 is respectfully submitted to your committee.

House Bill No. 2246 abolishes the positions of Assistant Director and Personnel Administrator within the Administrative Program of the Kansas Grain Inspection Department and changes the current position of Warehouse Examiner from the classified service to the unclassified service.

Reduction of the two positions, which are currently contained in the FY 1988 Governor's Budget Report, would result in salary savings, fringes included, of \$67,421 in FY 1988. The agency further estimates it would save \$3,319 in travel and subsistence associated with these two positions.

The fiscal impact of this bill would reduce Grain Inspection Fee Fund expenditures as included in the FY 1988 Governor's Budget Report, by a total of \$70,740.



Gary L. Stotts
Acting Director of the Budget

GLS:SW:ks

Testimony on HB 2246
House Agricultural Committee
February 27, 1987
Prepared by Joe Lieber
Kansas Cooperative Council

Mr. Chairman and members of the Committee: I'm Joe Lieber, Executive Vice President of the Kansas Cooperative Council.

We support the provisions of HB 2246 that remove the office of first assistant director and the position of personnel director.

It is our understanding that these positions are not needed.

We do have concerns with the declassification of the supervising weight master and the position of warehouse examiner.

It is our understanding that the Grain Inspection Department would lose \$270,000 of Federal money if the warehouse examiner is not classified.

The other concern we have with the declassification is philosophical. We feel it is important that the Governor has the right to appoint individuals to administrative positions. It is important that they are team players.

We also feel it is important that functional positions, such as the warehouse examiner, not serve at the whim of the Governor or Director.

Thank you.



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
TO THE
HOUSE AGRICULTURE AND SMALL BUSINESS COMMITTEE
CLIFFORD CAMPBELL, CHAIRPERSON
SUSAN ROENEUAGH, VICE CHAIRPERSON
REGARDING H.B. 2246
FEBRUARY 28, 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). Our over 1100 members constitute the state's grain storage, merchandising, transportation and processing industry. Since our members are regulated by the Kansas State Grain Inspection Department (KSGID) and since the fees paid by our industry totally fund the Department, we have an interest in House Bill 2246, which would make changes in the personnel structure of KSGID.

We support the sections of the bill which abolish the positions of assistant director and personnel director. Except for a brief period, these positions have been unfilled. KSGID is not a large agency, with 175 employees, and we feel that the normal functions of an assistant director and a personnel director have

ATTACHMENT III
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been successfully carried out by persons with additional responsibilities. There are two divisions within the Department, grain inspection and warehouse examination. The two heads of those divisions have and should act in the absence of the director, as an assistant director would. It is our understanding that a personnel director was brought into the Department recently to handle specific personnel problems. We believe that any agency should have an employee who is knowledgeable about personnel rules and regulations and skilled in dealing with hiring practices and employee relations. Nonetheless, with this size agency, we feel that those are responsibilities which can be borne by someone who has other responsibilities as well.

* We believe the Director should have flexibility to hire the type of personnel needed to properly carry out the duties of the Department and that positions such as assistant director should not be dictated by statute. We feel there may be a greater need to hire additional warehouse examiners or other technical personnel, such as an individual with financial expertise for dealing with warehouse financial statements. Since the Department is totally fee funded, and is presently experiencing financial losses anyway, having people in unnecessary positions detracts from the funds available to hire needed personnel. Therefore, we strongly support the abolishment of these two positions.

Regarding the provision of HB 2246 in reference to the supervising weighmaster, we understand that this position has not existed for several years and question whether it might also be abolished.

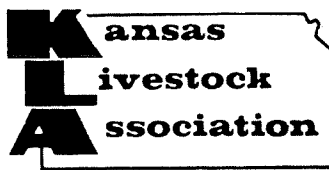
We would oppose the provision of the bill which would make the warehouse examiner's position unclassified. This position has the responsibility for working with the federal government on the cooperative agreement regarding warehouse examinations. The Commodity Credit Corporation (CCC) of the Agricultural Stabilization and Conservation Service (ASCS) of the U.S. Department of Agriculture (USDA) has a Uniform Grain Storage Agreement (UGSA) with most warehouses in the state. USDA in turn has a cooperative agreement with the state, under which KSGID performs certain functions for the federal government in carrying out the UGSA. USDA expects that the state's chief warehouse examiner will be in a merit pay system (classified position). Changing this would jeopardize Kansas' cooperative agreement with CCC and the funds the state receives through the agreement, about \$250,000 annually. We believe it is good policy to have a chief warehouse examiner who is not subject to political pressure because he or she is in an unclassified position.

With that exception, we strongly support HB 2246, because we believe it makes good sense fiscally and reflects sound policy for

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state government. We commend the bill's sponsor Representative Sallee for his efforts to strengthen the Kansas State Grain Inspection Department.

Thank you for the opportunity to comment on HB 2246.



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

Statement by the
KANSAS LIVESTOCK ASSOCIATION
in support of
House Bill 2246
before the
House Agriculture and Small Business Committee
Rep. Clifford Campbell, Chairman
presented by
Mike Beam
Executive Secretary
Cow-Calf/Stocker Division

February 27, 1987

Mr. Chairman and committee members, I'm Mike Beam with the Kansas Livestock Association. Our board of directors met earlier this week and voted to support HB2246 which amends the statutes to abolish the first assistant director position in the Kansas State Grain Inspection Department.

As most of you know this department is fee funded. Although farmers may not directly pay these fees, all costs incurred by grain warehouses are in some way passed on to the producer. If HB 2246 can assure a leaner grain inspection budget, without sacrificing inspection quality, it should eventually lead to cheaper grain marketing costs to Kansas producers.

Section 5 of the bill also provides more flexibility for the director in filling other positions within the department. We believe the statute should not mandate the appointment of specific position if they are not necessary.

Again, HB2246 appears to be insurance against unneeded bureaucracy which ultimately costs Kansas farmers. We urge the committee to vote favorably on HB2246. Thank you.

ATTACHMENT IV
Feb. 27, 1987