

Approved February 24, 1987
Date

MINUTES OF THE Senate COMMITTEE ON Agriculture

The meeting was called to order by Senator Allen at
Chairperson

10:08 a.m. ~~XXX~~ on February 11, 1987 in room 423-S of the Capitol.

All members were present ~~except~~:

Committee staff present: Raney Gilliland, Legislative Research Department
Jill Wolters, Revisor of Statutes Department

Conferees appearing before the committee: Alan Alderson, Western Retail Implement and
Hardware Association
Jack Seltzer, Counsel for Western Retail Implement
and Hardware Association
Ron Royer, Implement Dealer, Otis, Kansas

Senator Allen called the Committee to order and called attention to Committee minutes for February 10.

Senator Arasmith made a motion the minutes be approved. Senator Thiessen seconded the motion. Motion carried.

The Chairman introduced Alan Alderson to testify on SB 122.

Mr. Alderson introduced Jack Selzer to testify as a proponent.

Mr. Selzer gave copies of his testimony to the Committee members (attachment 1). Mr. Selzer explained the three changes in K.S.A. 16-1001 through 16-1006 as proposed in SB 122. He then introduced Ron Royer to explain a problem he experienced in his implement business.

Mr. Royer explained that he had cancelled a contract with a company with a 30 day written notice sent by registered mail as required. He then returned the parts to the company. The company sold out and the new company refused to pay the refund to Mr. Royer because they refused to honor any contracts made by the original company. Mr. Royer encouraged passage of SB 122; he said the bill will not help him but that he felt it would help dealers in future problems such as his.

Mr. Chairman thanked Mr. Royer and Mr. Seltzer for their testimony and then declared the hearing for SB 122 closed. He then turned the attention of the Committee to discussion of SB 92.

Committee discussion concluded that the issue of SB 92 is a complex issue that needs more time for study, the prenotification should be given more of a try since it has only been in effect since December 24, 1986, and that the bill probably would not pass the Legislature this session.

The Chairman declared the hearing and discussion concluded for SB 92 and called for Committee action.

Senator Doyen made a motion that SB 92 be tabled until January 20, 1988. Senator Montgomery seconded the motion. Motion carried.

The Chairman called on Senator Gannon to request legislation.

Senator Gannon requested the Committee request legislation pertaining to establishing noxious weed control districts and appointing a director for each district in the state (attachment 2). Senator Gannon made a motion the Committee request this legislation. Senator Doyen seconded the motion. Motion carried.

The Chairman adjourned the Committee at
11:00 a.m. Page 1 of 1

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.

GUEST LIST

page 1

COMMITTEE: SENATE AGRICULTURE

DATE: February 11, 1987

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Alan Stepat	Topeka	McGill & Assoc.
Darlene Strains	Topeka	Consultation of Churches
Jul Luby	Ks. Coop Council	
Howard Langvardt	Chapman	Livestock Auction
Dan Harris	Holtan	Livestock Auction
Albert Kins	Manhattan	Business
ALAN ANDERSON	TOPEKA	WESTERN RETAIL IMPLEMENT & HOUSE ASSN
Howard M. Ken	Hutchinson	K A & G
Jim Mues	Topeka	KBA
Paul E. Fleener	Manhattan	Kansas Farm Bureau
Rich McKee	Topeka	Kansas Livestock Assoc.
BILL R. FULLER	Manhattan	Ks. Farm Bureau
MIKE BEAM	TOPEKA	Ks. LIVSTK. ASSN.
Jim Armstrong	Topeka	Ks Banking Dept.
Carol Beard	Topeka	Sec. of State
Mary Ann Wilson	Topeka	Ks Public Records Search
Chuck Stones	Topeka	Ks Bankers Assoc.
G. B. Park	Topeka	Wab. Co. S.H.L.
Warden L. Noel	Holtan	Jackson Co. Scher H. L.
Renetta B. Moore	Mayetta	Whitew
Howard Doolittle	Holtan	Visitors
Eric Doolittle	Holtan	Visitors
Wm. Ackerman	Topeka	Lebeth Livestock Auction KBA
George Ackerman	"	Lebeth Livestock Auction KBA
William Leonard	Topeka	Comm. Ks. Farm Org.

TO: MEMBERS OF THE KANSAS SENATE AGRICULTURE COMMITTEE

FROM: ATTORNEY JACK SELZER, COUNSEL FOR WESTERN RETAIL
IMPLEMENT AND HARDWARE ASSOCIATION

DATE: FEBRUARY 11, 1987

RE: SENATE BILL 122, AMENDMENT TO ARTICLE 10--CONTRACTS
TO MAINTAIN STOCK OF FARM EQUIPMENT

On December 8, 1986, the farm equipment council of the Western Retail Implement and Hardware Association passed a resolution directing the association to sponsor legislation in Kansas which would make three changes to K.S.A. 16-1001 through 16-1006. The farm equipment council represents the interests of 608 farm equipment dealers in the states of Kansas and Missouri with 341 of these dealers located in the state of Kansas. Indeed, it is likely that every county in the state of Kansas has a farm equipment dealer who is a member of the association.

In general, this statute, known as the "Kansas buy-back statute", requires the purchase of new farm equipment, attachments and repair parts from the dealer by the manufacturer when the dealership agreement is terminated. Similar buy-back legislation exists in twenty-seven other states.

The first amendment to the buy-back statute would make the statute applicable to not only written dealership agreements but also to oral dealership agreements.

The second change to the statute would make the provisions of the buy-back statute applicable to a transferee of substantially all of the assets of the manufacturer who sold equipment to the dealer. An example of how this change to the statute would work is found in the White Farm Equipment/Allied situation. White Farm Equipment Company went into bankruptcy and sold substantially all of its assets to Allied. The Allied Company, even though it is using the White name, all of its facilities and its employees, refuses to abide by the terms of the buy-back statute. It raises the technical point that the old White Company and not the new White Company is obligated to follow the provisions of the buy-back statute. Specifically, the new White Company makes the technical point that it did not sell the equipment to the dealer and therefore is not obligated under the buy-back statute.

With mergers occurring in the farm equipment industry, this modification to the statute is required so that the original intent of the statute will be followed.

*attachment 1
Senate agriculture
2-11-87*

The third and final modification to the buy-back statute is a requirement that if payment or the allowance of credit is not paid or credited within sixty (60) days after the return of the equipment, then interest will accrue on the amount that is not paid or credited. The interest rate is the same interest rate allowed on judgments entered by a Kansas court.

I am now prepared to answer questions with respect to these three changes.

Draft

SENATE BILL NO. _____

AN ACT relating to noxious weeds; concerning noxious weed control districts; amending K.S.A. 2-1315 and repealing the existing section.

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

Section 1. K.S.A. 2-1315 is hereby amended to read as follows: 2-1315. The state board of agriculture is hereby empowered to decide and adopt methods as official for control and eradication of noxious weeds and to publish such methods, and to make and publish such rules and regulations as in its judgment are necessary to carry into effect the provisions of this act, and to alter or suspend such rules and regulations when necessary. There is hereby created within the state board of agriculture, a noxious weeds division which shall consist of a director, assistant directors and other employees all of whom shall be under the classified service of the Kansas civil service act. The state board of agriculture is authorized to appoint a director of the noxious weeds division and fix the director's salary, and such director shall be the executive officer thereof and shall be under the supervision of the secretary of the board. The state board of agriculture ~~may~~ shall establish at least three but not to exceed more than five (5) noxious weed control districts within this state and define the boundaries thereof, such districts to be constituted to provide for the most efficient control and eradication of noxious weeds and for the most economical supervision thereof by the state.

The director, ~~with the approval of the board,~~ shall appoint an assistant state weed control director for each district so established, ~~and~~. It shall be the duty of each such assistant to:

(a) Consult, advise, render assistance and direction to county

attachment 2
Senate agriculture
2-11-87

and city weed supervisors as to the best and most practical methods of noxious weed control and eradication and to render every possible assistance and direction to such supervisors for the most effective control and eradication of noxious weeds; to (b) aid in investigations and prosecutions of violations of this act; and--to (c) prepare such records and reports and to perform such other services and duties as the state weed control director shall direct; or (d) perform the duties of city, county or district weed supervisors employed under K.S.A. 2-1316, and amendments thereto, in such assistant director's district, if such weed supervisors fail or refuse to perform the duties required under this act. The assistant director shall reside in the district for which he-or-she such person is appointed during the time he-or-she such person shall serve as such assistant director. The director, with the approval of the board of agriculture, may also appoint such additional assistants and clerical employees as may be deemed necessary to properly conduct the work of the noxious weeds division. It shall be the duty of the county agricultural agent to cooperate with and assist the county weed supervisors in an intensive educational program on weed control. The director of the noxious weeds division of the state board of agriculture shall enforce the rules and regulations of the board and all provisions of this act and acts amendatory and supplemental thereto. The state board of agriculture is hereby authorized to enter into agreements with any agencies of the federal government for cooperation in the control and eradication of noxious weeds in Kansas in keeping with the provisions of this act.

Sec. 2. K.S.A. 2-1315 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

attachment 2
Senate agriculture
2-11-87