

Approved February 15, 1988  
Date

MINUTES OF THE \_\_\_\_\_ COMMITTEE ON Select Committee on Corporate Farm Law

The meeting was called to order by Senator Allen at \_\_\_\_\_  
Chairperson

3:20 ~~am~~/p.m. on February 9, 1988 in room 123-S of the Capitol.

All members were present ~~except~~:

Committee staff present: Raney Gilliland, Legislative Research Department

Conferees appearing before the committee:

Senator Allen called the committee to order and called attention to committee minutes.

Senator Frey made a motion the committee minutes of January 28 and February 2 be approved. Representative Beauchamp seconded the motion. Motion carried.

The Chairman asked staff to list options for committee actions.

Staff explained that calls had been made to see if some corporations would come to a committee meeting to explain their involvement in Kansas. Staff suggested the committee hear from corporations at one meeting and from small operators at another meeting. Also, that National Farms from Kansas City, Missouri could speak to the committee on February 15. Tyson Corporation from Arkansas had tentatively agreed to come. When asked, staff agreed to contact the Continental Corporation in Junction City if the committee desired. Staff was asked if small producers in favor of Corporate Farm Law changes would be heard.

When asked, Mike Jensen of the Kansas Pork Producers Council explained actions of the pork producers organization. Mr. Jensen explained there had been criticism about the vote of the Board of Directors in that the vote was taken when too few of the Directors were present.

Mr. Jensen explained the Kansas Pork Producers Council had been receiving criticism concerning their stand on proposed changes in the state corporate farm law. The criticism stems from the number of Directors who were present at a meeting when they voted on the issue. Seventeen were present out of a possible forty-one when the vote was taken; however, Mr. Jensen explained their meeting attendance averages less than twenty. Mr. Jensen stated the Board of Directors would meet and vote again on the issue on February 17; the decision of the vote of that day will be given to the committee.

Senator Montgomery presented figures he had been given which dispute figures used in the report by George O'Day. Mr. O'Day's chart showed Nebraska's numbers of hogs decreased in the years following 1980 and the figures given to Senator Montgomery from the same source, Moe Johnson of the United States Department of Agriculture, showed an increase.

Committee comments suggested that smaller pork producers groups should be heard from that favor corporate farm law changes. That corporation speakers should include subject of feed lot feeding and contract feeding/raising of pigs. That corporation speakers should address issues included in two House bills that have just been introduced. There should be available material or included in a presentation why we should not move forward with new ways instead of just being opposed to change. It was stated that Mr. O'Day used too much assumption in his study instead of actual facts and that he was too selective in who he

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 \_\_\_\_\_ COMMITTEE ON Select Committee on Corporate Farm Law,  
room 123-S, Statehouse, at 3:20 ~~xxx~~/p.m. on February 9, 1988

collected his information from. It was stated the committee should hear from Continental Corporation from Junction City to hear what they understand the corporation law of Kansas to be and what their future plans are in Kansas and why they do not feel as other corporations do about Kansas. It was requested that the committee hear from some individual pork producers. It was stated that some beef slaughtering plant in Western Kansas had stated the possibility of expanding their plant to slaughter swine also.

The Chairman called on staff to list possible committee actions.

Staff reported that corporations contacted were and would be asked to compare Kansas corporate farm law with other states and to express their view of Kansas corporate law. They have not and will not be asked to be proponents. Suggestions made for the committee included as suggested by the Summer Interim Committee to study subjects of tax comparisons, what specific technical assistance is needed, ideas from swine producers on how to improve the industry, and the question of legality of contract farming. Also, the committee could request legislation that would implement recommendations in the consultant's report. The committee could have hearings on legislation prepared from the consultant's report. The committee could make recommendations on things that could be accomplished during the 1988 Legislative Session and recommendations on things that could be accomplished at later dates. The committee could study tax comparisons and make recommendations, request information to find out what specific technical assistance is needed by farmer-producers and how to make it available to them and the committee could seek ways and recommend action by the state to help the swine industry in Kansas. The committee could hold hearings concerning amending the corporate farming law and the consultant's report with persons testifying from small producers, the Kansas Pork Producers Council and from large corporate swine producers.

Committee discussion following included questions and comments. How much is Kansas State doing for the swine industry. It was stated that .8 of one person works for the swine industry at KSU. It was asked how the assistance KSU gives to the cattle industry compares to the assistance given the swine industry. Maybe someone from Kansas State could appear before the committee to explain how they work with the swine industry. A way needs to be found for the small producer to have a complete link with processing that is on the equal with the large producer. The committee needs to find a way to help the small producer compete equally for slaughtering and a way to also let ones expand that want to expand. It was commented that in Kansas cattle have always been the bigger business than swine thus more attention has been given to cattle thus more work has been done for the cattle industry at Kansas State. That is reason Kansas State has never worked on getting efficiency in the hog business. It was expressed that we need to learn to meet the consumers demand for quality pork as we have done with cattle and poultry. It was questions why Kansas State has no swine department but has a big poultry department when Kansas is not a big poultry state.

The Chairman announced the committee would meet Monday, February 15 and Tuesday, February 16 and Thursday, February 18 at 3:00 p.m. and that a later agenda would announce the room for the meetings. The Chairman adjourned the meeting at 4:06 p.m.

