

Approved April 24, 1991  
Date

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE

The meeting was called to order by Representative Lee Hamm at  
Chairperson

9:10 a.m.~~xxx~~ on Wednesday, March 27, 1991 in room 423-S of the Capitol.

All members were present except: Representative Freeman, excused  
Representative Heinemann, excused

Committee staff present: Raney Gilliland, Legislative Research  
Lynne Holt, Legislative Research  
Jill Wolters, Revisor of Statutes Office  
Pat Brunton, Committee Secretary

Conferees appearing before the committee: Senator Janis K. Lee, 36th District, Kensington  
John Ross, Jewell County Commissioner, Mankato  
Chris Wilson, Director of Governmental Relations  
of the Kansas Fertilizer and Chemical Assn.  
Joe Brunk, President, County Weed Directors  
Association of Kansas  
Mike Kleiber, President of Ag Service, Inc.,  
Hillsboro and a Past President of the Kansas  
Fertilizer and Chemical Association

Chairman Hamm opened hearings on SB 308 - amending the Noxious Weed Law  
and SB 322 - noxious weeds.

Senator Janis Lee appeared before the committee in favor of SB 308.  
The Senator then introduced John Ross of Jewell County.

John Ross, Jewell County Commissioner, testified in support of SB 308  
informing the committee that Jewell County asked that KSA 2-1322 be  
changed so counties would have the option to determine discounts on the  
sale of chemicals by the county regardless of the mill levy for the  
Noxious Weed Department. (Attachment 1).

Chris Wilson, Kansas Fertilizer and Chemical Association, Inc., testified  
in support of SB 308. She stated this legislation simply gives more  
authority and latitude to county commissioners to manage their local  
noxious weed control programs and resources. She further stated it would  
allow the county commissioners to determine what is in the best interests  
of their individual counties and to administer their programs accordingly.  
(Attachment 2).

Chris Wilson testified in support of SB 322 - noxious weeds. She informed  
the committee that for several years, their members have been concerned  
about the injustice of a system that uses the tax dollars they pay in  
their counties to set county government up in business in competition  
with them, then further uses those tax dollars to subsidize the price  
of their product to the point where it is impossible for them to compete.  
(Attachment 3).

Joe Brunk testified in opposition to SB 308 stating this law was conceived  
due to a local mistake and should have been handled at that level. Any  
legislation concerning this matter is unnecessary and would not improve  
the Noxious Weed Law. (Attachment 4).

Joe Brunk also testified in opposition to SB 322 stating there is no  
need for additional legislation (under the guise of "HOME RULE") when  
the County Commissioners have already exercised that option, when needed,  
by purchasing their herbicides through their local dealers. (Attachment  
5).

Mike Kleiber, Hillsboro, testified in support of SB 322. Mr. Kleiber

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE,  
room 423-S Statehouse, at 9:10 a.m. ~~p.m.~~ on Wednesday, March 27, 1991

informed the committee the KFCA committee working on the Kansas Noxious Weed Law feels strongly that SB 322 is very workable for counties, landowners and dealers. He further stated this is purely a county option, providing a mechanism for counties to make the chemicals for noxious weed treatment available to local retail facilities, if they choose to do so. (Attachment 6).

A question and answer period followed each testimony.

Chairman Hamm announced that due to time constraints, the House Agriculture Committee will meet at 12:30 today to finish hearings on SB 308 and SB 322.

The meeting adjourned at 10:00 a.m.

GUEST LIST

COMMITTEE: HOUSE AGRICULTURE

DATE: March 27, 1991

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Harold Gurflen	Beattie	Marshall Comm
Lenie Long	1110 Otae Marysville	Marshall Co. Comm.
Harry L. Preuss	Marysville KS	Beattie Foreman Union Corp
Steve Watts	Love	Love County Weed
BEV BRADLEY	Topeka	KS Assoc of Counties
Joe Lieber	" "	Ks County Council
Tom R. Tunnell	Topeka	Ks Inert & Chem Assn
Soren Ross	Manhattan	Jewell Co
John Ross	Manhattan	Jewell Co Comm.
Dale Lambley	Topeka --	KSRA
Don Brund	Wichita	Co. Weed Air Assn.
Don Schuy	McPherson	Co. Weed District
Bill Scott	Topeka	KSBA
Ever Swartz	Topeka	S.N. Co
Roy Conrad	ELKHART	Morton Co. Weed
Chris Wilson	Topeka	KFCA
Kenneth Keegan	Baileyville	Nemaha Co Commission
Warren Pearson	Wabawsee	KFCA
Mike Kluber	Wichita	KFCA
Michelle Lister	Topeka	John Peterson & Assoc.
Bill R. Fuller	Manhattan	Kansas Farm Bureau
Dennis Peterson	Manhattan	Riley Co. Weed Dept.
Gregory T. Koppes	Washington	Wash' Co. Noxious Weed Dept.
Rodney Biersenthal	Onaga KS	Pottawatomie Co Weed
Chifford Carroll	Arma KS	Wabawsee Co. Weed Dept.
Tom Sim	Topeka	Kansas State Board of Agriculture

SENATE BILL NO. 308

March 27, 1991

I am John Ross, Jewell County Commissioner. Our county asked that KSA 2-1322 be changed so counties would have the option to determine discounts on the sale of chemicals by the county regardless of the mill levy for the Noxious Weed Department.

As the law is now, if a Noxious Weed Department levy is not at the maximum allowed, the chemical has to be sold at 50% to 75% of cost. If the Weed Department budget is at the maximum levy, then chemical can be sold at 75% to 100% of cost.

Senate Bill 308 would allow counties to set the levy of the Weed Department at whatever level is needed and be able to have the authority to offer discounts without being concerned whether the budget is at the maximum or not.

Our county (and several other counties) valuation is rather low--about \$27 million. With that valuation, the Weed department only raises about \$40,000 each year at the maximum levy. That \$40,000 pays for a weed director who has a master's degree, a secretary and a part-time spray operator, two vehicles and an office. We don't have much left for chemical discounts, therefore we have to sell chemical at cost but that is a discount in itself.

When doing the 1990 budget, we were so wrapped up with the tax lid and trying to get everything done with little or no tax increase, we forgot about KSA 2-1322. Our Weed Department had built up a carryover and did not receive the maximum levy because there was enough money to cover the Department's operation for 1990 based on past history. About a third of the way through the year, we discovered that we had to sell the chemical not for 100% , but at 75% of cost. The result was that the reserves were drained and even though we are back to the maximum levy for 1991, this year's financial outlook is grim.

If Commissioners are going to be responsible for the county noxious weed program, we should have the authority to set the budget levy at whatever level is necessary with options of discounts so we can develop our own program for control of noxious weeds.

With the options in SB 308, our county and others will have a little more flexibility in the budget process and in determining what we can do for our taxpayers. Therefore, I ask you to find favor with SB 308.

John R. Ross  
Jewell County Commissioner  
Mankato, Kansas 66956

*Hs. Ag.*  
*3-27-91*  
*ATTACHMENT 1*



# **KANSAS FERTILIZER AND CHEMICAL ASSOCIATION, INC.**

816 S.W. Tyler St. P.O. Box 1517 A/C 913-234-0463 Topeka, Kansas 66601-1517

STATEMENT OF THE  
KANSAS FERTILIZER AND CHEMICAL ASSOCIATION  
TO THE HOUSE AGRICULTURE COMMITTEE  
REPRESENTATIVE LEE HAMM, CHAIRMAN  
REGARDING S.B. 308

MARCH 27, 1991

Mr. Chairman and Members of the Committee, I am Chris Wilson, Director of Governmental Relations of the Kansas Fertilizer and Chemical Association (KFCA). Our approximately 550 members are involved in the application, retail, distribution and manufacture of crop protection chemicals and plant nutrients. We appreciate the opportunity to comment in support of S.B. 308.

This legislation simply gives more authority and latitude to county commissioners to manage their local noxious weed control programs and resources. It would allow the county commissioners to determine what is in the best interests of their individual counties and to administer their programs accordingly.

We have heard a concern expressed that if this bill is passed, county commissioners will decrease cost-share and increase the cost of chemicals. However, S.B. 308 also opens the door for commissioners to increase cost-sharing and reduce the cost of chemicals. It is most likely to be used in a case such as that of Jewell County, which wishes

HS. AG.  
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ATTACHMENT 2

to change its mill levy but maintain its current system. This will not change the price of chemicals in Jewell County. We also believe that landowners who value the cost-sharing will let their commissioners know this and that commissioners will respond to their constituency, rather than decreasing cost-sharing.

Whatever course a board of county commissioners might take, we believe that this is a good bill because it simply gives them flexibility in making decisions about what is best in their county and how they use their county's resources.

We urge your support of S.B. 308. If you have any questions, I will be glad to respond.

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**KANSAS FERTILIZER AND CHEMICAL ASSOCIATION, INC.**  
816 S.W. Tyler St. P.O. Box 1517 A/C 913-234-0463 Topeka, Kansas 66601-1517

STATEMENT OF THE  
KANSAS FERTILIZER AND CHEMICAL ASSOCIATION  
TO THE HOUSE AGRICULTURE AND SMALL BUSINESS COMMITTEE  
REPRESENTATIVE LEE HAMM, CHAIRMAN  
REGARDING S.B. 322  
MARCH 27, 1991

Mr. Chairman and Members of the Committee, I am Chris Wilson, Director of Governmental Relations of the Kansas Fertilizer and Chemical Association (KFCA). As you are aware, our Association supports S.B. 322. For several years, our members have been concerned about the injustice of a system that uses the tax dollars they pay in their counties to set county government up in business in competition with them, then further uses those tax dollars to subsidize the price of their product to the point where it is impossible for them to compete.

We have been told that if S.B. 322 passes, prices to the farmer will dramatically increase. The example given is that of Tordon, the most expensive chemical used in noxious weed control. Comparing current retail prices on Tordon to county prices is meaningless, because most dealers don't even stock Tordon, since the county cost-share is so great, that it only makes sense to send their customers to the county store to purchase Tordon. As an example, one of our member firms last year aerially applied Tordon to over 17,000 acres of pasture. They sold one gallon of Tordon. The only Tordon they stock is to use if a customer needs service right away and the county weed director is unavailable. The applicator then uses what is in stock and gets reimbursed by the county later. Obviously, if landowners could purchase Tordon from dealers and still obtain the county cost-share, this firm would stock Tordon. If they had the normal market share in their county on Tordon which they have on other

*Hs. Ag.  
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ATTACHMENT 3*

chemicals, they would sell Tordon at 20 cents over their cost, less the county cost-share, making them very competitive.

Dealers could compete very effectively with county prices--if the cost-share were available on chemicals purchased through them--due to their ability to buy in bulk and the total volume of chemicals they handle for non-noxious as well as noxious weed control. A recent decision by EPA to allow any amount of chemical to be sold in approved bulk containers will further speed the rapid movement to bulk chemicals. (A copy of a description of this change is attached to my testimony.) This is good for landowners because of lower prices and good for the environment, since there are no containers to dispose. Also, some distributors provide a lower price for chemicals used for noxious weed control than for chemicals used for non-noxious weed control. The noxious price would be available to dealers selling chemicals for noxious weed use, just as it is to counties.

We have heard it said that if a county adopted a program permitted by S.B. 322, then the county would be out of the chemical business. This is simply not true. A county may opt to get out of the chemical business, but it may opt to stay in and simply also allow the chemicals to be sold through the dealers. Our members would welcome the opportunity to compete on price, service and an overall weed control program.

We've heard it said that such a system would put dealers in both a regulatory and customer relationship with the landowner. This too is simply not true. The dealer would continue to have only a customer relationship with the landowner. The weed director would continue to have all regulatory responsibility. The dealer could only sell the landowner the amount of chemical for noxious weed control authorized by the weed director. On the contrary, it is the weed director who now has both a regulatory and customer relationship with the landowner.

I also want to point out that Kansas has a very unique system for noxious weed control. Almost all other states have a regulatory program only. Cost-sharing is provided in very few states, and then usually only for one specific weed which is a particular problem. When cost-



sharing is provided in other states, it is not done by government selling the chemicals. The cost share is provided to the landowner to use in purchasing the chemicals in the private sector. Sale of chemicals by government is provided in very few cases and only when the chemical involved is not available through the private sector.

Most states' noxious weed control programs operate on the theory that it is in the landowners economic interest to control his noxious weeds and use an enforcement program to make sure that it is done. A study done by Kansas State University agricultural economists determined that this is true in Kansas as well--that regardless of the cost-share, the economic incentive is there for a producer to control his noxious weeds. A copy of the results of that study are attached to my testimony.

We firmly believe Kansas' system is a major injustice to the private sector. Yet we are not asking that the government get out of the business; we are not even asking that we be allowed to compete with government on a "level playing field". We are simply asking that government be allowed to give us the opportunity to compete. KFCA and its members are committed to working however long it takes until there is at least an opportunity for local officials to give us the chance to compete for noxious weed business.

Thank you for your time and attention. If there are questions now or at a later time, I would be glad to respond.

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# AGRI-DEALER ACTION NETWORK

A Joint Project of The Fertilizer Institute and the National Agricultural Chemicals Association

## FAX COVER PAGE

Date: 3/6/91

To: State & Regional Association Executives

From:  TFI/NACA

TFI only

NACA only

The Fertilizer Institute: Ron Phillips  
Phone: (202) 675-8250  
FAX: (202) 544-4797

National Agricultural Chemicals  
Association: Christopher Klose  
Phone: (202) 296-1585  
FAX: (202) 463-0474

This is page one of 1

## Message:

### Re: 56 GALLON BULK REPACKAGING POLICY

The U.S. Environmental Protection Agency (EPA) yesterday published its amendment to the July 11, 1977 "Enforcement Policy Applicable to Bulk Shipments of Pesticides," allowing repackaging of any quantity of pesticides into refillable containers which hold greater than 55 gallons or 100 pounds, **PROVIDED:**

1. The container is designed and constructed to accommodate the return and refill of greater than 55 gallons or 100 pounds;
2. The containers are dedicated to and refilled with one specific active ingredient in a compatible formulation or the container is thoroughly cleaned according to written instructions provided by the registrant to the dealer; and
3. All other conditions of the July 11, 1977 policy are met.

Many throughout the industry deserve credit for achieving this noteworthy policy change, which they estimate will reduce the number of small, non-reusable containers by some 2.5 million per year.

For further information, contact Tom Gilding at NACA: (202)296-1585.

Do you have any news or information that you wish to share with TFI, NACA or other state/regional associations? If so, please FAX to Ron Phillips or Christopher Klose for quick distribution. 3-4

OTHER STATES WITH COST-SHARING  
ON NOXIOUS WEED CONTROL -  
APPROACH TO COST-SHARING

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MONTANA Farmers purchase chemicals from dealers and are reimbursed --  
State funding is \$500,000 per year.

HAWAII Farmers purchase chemicals from dealers -- State cost-share (\$40,000)  
is targeted to most serious problems.

VIRGINIA Farmers purchase chemicals from dealers and are reimbursed --  
State cost-share is \$90,000 annually.

MINNESOTA Cost-share is provided only to those landowners who cannot afford  
to treat the weeds.

UTAH Counties purchase chemicals from dealers only.

WYOMING Counties purchase chemicals from dealers only.

NORTH  
CAROLINA Farmers purchase chemicals from dealers and are reimbursed up to  
a specified amount.

OREGON Farmers purchase chemicals from dealers and are reimbursed up to  
a specified amount.

SOUTH  
DAKOTA County can sell chemicals only if they are not available through local  
dealers.

MARYLAND Cost-sharing is only for providing technical assistance and spot spraying.

NORTH  
DAKOTA County cost-share is maintained at a level (\$300,000) so as to not  
provide direct competition with the private sector.

IDAHO Cost-share is maintained at a level (\$90,000) so as not to provide  
direct competition with the private sector.

ALL OTHER  
STATES No cost-share provided.

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Department of Agricultural Economics

Waters Hall  
Manhattan, Kansas 66506  
913-532-6702

December 14, 1987

Mr. Riley Walters, Director  
Butler County Weed Department  
Courthouse  
El Dorado, KS 67042

Dear Riley:

My comments on noxious weed control will deal with two general issues. The first issue is the private incentive for control of noxious weeds. The second issue deals with the public incentive for control of noxious weeds. The discussion will be primarily qualitative in nature rather than quantitative due to the lack of quantitative data.

Private Incentive for Noxious Weed Control

The first issue to be addressed is whether or not there is a private economic incentive for noxious weed control. The private incentive for noxious weed control arises from two sources. The first reason that a farmer will control noxious weeds is the yield loss that arises from non-control. The yield loss from non-control is the longer-run cost of noxious weeds. The second reason a farmer will control noxious weeds is that non-control of a patch of noxious weeds this year will likely imply a larger area to be controlled the following year. The summation of the yield loss and the cost of treatment on increased acreage is the short-run cost of non-control. The remainder of this section will calculate the long-run value of treating noxious weeds followed by the short-run value of treating noxious weeds.

The noxious weeds considered in this study are musk thistle, bindweed, and johnson grass. Musk thistle is primarily a problem on pasture land. The long-run benefit of controlling musk thistle is roughly 3.38 times greater than the cost. This cost assumes no chemical subsidization as do all other costs discussed in this letter. Bindweed is primarily a problem on cropland. The benefit from controlling bindweed is roughly 2.69 times greater than the cost. Johnson grass is also primarily a problem on cropland. On grain sorghum and soybeans, the long-run benefit of johnson grass control is 3.08 times greater than the cost. For corn the benefit is 3.89 times the cost. On wheat the benefit is .61 times the cost. The above returns over costs suggest that there is a long-run incentive for noxious weed control even when the farmer pays for the full chemical cost.

Mr. Walters  
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A second issue that arises is the short run cost of non-control of noxious weeds. Given that there is a long-run private incentive for noxious weed control, what is the cost of delaying noxious weed control for a year? This is the relevant cost that the farmer should consider when deciding to treat or not treat noxious weeds. The cost of nontreatment has two components. The first is the yield loss. The second component is the cost of increased infestations. The data on the speed at which noxious weeds spread is very critical in determining the cost of increased infestations. However, little solid research exists on the speed at which noxious weeds spread, therefore the costs of not controlling noxious weeds are very rough. Musk thistle area tends to double in size every 5 years or increase 20% in one year. The economic cost of not treating an acre of musk thistle is \$38.89 per acre. Treating the acre of musk thistle would cost \$12.00. The economic cost of not treating noxious weeds on cropland is much greater. The problem arises because seeds can be transported by the harvesting equipment and perhaps planted the following year if the seed is not cleaned. Bindweed has been estimated to spread at the rate anywhere from 20% per year to 300% per year. If bindweed increases by 20% per year the economic cost per acre of not treating is \$139.83 for sorghum and \$71.43 for wheat. The economic costs would be \$648.88 for sorghum and \$580.47 for wheat if bindweed area increases by 300% per year. The cost of treating an acre of bindweed is about \$14 per acre. Johnson grass has been estimated to spread at the rate anywhere from 20% per year to 900% per year. The cost of treating johnson grass is about \$40 per acre. If johnson grass spreads at 20% per year, then the cost of not treating an acre is \$68.86, \$98.74, \$104.72, and \$39.90 on sorghum, soybeans, corn, and wheat, respectively. The cost of not controlling johnson grass is much greater if it spreads at a rate greater than 20%.

It is clear that a private incentive exists for treating noxious weeds without chemical subsidization. The magnitude of this incentive is very dependent on the rate at which noxious weeds spread.

#### Noxious Weed Control from a Public Perspective

During 1986, a total of \$15,304,150.14 was spent by Kansas county weed departments and related activities. A total of \$9,986,579.71 was spent on chemical expenditures. A total of roughly \$2,677,990 was used to subsidize chemical use by farmers. The remaining chemicals were used to control weeds on public lands.

Mr. Walters  
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Public finance principles suggest that the public should subsidize weed control or other activities only if the benefits to society are larger than the sum of the benefits to the private individuals. In the case of noxious weeds, this is not the case. In fact, given the concern about chemical run-off and groundwater contamination it is likely that the benefit to society from noxious weed control using chemicals is less than the sum of benefits to the private individuals. The subsidization of chemicals to control noxious weeds may lead to overuse of chemicals by farmers and an increased possibility of groundwater contamination. Public finance principles would suggest a tax on chemical use instead of a subsidy if one considers the cost of groundwater contamination.

Another problem with the current system of chemical subsidization that has been widely recognized is the temptation to obtain chemicals for use of acres not contaminated with noxious weeds under the noxious weed program. Thus the public may be subsidizing chemical use on acres not infested with noxious weeds. Eliminating subsidization of all chemicals would eliminate this problem.

A portion of the money saved from no longer subsidizing chemical sales could be used for research and educational programs. Several areas related to noxious weeds need additional research including rate of spread for uncontrolled noxious weeds, the relationship between noxious weed infestations and yield loss, and control of noxious weeds without the use of chemicals. Some of the research on noxious weeds used in this study was done in the 1930's and 1940's. Because of the change in crop varieties, use of fertilizers, etc. that has occurred since the 1940's, it would probably be useful to update this research.

#### Recommendations

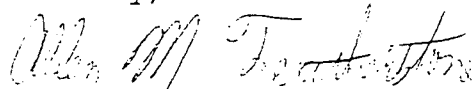
The study conducted on noxious weeds suggests the following recommendations:

1. Elimination of subsidies to farmers for chemicals used on noxious weeds.
2. Use of some of the revenue savings for research and education programs on noxious weeds.
3. Continuation of the county weed department activities in all areas except the subsidization of chemicals.

Mr. Walters  
Page Four  
December 14, 1987

If you would like to discuss this study further feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Allen M. Featherstone".

Allen M. Featherstone  
Assistant Professor

:dmw

cc: Dean Woods  
Marc Johnson  
George Ham

COUNTY WEED DIRECTORS ASSOCIATION  
OF KANSAS

3-27-91

From: Joe Brunk, President, County Weed Directors  
Association of Kansas (C.W.D.A.K.)

THE C.W.D.A.K. IS OPPOSED TO S.B. 308

The Noxious Weed Law currently reads; When a County Noxious Weed Department is below the 1.5mil maximum levy, they will charge from 50% to 75% of their cost for the herbicides they sell for noxious weed control. When a County Noxious Weed Department is at the **maximum** 1.5mil levy, then they shall charge 75% to 100% of their cost for the herbicides that they sell for noxious weed control.

History of S.B. 308:

In one County (out of 105) the Auditor, Commission and Weed Director made a mistake during their noxious weed budget preparation and carried money over into the next year operating budget of the noxious weed department. This County is one of 20 in the state that operates at the maximum (1.5mil) levy and had been charging 100% for the herbicides that they sell. When they carried the money over, it dropped their mil levy below the maximum mil levy, which changed the cost share rate from 100% down to the lower limit of 50% to 75% cost share. The 100% cost on the chemicals allowed them to continually turn that chemical sales money over and over throughout the year, allowing them to operate at a level that would provide herbicides to their farmers for the entire year.

Conclusion: 104 out of 105 Counties don't have this problem. This law was conceived due to a local mistake and should have been handled at that level. Any legislation concerning this matter is unnecessary and would not improve the Noxious Weed Law.

Hs. Ag.  
3-27-91  
ATTACHMENT 4



**COUNTY WEED DIRECTORS ASSOCIATION  
OF KANSAS**

3-27-91

From: Joe Brunk, President, County Weed Directors  
Association of Kansas (C.W.D.A.K.)

The C.W.D.A.K. is **opposed** to S.B. 322.

I. Noxious Weed Law Mandates the sale of herbicides

II. How the current cost share of herbicides thru the County Noxious Weed Dept. works V.S., a cost share certificate program.

- 1) Sedgwick Co. taxpayer to purchase a gallon of Tordon 22K at 50% of the Counties cost, for his Field Bindweed, thru the **EXISTING LAW**.  
Counties cost of Tordon 22K = \$75.00 per gallon

Cost to Farmer per gallon	=	\$37.50
Cost to Weed Dept per gallon	=	+ <u>\$37.50</u>
TOTAL	=	\$75.00

- 2) Sedgwick Co. taxpayer to purchase a gallon of Tordon 22K at 50% of the Counties cost for his Field Bindweed thru the proposed **COST SHARE CERTIFICATE**.

Retail Price of Tordon 22K per gallon	\$87.65 - \$99.33
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Certificate cost to Weed Department per gallon	<u>-\$37.50</u> - <u>\$37.50</u>
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<b>COST TO FARMER</b> per gallon	<b>\$50.15 - \$61.83</b>
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<b>INCREASE COST TO FARMER</b> per gallon	<b>\$12.65 - \$24.33</b>
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- 3) Cost share program is designed to encourage participation in noxious weed program.
- 4) By increasing the price to the farmer you'll decrease or eliminate the incentive of the affordable herbicides, which will result in decreased noxious weed control.

*HS. AG.*  
*3-27-91*  
*ATTACHMENT 5*

### III Home Rule Argument

The County Commissioners are already using the "home rule" option in many cases by directing the Noxious Weed departments to buy from their local dealers instead of thru the wholesale distributors (**See Morton Co. Commissioner and chemical dealer, Dallas Bressler's written testimony**).

#### **CONCLUSION:**

- 1) No need for additional legislation (under the **guise** of "HOME RULE") when the County Commissioners have already exercised that option, when needed, by purchasing their herbicides thru their local dealers.
- 2) The cost of noxious weed control will increase drastically to the farmer by having to purchase herbicides at the retail level from the dealers.
- 3) Decreased noxious weed control due to higher prices to the farmer.

# Comparison on March 1<sup>st</sup>

## Andale Co-op

Bannuel	1 gal = \$83.15	2.5 g = \$169.50
Jordon 22K	1 gal = \$89.40	2.5 g = \$222.00

## Mulruane Co-op

Bannuel	1 gal = \$80.62	2.5 x 2 = \$331.90
Jordon 22K	1 gal = \$99.33	2.5 g x 2 = \$493.35

## Redbarn

Bannuel	1 gal = \$85.37	2.5 g = \$175.70
Jordon 22K	1 gal = \$87.65	2.5 g = \$217.65

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## Noxious Weed Dept.

Bannuel	1 g = \$30.50 (61.00)	2.5 g = \$68.25 (152.50)
Jordon 22K	1 g = \$37.50 (75.00)	

CW.



# **KANSAS FERTILIZER AND CHEMICAL ASSOCIATION, INC.**

816 S.W. Tyler St. P.O. Box 1517 A/C 913-234-0463 Topeka, Kansas 66601-1517

STATEMENT OF MIKE KLEIBER

KANSAS FERTILIZER AND CHEMICAL ASSOCIATION

TO THE HOUSE AGRICULTURE & SMALL BUSINESS COMMITTEE

REPRESENTATIVE LEE HAMM, CHAIRMAN

REGARDING S.B. 322

MARCH 27, 1991

Mr. Chairman and Members of the Committee, I am Mike Kleiber, President of Ag Service, Inc. of Hillsboro, Kansas, and a Past President of the Kansas Fertilizer and Chemical Association. Thank you for allowing me to come before you today in support of S.B. 322.

I have served as Chairman of the KFCA committee working on the Kansas Noxious Weed Law for the past several years. We feel strongly that you have before you today a bill that is very workable for counties, landowners and dealers. This is purely a county option, providing a mechanism for counties to make the chemicals for noxious weed treatment available to local retail facilities, if they choose to do so.

S.B. 322 would allow the counties to reduce their liabilities for storage of chemicals and also in cases where there is a problem with efficacy of the chemical. It transfers those liabilities to local retailers who are in the business of accepting those liabilities on a daily basis. It would also reduce the amount of containers going to local landfills by allowing retailers handling chemicals in bulk to provide chemicals in mini-bulk containers rather than numerous plastic jugs.

For landowners, S.B. 322 will allow chemicals for noxious weed control to be available at a generally nearer location and will allow them to work with their dealers on a total weed control program. They would also benefit from competition on prices. S.B. 322 would allow county commissioners to design their own programs, making chemicals available through retailers or both through retailers and the county. I have attached to my testimony some

*Hs. Ag.  
3-27-91  
ATTACHMENT 6*

examples of current prices of my county, Marion County, compared to my company's prices. On three commonly used chemicals for noxious weed control, if landowners could purchase noxious weed chemicals from my company with the county cost-share, we could provide a significant savings to the landowner in each case. On 2,4-D the county per gallon price for 4# 2,4-D is \$9.50. Ag Service's price with the cost-share would be \$7.34. On Banvel, the county price is \$56.56 per gallon; Ag Service would be \$49.36 if the cost-share were available. On Roundup, the county is at \$58.65 per gallon; we would be at \$22.95. We are competitive because of our ability to purchase chemicals in bulk.

The noxious weed chemical business has grown substantially over the years. It is business that the private sector cannot now currently compete for, because government is subsidizing its own competing business to the point where we cannot compete. S.B. 322 will not give us the opportunity to compete. But it will give counties the option of allowing us to compete.

This legislation is in no way intended as a threat to county weed directors. All authority would continue to rest with the weed supervisor for approving treatment of noxious weeds and purchase of chemicals. The system permitted by this bill would give weed directors more flexibility in working with local landowners and dealers.

Again, this bill would be implemented only in those counties which are in a position to do so through their existing working relationships and at the discretion of the board of county commissioners. Anyone who would oppose this bill is opposing home rule.

We urge your favorable consideration of S.B. 322. If there are any questions, I will attempt to respond. Thank you for your consideration.

# # # #

# Ag Service

INCORPORATED

Route 2, Box 182-A — Hillboro, Kansas 67063  
Phone 316/947-3166

## COST COMPARISON BETWEEN MARION COUNTY & AG SERVICE INC.

<u>4# 2,4-DLV</u>	<u>Per Gal Price</u>	<u>Per # Acid</u>
Marion Cty Cost	\$9.67	\$2.42
Handling & Storage	3.00	.75
Gross Cost	<u>\$12.67</u>	<u>\$3.17</u>
% of Cst for Chemical	.75	.75
	\$ 9.50	<u>\$2.38</u>
Cost Share	3.17	.79

<u>6# 2,4-DLV</u>	<u>Per Gal Price</u>	<u>Per # Acid</u>
Ag Service Price	\$15.75	\$2.63
Cost Share	4.74	.79
Cost to Landowner	<u>\$11.01*</u>	<u>\$1.84</u>

\*Equals 7.34 4#LV

### Banvel

Marion Cty Cost	\$72.53
Handling & Storage	3.00
Gross Cost	<u>\$75.53</u>
% of Cst for Chem	.75
	<u>\$56.56</u>
Cost Share	18.88
Ag Service Price	\$68.24
Cost Share	18.88
Cost to Landowner	<u>\$49.36</u>

### Roundup

Marion Cty Cost	\$75.20
Handling & Storg	3.00
Gross Cost	<u>\$78.20</u>
% of Cst for Chem	.75
	<u>\$58.65</u>
Cost Share	16.55
Roundup RT	
Ag Service Price	\$39.50
Cost Share	16.55
Cost to Lndowner	<u>\$22.95</u>