

Approved February 27, 1991
Date

MINUTES OF THE Senate COMMITTEE ON Agriculture

The meeting was called to order by Senator Jim Allen at
Chairperson

10:07 a.m./~~p.m.~~ on February 26, 1991 in room 423-S of the Capitol.

All members were present except: Senator Harder (excused)
Senator McClure (excused)

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

Conferees appearing before the committee: Chris Wilson, Kansas Grain and Feed Association
Senator Gerald "Jerry" Karr by Tim Langland (intern)
Ken Boughton, State Board of Agriculture,
Aquaculture Task Force

Senator Allen called the Committee to order and called on staff to review SB 129 and the following to testify.

Staff explained that SB 129 concerned technical changes and that it combined several like statutes into one statute.

Chris Wilson expressed support for SB 129 and gave copies of her testimony to the Committee (attachment 1).

The Chairman called for action on SB 129.

Senator Doyen made a motion the Committee recommend SB 129 for passage and that it be placed on the Consent Calendar. Seconded by Senator Sallee. Motion carried.

The Chairman called attention to SB 203 and called on the following to testify.

Tim Langland presented the testimony of Senator Karr who could not be present; copies of the testimony were provided the Committee (attachment 2). Within the testimony there are listed suggested changes for SB 203 as well as support for SB 203.

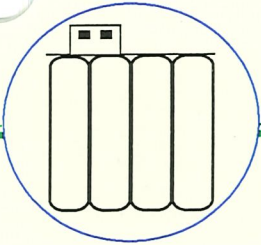
Ken Boughton gave copies of his testimony to the Committee (attachment 3) and expressed support for SB 203.

There was a request for a fiscal note for SB 203 which would reflect figures for sales tax collection.

The Chairman declared the hearing closed for SB 203 and called for action on Committee minutes.

Senator Sallee moved the Committee minutes for February 25 be approved; seconded by Senator Montgomery; motion carried.

The Chairman adjourned the Committee at 10:20 a.m.



KANSAS GRAIN AND FEED ASSOCIATION

STATEMENT OF THE

KANSAS GRAIN AND FEED ASSOCIATION

TO THE SENATE AGRICULTURE AND LIVESTOCK COMMITTEE

SENATOR JIM ALLEN, CHAIRPERSON

REGARDING S.B. 129

FEBRUARY 26, 1991

Mr. Chairman and Members of the Committee, I am Chris Wilson, Director of Governmental Relations of the Kansas Grain and Feed Association (KGFA). KGFA is the professional trade association of the state's grain warehousing, merchandising, processing and handling industry. Our approximately 1500 members comprise all aspects of the grain and feed industry beyond the farm gate.

Thank you for this opportunity to comment on S.B. 129. This bill simply removes the fees for testing of hopper scales from the Grain Inspection Department statutes, since the Legislature last year moved that program from the Grain Inspection Department to the Board of Agriculture. This was a logical move, with the

*Senate agriculture Committee
2-26-91*

Board's other weights and measures testing programs, and was fully supported by both agencies involved.

Fees have been established by the Board of Agriculture for their testing of hopper scales, and therefore the fees for the Grain Inspection Department are no longer necessary. S.B. 129 also makes it clear that the removal of the fees from the Grain Inspection Statutes is not intended to prevent the Board of Agriculture from testing hopper scales or assessing fees, as specifically authorized in Chapter 83, Sections 321 through 325.

Thank you for this opportunity to comment. I would be glad to respond to any questions.

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GERALD "JERRY" KARR
 SENATOR, SEVENTEENTH DISTRICT
 CHASE, LYON, MARION, MORRIS,
 OSAGE COUNTIES
 R.R. 2 BOX 101
 EMPORIA, KANSAS 66801

State of Kansas
 Senate Chamber



Office of Democratic Leader

STATE CAPITOL
 TOPEKA, KANSAS 66612-1565
 913-296-3245

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 LEGIS. BUDGET COMM.
 EDUCATION
 STATE BUILDING CONSTRUCTION
 LEGIS. COORDINATING COUNCIL
 STATE FINANCE COUNCIL

*attachment 2
2-6-91*

**STATEMENT BY SENATOR GERALD "JERRY" KARR
 BEFORE THE SENATE AGRICULTURE COMMITTEE
 CONCERNING SENATE BILL 203
 AN ACT RELATING TO AQUACULTURE
 FEBRUARY 26, 1991**

Thank you, Mr. Chairman, for the opportunity to appear before the Senate Agriculture Committee. I would like today to introduce Senate Bill 203, an act relating to Aquaculture in Kansas.

Aquaculture is defined as the controlled cultivation and harvest of aquatic plants and animals. Kansas has a small but important growing commercial Aquaculture industry made up primarily of small and/or part-time operations. Aquaculture does provide, however, some promising options for rural development as well as a new enterprise for farmers who have focused primarily on the production of grain and livestock.

Since early 1990, the Kansas State Board of Agriculture has had an organized task force on the subject of Aquaculture. I have been in communication with the department in regard to this task force. I think the bill we have before us today is a first step in directing attention to some of the concerns that evolved from the task force. The task force, by the way, expects to have a final report available in May and ready for our

*Senate agriculture committee
2-26-91
attachment 2*

consideration during the 1992 legislative session.

Many other states have initiated Aquaculture programs to help this as an infant industry in their Agriculture sector. Kansas should consider the benefits of a program and explore alternatives placing it on our rural development agenda. The increasing demands for seafood products at the retail level in Kansas have the potential of a local market that has yet been untapped by the Kansas fish growers. Senate Bill 203 is a start at initiating the elements necessary to provide the framework for a growing local market as well as possibilities from export out of the state.

There is some change in the bill as it stands, and I would like to recommend three possible areas for amendments:

1) K.S.A. 17-5903 is hereby amended to read as follows:

h) "Farming" means the cultivation of land for the production of agricultural crops, the raising of poultry, the production of eggs, the production of milk, the production of fruit or other horticultural crops, grazing, the production of livestock or the controlled cultivation and harvest of aquatic organisms (Aquaculture). Farming does not include the production of timber, forest products, nursery products or sod, and farming does not include a contract to provide spraying, harvesting or other farm services.

2) K.S.A. 47-1402 is hereby amended to read as follows:

c) "Livestock" means cattle, calves, sheep, swine, mules, goats, aquatic organisms and any other animal which can or may be used in and for the preparation of meat or meat products.

3) In Senate Bill 203, where the term "Fish" is used on pages 20, 21, 24, 27, 32, 37 and 42, the term "Aquatic Organism" shall be inserted.

Mr. Chairman, I have had the opportunity of working with

the commercial fish growers over the past few years in their efforts to try to understand the legislative process and to gain broader recognition in Kansas. This piece of legislation will further place Aquaculture in the broader agenda of the Agriculture development in Kansas. At this time, I would be very pleased to answer any questions the committee might have.

Thank you.

APPENDIX IV

WHAT OTHER STATES HAVE DONE - LEGAL CONSIDERATIONS

Recent national increases in market demand for fish provide an opportunity and incentive for aquaculture. Realizing that potential depends on access to capital and other financial services, availability of research and technical support, market development, state regulations, and overall state aquaculture policy.

Aquaculture is a relatively new industry in the country, making use of resources shared by a number of other groups. The responsibility for managing those resources is shared by a number of agencies. Aquaculture does not fit neatly into the well defined categories of agriculture or natural resource management. Therefore, other states have made changes in their existing legislation and regulatory regimes to accommodate the needs of the industry, as shown below.

California

The Department of Fish and Game - Marine Resources Division was designated as lead agency for marine aquaculture development and for purposes of the California Environmental Quality Act for any marine aquaculture projects. All facilities used for controlled growing and harvesting of aquatic plants and animals in the state, are required to be registered annually. Inspections of marine aquaculture facilities are conducted by the Fish and Game representatives. The state provides a clearly written information publication containing regulations governing aquaculture and offers assistance in completing and filing applications.

Connecticut

General statutes define aquaculture as the "farming of the waters of the state and tidal wetlands and the production of protein food including oysters, clams, mussels and other molluscan shellfish on leased, franchised and public underwater farm lands".

Illinois

The Illinois Aquaculture Development Act defines aquaculture as part of agriculture, placing the industry under the umbrella of the Department of Agriculture. The Department of Conservation is designated as the regulatory authority under the Fish Code.

Louisiana

Enacted a comprehensive Fish Farming Act to clearly distinguish between game fishing and commercial aquaculture. The law provides two important definitions: "privately owned water" and "domesticated fish" for licensing purposes.

Maryland

The Maryland Aquaculture Taskforce was formed at the request of the Governor in April 1987. The Maryland General Assembly also demonstrated interest in aquaculture and requested that an Aquaculture Plan be developed. Findings and recommendations of all involved indicated that administrative, legal, research and education actions were needed to develop aquaculture as a viable industry in the state. The Maryland legislature approved new legislation expected to accelerate the production of striped bass, other farm fish and shellfish. All regulatory authority will rest with the Department of Natural Resources. The Department of Agriculture will be given authority for advising and promoting new fish farming ventures. An advisory panel of 16 experts representing regulators, lawmakers, producers, watermen and marketers will be formed to advise the Secretary of Agriculture.

Mississippi

The Mississippi Aquaculture Act (1988) went into effect in July 1989, for the purpose of increasing opportunities for the cultivation and marketing of aquatic species. The Department of Wildlife Conservation is the authorized regulatory agency and also issues permits for aquaculture operations. Permits are to be renewed annually for a specified fee. The law also specifies that all state government entities involved in the regulation and enforcement of aquaculture activities should develop a coordinated procedure for one-stop permitting applicable to aquaculture activities.

South Carolina

Recently enacted legislation recognized aquaculture as an important form of both fisheries and agriculture. The State Department of Agriculture is now responsible for the coordination of promotion activities, marketing of aquaculture products and for facilitating acquisition of aquaculture permits. Within the Department of Agriculture, the law creates an Aquaculture Permit Assistance Office. The Wildlife and Marine Resources Department is responsible for aquacultural law enforcement and coordination of research and development. Both agencies are required by law to coordinate their respective efforts with all other agencies of state government.

AQUACULTURE OPERATIONS IN OTHER MIDWESTERN STATES

<u>State</u>	<u>Lead Agency</u>	<u>Species</u>	<u>Production Systems</u>	<u>Markets</u>
CO	Division of Wildlife	Tilapia, Catfish	Ponds, Raceways	Local consumers out-of-state sales, restocking public lakes
IL	Dept. of Agriculture	Catfish, Salmon, Rainbow Trout, Striped Bass, Walleye, Crappie, Perch	Pond, cage, raceway and intensive culture	Local consumers, retailers, stocking private ponds, wholesalers, brokers, processors, distributors
IO	Dept. of Natural Resources	Catfish, Bass, Trout	Pond culture	Local consumers, stocking private ponds, restaurants and groceries
MO	Dept. of Conservation and Dept. of Agriculture	Channel Catfish, Grass Carp, Trout, Bluegill	Ponds, raceways	Local consumers, private industry, processing plants, restaurants, grocery stores, stocking ponds
NE	Cooperative Extension Service	Salmon, Trout, Catfish	Ponds, raceways, cage, and recirculating water systems	Local consumers, wholesalers, restaurants, and Eastern Chain Stores (potential for future growth)
OK	Dept. of Agriculture (prospective)	Channel Catfish	Ponds, cage, netpen	Local consumers.

Source: Phone interview with Lead Agency Personnel.

Ken Brownback
KS.S. 1991

Aquaculture Defined As: The Controlled cultivation and harvest of aquatic plants and animals.

The National Aquaculture Act of 1980 requests individual states to develop aquaculture plans for the purpose of defining the role of public agencies and private industry in aquaculture development.

Such planning makes good sense for Kansas which has a strong and continuing commitment to economic development and diversification.

Aquaculture is the fastest growing segment of our U.S. food industry.

Reasons:

- 1) Decrease in wild catch.
- 2) Increase in dietary concerns.
- 3) Increase in sport fishing.

Kansas has a growing aquaculture industry. Never-the-less aquaculture does not fit neatly into the well defined categories of agriculture or natural resources management, changes must be made in existing legislation and regulatory regimes in order to accommodate the needs of the industry. Because we are a federal system of government, solutions to the problems and barriers facing this industry lie primarily at individual state levels of governments, where most aquaculture regulation takes place.

A year ago the Kansas Fish Growers Association at their annual meeting voted to request that the Board of Agriculture be named the lead agency to develop a plan for aquaculture in the state of Kansas. At their request, Governor Hayden asked the Board of Agriculture to proceed. Secretary Brownback named an Aquaculture Task Force with representatives from public agencies and private industry to develop a strategy for the healthy and orderly development of this growing industry.

Senate Agriculture Committee
2-26-91
attachment 3

The Task Force has been meeting since August, much testimony has been heard and good progress is being made toward the plan development.

The Task Force has reviewed this proposed statute revision, the changes given were recommended from the Task Force. The Task Force recognizes that this is one of the pieces that needs to be in place and therefore supports the bill.

Thank you for the opportunity to speak on its behalf.