

Approved March 6, 1992
Date

MINUTES OF THE SENATE COMMITTEE ON AGRICULTURE

The meeting was called to order by Sen. Don Montgomery at
Chairperson

10:00 a.m./~~p.m.~~ on March 5, 1992 in room 423-S of the Capitol.

All members were present except:

Sen. Harder

Committee staff present:

Raney Gilliland, Legislative Research
Lynne Holt, Legislative Research
Jill Wolters, Revisor of Statutes
Shirley Higgins, Committee Secretary

Conferees appearing before the committee: None.

The chairman informed the committee that SB 680 and SB 719 regarding livestock quarantine violations had been combined. Staff distributed copies of a balloon of SB 680 and explained the amendments. With the amendments, violation is a civil penalty only unless "knowingly and intentionally" violated in which case it would be a Class E felony. "Knowingly" could be proven by the record that a notice of quarantine had been served to the violator. The bill also gives the Livestock Commissioner power to enforce the penalty and defines "livestock". Dr. Walker, Livestock Commissioner, commented that this amended version would be better because it would allow his agency to take care of violations without criminal litigation. (Attachment 1)

Sen. Webb made a motion to report SB 680 favorable for passage as amended, Sen. Doyen seconded, and the motion carried.

Sen. Webb made a motion to report SB 719 adversely, Sen. Sallee seconded, and the motion carried.

Attention was turned to a balloon of SB 681, dealing with the use of hydrolized feathers in fertilizers, which had been previously heard. Kenneth Wilke, counsel for the State Board of Agriculture, distributed copies of a balloon of the bill which is a result of compromise with the Kansas Fertilizer and Chemical Association who had the bill introduced. (Attachment 2). Mr. Wilke explained the amendments and also informed the committee that he feels there is no immediate need for rules and regulations. The bill is written for the use of feathers in non crop production fertilizer.

Sen. Webb made a motion to report SB 681 favorable for passage as amended, Sen. Doyen seconded, and the motion carried.

The chairman announced that the amendments for SB 752 concerning the Animal Dealer Act will be ready for tomorrow's meeting.

Discussion began on SB 605, creating the Kansas Sheep Council, which had been previously heard. The chairman said that Mr. Mertz, who had the bill introduced, feels the amendments as shown in the balloon of the bill are satisfactory to those concerned. (Attachment 3). The chairman and staff went through the amendments for the committee's information. A discussion began as to why the language was added on page 4, line 24 of the bill regarding use of banks outside the State of Kansas. Staff explained that collection is done by an out-of-state agency, and it was felt that this agency would want to deposit the money outside the state. Sen. Webb stated that he feels Kansas banks could and should handle the deposits. The chairman said he would report back to the committee at tomorrow's meeting on this. Sen. Webb had a further question as to if the bill would apply to the small farmer who sells two to five sheep a year. Staff answered that it would apply.

The minutes of March 4 were approved.

The meeting was adjourned at 10:33 a.m.

SENATE BILL No. 680

By Committee on Agriculture

2-14

8 AN ACT concerning domestic animals; relating to the penalties for
 9 violating a quarantine; amending K.S.A. 1991 Supp. ~~21-4503 and~~ relating to the definition of livestock; repealing the
 10 ~~47-624 and repealing the existing sections~~ 47-604, registration of syringe tranquilizer;
 11 ; also repealing K.S.A. 47-1604 and K.S.A.
 12 ~~Be it enacted by the Legislature of the State of Kansas:~~ 1991 Supp. 47-1601, 47-1602 and 47-1603
 13 ~~Section 1. K.S.A. 1991 Supp. 21-4503 is hereby amended to read~~ and 47-1001
 14 as follows: 21-4503. (1) Except as provided in subsection (2), a person
 15 who has been convicted of a felony may, in addition to or instead
 16 of the imprisonment authorized by law, be sentenced to pay a fine
 17 which shall be fixed by the court as follows:

- 18 (a) For a class B or C felony, a sum not exceeding \$15,000.
- 19 (b) For a class D or E felony, a sum not exceeding \$10,000.
- 20 (2) A person who has been convicted of a felony violation of or
- 21 any attempt or conspiracy to commit a felony violation of any pro-
- 22 vision of the uniform controlled substances act ~~may or a violation~~
- 23 ~~of subsection (b) of K.S.A. 47-624, and amendments thereto,~~ in
- 24 addition to or instead of the imprisonment authorized by law, ~~may~~
- 25 be sentenced to pay a fine which shall be fixed by the court as
- 26 follows:
- 27 (a) For a class A felony, a sum not exceeding \$500,000.
- 28 (b) For a class B or C felony, a sum not exceeding \$300,000.
- 29 (c) For a class D or E felony, a sum not exceeding \$100,000.
- 30 (3) A person who has been convicted of a misdemeanor may, in
- 31 addition to or instead of the confinement authorized by law, be
- 32 sentenced to pay a fine which shall be fixed by the court as follows:
- 33
- 34 (a) For a class A misdemeanor, a sum not exceeding \$2,500.
- 35 (b) For a class B misdemeanor, a sum not exceeding \$1,000.
- 36 (c) For a class C misdemeanor, a sum not exceeding \$500.
- 37 (d) For an unclassified misdemeanor, any sum authorized by the
- 38 statute that defines the crime; if no penalty is provided in such law,
- 39 the fine shall not exceed the fine provided herein for a class C
- 40 misdemeanor.
- 41 (4) As an alternative to any of the above fines, the fine imposed
- 42 may be fixed at any greater sum not exceeding double the pecuniary
- 43 gain derived from the crime by the offender.

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Attachment 1

1 ~~[(5) A person who has been convicted of a traffic infraction may~~
2 ~~be sentenced to pay a fine which shall be fixed by the court not~~
3 ~~exceeding \$500.]~~

insert attachment 1; K.S.A. 1991 47-604

4 Sec. 2. K.S.A. 1991 Supp. 47-624 is hereby amended to read as
5 follows: 47-624. (a) Any person who has in such person's possession
6 any domestic animal affected with any contagious or infectious dis-
7 ease, knowing such animal to be so affected, who permits such animal
8 to run at large; or who keeps such animal where other domestic
9 animals, not affected with or previously exposed to such disease,
10 may be exposed to such contagious or infectious disease; or who
11 sells, ships, drives, trades or gives away such diseased and infected
12 animal or animals which have been exposed to such infection or
13 contagion, except by sale, trade or gift to a regularly licensed disposal
14 plant; or who moves or drives any domestic animal in violation of
15 the rules and regulations, directions or orders establishing and reg-
16 ulating quarantine. ~~[shall be guilty of a misdemeanor and upon con-~~
17 ~~viction thereof shall be fined in any sum not less than \$100 nor~~
18 ~~more than \$500 for each such diseased or exposed animal which~~
19 ~~such person has permitted to run at large, keep, sell, ship, drive,~~
20 ~~trade or give away in violation of the provisions of this act.]~~ Any
21 owner of any domestic animal which has been affected with or ex-
22 posed to any contagious or infectious disease may dispose of the
23 same after such owner obtains from the livestock commissioner a
24 bill of health for such animal.

In addition to any other penalty provided by law,

may incur a civil penalty imposed under subsection (b) in the amount of not less than \$250 nor more than \$1,000 for each such violation and, in the case of a continuing violation, every day such violation continues shall be deemed a separate violation.

25 ~~[(b) Any person who knowingly and intentionally violates an order~~
26 ~~establishing or regulating a quarantine issued pursuant to article 6~~
27 ~~of chapter 47 of the Kansas Statutes Annotated, and amendments~~
28 ~~thereto, shall be guilty of a class E felony.]~~

see Insert 2 attached

29 Sec. 3. K.S.A. 1991 Supp. ~~[21-4503]~~ and ~~[47-624]~~ are hereby
30 repealed.

, 47-1001, 47-1601, 47-1602 and 47-1603

31 Sec. 4. This act shall take effect and be in force from and after
32 its publication in the statute book.

47-604,

K.S.A. 47-1604 and

1-2

Insert 1

Section. 1. K.S.A. 1991 Supp. 47-604 is hereby amended to read as follows: 47-604. ~~Except-as-otherwise-provided-in-this act,~~ Any person who knowingly and intentionally violates, disregards or evades, or attempts to violate, disregard or evade, ~~any-of-the-provisions-of-this-act,-or-who-violates,-disregards-or evades,-or-attempts-to-violate,-disregard-or-evade,-any-of-the rules-and-regulations,-orders--or--directions--of--the--livestock commissioner--establishing--and--governing--quarantine~~ any order establishing or regulating a quarantine issued pursuant to article 6 of chapter 47 of the Kansas Statutes Annotated, and amendments thereto, shall be guilty of a ~~misdemeanor-and-upon conviction-shall-be-fined-not-less-than-\$100-nor-more-than-\$5,000~~ class E felony.

(b) Any duly authorized agent of the commissioner, upon a finding that any person, or agent or employee thereof, has violated any of the provisions stated above, may impose a civil penalty upon such person as provided in this section.

(c) No civil penalty shall be imposed pursuant to this section except upon the written order of the duly authorized agent of the commissioner to the person who committed the violation. Such order shall state the violation, the penalty to be imposed and the right of the person to appeal to the commissioner. Any such person, within 20 days after notification, may make written request to the commissioner for a hearing in accordance with the provisions of the Kansas administrative procedure act. The commissioner shall affirm, reverse or modify the order and shall specify the reasons therefor.

(d) Any person aggrieved by an order of the commissioner made under this section may appeal such order to the district court in the manner provided by the act for judicial review and civil enforcement of agency actions.

(e) Any civil penalty recovered pursuant to the provisions of this section shall be remitted to the state treasurer, deposited in the state treasury and credited to the state general fund.

Sec. 3. K.S.A. 1991 Supp. 47-1001 is hereby amended to read as follows: 47-1001. As used in this act, except where the context clearly indicates a different meaning:

(a) "Commissioner" means the livestock commissioner of the state of Kansas.

(b) "Livestock" means and includes cattle, swine, sheep, goats, horses and mules and any other animal as deemed necessary by the commissioner established through rules and regulations.

(c) "Person" means and includes any individual, partnership, corporation or association.

(d) "Producer" means any person engaged in the business of

breeding, grazing or feeding livestock.

(e) "Consignor" means any person who ships or delivers to any public livestock market livestock for handling, sale or resale at a public livestock market.

(f) "Public livestock market" means any place, establishment or facility commonly known as a "livestock market," "livestock auction market," "sales ring," "stockyard," "community sale" as such term is used in article 10 of chapter 47 of the Kansas Statutes Annotated, which includes any business conducted or operated for compensation or profit as a public market for livestock, consisting of pens, or other enclosures, and their appurtenances, in which livestock are received, held, sold or kept for sale or shipment except that this term shall not apply to any livestock market where federal veterinary inspection is regularly maintained.

(g) "Public livestock market operator" means any person who, in this state, receives on consignment, or solicits from the producer or consignor thereof, or holds in trust or custody for another, any livestock for sale or exchange, on behalf of such producer or consignor at a public livestock market, or sells, or offer for sale, at a public livestock market, for the account of the producer or consignor thereof, any livestock or directly or indirectly owns, conducts or operates a public livestock market. The term "public livestock market operator" shall not be construed to include any packer or agent of a packer who receives or purchases livestock for prompt slaughter.

(h) "Packer" means any person engaged in the business of buying livestock for purposes of slaughter, or of manufacturing or preparing meats or meat food products for sale or shipment, or of manufacturing or preparing livestock products for sale or shipment, or of marketing meats, meat food products, livestock products, dairy products, poultry or poultry products.

(i) "Board" means any three members of the Kansas animal health board designated by the chairperson of the Kansas animal

health board for each particular hearing. The chairperson may be included in such designation.

(j) "Dealer" as used in article 10 of chapter 47 of the Kansas Statutes Annotated, to which this act is amendatory and supplemental, shall have the same meaning as the term "public livestock market operator."

SENATE BILL No. 681

By Committee on Agriculture

2-17

8 AN ACT concerning fertilizer; relating to the analysis thereof; amend-
9 ing K.S.A. 2-1202 and repealing the existing section.

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

11 Section 1. K.S.A. 2-1202 is hereby amended to read as follows:
12 2-1202. (1) Application for registration shall be filed with the secretary
13 and shall set forth:

14 (a) The brand and grade of the commercial fertilizer;
15 (b) the name and address of the person making application for
16 registration of the commercial fertilizer;

17 (c) the guaranteed analysis including: (A) The minimum per-
18 centage of nitrogen, (B) the minimum percentage of total phosphorus
19 pentoxide, ~~[(P²O⁵)]~~, which is more commonly known and which shall
20 be shown as total phosphoric acid; (C) the minimum percentage of
21 available phosphorus pentoxide, ~~[(P²O⁵)]~~, which is more commonly
22 known and which shall be shown as available phosphoric acid; (D)
23 the minimum percentage of dipotassium oxide, ~~[(K²O)]~~, which is more
24 commonly known and which shall be shown as water soluble potash;
25 (E) the kind and minimum percentage of any and all other plant
26 food elements or compounds contributing to the value of the com-
27 mercial fertilizer, expressed separately; (F) a guarantee that the
28 commercial fertilizer contains no horn, hoof, hair, feathers or
29 other similarly inert nitrogenous matter; ~~(G) a statement au-~~
30 ~~thorizing the secretary or an authorized representative of the sec-~~
31 ~~retary to examine all records of the applicant necessary for the~~
32 ~~purpose of verifying and determining the inspection fee; *Provided,*~~
33 ~~That~~ The total phosphoric acid need not be shown on the application
34 for registration of commercial fertilizers other than unacidulated min-
35 eral phosphatic materials, basic slag, bone, tankage, and other natural
36 organic phosphate materials.

37
38 (2) If the application meets the requirements of this act, and the
39 person making application shall pay a registration fee of five dollars
40 ~~(\$5)~~ \$5 for each commercial fertilizer, the secretary shall register
41 each such product. Such registration may be revoked for failure to
42 comply with requirements of article 12 of chapter 2 of the Kansas
43 Statutes Annotated, and acts amendatory and supplemental

Delete

Insert (P₂O₅)

Insert (K₂O)

Insert

; and such other information as may be prescribed by rule and regulation

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1 *amendments* thereto. All registrations shall expire on June ~~thirtieth~~
2 30 of each year. Each person who secures registration of a commercial
3 fertilizer shall semiannually submit to the secretary a written state-
4 ment of the tonnage of each kind or grade of commercial fertilizer,
5 shipped to or sold within this state: *Provided, That*. The registrant
6 shall not be required to report direct shipments of commercial fer-
7 tilizer and fertilizer materials to fertilizer manufacturers or mixers,
8 but ~~that~~ *said such* fertilizer manufacturers or mixers shall report
9 this tonnage of *said such* commercial fertilizers shipped, sold or
10 distributed by them in this state and not used in manufacturing
11 processes. *Said Such* statements shall respectively include all ship-
12 ments or sales for the six month periods beginning July ~~first~~ 1 to
13 and including December ~~thirty-first~~ 31, and six-month periods be-
14 ginning January ~~first~~ 1 to and including June ~~thirtieth~~ 30. The
15 secretary may cancel the registrations of any person failing to file
16 the tonnage statement within ~~thirty~~ 30 days from the date of the
17 close of each period. The secretary, ~~however~~, may grant a reasonable
18 extension of time. Information furnished to the secretary shall not
19 be disclosed in such a way as to divulge the operations of any person.

2-2

2-1201. Definitions. (1) The term "commercial fertilizer" means any substance designed, intended, used or susceptible for use to supply food for plants or to increase crops produced by land, except the following: (a) Limestone (calcium carbonate), (b) dolomite (calcium magnesium carbonate), (c) lime (calcium oxide), (d) slaked lime (calcium hydroxide), (e) gypsum (calcium sulphate), (f) the dung of domestic animals, (g) compost, and (h) fertilizer materials.

(2) The term "fertilizer materials" means any substance containing plant food elements or compounds in possession of manufacturers for use in compounding mixed commercial fertilizers.

(3) The term "brand" means the name, number, trademark, trade name or other designation of a commercial fertilizer.

(4) The term "grade" means the minimum percentages of total nitrogen, available phosphoric acid, and soluble potash, stated in the order given in this definition. When applied

to mixed or blended fertilizers, whole numbers only shall be given.

(5) The term "person" includes individual, partnership, association, firm and corporation.

(6) The term "secretary" means the secretary of the Kansas state board of agriculture.

(7) The term "label" means a display of written, printed, or graphic matter upon or affixed to the container in which a commercial fertilizer is distributed, or on the invoice slip or delivery slip with which a commercial fertilizer or custom blended fertilizer is distributed.

(8) The term "custom blended fertilizer" means a fertilizer blended according to specifications furnished by the customers prior to blending.

(9) The term "custom blender" means any person who blends only registered commercial fertilizers at the request of and according to specifications furnished by the customer-purchaser. ↑

Insert

{ The term commercial fertilizer shall also include specialty fertilizer as defined below.

Insert

{ (10) The term "specialty fertilizer" means a commercial fertilizer distributed primarily for nonfarm use, such as home gardens, lawns, shrubbery, flowers, golf courses, municipal parks, cemeteries, greenhouses and nurseries, and may include commercial fertilizers used for research or experimental purposes and is not used primarily for application to crops produced for commercial value.

3
2

2-4

2-1204. Labeling. (1) Every package or container of commercial fertilizer shall bear a distinctly printed label in the English language on a tag attached to the package or container, or distinctly printed on the package or container. The label shall show and state:

- (a) The name and address of the person registering the commercial fertilizer;
- (b) the brand and grade of the commercial fertilizer;
- (c) the net weight in the package or container;
- (d) the registered guaranteed analysis. The guaranteed analysis shall include the minimum percentages of plant foods in the following order and form:

Nitrogen, minimum percent
 Available phosphoric acid,
 minimum percent
 Soluble potash, minimum percent,

except (A) unacidulated mineral phosphatic materials and basic slag shall show the guaranteed analysis in the following order and form:

Total phosphoric acid, minimum .. percent
 Available phosphoric acid,
 minimum percent
 Fineness of grind: percent through mesh
 screen,

and (B) bone, tankage, and other natural organic phosphate materials shall show the guaranteed analysis in the following form:

Total phosphoric acid, minimum ... percent;

(e) commercial fertilizers containing any ingredient which is injurious to plants, shall be labeled to show, (A) the name and percentage of each such active ingredient; (B) adequate directions for use, and (C) adequate warnings against misuse;

(f) the minimum percentage of any and all other plant food elements or compounds contributing to the value of the commercial fertilizer.

(2) Bulk lots shall be accompanied by a label which shall be delivered to the purchaser

showing the information required by this section.

Insert
 {; and (g) such other information as may be prescribed by
 { rule and regulation.

20
21
22

[Sec. 2. K.S.A. 2-1202 is hereby repealed.]

Delete

Sec. [3] This act shall take effect and be in force from and after

Insert

{Sec. 4. K.S.A. 2-1201, 2-1202 and 2-1204 are hereby repealed.

its publication in the [statute book]

Insert

{5

Insert {Kansas register

Delete

R-5

SENATE BILL No. 605

By Committee on Agriculture

2-7

8 AN ACT creating the Kansas sheep ~~[commission]~~ relating to the
9 powers and duties thereof; levying an assessment on sheep or
10 wool, or their products.

council

11
12 Be it enacted by the Legislature of the State of Kansas:

13 Section 1. As used in this act:

14 (a) ~~“Commissioner”~~ means the Kansas sheep ~~[commission]~~

council

15 (b) ~~“First purchaser”~~ means any person, public or private cor-
16 poration, association or partnership who ~~[resells]~~ sheep or wool ~~[pur-~~
17 ~~chased from a producer or offers for sale a product produced from~~
18 ~~the sheep or wool for any purpose]~~

buys

[from the seller or acts as an agent for the
sale or slaughter transaction

19 (c) “Producer” means a person who is actively engaged within
20 this state in the business of producing or marketing sheep or wool
21 and who receives income from the production of sheep or wool.

22 (d) “Sale” or “sold” means a transaction in which the property
23 in or to sheep or wool is transferred from the ~~[producer]~~ to a ~~[first]~~
24 purchaser for full or partial consideration.

seller

25 (e) “Secretary” means the secretary of the state board of
26 agriculture.

27 (f) “Sheep” means an animal of the ovine species, ~~[regardless of~~
28 ~~age]~~ produced or marketed in this state ~~[or slaughtered]~~

, fed, slaughtered

29 (g) “Wool” means the natural fiber produced by sheep.

30 Sec. 2. (a) There is hereby created the Kansas sheep ~~[commission]~~

council

31 (b) The ~~[commission]~~ shall consist of seven members who will be

interim council

32 elected at the annual meeting of the Kansas sheep association. The

33 board of directors of the Kansas sheep association shall act as ~~[com-~~

council

34 ~~mission]~~ members until ~~[commission]~~ members can be elected and

35 qualified. Vacancies which may occur shall be filled for unexpired

36 terms by the board of directors of the Kansas sheep association from

council member

37 among the producers of the state. Each ~~[commissioner]~~ appointed on

38 and after the effective date of this act, other than a ~~[commissioner]~~

39 appointed to fill a vacancy for an unexpired term, shall be elected

council members

40 for a term of four years except that three of the ~~[commissioners]~~ first

41 elected on and after the effective date of this act shall be elected

two

42 for a term of ~~[three]~~ years. Upon the expiration of a term of a member

No member may serve more than one consecutive
term.

43 of the ~~[commission]~~ such member shall continue to serve as a member

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Attachment 3

1 of the ~~commission~~ until a successor to such member is elected and
2 qualified.

3 (c) Members of the ~~commission~~ shall be residents of this state
4 and have been an active producer in this state for at least five years
5 immediately preceding their appointment.

6 (d) The dean of the college of agriculture of Kansas state uni-
7 versity or the dean's representative and the secretary or the secre-
8 tary's designee shall serve as ex officio nonvoting members of the
9 board.

10 (e) The ~~commission~~ shall annually elect a chairperson from its
11 membership.

12 (f) A member of the ~~commission~~ may cease to hold such member's
13 position on the ~~commission~~ for any of the following reasons, at the
14 discretion of a majority of the ~~commission~~ upon resolution duly
15 adopted by the ~~commission~~ dismissing such member: (1) Failure to
16 attend two or more regular meetings of the ~~commission~~; or (2) ceasing
17 to be a producer.

18 (g) Members of the Kansas sheep ~~commission~~ attending meetings
19 of such ~~commission~~, or attending a subcommittee meeting authorized
20 by such ~~commission~~, shall be paid compensation, subsistence allow-
21 ances, mileage and other expenses as provided in K.S.A. 75-3223,
22 and amendments thereto.

23 (h) The ~~commission~~ shall meet at least once every calendar quar-
24 ter regularly and hold an annual meeting which shall be open to
25 the public for discussion of policy and at which time the ~~commission~~
26 shall make its report to the governor. The day, time and place of
27 each meeting shall be determined by the ~~commission~~. The chair-
28 person or any three members of the ~~commission~~ may call special
29 meetings of the ~~commission~~ upon such notice as may be prescribed
30 by the duly adopted rules of the ~~commission~~.

31 Sec. 3. In the administration of this act, the ~~commission~~ shall
32 have the following duties, authorities and powers:

33 (a) To conduct a campaign of development, education and
34 ~~publicity~~.

35 (b) to find new markets for sheep and wool, or their products;

36 (c) to accept grants and donations;

37 (d) to sue and be sued;

38 (e) to enter into such contracts as may be necessary or advisable
39 for the purpose of this act;

40 (f) to appoint an administrator ~~and an assistant administrator~~ who
41 ~~are~~ knowledgeable about the sheep industry and fix ~~their~~ compen-
42 sation and the administrator ~~and assistant administrator~~ shall be in
43 the unclassified service of the Kansas civil service act. With the

council
Of such members, two members shall be lamb
feeders, two members shall have ewe flocks,
one member shall produce purebred sheep and
two members shall be from producers at large.
The selections shall be made from nominations
for each respective position by each respective
producer group. The elections will be held at
an open session to all sheep producers at the
annual meeting of the Kansas sheep association.

council

council

council

council

council

market
through research
promotion

the
is

2-2

1 approval of the [commission], the administrator may appoint such other
2 personnel as is needed and such employees shall be in the unclas-
3 sified service of the Kansas civil service act.

4 (g) to cooperate or contract with any local, state or national or-
5 ganization or agency, whether voluntary or created by the law of
6 any state, or by national law, engaged in work or activities similar
7 to the work and activities of the [commission], and to enter into
8 contracts and agreements with such organizations or agencies for
9 carrying on a joint campaign of [development], education and [publicity],

research
promotion

10 (h) to establish an office of the administrator at any place in this
11 state the [commission] may select;

12 (i) to prosecute in the name of the state of Kansas any suit or
13 action for the collection of the assessment herein provided; [and]

14 (j) to adopt, rescind, modify and amend all necessary and proper
15 orders, resolutions and rules and regulations for the procedure and
16 exercise of its powers and the performance of its duties.

17 Sec. 4. (a) An assessment to be set by the [commission] at not
18 more than \$.02 for each pound of wool produced and sold by a

19 [producer] and not more than \$.35 per head on sheep sold for slaughter
20 by a [producer] shall be imposed on the [producer] at the time of

21 delivery to the [first] purchaser who will deduct the assessment from
22 the price paid to the [producer] at the time of sale. If the [producer]

23 sells, ships, or otherwise disposes of wool or sheep [for slaughter] to
24 a [first] purchaser or other person outside the state of Kansas, the

25 [producer] shall deduct the assessment from the amount received from
26 the sale.

27 (b) The [commission] shall not change the assessment rate, either
28 to increase or reduce, more than once a year. The administrator

29 shall furnish to every first purchaser receipt forms which shall be
30 issued by such first purchaser to the producer upon payment of such

31 assessment. The form shall indicate thereon the procedure by which
32 the [producer] may obtain a refund of any such assessment, except a

33 refund shall not be issued unless the amount of the refund is \$5 or
34 more. Within one year after any and all sales during such period

35 the [producer], upon submission of a request therefor to the admin-
36 istrator, may obtain such refund in the amount of the assessment

37 deducted by the first purchaser. Such request shall be accompanied
38 by evidence of the payment of the assessment which need not be

39 verified.

40 (c) The [commission] shall keep complete records of all refunds
41 made under the provisions of this section. Records of refunds may

42 be destroyed two years after the refund is made. All funds expended
43 in the administration of this act and for the payment of all claims

council

council

seller

seller

council

seller

council

; and
(k) to approve an annual budget and
establish a reserve. Each market
development project budgeted and
approved by the council shall include a
stated objective and anticipated
results. In the council's annual report
to the industry, the council shall
include those objectives and actual
results

seller and not more than \$.35 per head
for each sale transaction or slaughter
transaction for each sheep of all
classes

Any sheep owned less than 30 days or
less than 30 days of age shall be exempt
from such assessment.

33

1 whatsoever growing out of the performance of any duties or activities
 2 pursuant to this act shall be paid from the proceeds derived from
 3 such act. In the case of a lien holder who is a first purchaser as
 4 defined herein, the assessment shall be deducted by the lien holder
 5 from the proceeds of the claim secured by such lien at the time the
 6 sheep or wool, or their products, is pledged or mortgaged. The
 7 assessment shall constitute a preferred lien and shall have priority
 8 over all other liens and encumbrances upon such sheep or wool, or
 9 their products. The assessment shall be deducted and paid as herein
 10 provided whether such sheep or wool, or their products, is in this
 11 or any other state.

12 Sec. 5. (a) The ~~commission~~ shall negotiate and contract with a
 13 person or persons to collect and disburse the assessments pursuant
 14 to this act.

15 (b) The assessment hereby imposed, on or before the 20th day
 16 of the calendar month following the date of settlement, shall be paid
 17 by the purchaser to such person or persons. The person or persons
 18 shall issue a receipt to the purchaser therefor and shall remit all
 19 moneys received in payment of such assessment to a ~~Kansas~~ bank
 20 account at least monthly.

21 (c) Each bank account for use in operating and conducting the
 22 ~~commission's~~ duties shall be secured by pledge of securities in the
 23 manner prescribed for state bank accounts under K.S.A. 75-4218,
 24 and amendments thereto.

25 (d) All money ~~credited to the bank account~~ shall be expended
 26 in the administration of this act, and for the payment of claims based
 27 upon obligations incurred in the performance of the activities and
 28 functions set forth in this act, and for no other purpose.

29 (e) All receipts, accounts, expenditures and other disbursements
 30 from the bank account shall be subject to post audit in accordance
 31 with article 11 of chapter 46 of the Kansas Statutes Annotated, and
 32 amendments thereto.

33 Sec. 6. If the assessment is not deducted and paid to the person
 34 or persons as provided in section 5, or within 10 days thereafter,
 35 such lien, within one year after the expiration of such 10-day period,
 36 may be foreclosed by action in any court having jurisdiction in the
 37 county in which such sheep or wool, or their products, was sold,
 38 or in which such sheep or wool, or their products, may be found,
 39 or in which such sheep or wool, or their products, shall have been
 40 commingled with other sheep or wool, or their products.

41 Sec. 7. Any person who shall violate any of the provisions of this
 42 act shall be deemed guilty of a misdemeanor, and upon conviction
 43 shall be punished by a fine of not less than \$25 nor more than \$500

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or if such bank account is in an institution outside the state of Kansas, the institution shall be licensed by a state or the federal government

collected pursuant to section 4

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1 or by imprisonment in the county jail for not less than 30 nor more
2 than 90 days, or by both such fine and imprisonment.
3 Sec. 8. ~~This act shall take effect and be in force from and after~~
4 its publication in the statute book.

(a) No assessments for sheep or wool, or their products shall be collected pursuant to this act while the national checkoff program for sheep or wool, or their products, remain in effect. Collections of assessments pursuant to this act shall be reinstated upon the withdrawal of the national checkoff program for sheep or wool, or their products.

(b) The Kansas sheep council shall have the ability to pay and transfer portions of the assessments collected pursuant to the national checkoff program for sheep or wool, or their products, to the national board as required.

Sec. 9.

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