

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairperson Joann Flower at 9:00 a.m. on February 9, 1995, in Room 423-S of the Capitol.

All members were present except: Representative Sloan - Excused

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

Conferees appearing before the committee:
George Teagarden, Livestock Commissioner, Kansas Animal Health Department
Elaine Sauerwein, Chairperson, Kansas Dairy Marketing Advisory Board

Others attending: See attached list

The committee was asked to review the minutes of February 6 and 7. If there were corrections or additions to notify the secretary by 5:00 p.m. today or they would stand approved as presented. Chairperson Flower then called for the introduction of bills.

George Teagarden, Livestock Commissioner, Kansas Animal Health Department, requested three bills on behalf of the department. The first bill request would make technical changes to the statutes concerning large animals and delete out-of-date language. The only major policy change would prohibit the importation or possession of feral swine (wild hogs) in the state. They carry diseases that can be transmitted to domestic swine. His second bill request would make technical changes to an act passed in 1987 concerning animal dealers. The third request would bring commercial dog groomers, not operating out of their homes, under the animal dealer act. It would require a registration fee; no amount was mentioned. Representative Correll moved to introduce the three bill requests as committee bills. Representative Hutchins seconded. The motion carried. (Attachment 1)

Elaine Sauerwein, Chairperson, Kansas Dairy Marketing Advisory Board, reported to the House Agriculture Committee as required under legislation passed in 1994. They were to study the problems of prices received by dairy producers and the establishment of a milk marketing order for the state of Kansas. They identified three issues of concern. One item they would like to have addressed is the policy of basing the price on the milk's point of production verses the present system that is based on the point of consumption. With the potential affects of the 1995 farm bill, they believe it is necessary to continue to review and evalutate potential solutions. They recommend that Kansas Dairymen evaluate the potential benefits of voting individually as opposed to block voting. This vote impacts national referendums on dairy pricing. They will continue to study these issues in light of the changing political and economic impacts on the dairy industry. (Attachment 2)

The meeting adjourned at 9:50 a.m. The next meeting is scheduled for February 14, 1995.

HOUSE AGRICULTURE COMMITTEE GUEST LIST

DATE: February 9, 1995

NAME	REPRESENTING
George Teagarden	RAHD
GARRY Cowan	KVMA
Jeff VanLetten	KVMA
Catherine Deper	Ks. Vet. Med. Assn.
Jul Luby	KS Co-op Council
Elaine Samerweine	Dairy Marketing Advisory Board
Eldon K. Noel	2648 Guff Rd Abilene KS 67410
Dennis Metz	Kansas Dairy Board
Al Melanic	Dairy Marketing Advisory Board
Elmer J. Buessing	Dairy Market Advisory Board
Melvin Brase	KS Dept of Ag
Gordon Hibbard	Kansas Farm Bureau
BILL R. FULLER	Kansas Farm Bureau
Kenneth M. Wilke	KS Dept of Agriculture
Larry Woodson	" " " "
MARV Roub	Amel. Cancer Soc.
Mike Bean	KS Luth. Assn.

STATE OF KANSAS
KANSAS ANIMAL HEALTH DEPARTMENT

George Teagarden, Livestock Commissioner

712 South Kansas Avenue Suite 4-B Topeka Kansas 66603-3808
Phone 913/296-2326 FAX 913/296-1765

February 9, 1995

The Kansas Animal Health Department requests the introduction of three bills:

1. **Revision of Laws pertaining to Livestock and Domestic Animals - Chapter 47.** As introduced, this bill would make technical changes to the statutes pertaining to large animals, and delete old and outdated language. New provisions would define the lawful disposal of dead animals, add cats and exotic pet animals to the definition of domestic animals and ban the importation or possession of feral swine in the state of Kansas.
2. **Revision of K.S.A. 47-1701 et. seq., the Kansas Animal Dealer Act.** This bill, as introduced, makes technical changes to the act, including clarification of the definitions of animal dealers, pet shop operators, hobby kennels and adequate veterinary care; adds a section allowing the Department to issue a temporary closing permit for a dispersement sale; brings out-of-state brokers, no-kill shelters and animal wholesalers under the animal dealer act; provides for a late fee to be assessed to delinquent licensees and makes it a violation of the act to physically threaten or hinder a state or federal inspector acting in performance of their official duties.
3. **Addition to K.S.A. 47-1701 et. seq., the Kansas Animal Dealer Act.** This bill would require commercial dog groomers, not operating out of their homes, to obtain a Certificate of Registration from the Animal Health Department. The groomer facility would be subject to the provisions of the Animal Dealer Act and would be inspected upon complaint.

House Agriculture
Attachment 1
2-9-95

REPORT OF THE KANSAS DAIRY MARKETING ADVISORY BOARD

Presented to the Senate and House Agriculture
Committee of Kansas Legislature
February 1, 1995

During the past several years, the Kansas Legislature has considered legislation directed toward the problems of prices received by the dairy producers. In 1992 House Bill 3046 would have created a dairy stabilization fund based upon an assessment imposed on dairy products sold in this state. In 1993 Senate Bill 72 would have created a dairy marketing advisory board which could establish a milk marketing order for the state of Kansas. Neither of these bills passed. In 1994 House Bill 3012, as originally introduced, was very similar in purpose to 1993 Senate Bill 72. Due to litigation pending before the U.S. Supreme Court involving a Massachusetts Milk Marketing Order, this bill was subsequently amended to create the Dairy Marketing Advisory Board to study this subject further and report back to the 1995 Kansas Legislature.

Within the dairy industry, there has been much discussion regarding the current effectiveness of the federal milk marketing system and its ability to assist dairy producers in obtaining adequate financial returns. In several areas of the country, primarily in the northeast United States, states have attempted to create a state milk marketing order benefiting the individual state's dairy producers. Massachusetts' milk marketing order, created in this regard, was recently ruled unconstitutional by the United States Supreme Court (Ruling 93-141) as violating the Commerce Clause of the U.S. Constitution. Several other states have rescinded their state milk marketing orders in light of this ruling. However, in its discussions and investigation, the Dairy Marketing Advisory Board has learned that North Dakota has developed a state milking order that has been in place since 1967. This entire discussion will also be impacted by whatever

*House Agriculture
Attachment 2
2-9-95*

provisions are created in the expected 1995 Farm Bill at the Federal level regarding the milk marketing system. It is too early to tell the outcome of that debate, although several proposals regarding changes to the milk marketing system are expected to be advanced.

Subsequent to passage of House Bill 3012 in the 1994 Legislature and its approval by the Governor, the following were appointed to the membership of the Dairy Marketing Advisory Board. The members currently are:

Delbert McDaniel — Hutchinson, Kansas

Dennis Metz — Wellington, Kansas

Elmer Buessing — Baileyville, Kansas

Elaine Sauerwein — Newton, Kansas

Kansas Secretary of Agriculture or the Secretary's designee.

These members of the Dairy Marketing Advisory Board have held three investigatory meetings, first on ¹September 29, 1994, then on ¹December 19, 1994, and ²January 13, 1995. The fiscal impact of these meetings has been minimal as the committee members, who are from the private sector, have volunteered their time and expense and the only cost has been staff time and communications.

The dairy industry of Kansas makes a significant contribution to the agricultural economy of the state. It is in the best interests of dairy farmers, processors, retailers and consumers alike to maintain a viable dairy industry in Kansas and the orderly marketing of milk.

¹Phillip Fishburn was Acting Secretary of Agriculture at this time.

²Allie Devine became Secretary effective January 9, 1995.

As a result of the meetings held and the information discussed, the committee has developed a greater awareness of the magnitude of the problem and the difficulty in accomplishing the stated objectives. We respectfully commend legislature for their wisdom and for providing the Dairy Industry with a vehicle that we can utilize to define our problems, and to search for a workable solution to our marketing challenges.


From the deliberations during these meetings, the Dairy Marketing Advisory Board has identified three issues of concern:

1. Existing Federal Milk Marketing Orders need to be amended to reflect current trends in the United States and one specific item that we wish to have addressed is the policy of basing the pricing (assessment) on the basis of the milk's point of production verses the present system that is based on the point of consumption. It is our understanding that the U.S. Secretary of Agriculture has some discretionary authority regarding the Federal Marketing Orders and we may seek legislative assistance to encourage the Secretary to act upon.
2. With greater awareness of the complexity of milk marketing orders and the potential affect of the 1995 Farm Bill and ongoing discussions that may affect the Federal Milk Marketing Orders, we believe it will be necessary for the committee to continue to review and evaluate potential solutions.
3. The committee wishes to recommend that Kansas Dairymen evaluate the potential benefits of voting individually as opposed to "block voting" which is an option available from the respective dairy association's board of directors. This vote impacts national referendums on dairy pricing.

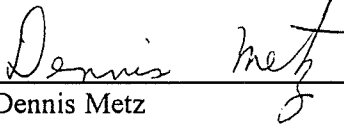
The Kansas Dairy Marketing Advisory Board continues to study these issues and their impact in light of the changing political and economic impacts upon the dairy industry. It especially wishes to further investigate the proposed Northeast Dairy Compact being pursued by several states in the northeast portion of the United States. This proposed compact's structure, if approved by the U.S. Congress, could be pursued in Kansas and some of its surrounding states. The Dairy Marketing Advisory Board sees this as an ongoing issue which will require additional study in the future.

The Dairy Marketing Advisory Board stands ready to appear before the Senate and House Agricultural Committees, if appropriate, to discuss these ongoing issues and any recent developments.

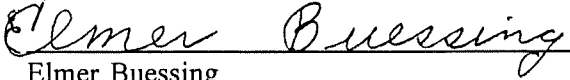
Sincerely submitted,




Delbert McDaniel



Dennis Metz



Elmer Buessing



Elaine Sauerwein



Allie Devine, Secretary of Agriculture