

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairperson Joann Flower at 9:00 a.m. on January 17, 1996, in Room 313-S of the Capitol.

All members were present except: Representative Crabb - Excused

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

Conferees appearing before the committee:  
Gary Sherrer, Secretary, Kansas Department of Commerce & Housing  
Bill Caton, President, Kansas Development Finance Authority

Others attending: See attached list

Gary Sherrer, Secretary, Kansas Department of Commerce & Housing, appeared before the committee concerning the issuance of Exempt Facility Private Activity Bonds in the amount of \$9.6 million to Seaboard Corporation in December, 1995, to assist in financing the construction of waste water treatment facilities. He stated that this is a federal program. There are no state tax dollars involved, no state liability created, and the entity receiving the allocation does not receive a tax credit or abatement. It is estimated that Seaboard will save \$500,000 in interest costs over the life of the 30-year bonds. He noted that no allocation requests were denied in 1995 in the two categories--Exempt Facility Bonds, under which Seaboard's waste water treatment facility qualified, or Beginning Farmer Bonds. (Attachment 1)

Bill Caton, President, Kansas Development Finance Authority, explained the Beginning Farmer Loan Program in more detail for the committee. Under this program, the borrower (farmer) contacts his lender, the lender then contacts KDFA. Their office does not make credit decisions, banks make those decisions. KDFA determines whether or not the farmer qualifies under the program. It is a tax exempt loan to the bank, thereby helping the farmer. Included with Mr. Caton's testimony is a list of participating lenders and sellers, as well as a county break down of the number and amount of loans closed under the Beginning Farmer Loan Program from May, 1990, through June, 1995. Members were also given a copy of the Beginning Farmer Loan Program summary and application which are available from the Kansas Development Finance Authority. (Attachment 2)

Mr. Sherrer emphasized that in addition to creating jobs and investing 12 times more capital than the allocation requested, a major benefit to the state in approving the bonds was the requirement that Seaboard exceed Kansas minimum environmental requirements for the project. He explained the Seaboard transaction in detail for the committee. Copies of letters and memorandums concerning the application are attached to his testimony. He stated that the facts as he and his staff reviewed them provided no basis for refusing Seaboard's request. He, therefore, approved the application and sent it to KDFA for the Board's consideration. He believes that his agency had a responsibility to carry out the law as written and that is what they did.

The meeting adjourned at 10:00 a.m. The next meeting is scheduled for January 18, 1996.

# HOUSE AGRICULTURE COMMITTEE GUEST LIST

DATE: 1/17/96

NAME	REPRESENTING
Jim Allen	Seaboard
Bill Fuller	Kansas Farm Bureau
Kerri Ebert	Kansas Dairy Association
Bonnie Hubbard	Morton County Committee for Responsible Government
Jerald Hubbard	Morton County Committee for Responsible Government
Beef Caver	KARC / Seena
Rod BIGHAM	KS SWINE GROWERS
Craig Gystad	Swine producer
Tammy Gystad	" " / KARL
Tim Carpenter	Lawrence Journal - World

HOUSE OF REPRESENTATIVES AGRICULTURE COMMITTEE

Representative Joann Flower, Chairwoman

TESTIMONY

Gary Sherrer, Secretary

Kansas Department of Commerce & Housing

Wednesday, January 17, 1996

*House Agriculture  
Attachment 1  
1-17-96*

Members of the committee, I am here today, at your request, to provide information regarding the issuance of Exempt Facility, Private Activity Bonds (PABs) in the amount of \$9,600,000 to Seaboard Corporation to assist in financing the construction of waste treatment facilities. It is my hope that the facts presented and the explanation of the rationale for my action will provide a better understanding of the situation than now seems to exist.

First, let me review the concept of Private Activity Bonds. This program is assigned by statute to the Secretary of Commerce and Housing. (See attachment 1.) This is a federal program in which a given amount of tax-exempt bonding authority (\$150,000,000) is provided to Kansas on an annual basis. It is important to note that:

- \* No state tax dollars are involved;
- \* No state liability is created; and
- \* The entity receiving the allocation does not receive a tax credit or abatement.

For the past three years, Kansas has generally granted allocations in three areas: **(See attachment 2.)**

- \* Qualified Small Issue;
- \* First-Time Homebuyers; and
- \* Exempt Facility Bonds.

#### **QUALIFIED SMALL ISSUE**

These bonds are in two categories, tax-exempt Industrial Revenue Bonds (IRBs) and Beginning Farmer Bonds. The tax-exempt IRBs are allocated to manufacturers. It should be noted that any issue under \$5,000,000 is automatically granted (if it meets program requirements), and is done on a first come/first served basis as allocations allow.

*Statutory*

The Beginning Farmer Bonds provide low-interest loans to individual beginning farmers. It should also be noted that no allocation requests in these two categories were turned down in 1995.

#### **FIRST-TIME HOMEBUYERS**

This program provides Mortgage Revenue Bonds (MRBs) and Mortgage Credit Certificates (MCCs) to provide first-time homebuyers greater opportunity for home ownership.

## EXEMPT FACILITY BONDS

The program has two primary elements, Residential Rental Projects and Waste Treatment.

Residential Rental Projects are for both new construction and rehabilitation of facilities for multi-family use. A certain number of units must be for low-to-moderate income individuals. Both apartments and assisted living facilities are eligible.

Waste Treatment can include solid waste disposal and sewage disposal. It is this category that the Seaboard application applies to.

**Attachment 2** gives you a three year history on PAB allocations. It should be noted that in 1993, for approximately two-thirds of the year, tax-exempt IRBs were not allowed which accounts for the large amount of allocation to MRBs and MCCs.

With this brief overview, I would now like to take you through the Seaboard transaction.

On September 20, 1995, the Kansas Development Finance Authority (KDFA) submitted a request for an allocation of

\$9,600,000 to be used by Seaboard for the financing of a waste treatment facility. On September 26, 1995, I responded to Mr. Caton, President of KDFA, with the letter you have as attachment 3. (See attachment 3.) The letter noted the project was on hold until my Department had the opportunity to review the effect on the allocation resources we had available. We also noted that additional information might be required. The following are some of the steps taken to analyze this project.

\* I received a letter from Seaboard (see attachment 4) dated October 4, 1995, that stated ". . . the total cost of sewage facilities alone is approximately \$58.2 million." More importantly, the letter made clear that the proposed treatment system would "far exceed" the Kansas minimum standards. The application to KDFA also commits a ". . . waste management system . . . (that) for each site (is) designed conservatively above all minimum applicable Kansas Department of Health and Environment design standards." On October 5, 1994, I sent a memorandum to the Secretary of Health and Environment, James O'Connell, asking him to verify the information in the letter as accurate. (See attachment 5.) Secretary O'Connell called me and confirmed that the standards being set out in the letter did indeed exceed Kansas minimums.

\* Steve Kelly, Director of Business Development, KDOC&H asked Bob North, Department of Administration, for a legal opinion regarding the issuing of PABs for the purpose requested. **Attachment 6** is a copy of that opinion. It concludes ". . . there is no prohibition upon the Department allocating Private Activity Bonds to be issued by KDFA for the construction of this solid waste facility."

\* Mr. Kelly also requested of KDFA, Seaboard and Seaboard's bond attorneys, information relevant to the application.

Having all the information necessary, it was the decision of Mr. Kelly and myself to delay any action until after December 1, 1995. This delay would give any other potential allocation requests time to be received and reviewed. Requests after December 1 cannot typically be issued to meet that year's allocation usage requirements. This allowed us to know exactly what dollars we had to allocate in light of all requests received.

#### **THE BASIS OF THE DECISION**

After all of our research and actions, we had come to the following findings of fact.



1. Seaboard Corporation is a legal business not only approved by this legislature, but also approved by local government to engage in swine production activities in the counties in which they operate.

2. The law clearly gives Seaboard the right of application and access to the use of exempt facility private activity bonds.

3. The Seaboard Corporation intends to invest approximately \$120 million in capital expenditures; create 125 jobs directly, and possibly 180 more indirectly; purchase approximately 8.5 million bushels of locally produced milo and corn; utilize more than 35 Kansas businesses for goods and services; and increase the property tax base by approximately \$1.75 million per year.

4. As part of the application, Seaboard agrees to exceed Kansas minimum environmental requirements for this project. It is a condition of the granting of the bond allocation. This is confirmed in a follow-up letter.

5. No other application would be denied funds if this allocation were to be granted.

6. Any funds not allocated at the end of a fiscal year are lost.

7. This application is the only project that is to be used for waste treatment/environmental purposes.

8. All other categories of allocations will meet their targets, and none would be adversely impacted by this allocation.

Thus, a legal business, making a legal request for Private Activity Bonds for the purpose of **exceeding** the state's minimum environment standards for waste treatment, while also creating jobs and investing 12 times in capital than the allocation requested, and not having any adverse impact on any other entity requesting allocation asks for an affirmative response to its request.

In light of the facts as I viewed them and reviewed them with my staff, there was simply no basis for refusing the request. Therefore, I approved it and sent it to KDFA for Board approval or rejection.

Finally, let me discuss the issue of legislative intent. I have heard both concern and criticism that even though the

law permitted the issuance of these bonds, my agency should have denied the issuance based on what the legislature intended.

It is true that there are situations that require some interpretation. For example, if you provide my agency a program that is to be used for "major" economic activities, yet does not define "major" in terms of dollars, jobs created or economic impact, there is a judgment called for by the less-than-precise nature of the term "major." In the case of the Seaboard situation there is nothing vague in the legislation you crafted and enacted. The law states "no revenue bonds shall be issued under authority of K.S.A. 12-1740 to 12-1749a inclusive." That is very clear language. ✓

I was not in the legislature. I was not a part of any hearing on this issue. Where am I to receive this intent? A public hearing was held in which many in opposition to the issuance of these PABs spoke out. No legislator, either in person or by written communication, was part of that hearing. From whom was I to receive legislative intent?

For me to have concluded that the legislature intended to include Private Activity Bonds in its prohibition would require

me to believe that the House of Representatives and the Senate, that created the Kansas Development Finance Authority and annually receive a report, were not aware of KDFA and its function during the passage of this legislation. There just wasn't any basis on which I could ascertain that there was an intent other than the one so clearly stated by K.S.A. 12-1749b. It does not seem reasonable to take the position that all bonds were to be included, when the only reference is to a single statute that does not encompass all bonds. ✓

In closing, I would make it clear that if you want to fix blame on any part of this administration it would rest solely with me. My staff carried out their duties professionally and did not make the final decision. The Governor played no part in the transaction and those who write their letters to the editors trying to involve him are 100 percent wrong. The KDFA Board voted unanimously for approval and that is where the final authority rested. The members of the KDFA Board were never contacted directly or indirectly by myself, the Governor or our staffs.

I don't know if this statute is a good one or not, but I do honestly believe my agency had a responsibility to carry out the law and that is what we did.

**74-5058**

## STATE BOARDS, COMMISSIONS AND AUTHORITIES

fer such moneys to its bond and interest fund for payment of the loan, but any property taxes levied exclusively for such purposes shall be deposited in its bond and interest fund. Any property taxes levied exclusively for repayment of any infrastructure loan under K.S.A. 74-5056, and amendments thereto, and any interest thereon, shall be levied in the same manner as taxes are levied for the payment of general obligations of the city or county.

(c) The amount of any loans received by a city or county under the provisions of K.S.A. 74-5055 through 74-5057, and amendments thereto, shall not be included within any limitation on the bonded indebtedness of the city or county.

History: L. 1988, ch. 394, § 3; L. 1990, ch. 66, § 50; May 31.

## PRIVATE ACTIVITY BOND ALLOCATION

**74-5058.** Kansas private activity bond allocation act; citation. This act shall be known and may be cited as the Kansas private activity bond allocation act.

History: L. 1988, ch. 303, § 1; April 7.

## Attorney General's Opinions:

Legislative post audit; open public records; duty of confidentiality; mortgage credit certificate program records. 91-158.

**74-5059.** Same; definitions. As used in this act:

(a) "Allocation" means the allocation of the state ceiling among governmental issuers as provided in this act.

(b) "Code" means the internal revenue code of 1986.

(c) "Governmental issuer" means the state and any instrumentality or political subdivision thereof which is authorized to issue private activity bonds.

(d) "Private activity bond" has the meaning ascribed thereto in the code.

(e) "Secretary" means the secretary of commerce.

(f) "State" means the state of Kansas.

(g) "State ceiling" means the ceiling applicable under the code to the aggregate face amount of qualified private activity bonds, the interest on which is exempt from federal income taxation, which may be issued within this state during any calendar year.

History: L. 1988, ch. 303, § 2; April 7.

## Research and Practice Aids:

States ⇌ 149.  
C.J.S. States § 252.

**74-5060.** Same; computation of state ceiling and allocation among governmental issuers; application, approval or denial; expiration of allocation, extension; certification of compliance with federal internal revenue code. (a) The secretary shall determine the state ceiling for each calendar year in accordance with the formula provided therefor in the code and, except as otherwise provided in K.S.A. 74-5063, shall allocate the state ceiling among governmental issuers in accordance with the provisions of this section.

(b) The secretary shall reserve until October 15 of each year (1) an amount equal to \$5,000,000 for allocation in accordance with the provisions of section 141(b)(5) of the code for private activity use of a portion of the proceeds of bonds issued by governmental issuers, (2) an amount equal to \$5,000,000 for allocation for qualified student loan bonds as defined in section 144(b) of the code, and (3) an amount equal to \$25,000,000 for allocation for qualified small issue bonds as defined in section 144(a) of the code. On and after October 15 of each year, any portion of the state ceiling remaining unused or uncommitted shall be available for allocation to governmental issuers by the secretary without regard to the reservations provided for in this subsection.

(c) Prior to any issuance of private activity bonds subject to the state ceiling, a governmental issuer shall submit to the secretary on a form prescribed by the secretary a written application for an allocation of the state ceiling for such issue.

(d) Subject to the provisions of subsection (b), the secretary shall approve each properly filed application for an allocation for qualified small issue bonds of \$5,000,000 or less on the basis of the chronological order of receipt of applications. If an application is for an allocation in excess of \$5,000,000, the secretary may approve the total amount, approve a partial amount or reject the application.

(e) Within five business days after receipt of an application for an allocation, the secretary shall notify the governmental issuer in writing that (1) the application has been approved and shall specify the amount approved, or (2) the application has been denied, or (3) the application has been placed on hold pending receipt of additional information with respect to the application or pending a review of the effect approval of the application will have on the state ceiling.

## PAB Usage 1993--1995

	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>3 Year Total</u>
<b><u>Qualified Small Issue</u></b>				
Tax-exempt IRBs	\$16,490,000.00	\$50,206,000.00	\$51,511,675.00	<b><i>\$118,207,675.00</i></b>
Beginning Farmer Bonds	\$1,538,596.00	\$1,554,534.00	\$1,883,930.00	<b><i>\$4,977,060.00</i></b>
<b><u>Exempt-Facility Bonds</u></b>				
Residential Rental	\$10,055,000.00	\$31,870,000.00	\$31,660,000.00	<b><i>\$73,585,000.00</i></b>
Waste Treatment & Other	\$24,500,000.00	\$31,325,000.00	\$29,600,000.00	<b><i>\$85,425,000.00</i></b>
<b><u>First-Time Homebuyers</u></b>				
MRBs and MCCs	<u>\$97,416,404.00</u>	<u>\$35,044,466.00</u>	<u>\$35,344,395.00</u>	<b><i>\$167,805,265.00</i></b>
<b>TOTAL</b>	<b>\$150,000,000.00</b>	<b>\$150,000,000.00</b>	<b>\$150,000,000.00</b>	<b><i>\$450,000,000.00</i></b>

# KANSAS

DEPARTMENT OF COMMERCE & HOUSING



September 26, 1995

Bill Graves, Governor  
Gary Sherrer, Secretary

Mr. Bill Caton  
President  
700 S.W. Jackson  
Suite 1000  
Topeka, KS 66603-3758

Dear Mr. Caton:

We have received your application for Private Activity Bond allocation as follows.

Exempt Facility Bonds

Solid Waste Disposal Facilities

Kansas Development Finance Authority

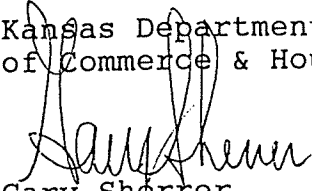
Seaboard Corporation/Seaboard Farms, Inc.

\$9,600,000

Allocation Application No. 52

In accordance with the Kansas Private Activity Bond Allocation Act, this Application has been placed on hold, pending a review of the effect of approving the Application on the State private activity bond volume cap. Additional information may be requested, if required for project review.

Kansas Department  
of Commerce & Housing

  
Gary Sherrer  
Secretary

GS:BDD:vw

BUSINESS DEVELOPMENT DIVISION

700 S.W. Harrison Street, Suite 1300, Topeka, Kansas 66603-3712  
(913) 296.5298 FAX (913) 296.3490 TTY (913) 296.3487

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# SEABOARD

## CORPORATION

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October 4, 1995

Mr. Gary Sherrer, Secretary  
Department of Commerce  
700 S.W. Harrison  
Suite 1300  
Topeka, Kansas 66603-3712

RE: Kansas Development Finance Authority - Seaboard Corporation

Dear Secretary Sherrer:

On September 14 the Kansas Development Finance Authority approved a Resolution indicating its willingness to issue approximately \$9.5 million in industrial revenue bonds to assist Seaboard in financing a portion of the sewage collection and disposal facilities that will serve its hog growing operations in Southwest Kansas. The Bonds will be secured based solely upon Seaboard's credit and are not in any way a liability of the State of Kansas or KDFIA. The total cost of the sewage facilities alone is approximately \$58.2 million and the total investment in Kansas is expected to exceed \$130.0 million.

The Waste Storage portion of the wastewater system (lagoons) will be constructed to standards that far exceed the standards established by the State of Kansas. With regard to the lagoons, there are two primary restrictive measures in Kansas. The first restricts the amount of volatile solids entering the lagoon to 6 pounds per 1000 cubic feet of water. Seaboard will oversize the lagoon so that no more than 4 pounds of volatile solids per 1000 cubic feet of water enter the lagoon. The second restriction is that the hydraulic conductivity of the lagoon (i.e. The amount of effluent which can seep through the bottom of the lagoon.) cannot exceed .25 inches per day with a 12" thick liner. Seaboard will construct lagoons with a hydraulic conductivity of .0034 inches per day with an 18" thick lagoon liner. This represents a 7,300% increase over what is required. With the standards we will construct our lagoons to, the EPA has determined that there is no hydrologic connection between the lagoon water and ground water.

If we can provide you with any additional information, please let me know.

Very truly yours,

SEABOARD CORPORATION



Robert Steer  
Director of Finance

RS:bd

cc: Rick Hoffman

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KANSAS  
DEPARTMENT OF COMMERCE & HOUSING

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MEMORANDUM

TO: Secretary O'Connell  
FROM: Gary Sherrer  
Secretary  
DATE: October 5, 1995  
SUBJECT: Seaboard Waste Storage

Bill Graves, Governor  
Gary Sherrer, Secretary

Jim, I am reviewing this company's application for a Private Activity Bond (PAB). Could you have someone review this letter and give me a general sense if it accurately characterizes the situation as to Seaboard exceeding minimum standards.

I appreciate your help.

GS/kg  
attachment



BILL GRAVES  
Governor

DEPARTMENT OF ADMINISTRATION  
LEGAL SECTION  
107 Landon State Office Building  
900 SW Jackson  
Topeka, Kansas 66612-1214  
(913) 296-6000  
FAX (913) 296-0043

SHEILA FRAHM  
Lt. Governor/Secretary

### MEMORANDUM

TO: Steve Kelly, Department of Commerce and Housing  
Business Development Division

FROM: *REN*  
Robert E. North, Staff Attorney

DATE: October 26, 1995

RE: Exempt Facility Bonds

You have requested an opinion analyzing whether K.S.A. 12-1749b precludes the Kansas Department of Commerce and Housing from allocating Private Activity Bonds for the purpose of financing the construction of a solid waste treatment facility for a swine producing operation. The Department has received an application for Private Activity Bond allocation for a project in Morton County, Kansas. The project will involve construction of a waste treatment facility for a hog/swine facility owned by Seaboard Corporation/Seaboard Farms, Inc. The issuer of the bonds would be the Kansas Development Finance Authority (K DFA).

The specific issue to be analyzed is whether K.S.A. 12-1749b precludes such a bond issue. K.S.A. 12-1749b provides:

"no revenue bonds shall be issued under authority of K.S.A. 12-1740 to 12-1749a, inclusive, and amendments thereto, in which all or part of the proceeds of such bond issue are to be used to purchase, acquire, construct, reconstruct, improve, equip, furnish, repair, enlarge or remodel property for any swine production facility on agricultural land which is owned, acquired, obtained or leased by a corporation. As used in this section, "corporation," "agricultural land" and "swine production facility" have the meanings respectfully described thereto by K.S.A. 17-5903, and amendments thereto.

Obviously the proceeds of the bonds in question are to be used for a purpose which meets the definition of the prohibited uses found in that statute. The proceeds are to be used to construct a waste treatment facility at a "swine production facility" on agricultural land which is owned or leased by a corporation.

Steve Kelly  
October 26, 1995  
Page 2

The question then becomes whether the revenue bonds in question are to be *issued under authority of K.S.A. 12-1740 to 12-1749a*. Based upon the fact that the "issuer" of the bonds is going to be KDFA, it is our opinion that 12-1749b **does not** preclude the allotment and issuance of bonds for the above-referenced project.

KDFA is not subject to the statutory framework found in Chapter 12 of the Kansas Statutes Annotated which pertain primarily to cities and municipalities. KDFA, the actual issuer in this instance, has express authority to issue these bonds and use the proceeds for this purpose, pursuant to statute. K.S.A. 74-8905 sets forth the instances in which KDFA is authorized and empowered to issue bonds. More precisely, 74-8905(c) gives the authority to issue bonds for the purpose of "financing industrial enterprises, *agricultural business enterprises*, educational facilities . . ." "Agricultural business enterprise" is defined in Section 74-8902, as "facilities supporting or utilized in the operation of farms, ranches and other agriculture, aquacultural or silvacultural commodity producers and services provided in conjunction with the foregoing." Clearly, a swine production facility meets the statutory definition of an "agricultural business enterprise." Therefore, assuming the other requirements of K.S.A. 74-8905 are satisfied, there is no prohibition upon the Department allocating Private Activity Bonds to be issued by KDFA for the construction of this solid waste facility. ✓

Hopefully this is responsive to your inquiry, if you have any additional questions regarding this matter, please let me know.

REN:bm  
8456

**BEGINNING FARMER LOAN PROGRAM  
PRESENTED BY BILL CATON, PRESIDENT  
KANSAS DEVELOPMENT FINANCE AUTHORITY**

**JANUARY 17, 1996**

Thank you for the opportunity to present information about the Beginning Farmer Loan Program administered by Kansas Development Finance Authority ("KDFA"). This program is made possible by the use of private activity bond allocation to assist farmers who have not had substantial ownership interest in farmland, to finance their agricultural businesses and, as a result, start or keep them in farming. By making loans available at below-market interest rates through private lenders, mainly local community banks, KDFA is aiding farmers to be valuable assets to the State of Kansas. The program can be used by beginning farmers to purchase agricultural land, farm buildings, farm equipment, and breeding livestock.

To date, KDFA has financed 240 beginning farmers for over \$17.7 million. The following table displays total be fiscal years beginning in 1990.

**PROJECT AMOUNTS BY FISCAL YEAR**

<u>Fiscal Year</u> <u>Ending</u> <u>June 30,</u>	<u>Number of</u> <u>Projects per</u> <u>Fiscal Year</u>	<u>Amount of Loans</u> <u>per Fiscal Year</u>
1990	2	\$62,857
1991	87	\$6,533,619
1992	76	\$6,006,099
1993	0	\$0
1994	36	\$2,107,218
1995	28	\$1,960,985
1996	<u>11</u>	<u>\$1,057,718</u>
Total	<u>240</u>	<u>\$17,728,496</u>

Please note that the program sunsetted in 1993 and was permanently extended by Congress in 1994. This sunset issue devastated the momentum the program had built and it has been difficult in regaining its early successes. However, the program remains viable and KDFA continues to effectively operate the program.

I have provided the following items for your review:

1. Program Summary and Application folder
2. List of participating lenders.
3. Kansas map showing geographic diversity.

Hopefully, this information will provide you an overview of the program. I believe this is a very valuable program and provides a substantial benefit to beginning farmers who may not otherwise be able to finance certain agricultural activities.

I will be happy to answer any questions you might have regarding this program.

*House Agriculture  
Attachment 2  
1-17-96*

	PARTICIPATING LENDERS	CITY AND STATE
1	Citizens Bank & Trust Co.	Abilene, KS
2	Farmers National Bank	Abilene, KS
3	First National Bank	Alma, KS
4	First National Bank	Anthony, KS
5	The Citizens National Bank	Belleville, KS
6	The Bennington State Bank	Bennington, KS
7	Beverly State Bank	Beverly, KS
8	Ernest W. Mitts	Bonner Springs, KS
9	Bucklin State Bank	Bucklin, KS
10	First State Bank	Burlingame, KS
11	Caldwell State Bank	Caldwell, KS
12	Farmers State Bank & Trust Co.	Canton, KS
13	Union State Bank	Clay Center, KS
14	First National Bank	Clifton, KS
15	Thomas County National Bank	Colby, KS
16	The Citizens National Bank	Concordia, KS
17	State Bank of Conway Springs	Conway Springs, KS
18	Farmers & Drovers Bank	Council Grove, KS
19	State Bank of Delphos	Delphos, KS
20	Bank of the Southwest	Dodge City, KS
21	Fidelity State Bank and Trust Co.	Dodge City, KS
22	First National Bank & Trust Co.	Dodge City, KS
23	First United National Bank & Trust Co.	Ellinwood, KS
24	State Bank of Esbon	Esbon, KS
25	First National Bank	Frankfort, KS
26	First National Bank	Goodland, KS
27	American State Bank & Trust Co.	Great Bend, KS
28	First United National Bank & Trust Co.	Great Bend, KS
29	Citizens State Bank	Gridley, KS
30	The Halstead Bank	Halstead, KS
31	Hanston State Bank	Hanston, KS
32	Farmers State Bank	Hardtner, KS
33	Freeport State Bank	Harper, KS
34	First National Bank & Trust	Hays, KS
35	The Hesston State Bank	Hesston, KS
36	The Consolidated State Bank	Hill City, KS
37	Emprise Bank, N.A.	Hillsboro, KS
38	First National Bank	Hoxie, KS
39	United Bank	Inman, KS
40	Central National Bank	Junction City, KS
41	First National Bank & Trust Co.	Junction City, KS
42	The Kearny County Bank	Lakin, KS
43	Douglas County Bank	Lawrence, KS
44	First National Bank	Lawrence, KS
45	State Bank of Lebo	Lebo, KS
46	First State Bank	Leoti, KS
47	First National Bank & Trust	Logan, KS
48	First National Bank & Trust	Long Island, KS
49	Lyndon Sate Bank	Lyndon, KS

	PARTICIPATING LENDERS	CITY AND STATE
50	Manhattan National Bank	Manhattan, KS
51	Citizens State Bank	Marysville, KS
52	Bank of Minden	Mindenmines, MO
53	The Bennington State Bank	Minneapolis, KS
54	Citizens State Bank	Moundridge, KS
55	First State Bank	Norton, KS
56	The Bank	Oakley, KS
57	Farmers National Bank	Oberlin, KS
58	The Bank	Oberlin, KS
59	Farmers State Bank	Offerle, KS
60	Olpe State Bank	Olpe, KS
61	Citizens State Bank	Osage City, KS
62	Citizens State Bank	Paola, KS
63	Farmers National Bank	Phillipsburg, KS
64	First National Bank & Trust	Phillipsburg, KS
65	First National Bank	Pratt, KS
66	Peoples State Bank	Rexford, KS
67	Peoples State Bank	Rossville, KS
68	Russell State Bank	Russell, KS
69	Bank of Tescott	Salina, KS
70	Sunflower Bank, N.A.	Salina, KS
71	The Bennington State Bank	Salina, KS
72	Selden State Bank	Selden, KS
73	Community National Bank	Seneca, KS
74	The First National Bank of Centralia	Seneca, KS
75	Smith County State Bank & Trust Co.	Smith Center, KS
76	First National Bank	St. Marys, KS
77	Haskell County State Bank	Sublette, KS
78	Sylvan State Bank	Sylvan Gove, KS
79	Tampa State Bank	Tampa, KS
80	Merchants National Bank of Topeka	Topeka, KS
81	Grant County Bank	Ulysses, KS
82	Kaw Valley State Bank & Trust Co.	Wamego, KS
83	First National Bank	Wellington, KS
84	Farmers State Bank	Westmoreland, KS
85	Silver Lake Bank	White Cloud, KS
86	The Bank	Winona, KS
87	Girard National Bank - Yates Center Branch	Yates Center, KS

	PARTICIPATING SELLERS	CITY AND STATE
1	Ridge Whitelaw	Anthony, KS
2	David L. Blomberg	Clay Center, KS
3	Pamela A. Schmid	Council Grove, KS
4	Tom L. & Kay A. Herrmann	Dodge City, KS
5	Ronald E. & Carolyn L. Holland	Osage City, KS
6	Anita J. Evans	Topeka, KS

## Beginning Farmer Loan Program Number of Loans Closed & Amount in Dollars May 1, 1990 – June 30, 1995

By County

CHEYENNE	RAWLINS 1 \$67,860	DECATUR 3 \$512,796	NORTON 5 \$227,673	PHILLIPS 5 \$220,005	SMITH	JEWELL 2 \$99,255	REPUBLIC 1 \$90,000	WASHINGTON	MARSHALL 5 \$189,400	NEMAHA 5 \$316,800	BROWN 1 \$50,000	DOMPHAN 3 \$358,632					
SHERMAN	THOMAS 3 \$324,284	SHERIDAN 3 \$301,000	GRAHAM 3 \$232,791	ROOKS	OSBORNE 1 \$53,695	MITCHELL	CLOUD 6 \$502,451	WASHINGTON 3 \$163,628	POTTAWATOMIE 9 \$804,523	JACKSON 2 \$96,071	ATCHISON 4 \$192,372	LEAVENWORTH					
WALLACE	LOGAN 1 \$169,700	GOVE 1 \$180,000	TREGO	ELLS 1 \$100,000	RUSSELL 3 \$118,151	LINCOLN 9 \$447,549	OTTAWA 16 \$1,429,125	CLAY 5 \$218,020	RILEY 1 \$90,000	GEARY 2 \$65,577	SHAWNEE 2 \$82,282	JEFFERSON 3 \$287,120	JOHNSON				
GREELEY	WICHITA 1 \$50,939	SCOTT	LANE	NESS	RUSH	ELLSWORTH 2 \$134,693	SALINE 9 \$607,751	DICKINSON 5 \$218,020	MORRIS 1 \$66,600	WABAUNSEE 5 \$307,960	OSAGE 15 \$1,162,469	DOUGLAS 1 \$19,458	FRANKLIN	MIAMI			
HAMILTON	KEARNY 12 \$1,050,812	FINNEY	HODGEMAN 1 \$41,500	PAWNEE	BARTON	EDWARDS 2 \$137,292	STAFFORD	RICE 1 \$41,090	MCPHERSON 4 \$241,143	MARION	CHASE	LYON 1.5 \$59,600	COFFEY 2.5 \$187,200	ANDERSON	LINN 4 \$267,336		
STANTON	GRANT 1 \$114,213	HASKELL 2 \$268,680	GRAY	FORD 10 \$988,050	EDWARDS 3 \$253,492	PRATT	RENO	KINGMAN	SEDDWICK	BUTLER	GREENWOOD	WOODSON 1 \$25,000	ALLEN	BOURBON	WILSON		
MORTON	STEVENS	SEWARD	MEADE	CLARK	KIOWA 3 \$253,492	PRATT	KINGMAN	SEDDWICK	BUTLER	GREENWOOD	ELK	WOODSON 1 \$25,000	ALLEN	BOURBON	WILSON	NEOSHO 1 \$33,500	CRAWFORD
					COMANCHE 1 \$97,500	BARBER 1 \$51,776	HARPER 6 \$453,281	SUMNER 19 \$1,320,280	COWLEY	CHAUTAQUA	MONTGOMERY	LABETTE	CHEROKEE				