

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairperson Joann Flower at 9:00 a.m. on February 22, 1996, in Room 423-S of the Capitol.

All members were present except:

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

Conferees appearing before the committee:

Others attending: See attached list

Chairperson Flower called the committee's attention to a letter from Linda Wood, Kansas Development Finance Authority, clarifying the intent of **HB 2951** with regard to publication of notices required prior to the issuance of bonds for which a bond hearing is mandatory. (Attachment 1)

**Discussion and action on HB 2989 - Cruelty to animals amended to include equine tripping.**

There was committee concern that this bill could far exceed its original intent. The film industry and other rodeo events were discussed as possible targets of future banning legislation. Representative Powers moved to pass HB 2989 favorably. The motion was seconded by Representative Ballou. The motion carried.

**Discussion and action on HB 2951 - Agricultural business enterprises do not include swine production facilities for the purposes of Kansas development finance authority bonds.**

Chairperson Flower opened discussion on **HB 2951**. No discussion was initiated. The Chair then recognized Representative Sloan who moved to table HB 2951. Seconded by Representative Luthi, the motion carried. Representative McClure requested that her no vote be recorded.

The meeting adjourned at 9:15 a.m. The next meeting is scheduled for February 23, 1996.

# HOUSE AGRICULTURE COMMITTEE GUEST LIST

DATE: 2/22/96

NAME	REPRESENTING
Jim Allen	Seaboard
Ivan Wyatt	KS Farmers Union
Rick Hoffman	SEABOARD
Tie Lieber	KS Co-op Council
Greg Kressek	KS Dept of Ag
Kerri Ebert	KS Dairy Association
Mo Jensen	KS Pork Council
Rich McKee	KLA



# KANSAS

KANSAS DEVELOPMENT FINANCE AUTHORITY

Bill Graves  
Governor

Wm. F. Caton  
President

## MEMORANDUM

TO: Representative Flower, Chair, and Members  
House Committee on Agriculture

FROM: Linda Wood, Kansas Development Finance Authority *LW*

DATE: February 20, 1996

RE: Testimony Concerning House Bill 2951, Specifically Pages 15-16,  
Subparagraph (g)

Thank you for the opportunity to present testimony on House Bill 2951. Kansas Development Finance Authority ("KDFFA") is entirely neutral on the issue of corporate swine production. As an independent instrumentality of the State of Kansas, organized by the Legislature, KDFFA's job is to comply with existing laws concerning the issuance of certain types of bonds and other debt financing instruments.

My testimony today seeks merely to clarify the intent of HB 2951 with regard to publication of notices required prior to the issuance of bonds for which a bond hearing is mandatory. Under existing Federal and State laws, KDFFA currently publishes notice pursuant to the Tax Equity and Fiscal Responsibility Act ("TEFRA") of 1982 prior to our Board authorizing the issuance of certain types of bonds. We also notify local government officials, *i.e.*, county commissions and city councils, of intent to issue certain types of bonds thirty days prior to authorizing such bonds.

The TEFRA hearings for which we publish notification apply not only to private activity bonds, such as those recently issued for Seaboard Corporation, a corporate swine production operation, but also to bonds issued under the Federal Beginning Farmer Loan program. Beginning Farmer Loans assist beginning farmers in financing the acquisition of farmland, farm and ranch equipment and breeding livestock. This program is operated through KDFFA, and it has served hundreds of beginning farmers in the State.

While KDFFA supports the concept in HB 2951 of publishing notices in the *Kansas Register* of both hearings and intent to issue bonds, we do have a concern with the timing of publication as proposed in section (g), pages fifteen and sixteen of the bill. This section requires publication of a notice of intent to issue bonds which require a bond hearing thirty days prior to the hearing. Our

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concern arises, because this requirement will affect our Beginning Farmer Program bonds as well as the type of private activity bonds issued to finance corporate swine production facility operations. Since many Beginning Farmer loans involve real estate transactions, KDFFA believes the thirty day publication of intent to issue bonds would cause undue hardship to those types of bond issues.

Consequently, KDFFA respectfully requests that the requirement for publishing "notification of such issuance of bonds 30 days prior to any bond hearing" be reduced to fourteen (14) days. KDFFA President Bill Caton or I will be happy to answer any questions.