

Approved: 1-31-96
Date

MINUTES OF THE SENATE COMMITTEE ON AGRICULTURE

The meeting was called to order by Chairperson David Corbin at 10:02 a.m. on January 30, 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
Lila McClafin, Committee Secretary

Conferees appearing before the committee:
Anne Spies, Peterson Public Affairs Group, representing Kansas Association of Counties
Dennis Peterson, Past President County Weed Director's Association of Kansas
Dennis H. Klick, Noxious Weed Director, Woodson County

Others attending: See attached list

A motion was made by Senator Wisdom to adopt the minutes of the January 24 and 25. Motion was seconded by Senator Tillotson. Motion carried.

Copies of the exotic animal bill draft were distributed. Chairperson Corbin briefly reviewed the draft, and asked if there were any questions or discussion on the draft. A motion was made by Senator Wisdom to introduce the proposal. The motion was seconded by Senator Sallee. Motion carried.

HB 2577 - an act authorizing the State Fair Board to purchase certain insurance.

Chairperson Corbin stated briefly why the State Fair Board had requested the bill. A motion was made by Senator Wisdom to report HB 2577 favorably for passage. Senator Clark seconded the motion. The motion carried.

SB 446 - concerning agriculture; relating to noxious weeds; concerning sericea lespedeza.

Chairperson Corbin opened the discussion. Senator Tillotson distributed a memorandum from Ed Sass, Leavenworth County Noxious Weed Department, supporting the position of sericea lespedeza remaining a county option noxious weed (Attachment 1).

Mike Beam responded to questions regarding the marketing of prairie hay, stated counties that have declared sericea lespedeza a noxious weed have authority to stop hay from being shipped out of their county. However, counties that have not declared it a noxious weed do not have authority to stop shipments from coming into their county.

Responding to a question, Anne Spies stated the hay can not be quarantine, as that provision was struck from the bill that was passed last year that raised the fees. Dennis Peterson, Past President, Weed Director's County Association of Kansas, from Riley County and Dennis Klick, Woodson County Weed Director responded to questions.

A motion was made by Senator Steffes to report SB 446 favorably for passage. Senator Downey seconded the motion. The motion failed. A second motion was made by Senator Wisdom to report SB 446 favorably for passage. Senator Downey seconded the motion. The motion carried.

Staff distributed information on the Kansas Value Added Center (KVAC) (Attachment 2). SB 507 abolishing the agricultural value added center and the leadership council will be heard on Wednesday, January 31.

The next meeting is scheduled for January 31, 1996. The meeting adjourned at 10:51 a.m.

SENATE AGRICULTURE COMMITTEE GUEST LIST

DATE: January 30, 1996

NAME	REPRESENTING
Dennis H. Klick	KS CWDA
JOHN KABUS	CWDAK
Dennis Peterson	Riley County
Lisa Bauer	Noxious Weeds
Mike Bauer	Farmer
Meghan E. Hulger	Sen. Morris
Harline H. Jorgensen	Sen. Morris
Jim Allen	Seaboard
E. Christa Jorgensen	Sen. Morris
Miriam Porter	Sen. Morris
Brooke Jorgensen	Senator Morris
Marty Vanier	KAA
Mike Beam KS	KS LUSTK. Assn.
Kerri Ebert	KS Dairy Assn.
RICHARD PODWALD	TAXPAYERS
BILL R. FULLER	Kansas Farm Bureau
Jamie Clover Adams	KS Fertilizer & Chemical Assn.

MEMORANDUM

To: Honorable Carolyn Tillotson
From: Ed Sass, Leavenworth County Noxious Weed
Re: The Addition of Sericea Lespedeza to the State Noxious
Weed List

The addition of Sericea Lespedeza to the State Noxious Weed list is unnecessary.

There are approximately 50 counties who have declared Sericea Lespedeza noxious.

It would be interesting to know how many counties raised their Noxious Weed budget to fund treatment of this weed. The KAC platform wants legislative mandates that will cause additional expenditures by county government (either in terms of human or monetary resources) to be fully funded by State government.

The herbicides recommended to treat Sericea Lespedeza are Garlon 4 at a cost of \$82 per gallon and Crossbow at \$48 per gallon. Both chemicals are very good and very expensive. Both are used for brush control. Local Ag Dealers could realize a loss of revenue from the sale of these chemicals because County Weed Departments will provide these chemicals at a lower cost using taxpayer money to supplement chemical sales.

The original Noxious Weed Law (Bindweed Law) was passed because this weed is very difficult to control. Most State declared noxious weeds have similar plant characteristics such as reproducing by rootstocks or rhizomes. Sericea Lespedeza reproduces only by seeds, like many other bothersome plant pests (shattercane, Eastern Red Cedar and Velvet Leaf) to name a few.

Sericea Lespedeza should remain a County option noxious weed.

01/30/96

Senate Ag. Co
1-30-96
Attachment 1

Kansas Value Added Center (KVAC)

Program Description

The Kansas Value Added Center was established in FY 1989. The overall mission of KVAC is to enhance the economy of the State of Kansas by providing assistance to agricultural value added endeavors. KVAC operates as a subsidiary of KTEC.

The functions of KVAC can be divided into three activities: 1) technical services, 2) product and process commercialization, and 3) communication and education. The following is a brief description of each of these activities:

Technical Services This activity provides technical information, laboratory, and pilot-plant assistance to a broad range of agricultural processing businesses and individual interests. The center gives direct advice, literature searches, regulatory and product labeling guidance, pilot plant trials, sensory evaluation by trained expert panelists as well as providing direct financial assistance for applied research studies to qualified clients and applications.

Product and Process Commercialization This activity assists individuals or companies in commercializing new and existing products and processes using agriculture commodities grown in the state. Limited matching funds are available to assist qualified projects. This program will seek out and assist those clients most likely to achieve viable business status within a one to three year period. Through the development of licensing, royalty, or pay-back agreements, it is intended that investments will be recouped and the economic gains resulting from the services will be reinvested into the recently established "for-profit" KVAC Holding, Inc. for continued growth and development.

Communication and Education This activity is intended to be the central point for coordination and communications to support business development of new uses of agriculture products.

Funding/Staffing

KVAC is currently staffed with six full-time FTE positions. Five value-added extension specialists employed by Kansas State University provide technical support and expertise to clients. Funding for KVAC increased by approximately \$225,000 from FY 1992 to FY 1994. The FY 1994 budget level for KVAC was \$874,500. Specific annual EDIF funding levels for KVAC are listed below:

FY 92	FY 93	FY 94	FY 95
\$649,625	\$622,192	\$874,570	\$882,950

Data Collection

A total of 71 clients were identified as having received 76 incidents of assistance. This information however was not complete enough to identify what kind of assistance was provided, or even the year during which most of the firms received the assistance. Despite the lack of information, all 71 firms were entered into the data base.

Program Tracking System

KVAC did not have a client tracking system in operation during the time frame of this evaluation. See Program Issues in this section for a recommendation on this subject.

Kansas, Inc. Data Base Tabulations

KVAC provided records of 76 incidents of assistance and the names and addresses of 71 companies or individuals who had entered into agreements for technical assistance. Not all of these clients signed formal contracts with KVAC. The majority of these clients (62%) were from nonmetropolitan counties. Fifty-eight of the clients were manufacturers (82%), predominately in the food and kindred products sector. The Northeast region received the most assistance (35% of the clients) followed by the North Central region (another 30% of the clients).

Of the 71 individual company records provided by KVAC, only 19 incidents of assistance were identified by year. KVAC could not identify the year in which assistance was provided for 57 incidents of assistance. Other outcome measures were also poorly recorded. Only four records were provided of jobs created or retained.

The following figures are tabulations generated from the Kansas, Inc. data base of KVAC clients as reported by KVAC:

	FY 92	FY 93	FY 94
Service Agreements Identified	3	6	10
Identified Firms or Individuals Served	3	5	10
Jobs Created	1	4	1
Jobs Retained	1	4	1
KVAC Funds Awarded	\$14,049	\$15,330	\$207,438

Survey Results

Kansas, Inc. did not survey KVAC clients for this evaluation.

Program Performance Measures

KVAC's performance measures include the number of clients served, number of counties served, presentations and workshops conducted, scholarships awarded for technical assistance, products developed and commercialized, new businesses developed, new jobs created, and proposals funded. This list includes both output and outcomes measures, but does not make the distinction as required by the Division of the Budget in the development of the budget document.

KVAC is similar to many other programs operated by KTEC in that many clients engage in activities which continue for more than one year. It is therefore imperative that KVAC list both the number of ongoing clients served, and also the number of new clients served as separate measures. This practice will allow KVAC to more accurately describe the activities of the agency for the previous fiscal year.

Program Issues

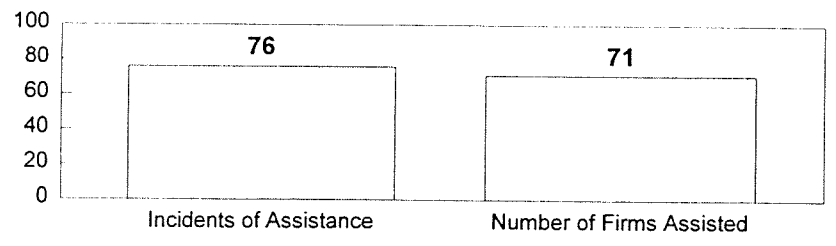
KVAC should be challenged to provide documentation to verify that performance measures listed in the FY 1995 budget document can be substantiated through credible record keeping and client tracking. To achieve this goal, KVAC should adopt a system of client tracking based on the model of the ARMF program. This program requires grant recipients to submit quarterly reports indicating any economic impact to the company as a result of the assistance provided. This will assure KVAC a system of reliable and documented performance measurement.

In late October 1995, the new executive director of KVAC, Gordon Lormor, notified Kansas, Inc. staff that they have undertaken a new survey of the KVAC clients that were reported to Kansas, Inc. in an effort to update their files and to collect information on customer satisfaction and outcomes.

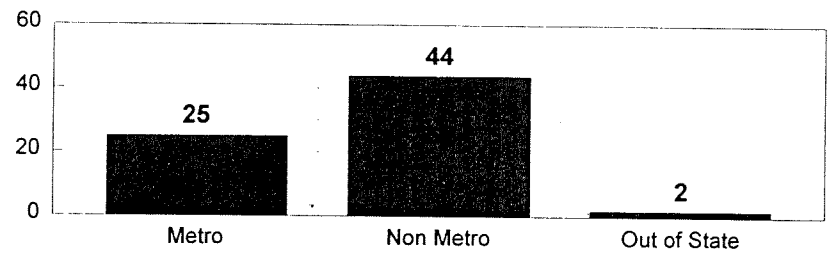
Contingent upon Legislative approval during the 1996 Session, the Department of Commerce & Housing will have responsibility for the agricultural marketing and directory activities. It makes sense to transfer KVAC from KTEC to KDOC&H so that all these closely related activities can be managed together and coordinated. The industrial uses program of KTEC should remain in its present location.

Kansas Value Added Center Profile of Program Clients, FY92-FY94

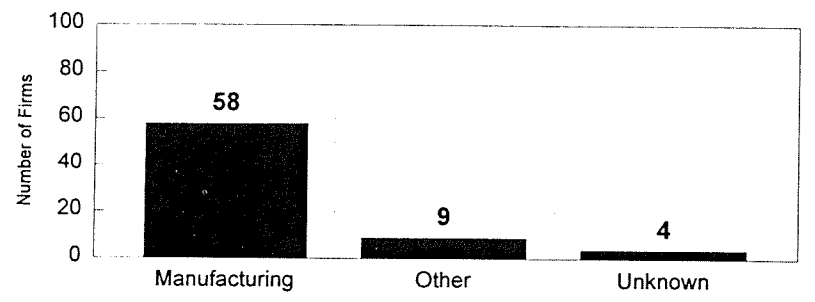
Count of Firms and Assistance



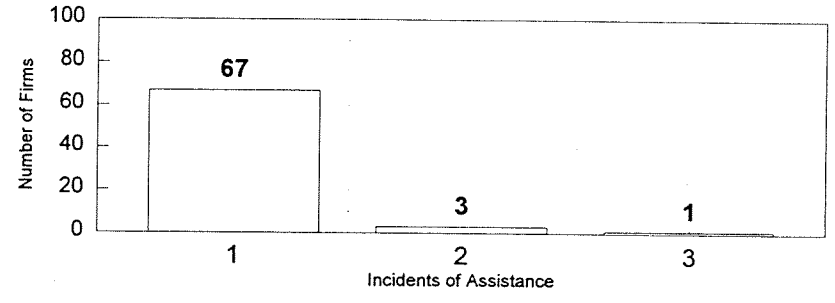
Distribution of Assistance: Metro v. Non Metro



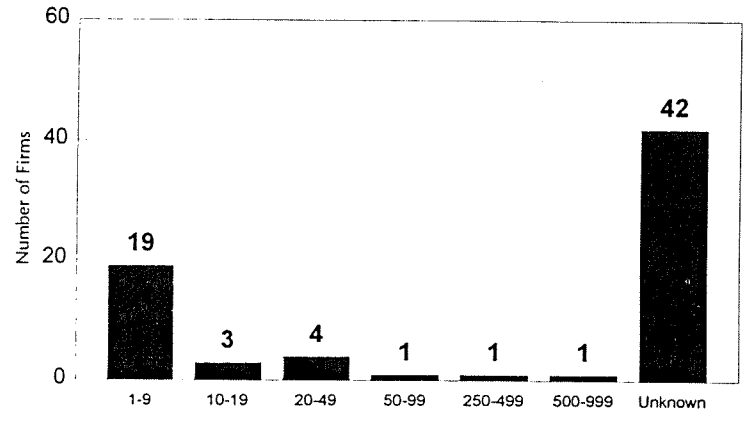
Distribution of Assistance by Industry



Incidents of Assistance per Firm



Distribution of Assistance by Firm Size



Distribution of Assistance by Region

