

Approved: 2-23-96  
Date

MINUTES OF THE SENATE COMMITTEE ON AGRICULTURE

The meeting was called to order by Chairperson David Corbin at 10:00 a.m. on February 15, 1996 in Room 423-S of the Capitol.

All members were present.

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

Conferees appearing before the committee:

Others attending: See attached list

A motion was made by Senator Morris to adopt the minutes of the February 13 meeting. The motion was seconded by Senator Steffes. The motion carried.

Fiscal note for SB 600 was distributed.

**SB 507 - abolishing the Agricultural Value Added Center and the Leadership Council.**

Staff was called on to review the amendment that was before the Committee. The balloon amendment was distributed on February 8. That amendment would establish within the Department of Commerce and Housing the Agricultural Promotions Division, all of the powers and duties related to the industrial agriculture component of the program of the Kansas Agricultural Value Added Center (KVAC), and all powers duties and functions related to the Division of Marketing of the Department of Agriculture. It would create an Agricultural Promotion Advisory Board. The members would be appointed by the Governor as follows, one member shall be a representative of the Kansas Rural Center, One member shall be a representative from Kansas State University, one member shall be a county economic development director, and two members would be representatives of agri-business community. The Governor would appoint the Chairperson

Discussion followed. Concern was expressed about the property owned by KVAC and were it would be transferred. Gordon Lormor responded to questions.

A Substitute motion was made by Senator Downey to move the powers, duties and functions of KVAC relating to product development and technical assistance to the Department of Commerce and Housing, and be housed under an Agricultural Products Development Commission, that Commission would included the Agricultural Marketing Division powers referred to in ERO 26, KVAC , and industrial Agriculture component and other rural Agriculture entities as yet to be determined and that industrial agriculture may continue to be contracted to KTEC. The new Commission would report annually to the Senate and House Agriculture Committees. There would be a seven member advisory council as spelled out in Senator Clark's plan. Chairperson Corbin stated the seven members would be a member of a small-sized value added company, a member from the medium-sized value added company, one member from a large-sized value added company, one member shall be a financial or investment banker or a seed capital fund manager, one member shall be a representative of a regional economic development entity, one member shall be a legislator from the House or Senate Committee on Agriculture, and one member shall be from the Department of Commerce and Housing Business Development Division. An interim committee would be assigned to review other agricultural economic development programs and make recommendations for further consolidation. The motion was seconded by Senator Karr. Senator Downey said it was her hope that the KVAC entity be maintained, but this legislation would give KVAC the tools they need to have by putting it in the Department of Commerce and Housing, and they would stay within the Governor's budget. She thought her substitute proposal would accomplish that.

Discussion was held regarding rural development and agricultural entities and if they should be included in the

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON AGRICULTURE Room 423-S-Statehouse, at 10:00 a.m. on February 15, 1996.

amendment. If the bill should spell out what to do with the current employees. What to do with KVAC holdings was discussed.

Committee consensus was that the minutes reflect that it is the Agriculture Committees intent that the Governor's budget reflect that it have the same level of commitment to agriculture, and that an interim committee be appointed to look at other rural economic development entities that may be included at a later date. List of additional programs for rural assistance provided by Senator Clark is attached (Attachment 1). That the current KVAC employees who are necessary to perform the duties in the Department of Commerce and Housing, in the opinion of the Secretary of Commerce and Housing would be transferred.

The meeting adjourned at 11:02. The next meeting is scheduled for February 16, 1996.

# SENATE AGRICULTURE COMMITTEE GUEST LIST

DATE: 2-15-96

NAME	REPRESENTING
Don Herme S	Division of the Budget
<del>Ellie Adams</del>	<del>Dept. of Agriculture</del>
Dorenda Mitchell	Governor
Carolyn D. Biegel	KVAC
Robert H. Hix	KVAC
Bill Fuller	Kansas Farm Bureau
Gordon Lormor	KVAC
Cheryl Lormor	Self
Kevin Carr	KTEC
Candy Diehl	"
Shery Schommerer	KVAC
Marty Vanier	KS Ag Alliance
Joe Lieber	KS Coop Council
<del>Tom Bruno</del>	<del>Allen Assoc.</del>
LEW TENE SCHNEIDER	KS LIVESTOCK ASSOC.
Mark Basella	K DOCKH
Mike Jensen	Ky Pork Producers Council
JAMES LEON SELMEARS	Visitor School Board West #1K 282 GROV
Kerri Ebert	KS Dairy Assn.



## **ADDITIONAL PROGRAMS FOR RURAL ASSISTANCE**

*from Senator Clark*

The following agencies/organizations provide a variety of services to rural and/or agricultural communities in Kansas. Kansans would benefit if these agencies/organizations worked as a team with the Kansas Value Added Center and the Department of Agriculture Marketing Division.

**Business and Technology Institute**, Pittsburg State University, Pittsburg, KS 66762. Contact: Dr. Dale Lemons, Executive Director (316) 235-4920. The Business & Technology Institute provides one-stop managerial, financial and technical assistance to new and expanding businesses in Southeast KS.

**Center for Business and Industry**, Dodge City Community College, Dodge City, KS 67810. Contact: Wayne Shiplet (800) 742-9519. The Center offers training or retraining for industry and business programs, workshops and seminar classes. The Center is pioneering efforts to establish partnerships which will benefit business and the community at large.

**Center for Entrepreneurship**, Wichita State University, Wichita, KS 67260. Contact: Arleen Banowetz. Business managers and small business networks may benefit from the resources of the Center for Entrepreneurship. The Center is involved in developing and conducting seminars, providing an information bank, library and publication services for practitioners, entrepreneurs, academicians, and students.

**Center for Technology Transfer**, Pittsburg State University, Pittsburg, KS 66762. Contact: Dr. Dale Lemons (316) 235-4925. The purpose of CTT is to assist regional woods, plastics, and printing industries through the development, introduction and transfer of new technology. CTT offers technology transfer and technical assistance and research programs. This program could fit nicely with KVAC's Industrial Agriculture program.

**Community Leadership Development**, Allen County Community College, Iola, KS 66749. Contact: David Allen, Director. The purpose of this program is to seek and develop opportunities to link the resources of the college and other entities with self-initiated community development efforts in order to improve the economic base and quality of life in Allen, Anderson, Coffey, Osage, and Woodson counties.

**Information Network of Kansas**, Topeka, KS 66603. Contact: Jeff Fraser, General Manager. INK was created by the Kansas State Legislature for the purpose of providing equal electronic access to state, county, local and other public information to the people of Kansas. It is an education, research and economic development tool that can link communities together to facilitate information and resource sharing. KVAC functions as the agricultural and rural resource center of Kansas. The INK program would be a good "fit" with KVAC.

*2-15-96  
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**Kansas Agricultural and Rural Leadership Program (KARL), Manhattan, KS 66506.**

Contact: Jack Lindquist. The objectives of the program include:

1. The development of a program to build young, Kansas agricultural and rural leaders with greater knowledge, broader perspectives and improved communication skills to be able to communicate rural needs to the population and participate in local, state, national and global levels.
2. To provide educational experiences at the local, state, national and global levels.
3. To improve decision-making and analytical skills of the leadership candidates so that they may better serve their industry and their community, articulating needs and resolving differences.

KARL currently shares a suite of offices with KVAC and the Huck Boyd programs.

**Kansas Development Finance Authority, Topeka, KS 66603.** Contact: William Caton, President (913) 296-6747. This agency was created in 1987 by the Kansas State Legislature. It is dedicated to improving access to capital financing for state agencies, political subdivision, public and private organizations, beginning farmers, and business enterprises through the issuance of bonds. How accessible is this program to farmers and entrepreneurs?

**Kansas Inc., Topeka, KS 66603.** Contact: Charles Warren, President (913) 296-1460. The mission of this agency is to build a strong, diversified economy that promotes new and existing industries. The activities involved include:

1. Planning and policy research to formulate and update statewide economic development strategy
2. Recommending program and public policy initiatives
3. Conducting oversight and evaluation of strategy implementation

This program might be a better fit with the Department of Commerce.

**Kansas Rural Development Council, Topeka, KS 66603.** Contact: Steve Bittel, Executive Director. KRDC is a 70 member organization created to strengthen the economy and enhance the quality of life for rural Kansans. The charge of the Council is:

1. Foster an environment to create inter-governmental and interdepartmental senior-level partnerships to collaborate with the private sector in program development and resource allocation to rural citizens
2. Develop a long-term strategic approach to rural development
3. Identify and resolve barriers to rural development
4. Ensure that the benefits of rural development are shared by all rural citizens.

**The Land Institute, Salina, KS 67401.** Contact: Matthew Logan, Development Director. This is a non-profit research and education organization established in 1976 along the Smoky Hill River. It is devoted to sustainable agriculture and good stewardship of the earth. The Institute offers a unique post-graduate internship program, serves as a center for the study of environmental/agricultural issues, and conducts pioneering research into the development of sustainable agriculture and sustainable communities based upon the model of the prairie. The

Institute would be a good fit with the KVEC Foods, Feeds, and Industrial Agriculture programs.

**Northwest Kansas Planning and Development Commission**, Hill City, KS 67642. Contact: Randall Rhabe, Executive Director (913) 674-2151. This Commission serves 18 Kansas counties. They provide technical assistance with grant applications and administration. They promote economic development within the communities and provide technical assistance in this area for communities in need.

**Rural Economic and Community Development (RECD)**, Topeka, KS 66604. Contact: Gary Smith, Chief, Community and Business Programs (913) 271-2730. A variety of services are available through the Rural Development Administration (RDA) based upon community population. Available in communities under 50,000 in population:

1. Intermediary Relending Program to finance business and community development projects
2. Rural Business Enterprise Grants to assist public bodies and non-profit corporations to finance and facilitate development of small and emerging private business enterprises.

RDA programs are administered through the Farmers Home Administration through District and State Offices.

**Southeast Kansas Regional Planning Commission**, Chanute, KS 66720. Contact: Kaye Shurkens, Executive Director (316) 431-0080. The Commission serves 12 southeast Kansas counties with technical assistance for coordinated planning, regional studies, grant applications, grant administration, economic development activities, revolving loan fund, community improvement projects and strategic planning.

**USDA Resource Conservation and Development Districts**, Salina, KS. Contact: Larry Miles, Program Manager (913) 823-4578. The purpose of this program is to accelerate the conservation, development, and utilization of natural resources to improve the general level of economic activity, and to enhance the environment and standard of living in authorized RC&D areas. Authorized areas are locally sponsored areas designed by the Secretary of Agriculture for RC&D technical and financial assistance program funds. Kansas contacts:

1. Britt Weiser, Chanute, KS (316) 431-6180
2. Rick Porter, Ottawa, KS (913) 242-2073
3. Richard Cox, Strong City, KS (316) 273-6323
4. Unknown director, Valley Falls, KS (913) 945-6292
5. Roger Masenthin, Harper, KS (316) 896-7378