

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairperson Joann Flower at 9:00 a.m. on February 20, 1998, in Room 423-S of the Capitol.

All members were present except: Representative Lloyd - excused

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

Conferees appearing before the committee:

Mike Jensen, Executive Vice President, Kansas Pork Producers Council
Rich McKee, Executive Secretary, Feedlot Division, Kansas Livestock Association
Dr. Larry Bowers, Superintendent, Rolla, Kansas, school district
Steve Rome, Hugoton, Kansas
Brian Mitchell, Elkhart, Kansas
Alan Crane, Radium, Kansas
Lillian D. Papay, Mayor, Great Bend, Kansas
John Carter, attorney, representing FACT in Hodgeman County and Citizens for a Better Lane County
Charles Benjamin, Kansas Natural Resource Council and Kansas Chapter of Sierra Club
Steve Lathan, Director, Development and Environmental Affairs, Seaboard Farms, Inc. (written only)
Written statement from thirteen farm organizations

Others attending: See attached list

Continuation of Hearing on HB 2967 - Confined feeding facilities for swine; restrictions; tax credits

Mike Jensen, Executive Vice President, Kansas Pork Producers Council, spoke in strong opposition to **HB 2967** citing some of the most negative impacts of the bill. KPPC is opposed to the three-mile setback requirement, a moratorium on new or expansion of existing facilities of 500 animal units or more in counties that have voted down swine confinement facilities, and the 1/32 inch per day lagoon seepage limitation. (Attachment 1)

Rich McKee, Executive Secretary, Feedlot Division, Kansas Livestock Association, testified in opposition to **HB 2967** emphasizing that KLA opposes moratoriums on livestock production. He reminded the committee that this bill would affect all swine producers, not just corporate swine producers. He said that environmental issues can be addressed without the imposition of a moratorium noting that these issues are being considered in detail by the House Environment Subcommittee. (Attachment 2)

Dr. Larry Bowers, Superintendent of the Rolla, Kansas, school district, addressed the committee in opposition to **HB 2967**. He highlighted the significant advantages that have resulted from the growth in animal agriculture in Morton County. He stated that their school board has voted unanimously to oppose a moratorium on swine production facilities. (Attachment 3)

Steve Rome, Hugoton, testified in opposition to **HB 2967** and a moratorium on hog production. He discussed the economic benefits swine production would provide the grain farmer in western Kansas, including, an increased demand for grain, effluent can be used as fertilizer, and if they so decide may diversify operations by participating more directly in animal agriculture. He also thought that a pork processing plant would be beneficial to western Kansas. He stated that reasonable environmental regulations provide benefits; a moratorium limits opportunities. (Attachment 4)

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE, Room 423-S Statehouse, at 9:00 a.m. on February 20, 1998.

Brian Mitchell, Elkhart, Kansas, spoke in opposition to **HB 2967** and a moratorium on hog production. He said that farmers must find a way to lower their costs and diversity their operations in order to survive and compete, and a partnership with animal agriculture could help them do this. He asked that the legislature work with the ag industry to address people's concerns, formulate reasonable environmental regulations, but do not take away their opportunity by passing a moratorium. (Attachment 5)

Alan Crane, Radium, Kansas, testified in opposition to **HB 2967**. He said that grain farming, animal agriculture, and rural communities are interdependent. He noted that pork, a high value product, creates wealth in the rural communities where it is produced and processed; wealth translates into opportunity for people to stay on the farm or in small towns. He said a moratorium would destroy their freedom and opportunity to live a better life. (Attachment 6)

Lillian D. Papay, Mayor, Great Bend, Kansas, appeared in opposition to **HB 2967** and a moratorium on hog production. She said that Seaboard Farms is considering location of a pork processing plant in Barton County which would have a far reaching positive economic impact on their communities. She is concerned that a moratorium on hog production could adversely affect Seaboard Farm's decision to locate in Barton County. (Attachment 7)

John Carter, an attorney representing FACT in Hodgeman County and Citizens for a Better Lane County, testified in opposition to **HB 2967**. He said that the citizen groups he represents oppose the bill for the following reasons: the moratorium is only for one year on swine production facilities, they would prefer two or three years; the moratorium would apply only to those counties in which the citizens have voted not to allow swine production facilities; and the exceptions listed in the bill eliminate most of the benefits this bill would provide. (Attachment 8)

Charles Benjamin, Kansas Natural Resource Council and Kansas Chapter of Sierra Club, testified in opposition to **HB 2967**. He said that he particularly opposes this bill because of the exceptions listed in Section 2. He provided background material and letters in opposition to swine production facilities. (Attachment 9)

Steve Lathan, Director, Development and Environmental Affairs, Seaboard Farms, Inc., submitted written testimony in opposition to **HB 2967**. He outlined the benefits of the partnership among Seaboard Farms, grain farmers, and rural Kansas communities. He stated that Seaboard Farms shares the concerns for a safe, clean environment and included Seaboard Farms Environmental Awareness Program Summary with his testimony. He asked that the committee recognize the economic interdependence among grain farmers, animal agriculture, rural communities and, eventually, the entire State of Kansas. He stated that a moratorium does not recognize that interdependence. Rick Hoffman, CEO, Seaboard Farms, Inc., answered committee questions. (Attachment 10)

Kansas Agricultural Aviation Association, Kansas Corn Growers Association, Kansas Fertilizer and Chemical Association, Kansas Grain Sorghum Producers, Kansas Seed Improvement Association, Kansas Vocational Agriculture Teachers Association, Kansas Cooperative Council, Kansas Association of Wheat Growers, Kansas Dairy Association, Kansas Grain and Feed Association, Kansas Livestock Association, Kansas Veterinary Medical Association, and the Dairy Farmers of America, Inc., submitted written testimony strongly opposing any attempt to place a moratorium on the construction or expansion of confined animal feeding facilities in Kansas. (Attachment 11)

Chairperson Flower closed the hearing on **HB 2967**.

The meeting adjourned at 10:05 a.m. The next meeting is scheduled for February 24, 1998.

HOUSE AGRICULTURE COMMITTEE GUEST LIST

DATE: February 20, 1998

Page 1 of 2

NAME	REPRESENTING
Steve Lathan	Seaboard Farms
Don Carlson	Ks. Department of Health & Environment
Mike Jensen	KS Pork
Dennis Zimmerman	Grant Co. Co., Deso.
Jake Faber	Brewster Kansas
Steve Rose	Rose Farms
Karye Bous	WSD 117
Ray Mitchell	Mitchell Farms
Brian Mitchell	Mitchell Farms
Annette M. Witt	KDFA
Don Kyo	Farmer Rancher
Breg A. Doley	KDHE
John Carriger	Lake & Hadagush Counties
Mary Fund	Ks Rural Center
Bill Berryman	Midwest Energy
Lillian D. Papay	Mayor of Great Bend
Howard D. Partington	City of Great Bend
ALAN CRANE	LARNED, KS
Rod Brennerman	Overland Park, KS.

February 20, 1998

Testimony to House Agriculture Committee

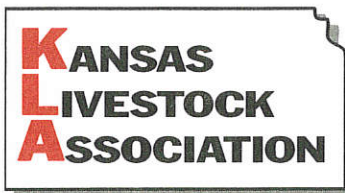
Opposition to House Bill 2967

Prepared by Mike Jensen, Executive Vice President

The members of the Kansas Pork Producers Council strongly oppose House Bill 2967. Some of the most negative impacts of the bill are:

1. Three-mile setback requirements from any community of five or more habitable structures. Current statute already allows a community to extend zoning to three miles, if they choose. Arbitrarily forcing every city, town and cluster of five homes to impose three-mile setbacks would effectively close thousands of acres of land to livestock development, even if the community didn't want to impose it. I would encourage you to look at any rural area, draw a three-mile radius (six-mile diameter) circle around every town, as well as assuming that there are additional groups of five houses scattered throughout, and see what little land, if any, is left for livestock production.
2. The moratorium imposed on counties who have voted down swine confinement facilities would impact a number of producers in all areas of the state. A swine facility of 500 AU or more would be impacted by this moratorium. 500 AU's is the approximate size permit for a 125-sow farrow-to-finish operation. There would be well over 400 of these operations across the state, with any number of them in "closed" counties.
3. Current design standards call for compacted clay liners constructed to allow no more than 1/4" per day initial seepage. This bill would reduce this to 1/32" per day without any scientific basis for imposing this on the Kansas swine industry. In fact, our industry has had a stellar environmental record in this state and the units who have voluntarily installed groundwater monitoring systems around their lagoons have found no evidence of lagoon leakage.

*House Agriculture Committee
February 20, 1998
Attachment 1*



Since 1894

Testimony

presented by

Rich McKee

Executive Secretary, Feedlot Division

regarding

House Bill 2967

before the

House Agriculture Committee

February 20, 1998

The Kansas Livestock Association (KLA), formed in 1894, is a trade association representing over 7,400 members on legislative and regulatory issues. KLA members are involved in all segments of the livestock industry including cow-calf, feedlot, seedstock, swine, dairy and sheep. In 1996 cash receipts from agriculture products totaled over \$7.8 billion, with nearly sixty percent of that coming from the sale of livestock. Cattle represent the largest share of cash receipts, representing approximately ninety percent of the livestock and poultry marketings.

*House Agriculture Committee
February 20, 1998
Attachment 2*

Chairperson Flower and members of the House Agriculture Committee, thank you for the opportunity to testify. My name is Rich McKee and I am representing the Kansas Livestock Association.

The Kansas Livestock Association opposes moratoriums on livestock production. New section two beginning on page five would establish a one year moratorium. This proposal, if enacted, would impose a moratorium on swine facilities, with a capacity of over 500 animal units, in those counties where the voters have taken action against corporate owned swine facilities. We believe the proposed moratorium also has an unintended affect. Remember, individuals have always had the right to produce swine, including people that live in those counties that have voted against corporate swine production,. This bill would strip those citizens of their right to produce more than 500 animal units of swine.

If the core issue is the environment, we believe those concerns can and are being addressed without the imposition of a moratorium. Most all of the other issues proposed in this legislation are being considered, in detail, by the House Environment sub-committee appointed Representative Freeborn.

We respectfully request the committee reject this bill.

Good morning, my name is Dr. Larry Bowers, and I am the superintendent of the Rolla, Kansas school district in Morton County, Kansas.

Over the past 3 to 4 years, animal agriculture has expanded significantly in our area, mostly due to swine production. As a result, our community of Rolla has grown from a population of approximately 360 people to over 500 people. In addition, the valuation of our community is higher and more property has been annexed into the City of Rolla.

This expansion has provided the impetus for growth in other businesses, including a new doctor's clinic in the County to better service our healthcare needs. In addition, it is estimated that over 200 new jobs have been created and over 40 new families have moved into the community. Our student population has grown 13% over the past 12 months, and as a result, we have been able to maintain the facilities to attract and retain some of the finest teachers in the state. We have redone our computer lab, and we were one of the first ten schools in the State of Kansas to set up an interactive television system to facilitate instruction and use of Internet facilities.

Needless to say, we are very proud of our schools and our community. We have seen significant advantages resulting from the growth in animal agriculture in our area of the state, and we strongly oppose a moratorium on this agriculture based industry. In fact, our school board recently reached a unanimous vote to oppose this moratorium. Please do not pass a moratorium but rather let our community and schools continue to grow and prosper.

Thank you!

*House Agriculture Committee
February 20, 1998
Attachment 3*

Good morning ladies and gentlemen, my name is Steve Rome. My two brothers and I farm north of Hugoton in Southwest Kansas. I oppose a moratorium on hog production.

You are all aware of the existing situation facing today's grain farmer: revenues for our crops have not kept pace with costs which continue to rise. Government support payments are being phased out and we face increasing international competition in the marketplace. And probably most disturbing, the young people are leaving the farms and rural communities because grain farming can not support them or their families in the future.

A chance we have to stem this tide is animal agriculture. Animals consume the grain we raise. Hopefully with this increased demand we can sell more grain at a higher price. We can use the effluent as fertilizer. Additionally, we may want to diversify operations by participating more directly in animal agriculture.

A pork processing plant would be beneficial to Kansas. It would increase the market for hogs and grain. The economic impact benefits grain farmers like me, independent hog producers, rural communities, and the entire State. A drastic, unnecessary action such as a moratorium benefits very few. A more appropriate action would be to continue to look for solutions to the concerns.

*House Agriculture Committee
February 20, 1998
Attachment 4*

Grain and animal agriculture have an enormous investment in our environment. It provides the resources we need to live and to make a living. Can a clean/healthy environment not exist with a strong and growing economy. I think it can.

In conclusion, I ask that you not stifle growth in the agriculture economy of this state with a moratorium. Reasonable environmental regulations provide benefits; a moratorium limits opportunities.

Ladies and Gentlemen,

I appreciate the opportunity to speak to this assembly today. My name is Brian Mitchell. I live in Elkhart, Kansas which is located in Morton County.....A mere 400 miles from Topeka. I am here to speak on behalf of agriculture and against a moratorium on hog production.

Since returning to the family farm ten years ago, I have observed a trend that has been occurring over several years. Like the mom and pop drug stores and gas stations that were once located on every street corner, the traditional family farm is being forced out of business.

As farmers, we face flat revenue and increased costs. We have to find a way to lower our costs and diversify our operations in order to survive and compete. Partnership with animal agriculture can help us do this.

*Neuse Agriculture Committee
February 20, 1998
Attachment 5*

Recently, a farmer called me from Leoti, Kansas. He asked about changing his operation through contract hog finishing and using the effluent to save commercial fertilizer costs. CHANGES which can help him compete and remain in farming. Changes to help fill the gap left by the reduction and elimination of government programs.

Please do not close the door on OPPORTUNITY by passing a moratorium. Can you imagine telling Boeing to quit manufacturing planes for a period of time? A moratorium on any industry cripples everyone involved, from company employees to local merchants.

Let us work together to address people's concerns. There is nothing wrong with reasonable environmental regulations. I am asking the legislature to work with the ag industry instead of passing a moratorium. I am asking the legislature, PLEASE, do not take away our OPPORTUNITY!

Ladies and gentlemen, my name is Alan Crane. I am a grain farmer. I live 25 miles SW of Gt. Bend in the Radium Community, and I am here to speak against a moratorium on hog production.

My family has farmed ground in central Kansas since 1876. Legislation such as this moratorium severely threatens ~~the~~^{our} freedom and ability to pass the land on to future generations.

Grain farming, animal agriculture and rural communities are interdependent. Agriculture economists for decades have told us to develop value added markets for our grain. Putting grain into animals adds value. Pork, a higher value product, creates wealth in the rural communities where it is produced and processed. Wealth which translates into opportunity for people to stay on the farm or in small towns.

*House Agriculture Committee
February 20, 1998
Attachment 6*

Given cutbacks in government agriculture programs, my family and others like us need to find new and better markets for our products. We need to change and adapt. Animal agriculture increases the demand for our grain, and therefore, the price we receive for our grain. Animal agriculture allows us the opportunity to diversify into other grain products, such as milo. This further helps the state of Kansas because it takes less water to grow milo than some other crops. And, by this animal diversification, it allows us the opportunity to capture more of the added value.

Ladies and gentlemen, I am asking you today not to limit Kansas farmers the freedom and ability to make a decent living. My family has been in central Kansas for 122 years. I would like to see the next generation here also. Please do not let a crude, blunt instrument such as a moratorium destroy my family's freedom or my community's freedom to live a better life. Reasonable regulations...yes. Moratorium-NO!!



THE CITY OF GREAT BEND

Lillian D. Papay, Mayor

February 20, 1998

TO: House Agriculture Committee
FROM: Lillian D. Papay
RE: Moratorium

Thank you for the opportunity to address you on this important issue. I urge you to oppose a moratorium on hog production in our state. I previously wrote each of you a letter and my comments today restate what was in that letter.

Agriculture has long been the basis of our economy in Great Bend and Barton County and this includes animal agriculture as well as grain production. Because of this, it is appropriate that we have a pork processing plant located in our community. Seaboard Farms is considering the location of a processing plant in Barton County. This processing plant would have a far reaching positive impact on Barton County as well as other communities in a sixty mile radius. Our citizens need the opportunity for good paying jobs and employee benefits which such a plant would bring.

Many of the concerns regarding the pork industry in Kansas focus on environmental issues. I am sensitive to the environmental issues of this industry as well as other industries. Because of this concern we are going to study the environmental impact of a pork processing plant. We expect this study will properly address any environmental concerns in the community.

I am very concerned about a moratorium. I fear that such action could result in Seaboard Farms locating their plant in another state. This would be very unfortunate for Great Bend, Barton County and the State of Kansas.

I urge you to oppose a moratorium on hog production. Thank you for the opportunity to speak directly to you.

*House Agriculture Committee
February 20, 1998
Attachment 7*

TESTIMONY IN OPPOSITION TO HB 2967

PRESENTED BY: JOHN CARTER

935 South Kansas Ave., Suite 200

Phone: 232-0656 / Fax: 232 3647

Mrs. Chairwoman, members of the committee, I thank you for the opportunity to testify in opposition to this bill.

I was asked to speak today by the citizens of two counties in Western Kansas, Lane County and Hodgeman County. Hodgeman County has held a vote as authorized by the county option provisions of K.S.A. 17-5908. A majority of the voters of Hodgeman County opposed swine production facilities in a binding election, yet Murphy Farms, Inc., the largest hog producing corporation in America, has permits currently pending before the Kansas Department of Health and Environment for facilities in Hodgeman County. The citizens of Hodgeman County have retained me to oppose the establishment of Mega Hog Factories in their county. Despite the democratically expressed will of the citizens of Hodgeman County, Murphy Farms Inc., would already be operating in Hodgeman county if not for the legal challenge we have mounted.

Lane County never got to vote on the issue of swine production facilities due to a resolution unlawfully submitted by the Lane County commissioners. Even though a majority of the citizens of Lane County have formally petitioned their commissioners to rescind this resolution, the commissioners have refused to do so. Murphy Farms, Inc., has permits pending for facilities in Lane County as well. The citizens of Lane County have retained me to challenge the legality of the resolution authorizing swine production facilities in their county, in order to allow them the opportunity to vote on the issue.

The citizens of Lane and Hodgeman Counties do not oppose swine production facilities in those counties where the citizens have voted to allow them in. They do oppose Mega Hog Factories in those counties which have voted not to allow them. They also oppose Mega Hog Factories in those counties that have not had the opportunity to vote on the issue. In most cases the citizens who oppose these Mega Hog Factories are farmers or ranchers themselves. Many are second, third, or fourth generation Kansans living on family farms created by their ancestors. They are fighting for their way and quality of life.

*House Agriculture Committee
February 20, 1998
Attachment 8*

We oppose this bill for the following reasons:

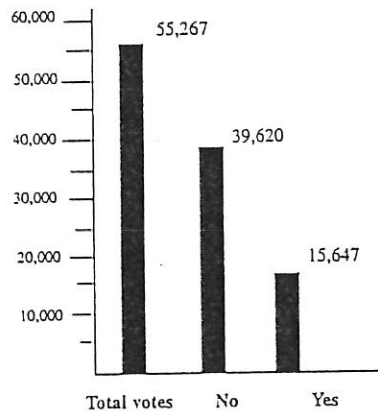
1. **The proposed moratorium is for only one year although the industry admits it will take two to three years to solve the odor problem associated with Mega Hog Factories. The Kansas State lagoon study, which is supposed to provide the scientific basis for KDHE's new regulations, will not be complete until October of 1999.**
2. **The provisions of the moratorium proposed by this bill would apply only to those counties in which the citizens have voted not to allow swine production facilities. Counties like Scott County, in which the resolution authorizing swine production facilities was rescinded without a vote, and Lane County, in which the citizens were prevented from voting by the unlawful acts of their commissioners, would have no protection under this moratorium.**
3. **The exceptions in New Section 2(c)(E) eliminate most of the benefit this bill might provide.** 2(c)(E)(iii) provides an exclusion from the moratorium for the "construction or expansion of a confined feeding facility for swine...if the person undertaking the construction or expansion has, before February 1, 1998: been approved for a line of credit to finance the construction or expansion of such facility, lagoon, pond or system and has obligated or expended funds derived from the loan or line of credit."

The large corporations that have revolving lines of credit may well be able to make the argument that they have "obligated or expended funds" for many Mega Hog Factories in this state through advertisements, PR campaigns, or trips to various counties. Given the propensity of these large corporations to exploit loopholes in the law, the exception established by Sec. 2(c)(E)(iii) is unacceptable.

The citizens of Western Kansas have sent a clear message to their elected representatives. In those counties that have voted on the issue of swine production facilities, an average of 71% of the votes have been against hogs. They want a moratorium to allow a time out sufficient for KDHE to promulgate effective regulations with a scientific basis, and they want the loopholes in the Kansas corporate farming laws closed. We applaud representative Wagle for the effort she has made to address the concerns of the citizens of Western Kansas, however, we must oppose her moratorium because it is not long enough, it does not go far enough, and it excepts the very entities we are most concerned with.

The citizens I represent feel that Topeka has lost touch with them. Their elected representatives have called them "idiots" for being concerned with threats to their way and quality of life, and have stifled their legislative attempts to be heard. They have told their legislators what they want, they expect to be taken seriously, and will accept nothing less from this legislative session.

Corporate Hog Votes in 21 Counties



Source: County Clerk Data as compiled by Kansas Rural Center staff. As of Dec. 1997.

Three More Counties Vote to Reject Corporate Hogs

In November, three more Kansas counties voted against allowing corporate hogs in their counties. Ness County voted 937 to 343 against allowing corporate hog facilities. Greeley County voted 277 to 196 to change their existing resolution and reject corporate hogs.

And Meade County held their second countywide vote on the issue. (The first vote was held in November 1994 and made Meade one of two counties voting yes for corporate hogs.) This time citizens voted 813 to 463 to change the existing resolution allowing corporate hogs so that Meade County can reject them.

The votes are non-binding and at this printing County commissioners have not taken action to change their resolutions in any of the counties. #

KSU Releases Preliminary Report on Lagoon Study

KSU recently submitted its preliminary report on its first year findings on their lagoon study to the Kansas Department of Health and Environment.

Not surprisingly, officials are calling the results "encouraging" while the researchers explain that the results are limited, and that more research needs to be done.

The main goals for the first year were: (1) to evaluate (in a laboratory) three Kansas soils commonly used as animal waste lagoon liners to see if they can contain seepage within KDHE standards (0.25 inches per day) when properly used; (2) measure the quality of the seepage coming through the liner materials; and (3) estimate seepage losses from an animal waste lagoon in the field.

According to report findings, KSU lab test results suggest that soil materials tested keep seepage rates well below the KDHE's leaching or seepage limit. The results assume the liner material is compacted to a thickness of 3 feet and that the water depth above the liner is 20 feet.

Secondly, the seepage that passed through the liner had a higher concentration of ammonia than nitrates. Phosphorous levels were in between. Bacterial counts in the seepage were similar to the count in the untreated waste water.

And finally, the estimated seepage from an existing cattle feedlot lagoon was within design standards at under 0.1 inches per day. However, this is only one lagoon and tests of more are planned.

Researchers state that the results indicate that soils used for lagoon liner construction in Kansas can do an adequate job of keeping seepage rates within KDHE standards *under ideal conditions*. (emphasis added) But there are not enough measurements yet to evaluate the effectiveness of liner materials under less than ideal field conditions. Also, more research is needed to determine the fate of ammonia, phosphorous, and bacteria in the soil from lagoon seepage.

A final report is due in April 1998. For more information, contact lead investigator, Paul Schwab, 785-532-7213; or Bill Hargrove at KCARE 785-532-7103. # (Partly from KCARE *Environmental News*, Dec. 9, 1997)

FACT Files Lawsuit

The grassroots group, Families Against Corporate Takeover (FACT) filed suit against Murphy Family Farms in Hodgeman County District Court in early December. The suit challenges an informal opinion issued earlier in the fall by the Attorney General's office that Murphy Family Farms qualifies as a family farm corporation under Kansas law. Kansas law prohibits corporations from owning or leasing farmland in Kansas unless they are a family farm corporation.

FACT argues that the intention of the family farm exemption was to allow Kansas family farms to take advantage of the benefits of incorporation, not to allow out of state corporations like Murphy's to operate here. #

Murphy's Permit Delayed

In mid-December, state officials announced that a decision on Murphy Farms' waste water control permit for their proposed 14,300 head sow operation in Hodgeman County has been delayed due to environmental concerns. This follows a public hearing held by the Kansas Department of Health and Environment (KDHE) on November 24.

KDHE held the hearing, which was attended by 200 people, after receiving over 300 letters from people concerned about the facility's impact on area water and air. State officials also cited the lawsuit (see above) challenging Murphy's status as a Kansas family farm corporation as a reason for delay. #MF

House Agriculture Committee

trust, authorized trust or testamentary trust be allowed to, either directly or indirectly, own, acquire or otherwise obtain or lease any agricultural land in _____ county for the purpose of establishing a dairy production facility?"

(d) If a majority of the votes cast and counted are in opposition to allowing dairy production facilities to be established in such county, the county election officer shall transmit a copy of the result to the secretary of state who shall publish in the Kansas register the result of such election and that dairy production facilities are not allowed to be established in such county.

(e) If a majority of the votes cast and counted is in favor of the proposition, the county election officer shall transmit a copy of the result to the secretary of state who shall publish in the Kansas register the result of such election and that dairy production facilities are allowed to be established in such county.

(f) The election provided for by this section shall be conducted, and the votes counted and canvassed, in the manner provided by law for question submitted elections of the county.

History: L. 1994, ch. 249, § 1; April 28.

17-5908. Swine production facilities; establishment in county, procedure. (a) (1) The board of county commissioners, by resolution, may permit a swine production facility, as defined in K.S.A. 17-5903, and amendments thereto, to be established within the county. Such resolution shall be published once each week for two consecutive weeks in the official county newspaper. The resolution shall take effect 60 days after final publication unless a valid petition in opposition to the same is filed.

(2) If within 60 days of the final publication of the resolution, a valid protest petition to submit the resolution to the qualified voters of the county is signed by qualified electors of the county equal in number to not less than 5% of the electors of the county who voted for the office of secretary of state at the last preceding general election at which such office was elected and is filed with the county election officer, the county election officer shall submit the question of whether a swine production facility shall be allowed to be established in such county at the next state or county-wide regular or special election.

(b) (1) The board of county commissioners, upon a petition filed in accordance with paragraph (b)(2), shall submit to the qualified electors of the county a proposition to permit a swine production

facility, as defined in K.S.A. 17-5903, and amendments thereto, to be established within the county.

(2) A petition to submit a proposition to the qualified voters of a county pursuant to this section shall be filed with the county election officer. The petition shall be signed by qualified electors of the county equal in number to not less than 5% of the electors of the county who voted for the office of secretary of state at the last preceding general election at which such office was elected. The following shall appear on the petition:

"We request an election to determine whether a corporate swine production facility shall be allowed to be established in _____ county, pursuant to K.S.A. 17-5904."

(3) Upon the submission of a valid petition calling for an election pursuant to this subsection, the county election officer shall submit the question of whether a swine production facility shall be allowed to be established in such county at the next state or county-wide regular or special election which occurs more than 60 days after the petition is filed with the county election officer.

(c) If a majority of the votes cast and counted are in opposition to allowing swine production facilities to be established in such county, the county election officer shall transmit a copy of the result to the secretary of state who shall publish in the Kansas register the result of such election and that swine production facilities are not allowed to be established in such county.

(d) If a majority of the votes cast and counted is in favor of the proposition, the county election officer shall transmit a copy of the result to the secretary of state who shall publish in the Kansas register the result of such election and that swine production facilities are allowed to be established in such county.

(e) The election provided for by this section shall be conducted, and the votes counted and canvassed, in the manner provided by law for question submitted elections of the county.

History: L. 1994, ch. 130, § 1; April 14.

Attorney General's Opinions:

Determination for sufficiency of election petitions; mandatory submission of question to county or district attorney. 95-28.

Table of Sections

Table of Sections of Articles 24 and 45, inclusive, of Chapter 17 of the Kansas Statutes Annotated, as amended and supplemented, corresponding to Sections in 1972 General Corporation Code and amendments thereto.

Repealed Section (K.S.A. or Supp.)	New Section
17-2401	None
17-2501 to 17-2504	None

**Repealed Section
(K.S.A. or Supp.)**

17-2601
17-2701
17-2702
17-2703
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17-3313

limited agricultural partnership, family trust, authorized trust or testamentary trust.

(s) "Swine production facility" means the land, structures and related equipment owned or leased by a corporation or limited liability company and used for housing, breeding, farrowing or feeding of swine. The term includes within its meaning only such agricultural land as is necessary for proper disposal of liquid and solid wastes in environmentally sound amounts for crop production and to avoid nitrate buildup and for isolation of the facility to reasonably protect the confined animals from exposure to disease.

(t) "Limited liability company" has the meaning provided by K.S.A. 17-7602, and amendments thereto.

(u) "Limited liability agricultural company" means a limited liability company founded for the purpose of farming and ownership of agricultural land in which:

(1) The members do not exceed 10 in number; and

(2) the members are all natural persons, family farm corporations, family farm limited liability agriculture companies, persons acting in a fiduciary capacity for the benefit of natural persons, family farm corporations, family farm limited liability agricultural companies or nonprofit corporations, or general partnerships other than corporate partnerships formed under the laws of the state of Kansas; and

(3) if all of the members are natural persons, at least one member must be a person residing on the farm or actively engaged in labor or management of the farming operation. If only one member is meeting the requirement of this provision and such member dies, the requirement of this provision does not apply for the period of time that the member's estate is being administered in any district court in Kansas.

(v) "Dairy production facility" means the land, structures and related equipment used for housing, breeding, raising, feeding or milking dairy cows. The term includes within its meaning only such agricultural land as is necessary for proper disposal of liquid and solid wastes and for isolation of the facility to reasonably protect the confined cows from exposure to disease.

(w) "Family farm limited liability agricultural company" means a limited liability company founded for the purpose of farming and ownership of agricultural land in which:

(1) The majority of the members are persons related to each other, all of whom have a common ancestor within the third degree of relationship, by blood or by adoption, or the spouses or the stepchildren of any such persons, or persons acting in a fiduciary capacity for persons so related;

(2) the members are natural persons or persons acting in a fiduciary capacity for the benefit of natural persons; and

(3) at least one of the members is a person residing on the farm or actively engaged in the labor or management of the farming operation. If only one member is meeting the requirement of this provision and such member dies, the requirement of this provision does not apply for the period of time that the member's estate is being administered in any district court in Kansas.

(x) "Hydroponics" means the growing of vegetables, flowers, herbs, or plants used for medicinal purposes, in a growing medium other than soil.

History: L. 1981, ch. 106, § 1; L. 1983, ch. 88, § 72; L. 1986, ch. 96, § 2; L. 1987, ch. 368, § 1; L. 1988, ch. 99, § 53; L. 1991, ch. 76, § 9; L. 1994, ch. 130, § 3; L. 1994, ch. 331, § 1; L. 1996, ch. 225, § 1; May 23.

Law Review and Bar Journal References:

"Pork, Pollution, and Pig Farming: The Truth About Corporate Hog Production in Kansas, Eric Voogt, 5 Kan. J.L. & Pub. Pol'y, No. 3, 219, 225, 236 (1996).

Attorney General's Opinions:

Swine facility, owned by person engaged in farming, for use under production contract between such person and a corporation not subject to act. 96-42.

17-5904. Restrictions; exceptions; penalties. (a) No corporation, trust, limited liability company, limited partnership or corporate partnership, other than a family farm corporation, authorized farm corporation, limited liability agricultural company, family farm limited liability agricultural company, limited agricultural partnership, family trust, authorized trust or testamentary trust shall, either directly or indirectly, own, acquire or otherwise obtain or lease any agricultural land in this state. The restrictions provided in this section do not apply to the following:

(1) A bona fide encumbrance taken for purposes of security.

(2) Agricultural land when acquired as a gift, either by grant or devise, by a bona fide educational, religious or charitable nonprofit corporation.

the members are persons of whom have a common degree of relationship, or the spouses of the persons, or persons acting for persons so related; the natural persons or personal capacity for the benefit

the members is a person actively engaged in the farming operation. If meeting the requirement of member dies, the requirements do not apply for the member's estate is being admitted in court in Kansas.

means the growing of vegetable or plants used for medicinal medium other than

ch. 106, § 1; L. 1983, ch. 3, § 2; L. 1987, ch. 368, § 1; L. 1991, ch. 76, § 9; L. 1994, ch. 331, § 1; L. 1996,

Legal References:

Farming: The Truth About Corns, Eric Voogt, 5 Kan. J.L. & 36 (1996).

as:
person engaged in farming, for use between such person and a corporation.

Provisions; exceptions; pension, trust, limited liability partnership or corporate partnership, family farm corporation, auction, limited liability agricultural farm limited liability limited agricultural partnership or trust or testator directly or indirectly, use obtain or lease any agricultural. The restrictions do not apply to the following: umbrella taken for pur-

when acquired as a gift, or, by a bona fide educational nonprofit corpora-

(3) Agricultural land acquired by a corporation or a limited liability company in such acreage as is necessary for the operation of a nonfarming business. Such land may not be used for farming except under lease to one or more natural persons, a family farm corporation, authorized farm corporation, family trust, authorized trust or testamentary trust. The corporation shall not engage, either directly or indirectly, in the farming operation and shall not receive any financial benefit, other than rent, from the farming operation.

(4) Agricultural land acquired by a corporation or a limited liability company by process of law in the collection of debts, or pursuant to a contract for deed executed prior to the effective date of this act, or by any procedure for the enforcement of a lien or claim thereon, whether created by mortgage or otherwise, if such corporation divests itself of any such agricultural land within 10 years after such process of law, contract or procedure, except that provisions of K.S.A. 9-1102, and amendments thereto, shall apply to any bank which acquires agricultural land.

(5) A municipal corporation.

(6) Agricultural land which is acquired by a trust company or bank in a fiduciary capacity or as a trustee for a nonprofit corporation.

(7) Agricultural land owned or leased or held under a lease purchase agreement as described in K.S.A. 12-1741, and amendments thereto, by a corporation, corporate partnership, limited corporate partnership or trust on the effective date of this act if: (A) Any such entity owned or leased such agricultural land prior to July 1, 1965, provided such entity shall not own or lease any greater acreage of agricultural land than it owned or leased prior to the effective date of this act unless it is in compliance with the provisions of this act; (B) any such entity was in compliance with the provisions of K.S.A. 17-5901 prior to its repeal by this act, provided such entity shall not own or lease any greater acreage of agricultural land than it owned or leased prior to the effective date of this act unless it is in compliance with the provisions of this act, and absence of evidence in the records of the county where such land is located of a judicial determination that such entity violated the provisions of K.S.A. 17-5901 prior to its repeal shall constitute proof that the provisions of this act do not apply to such agricultural land, and that such entity was in compliance with the provisions of K.S.A. 17-5901 prior to its repeal; or (C) any such entity was not in compliance with

the provisions of K.S.A. 17-5901 prior to its repeal by this act, but is in compliance with the provisions of this act by July 1, 1991.

(8) Agricultural land held or leased by a corporation or a limited liability company for use as a feedlot, a poultry confinement facility or rabbit confinement facility.

(9) Agricultural land held or leased by a corporation for the purpose of the production of timber, forest products, nursery products or sod.

(10) Agricultural land used for bona fide educational research or scientific or experimental farming.

(11) Agricultural land used for the commercial production and conditioning of seed for sale or resale as seed or for the growing of alfalfa by an alfalfa processing entity if such land is located within 30 miles of such entity's plant site.

(12) Agricultural land owned or leased by a corporate partnership or limited corporate partnership in which the partners associated therein are either natural persons, family farm corporations, authorized farm corporations, limited liability agricultural companies, family trusts, authorized trusts or testamentary trusts.

(13) Any corporation, either domestic or foreign, or any limited liability company, organized for coal mining purposes which engages in farming on any tract of land owned by it which has been strip mined for coal.

(14) Agricultural land owned or leased by a limited partnership prior to the effective date of this act.

(15) Except as provided by K.S.A. 17-5908 and amendments thereto, agricultural land held or leased by a corporation or a limited liability company for use as a swine production facility in any county which has voted favorably pursuant to K.S.A. 17-5908 and amendments thereto, either by county resolution or by the electorate.

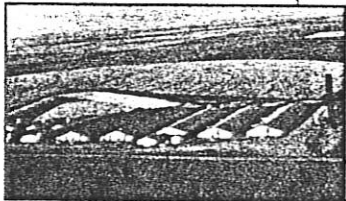
(16) Agricultural land held or leased by a corporation or a limited liability company for use as a dairy production facility in any county which has voted favorably pursuant to K.S.A. 17-5907 and amendments thereto, either by county resolution or by the electorate.

(17) Agricultural land held or leased by a corporation or a limited liability company used in a hydroponics setting.

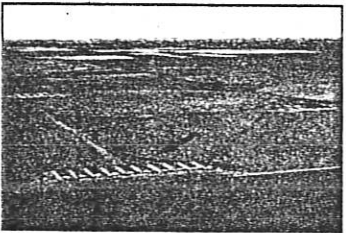
(b) Production contracts entered into by a corporation, trust, limited liability company, limited partnership or corporate partnership and a person engaged in farming for the production of



There is a reason these facilities are called "confined" animal feeding operations. The sows are caged in crates where they cannot even turn around.



The water tower on the right at this Seaboard location is an indication of the water shortage in Morton County.



The 14 acre lagoon lies in the center of 4 fields in Morton County. It is supplied by 30 hog barns. There is a leak at this Seaboard location.

Dear Seward County Voters,

Your friends and neighbors need your help. Keep Liberal and Seward County a clean, prosperous, and decent place to live and raise a family. Vote "Yes" on September 16.

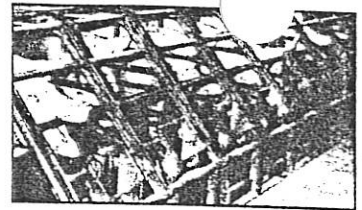
Don't be fooled by Seaboard's slick campaign. Seaboard is not coming to Seward County to do us any favors. Rather, the big company is coming here to make money off of us, exploit our resources, employ transient labor as cheaply as possible, and leave us to clean up its mess.

Seaboard would have you believe that Seward County was dying and would continue to do so unless Seaboard comes to our rescue. You know that is not true. The last few years has seen more houses built, more roads repaired, more commercial development, one of the strongest retail pull-factors in the State of Kansas--all without Seaboard's presence.

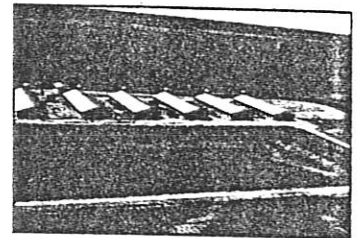
Remember the 10 testimonials Seaboard sent you, compared to the hundreds of neighbors right here in Seward County who have protested the large scale hog farms. Not one of those people supposedly supporting Seaboard described the adverse, devastating, and expensive impact Seaboard has had on their schools, crime rate, parks, roads, and the feeling of the community.

We know what is best for our community, family, friends. Tell Seaboard that the soul of our community is not for sale. Vote "Yes" on September 16.

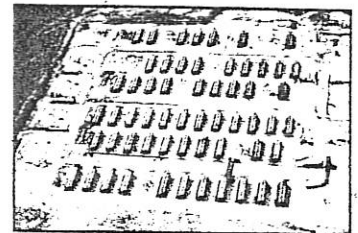
Citizens for a Healthy Environment



All for the sake of a "uniform" pork chop, pigs are caged for their entire life.



Plastic liners are applied only to the top edge. There is already erosion at the top of this Seaboard lagoon. The weeds growing along the sides allow for increased seepage of waste into the ground.



These are not hog barns. They are homes in Guymon for Seaboard employees. There is no grass, it is all gravel.

TESTIMONIALS

Since the hog farms have moved into our neighborhood, our lives have drastically changed. "Economic Development" has brought worries of water pollution, disease carried by wind, flies too numerous to count, increase of mosquitoes and increased traffic.

1. We don't spend any more time outside than necessary. No longer do we have the enjoyment of working in the yard or in the shop.
2. Clothes are not hung outside on the clothesline because they will absorb the foul odor. Three complete washings are required to remove the odor.
3. No more outdoor activities with family and friends. The odor, flies, mosquitoes, will not allow it.
4. It's difficult to impossible to hire work done. Word has spread regarding the hog farms surrounding us. If we are able to hire help, they call before coming out and ask what direction the wind is in and how bad is the smell.
5. No longer do we open our windows or doors to cool our home. The ever-present danger of the ammonia fumes prevents it. If we do take a chance to open the windows of a night, more often than not we are awakened from a sound sleep. That brings a series of reactions: aggravation, choking, sneezing, feeling of suffocation. Sometimes, it's difficult to breathe.
6. We now check wind direction before going outside.
7. We have increased health concerns. Our eyes burn, noses run, throats are raw from breathing the odor and fumes.

Tonight, I watched the methane and ammonia gas

fumes rise from the hog sites to the north and north-east of us and form into brown clouds. Soon the blue haze, smog and odor came into our yard. Thankfully, all the windows and doors were closed.

Lina Hiser • Guymon, OK

It's difficult to tell our nightmare in a few sentences. We are a family farm east of Guymon where east and south of our home are thousands of pigs owned by Hitch Enterprises and Seaboard. These hog sites have adversely impacted our lives and livelihood in all areas--living and working conditions, health, finances, and lowered property values. Our air is polluted with gases (ammonia and hydrogen sulfide). Our water is in danger of depletion and pollution. What price can one put on clean air and water?

Delma and Vancy Elliott • Guymon, OK

We are located near 44 hog barns. Many days when I go out to work in my garden or hang out my clothes the odor sends me right back in the house. We are outdoors people...

Cheryl Horton • Tyrone, OK

Where we live south of Plains, we are surrounded by DeKalb hog facilities. The closest is 3/4 of a mile, the furthest is three miles. We smell the odor more days than not. One cool evening we raised our windows, and it wasn't long until the odor came into the house like fog. We immediately had to close the win-

dows. You get up in the morning after a rain shower and think the air will be fresh. You open the door and there it is--the smell. It is worse on heavy days. Just the other evening we were driving down the road with our windows down, and drove by an irrigation sprinkler where the effluent was being sprayed. The smell just took our breath away. We rolled up our windows, but the smell was already inside the pickup.

Don and Lelia George, Plains, KS

I was cutting wheat five miles south of Tyrone between two Seaboard facilities. I began to have a nasty metallic taste in my mouth. I was about 350 yards straight north from one of Seaboard's lagoons, then I realized that the problem I was having came from the gases off the lagoon. Due to the odor associated with the hog production south of Tyrone, my family can no longer eat supper in the field. A harvest and planting tradition that has gone on for years.

Bob Dietrick • Tyrone OK

In '95 when the hog barns were first put in we were out putting up Christmas lights and the odor became so bad we had to go in. Now 2-3 days a week, year round and in the spring, 4-5 days a week the odor is so bad we have to pick the days that we mow the yard. One day we were working 100 head of cows and calves and we didn't even notice the odor from the cattle the odor from the hog barns was so bad.

Sheila Breeding • Rolla, OK



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Seaboard faces hefty \$157,500 fine

By The ASSOCIATED PRESS
web-posted on Dec. 23, 1997

OKLAHOMA CITY (AP) -- The Oklahoma Panhandle's largest hog farm faces a 5 p.m. deadline today to decide whether to pay part of the largest fine ever proposed by the state against an animal feeding operation.

The Agriculture Department Monday proposed a \$157,500 fine against Seaboard Farms Inc. A state inspector found dead and decomposing hogs spilling from open containers at some Seaboard sites last month.

"All of it is carcass disposal on a timely manner," said Dan Parrish, water quality director for the Agriculture Department. "We have concerns about some health and environmental problems."

Under the proposed fine, Seaboard must pay \$5,000 for each of 28 major violations and \$2,500 for seven lesser violations.

State officials said the company must decide today whether to pay \$105,000 of the proposed penalty or request an administrative hearing. If partial payment is made, the balance would be deferred if the company meets state agriculture guidelines.

Seaboard's attorney, Terry Tippens of Oklahoma City, did not return telephone calls to his office.

Secretary of Environment Brian C. Griffin said the proposed penalty sends a signal that the state is prepared to enforce laws designed to protect health and the environment,

"I think it's a positive step" Griffin said.

"I fully support the proposed fine," Gov. Frank Keating said in a statement.

But a Democratic hopeful for Keating's job, Rep. Laura Boyd of Norman, criticized the proposed penalty as too lenient and characterized it as "a slap on the wrist." Ms. Boyd had recommended a \$1 million fine.

Parrish said he visited 44 Seaboard sites during a two-day period last month and found alleged violations at 35 of them.

A report prepared by Parrish indicates he saw decomposing hogs spilling out of containers or lying on the ground at some Seaboard sites. Receptacles are required to have lids, according to Agriculture Department rules.

Bloated carcasses were found around barns, and a big container was "full of skeleton and bones stuck to (the) bottom," according to his report. Another inspection found a carcass "totally decomposed with only skin, hair and bones left."

"They have told us in letters they were going to do something about it," Parrish said. "There has been correspondence, letters back and forth since May 1996. They've had letters of warning."

"Based on what I saw...that certainly wasn't disposal in a timely manner," Parrish said.

Griffin said he has also visited some Seaboard sites and photographed similar problems. He said he met with Seaboard officials in July and was assured the problems would be corrected.

"I have to say that they've failed to do that," the environmental secretary said.

Meanwhile, lawmakers quizzed Griffin about recommendations in a task force's report on animal waste and water quality during the first joint interim meeting of the Joint Legislative Committee on Animal Waste and Water Quality.

SIDEBAR: Kansas regulations differ from Oklahoma's

"I think we're all very aware of the importance of getting a handle on these water quality issues," Griffin said.

Griffin said that chief among the report's 75 recommendations is a proposal to adopt a county option election that would allow voters to decide whether new animal feeding operations should be allowed in their community.

The task force also called for a "poultry bill" as a companion to the "hog bill" passed earlier this year to regulate the swine industry, Griffin said.

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AGRICULTURE ISSUES

Keating announces no-tolerance policy

Special to the Times

No tolerance is the message Oklahoma Gov. Frank Keating said he gave Seaboard Farms Inc. CEO Rick Hoffman in a meeting Monday.

According to The Daily Oklahoman, Keating told Hoffman Seaboard "must be a better corporate citizen.

"The meeting was tough. It was frank," Keating said. "The message

from me, was that we will not tolerate corporate pollution of our water and air.

"It is important to emphasize that Oklahoma is a pro-business state, but we have no desire to have our water and air jeopardized," he said.

Hoffman gave a slightly different account of his meeting with the Oklahoma governor. The Oklahoman said Hoffman described the meeting as "more a general discussion about

what we're doing in Guymon and surrounding counties."

Hoffman said the meeting was set up before allegations were made against the company for improper disposal of dead pigs. Seaboard faces \$157,000 in fines in connection with dead animals discovered during an inspection at 44 farms in the Oklahoma Panhandle in November.

☐ See KEATING/Page 2

SOUTHWEST DAILY TIMES

Successor to the
Liberal News (Est. 1886)
(I.S.S.N. 0745-8916)

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Keating ...

■ Continued from Page 1

Seaboard is fighting the fines, contending that state inspectors trespassed onto its land.

The Oklahoman said Hoffman acknowledged Seaboard's swine losses were about 30 percent, nearly one in three of the overall hog population from birth to death. According to the Oklahoma State Agriculture Department, Seaboard disposes of 35,000 dead hogs a month.

Hoffman attributed the deaths to a virus called porcine respiratory and reproductive syndrome, also known as "purrs." The virus can cause sows to abort pigs and results in flu-like symptoms in all animals, the Oklahoman reported.

In response to whether or not the Governor felt Seaboard would attempt to comply, Keating responded, "Well, rhetoric is always helpful, but reality is what is more persuasive.

"It is important that we do not have the kind of horror stories alleged against that particular company as in the recent past," he said.

Hoffman said Oklahoma's hog regulations, including House Bill 1522 passed last session, are the strictest in the nation. Most provisions do not apply to existing hog farms, the Oklahoman said.

"If Oklahoma's hog regulations are the toughest, we happen to think that is a compliment," Keating said.

WEDNESDAY
JANUARY 7, 1998

23121 3 Road
Plains KS 67869

January 30, 1998

The Hon. Bill Graves
State House
Topeka KS 66612

Dear Governor Graves:

My grandparents, James K. and Lula Pope, homesteaded our farm (SE 1/4-30-33-30) in Meade County, KS in 1906. We are the third generation to live on the farm and we would love to pass it on to further generations. Now we are faced with the possibility of water contamination and depletion and poor air quality.

We are surrounded by DeKalb Swine Breeder farms in every direction. Within a five mile radius of our home we have twelve huge DeKalb farms; this includes approximately 375-400 barns and would accommodate thousands and thousands of pigs. There is also a large feed mill plus several isolation farms with pigs and many other buildings.

Many of the fields we farm are adjacent to DeKalb lagoons. It is very difficult to work next to a lagoon and put up with the foul odors--it literally makes a person sick. It is especially bad when DeKalb or our neighbors are spraying effluent on fields. That simply takes your breath away and you cannot breathe. In some cases the effluent comes within 500-600 feet of a home!

When it gets so bad, you can't have a family cook-out, hang clothes on a line or open your windows. It is BAD! Flies and mosquitoes are a continuous battle; mice and rats are taking over. Rats are eating battery cables, fuel lines, etc., on vehicles. We have increased traffic problems. Their big trucks keep the roads torn up constantly. Where are our rights? We believe we are abused and taken advantage of. We tend our farm and try to respect our neighbors.

These hog facilities have adversely impacted our lives and livelihood in all areas: living and working conditions, health, finances, and lowered property values. Who would want to invest in a farm in the middle of hog corporations? Our air is polluted with gases. Our water is in danger of depletion and pollution. What price can one put on clean air and water?

Since 1973 Plains has been home to DeKalb Swine Breeders who fell under a grandfather clause in the state's old corporate farming law. DeKalb received industrial revenue bonds worth several million dollars to locate near Plains. Now that it

has continued to grow and spread roots, people have had second thoughts, including those who had originally testified in favor of bringing DeKalb to the area. On November 12, 1997 Meade County residents voted by a nearly 2-1 margin to rescind the corporate hog law.. As of now, our Commissioners have NOT rescinded the 1994 law and have also let our moratorium expire. How can three Commissioners represent the tax-paying citizens and not respect the wishes of a majority?

Our taxes have increased because of increased enrollment in the schools. It has become necessary to build additions to accommodate the influx of legals and illegals moving in. We are left in the position to teach the children English; the parents of the children pay very little in taxes. Why should we have to pay for their education? Why can't the employer (DeKalb) be required to pay a certain amount for each one of their employees' children to attend school? Any person who employs migrant workers should have to pay tuition for educating the workers' children.

I ask you to please consider at least a 2-year moratorium, if not 5 years, on any corporate hog farms or any large-scale "family" hog farms coming into Kansas. Please take steps to stop the expansion of those who have been here for years and continue to pollute. These corporations are like cancer; once they get started, they just keep spreading. I realize we cannot shut down DeKalb, but we could stop their expansion, if you will help us. We must consider the fact that Oklahoma's moratorium will drive the hog corporations north to Kansas. Let's control it before it's too late.

Water contamination, water depletion and air quality are a legitimate concern, created by large-scale hog facilities in rural communities. Please examine environmental regulations and take a common sense approach. We realize there can be testing of lagoons and of soil; but why do that when PREVENTION would be a much cheaper and wiser decision?

Thank you for your consideration.

Sincerely,

Lelia George & Don George
Lelia and Don George

cc: Members of Legislature



NEWS



CENTER FOR RURAL AFFAIRS

Post Office Box 406
Phone (402) 846-5428

Walthill, Nebraska 68067
Population 747

For immediate release
January 15, 1998

For more information:

Nancy Thompson 402-494-9117
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IOWA STATE UNIVERSITY STUDY SHOWS MORE ECONOMIC BENEFIT FROM SMALLER HOG FARMS

New data from Iowa State University shows small hog farms create more jobs and produce more revenue for local and state governments than do larger hog operations. An analysis of the Iowa State University data, conducted by the Center for Rural Affairs in Walthill, Nebraska, reveals that smaller operations create 21 more jobs and generate nearly \$35,000 more in annual local revenue with an equal amount of production as one large operation.

"The Iowa State University study provides dramatic evidence that the shift in pork production towards larger, more concentrated operations is harmful to the economy of rural communities," said Nancy Thompson, the consultant to the Center for Rural Affairs who prepared the analysis. "If a state's goal is job formation and economic growth, this study says they should do it with small hog operations instead of large ones."

The Iowa State University study, prepared by agricultural economist Dr. Daniel Otto, was released last week. The data compares the economic impacts of various sized hog farms. Assuming an equal amount of hog production from farms of 150 sows (the size at which economists say most efficiencies of scale are achieved) versus one of 3400 sows, the Iowa State University data indicates the smaller operations create 34% more jobs and 23% more employee income. Over 20 more jobs, with each employee earning over \$23,000 annually, would be created as a result of having

- more -

smaller hog operations. Based on the data, additional farmers raising pigs is more beneficial than the number of pigs being raised.

The Iowa State University data also shows that smaller hog farms have a greater positive fiscal impact on communities. For example, smaller operations create 23% more total local revenue, produce 20% more net revenue for the state, and pay 7% more property taxes than does one large operation of equal output. The Iowa State University study is similar to an earlier one from Virginia that also showed smaller operations produce more jobs and greater economic benefits than does a single large operation raising the same number of hogs.

According to Thompson, "The debate in much of the Midwest is over what kind of pork industry is better and this new Iowa State University study makes it clear you get more bang for your buck with smaller hog operations. States need to be doing more to create the pork production opportunities that will bring greater economic benefits to a community."

The Center's analysis of the Iowa State University data is provided in the chart below.

Economic Impacts (no change in local feed grain production) Comparing Equal Production
from ~23 farms of 150 sows to one 3400 sow operation
(impacts on a per sow basis in parenthesis).

	<u>150 sows</u>	<u>3400 sows</u>
Primary Employment (jobs)	32	21
Employee Income	\$925,025 (\$272)	\$709,097 (\$209)
Earnings/Worker	\$28,907	\$33,767
Secondary Employment (jobs)	30	19
Employee Income	\$490,275 (\$144)	\$375,821 (\$111)
Earnings/Worker	\$16,343	\$19,780
Total Employment (jobs)	61	40
Employee Income	\$1,415,300 (\$416)	\$1,084,918 (\$319)
Earnings/Worker	\$23,202	\$27,123
Revenues to Schools	\$69,507 (\$20)	\$50,353 (\$15)
Total Local Revenue	\$147,572 (\$43)	\$112,902 (\$33)
Net Local Revenue	\$24,879 (\$7)	\$29,544 (\$9)
Net Revenue to State	\$54,503 (\$16)	\$43,720 (\$13)
Property Taxes Paid	\$30,123 (\$9)	\$27,972 (\$8)

STEWARDS OF THE LAND/COALITION OF COUNTIES

Press Release

For immediate release 2-19-98

GIVE US THE TWO YEAR MORATORIUM ON LARGE HOG FACTORIES AND A VOTE WITH NO LOOPHOLES SAY CITIZENS . . . Seaboard's proposed packing plant in Great Bend would move the industry into central Kansas near Salina, Hutchinson, McPherson, Newton and Wichita.

At press conferences in Wichita, Great Bend and Garden City on Thursday citizens group leaders from western Kansas expressed dismay that bills calling for a two year moratorium on large new large hog farms are stalled in a legislative committee. Bills banning the construction of new hog feeding facilities housing 1250 adult hogs or more for two years have been submitted by Democratic Legislators Ethel Peterson of Dodge City and Doug Johnston of Wichita. The object is to allow time for the publicly funded K. State University Lagoon Research Project to be completed (Oct., 1999) and to assess results from odor abatement research by other universities and by the hog industry.

Citizens leaders also expressed support for a bill introduced by Rep. Edmonds (R, Great Bend) which gives citizens in each county the right to vote on allowing any large swine production or processing facility. Seaboard Farms is seeking to build a packing plant in Garden City or Great Bend. If built in Garden City, it would greatly increase the concentration of packing plants in that city. If built in Great Bend, it would lead to the construction of 80 to 160 large confined hog feeding facilities within about 100 miles of the city, an area that would encompass Hutchinson, Salina, McPherson and the Wichita and Newton areas. Citizens are also concerned that construction of hog farms related to the packing plant could impact the Cheyenne Bottoms Wildlife Refuge.

The right to vote on all large swine facilities is important in many counties because Murphy Farms, Inc., the nation's largest hog producer, is claiming that, as a family owned corporation, it is not subject to the Kansas corporate farming law. Also, Seaboard Farms, Inc. says that hog finishing facilities which raise piglets to market size and which may hold 10,000 animals or more, are also not subject to referenda under that law.

"The powers-that-be in our state capitol are stonewalling in the face of clear votes by citizens in 21 Kansas counties who, on average, voted 71% to 29% to ban large hog factories." said Cliff Smedley of Johnson Ks, and Co-coordinator of Stewards of the Land. "If the legislators choose to ignore this overwhelming mandate then we have no choice but to replace them with people who will listen." said Smedley.

Smedley also noted that the moratorium bills also call for an independent review of the economic impacts of massive scale hog production on individual counties; that is, do the benefits outweigh the costs to the public in accommodating these facilities, especially since they are taxed as farms and not as industrial factories?

For more information contact Cliff Smedley at 316-492-1329 or Lee Messenger at 316-276-8217.



February 20, 1998

Kansas House Agriculture Committee Members
Room 423S
State Capitol
Topeka, Kansas 66612

Dear Members of the House Agriculture Committee:

The state of Kansas has always been important to Seaboard Corporation dating back to the 1920's, when we purchased a flour milling company in Topeka. Since then, our Company has implemented a program of developing and expanding businesses around the world that are involved in agriculture and that provide for sustainable opportunities over the long term. Our headquarters in Merriam, Kansas is the base for a diverse enterprise that today includes activities in poultry production and processing, commodity merchandising and transportation, flour milling, pork production and processing, feedmilling and baking.

In 1994, Seaboard Farms began developing a pork production and processing operation which includes a state-of-the-art processing plant and live production facilities utilizing the most technologically advanced and environmentally sound systems in the industry. Today, the plant, located in Guymon, Oklahoma, processes over 4 million hogs annually. These hogs are sourced from independent producers and our own farms located in the High Plains of Kansas, Oklahoma, Colorado and Texas. During 1997, Seaboard purchased over 400,000 head from Kansas producers in the open market. Our objectives in building this business in the Southwest were based upon the regional strengths of grain production and agribusiness based economies where we could utilize the natural resources of the area. Sustainable agricultural based operations continues to be the key component of our successful strategy.

Our development efforts provide enormous benefits to the people of Kansas. Grain farmers benefit by the higher local demand for their grain. They also benefit by utilizing the organic manure produced from our swine operations for use as fertilizer on their crops, thus lowering their commercial fertilizer costs. Feeding this grain to the swine translates into a higher-value consumer product and thus results in more wealth in the rural communities where the animals are raised. This wealth creates more opportunities for all citizens in rural Kansas communities.

Specifically, the partnerships among Seaboard Farms, grain farmers and rural Kansas communities has fostered the following benefits:

- * Employment of over 775 people, including management, sales, feedmill, clerical and swine production positions.
- * A 1997 Kansas payroll of \$22 million.

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- * Seaboard Farms utilized 18.3 million bushels of corn and milo during 1997, of which 75% was sourced from Kansas.
- * During 1996 and 1997, Seaboard purchases of goods and services from Kansas merchants totaled over \$55 million, excluding grain and swine purchases.
- * Seaboard Farms paid \$808,000 in Kansas property taxes during 1997. Our estimated property taxes for 1998 are projected to exceed \$850,000.
- * In 1997, Seaboard Farms purchased over 400,000 hogs from Kansas producers. We project that this number will exceed 500,000 in 1998.

Based on our success to date, we are continuing to expand our pork production and processing business and, in addition to locations in other states, we are looking at Great Bend and Garden City as potential sites for a new pork processing plant. The facility will be similar to our plant in Guymon, which cost \$110 million, has over 450,000 square feet, employs 2,400 people and processes over 4 million head annually. We would expect that a large portion of the swine produced would involve a high percentage of contract production by local Kansas farmers. These swine production facilities would be the most technologically advanced and environmentally sound operations in the industry - exceeding KDHE standards. Since much of the dialogue on swine production has focused on environmental matters, I have attached a copy of Seaboard's Environmental Awareness Program for your evaluation. This program exceeds the Kansas requirements and should serve to fully protect our water and environment. The live production facilities would in turn employ more than 800 people and would include two new feedmilling operations which would require more than 20 million bushels of Kansas produced corn/milo annually.

The incremental benefits of this proposed project to the State of Kansas and rural areas are significant and include the following:

- * Employment of over 3,200 people in both the plant and live production operations with a gross payroll exceeding \$75 million annually.
- * Purchases of over 20 million bushels of corn and milo and about 175,000 tons of soybean meal per year, primarily from Kansas.
- * Involvement of local Kansas farmers in new swine operations as either contract facility owner/operators or by partnerships with Seaboard to receive swine effluent/fertilizer.

- * Improved grain prices as a result of increased local demand.
- * Better market access and prices for Kansas swine producers.
- * Further development of "value-added" business to sustain long-term benefits for agriculture in Kansas (conversion of grain to meat).
- * Provide opportunities for Kansas youth to stay "home" or return home and have a financially rewarding career.
- * Significant increase in assessed valuation for communities with the addition of approximately \$3.5 million of annual property taxes.

We understand the concerns of many interested groups in a safe, clean environment. We share those concerns. Members of communities who support us also share those concerns. Studies to date have shown that current Kansas environmental standards are adequate. Furthermore, current design and construction standards provide environmental protection which exceeds standards. Reasonable environmental regulations will be accepted by all Kansans. Let us also recognize, however, the economic interdependence among grain farmers, animal agriculture, rural communities, and eventually, the entire state of Kansas. A moratorium does not recognize that interdependence. We therefore urge you to oppose a moratorium.

Sincerely,



Steve Lathan
Director, Development and Environmental Affairs

Enclosure

Seaboard Farms Environmental Awareness Program Summary

SETBACKS AND ODOR ABATEMENT

- ◆ Effluent holding lagoons will be set back as far as possible from the nearest residence, but in no case closer than 1 mile.
- ◆ Effluent holding lagoons located between 1 and 1.25 miles from nearby residences shall be covered to reduce odors.
- ◆ All buildings and effluent holding lagoons will be set back over 3 miles from incorporated towns and state parks.

EFFLUENT HOLDING LAGOONS

- ◆ All effluent holding lagoons will be lined with 40 mil high density plastic on top of a compacted soil liner which meets or exceeds Kansas seepage standards. Seaboard will perform in-place testing of soil liner to assure as built performance.
- ◆ Bottoms of effluent holding lagoons will be a minimum of 10 feet from the static groundwater table.
- ◆ Effluent water will be recycled in the facilities to minimize fresh water requirements.

LAND APPLICATION PROCESS

- ◆ Soil fertility testing performed prior to each land application event to balance agronomic requirements of cropping rotation.
- ◆ Continuous supervision of land application process at all times for added control and environmental assurance. No land applications in wet or frozen soil conditions.
- ◆ Water quality monitoring two times per year for chemical composition for life of facility.
- ◆ Chemigation valves, gate valves and auto shut-offs used for groundwater safety.
- ◆ All land application personnel must be trained and state certified.

PERMITTING AND REGULATORY OVERSIGHT

- ◆ All facilities are designed and tested by state certified engineers and permitted with the Kansas Department of Health and Environment (KDHE) regardless of size.
- ◆ Facilities are audited annually by independent engineers for lagoon integrity and compliance with regulatory provisions.
- ◆ Regular inspection performed by KDHE for compliance with rules.

OTHER

- ◆ No burial of dead animals--disposed of at rendering facilities.
- ◆ Participation with numerous state universities and research firms to develop odor control technologies and solutions.

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To: House Agriculture Committee

From: Kansas Agricultural Aviation Association
Kansas Corn Growers Association
Kansas Fertilizer and Chemical Association
Kansas Grain Sorghum Producers
Kansas Seed Improvement Association
Kansas Vocational Agriculture Teachers
Association
Kansas Cooperative Council

Kansas Association of Wheat Growers
Kansas Dairy Association
Kansas Grain and Feed Association
Kansas Livestock Association
Kansas Veterinary Medical Association
Dairy Farmers of America, Inc.

We, the above named organizations, are statewide agricultural associations representing farmers, ranchers, agribusiness suppliers and professionals in the state of Kansas. We strongly urge you to oppose any attempts to place a moratorium on new or expanding confined animal feeding operations.

As you well know, agriculture is the largest industry in the state of Kansas. A strong and healthy industry depends on its ability to grow within the framework of sensible regulation and freedom from government interference in private business and economic decisions. A moratorium imposed on farmers and ranchers with confined feeding facilities will stifle, if not reverse, growth in the production of food animals. The effects will not be localized to livestock producers. The ripples will flow outward and cause devastating effects among producers of grain and other supplies and services. The moratorium will, therefore, damage not only producers engaged in confined feeding, but all farmers and ranchers.

The proponents of a moratorium make the argument that confined animal feeding facilities pose a threat to the water quality of the state. The record clearly shows that Kansas' farmers and ranchers are sensitive to environmental concerns and KDHE data show that current regulation of confined animal feeding operations has been adequate to protect the water quality of the state. Further, research on livestock waste lagoons by Kansas State University provides characterization and clear scientific evidence of the impact on the Kansas environment. There is no reason to think that a moratorium on new or expanded facilities will greatly increase the margin of safety afforded by current regulations and, in fact, there is every reason to believe that a moratorium will stifle further research and progress in the management of livestock waste.

The members of the above organizations strongly urge you to oppose any moratorium on the construction or expansion of confined animal feeding facilities. Your opposition to a moratorium will signal to Kansas farmers and ranchers your support for the continued strength of Kansas' largest industry.

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