

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairperson Joann Flower at 9:00 a.m. on March 5, 1998, in Room 423-S of the Capitol.

All members were present except: Representative Neufeld - absent
Representative Schwartz - absent

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

Conferees appearing before the committee:

Bill Fuller, Associate Director, Public Affairs Division, Kansas Farm Bureau
Mike Beam, Executive Secretary, Cow-Calf/Stocker Division, Kansas Livestock Association
Joe Lieber, Executive Vice President, Kansas Cooperative Council
Dr. Fadi Aramouni, Extension Specialist in Food Systems, Department of Animal Science and Industry, Kansas State University (written only)

Others attending: See attached list

Chairperson Flower asked committee members to review the minutes of February 24. If there were corrections or additions, members were asked to contact the committee secretary before 5:00 p.m. or they will stand approved as presented.

Hearing on SB 505 - Repealing the sunset provisions of the Agriculture Products Development Division in the Department of Commerce and Housing

Chairperson Flower opened the hearing on **SB 505** and asked Raney Gilliland, Legislative Research Department, to review the bill for the committee. Mr. Gilliland reported that when the 1996 Legislature transferred the powers, duties, and responsibilities for agriculture marketing from the Marketing Division in the Department of Agriculture to the Agriculture Products Development Division in the Department of Commerce and Housing, there was a provision to sunset the division in the Department of Commerce and Housing on July 1, 1998, unless action was taken by the 1998 Legislature. He explained that if this bill is passed there will no longer be a sunset provision, however, the Agriculture Products Development Division would still report annually to the Agriculture Committees of the Legislature.

Patty Clark, Director, Agriculture Products Development Division, Department of Commerce and Housing, told the committee that moving agriculture marketing to the Department of Commerce and Housing was a good decision. She said the new agriculture marketing structure within the Department of Commerce and Housing is working, and pledged to continue efforts to raise the awareness of the importance of agriculture to the economy of Kansas. She reported that the move had been a complete success in terms of cooperation and collaboration with other divisions within the Department of Commerce and Housing.

Bill Fuller, Associate Director, Public Affairs Division, Kansas Farm Bureau, appeared in support of **SB 505** to remove the sunset provision that would abolish the Agriculture Products Development Division. He reported that Kansas Farm Bureau policy supports continuation of the state agricultural marketing program and urges adequate funding for it. He said that an enhanced agricultural marketing program would not only increase the incomes of agricultural producers, but would contribute to the continuation of a strong and growing Kansas economy. (Attachment 1)

Mike Beam, Executive Secretary, Cow-Calf/Stocker Division, Kansas Livestock Association, testified in support of **SB 505** to repeal the sunset provision that would abolish the Agriculture Products Development Division. He reported that the Kansas Livestock Association believes the agriculture marketing structure, created two years ago by the Kansas Legislature, has had a smooth transition and deserves to continue on a permanent basis. (Attachment 2)

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE, Room 423-S Statehouse, at 9:00 a.m. on March 5, 1998.

Joe Lieber, Executive Vice President, Kansas Cooperative Council, appeared in support of **SB 505**. Although the Kansas Cooperative Council does not have a position on this bill, he expressed his belief that the new Agriculture Products Development Division is doing an excellent job and would like to see the sunset provision removed.

Dr. Fadi Aramouni, Extension Specialist in Food Systems, Department of Animal Sciences and Industry, Kansas State University, provided written support for the Agriculture Products Development Division, Department of Commerce and Housing, and the Agriculture Value-Added Center. (Attachment3)

This concluded the hearing on **SB 505**.

The meeting adjourned at 9:30 a.m. The next meeting is scheduled for March 10, 1998.



PUBLIC POLICY STATEMENT

HOUSE COMMITTEE ON AGRICULTURE

SB 505 – Continuing the Agriculture Products Development Division

March 5, 1998
Topeka, Kansas

Prepared by:
Bill Fuller, Associate Director
Public Affairs Division
Kansas Farm Bureau

Representative Flower and members of the House Committee on Agriculture, my name is Bill Fuller. I am the Associate Director of the Public Affairs Division for Kansas Farm Bureau.

SB 505 removes the "Sunset" provision contained in K.S.A. 1997 Supplement 74-50, 164 that would abolish the Agricultural Products Development Division on July 1, 1998.

Agriculture is the number 1 industry in Kansas. Marketing is essential for the industry's economic well-being. International Trade, Domestic Marketing, the Value-Added Program and the "From the Land of Kansas" trademark program are all important responsibilities within the Agricultural Products Development Division. It is essential that all programs continue to function, in fact we believe they should be enhanced.

The question today is simple! Will the State of Kansas continue to have a marketing program for agricultural products? The answer to the

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March 5, 1998
Attachment 1*

question depends on what action, if any, is taken by the Kansas Legislature! Yes, there will be an agricultural marketing program if the legislature approves a bill to continue the program. No, there will be no agricultural marketing program if there is no legislative action.

We certainly appreciate this opportunity to express Farm Bureau support for SB 505. The 435 Voting Delegates representing the 105 county Farm Bureaus at the 79th Annual Meeting of Kansas Farm Bureau developed and adopted new policy that states, ***“We support continuation of the State Agricultural marketing program, and urge adequate funding for it.”*** (See attachment for complete text of KFB “Marketing of Agricultural Products” resolution.)

We are impressed with the broad range of experience and the commitment to agriculture that has been demonstrated by Patty Clark, the Director of the Agricultural Products Development Division. We also have confidence in the personnel working in the Division.

While significant progress has been accomplished in only a few months with this young program, we have expectations of even more achievements that will benefit the agricultural producers of Kansas. We pledge our support in acquiring the needed resources to develop even more aggressive marketing initiatives. An enhanced agricultural marketing program will not only increase the incomes of our agricultural producers, but will contribute to the continuation of a strong and growing Kansas economy.

Thank you for allowing Kansas Farm Bureau to express support for SB 505. We are available and willing to respond to any questions from the members of the Committee.

Marketing of Agricultural Products

AG-15

Promotion and timely marketing of agricultural commodities and value-added products is vital to producers and very important to the Kansas economy. We support continuation of the state agricultural marketing program, and urge adequate funding for it.



Since 1894

March 5, 1998

To: House Agriculture Committee
Representative Joann Flower, Chairperson

Fr: Mike Beam, Executive Secretary, Cow-Calf/Stocker Division

Re: Support for Senate Bill 505

The Kansas Livestock Association (KLA) supports SB 505. This legislation repeals KSA 1997 Supp. 74-50,164 which is scheduled to sunset eleven sections of law regarding the Agriculture Products Development Division of the Kansas Department of Commerce and Housing. We believe this new structure, created two years ago by the Kansas Legislature, has had a smooth transition and deserves to continue on a more permanent basis.

In recent years, some of our members have relied on the previous Agriculture Marketing Division of the Department of Agriculture and current Agriculture Products Development Division of the Department of Commerce and Housing to facilitate the marketing of breeding cattle to ranchers in Mexico. Our staff and members did not experience any change in service during the past two years when the program was transferred to the Department of Commerce and Housing.

We testified two years ago that it made sense to combine all state marketing programs in one agency. We were also assured that such a move would not de-emphasize agriculture marketing efforts by state officials. To date we can say we are quite satisfied with the efforts by the Department of Commerce, the Director of Marketing, and the staff of the Agriculture Products Development Division.

It would be a mistake, we believe, to allow this program to expire on the scheduled date of July 1, 1998. We urge this committee and the legislature to approve SB 505. Thank you.

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Attachment 2*



February 5, 1998

K-State Research and Extension
Department of Animal Sciences
and Industry
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785-532-5654
Fax: 785-537-5661

The Honorable Joann Flower, Chairwoman - House Agriculture Committee.
The Honorable Steve Morris, Chairman - Senate Agriculture Committee.

My name is Fadi Aramouni and I am an Extension Specialist in Food Systems in the Department of Animal Sciences and Industry at Kansas State University. One of my responsibilities is to provide technical assistance to the Kansas food processing industries, concentrating on product development, food safety, quality assurance, food labeling, and rules and regulations issues.

In 1997, my office received over 895 inquiries and requests for assistance from Kansas food processors relating to these topics. We conducted various physical, chemical, and microbiological analyses on 179 food products for safety and quality evaluations, helped produce 171 Nutrition Facts panels for Kansas companies for their products to comply with the federal Nutrition Labeling and Education Act, and assisted Kansas entrepreneurs and small food companies in placing numerous new products on the market through product and process development.

I also manage the Value-Added Food Product Development Laboratory where many of these activities are performed. This facility operates by joint cooperation among Kansas State University for providing existing space, the Cooperative Extension Service for funding my position and part-time support staff, and the Kansas Department of Commerce and Housing's Agricultural Value Added Center for funding to maintain the space, equip with instrumentation, provide support staff for the laboratory activities, and provide for some operating expenses.

This laboratory is open to Kansas companies and entrepreneurs to test new products and ideas, gain hands-on experience in using commercial equipment, and receive training for safety and quality evaluations of their food products. Dozens of Kansas companies took advantage of this facility last year.

I work closely with other extension specialists on the K-State campus and with extension agents in the state, and I cooperate with other state agencies, especially the Kansas Department of Commerce and Housing - Agricultural Products Development Division.

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Attachment 3*

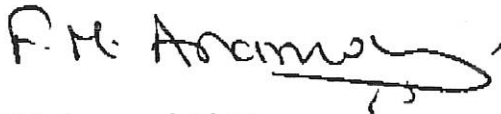
Kansas State University
Agricultural Experiment
Station and Cooperative
Extension Service

*"Knowledge
for Life"*

In addition to the technical assistance aspect of my program and the one-to-one educational effort, I have also helped organize numerous seminars and workshops to address the issues mentioned above, and I have authored a variety of reference materials and fact sheets as part of my extension educational outreach. The Agricultural Products Development Division has worked cooperatively with me on several of these projects, including a Value-Added conference held at KSU in the Spring of 1997 attended by 52 people, and the "Quick Reference Guide for Food Processors", that will go to print next month. The purpose of both activities was to help small food processors in the state of Kansas.

As an Extension professional in a Land Grant University, I am committed to keep providing my services to Kansas citizens, particularly small food processors and entrepreneurs, who have found these services essential to the survival and success of their businesses. The assistance from the Kansas Department of Commerce and Housing's Agricultural Value-Added Center has allowed me to provide those services over the past two years.

Thank you for your time and your consideration.



Fadi M. Aramouni, Ph.D.
Associate Professor, Extension Specialist Food Systems
Department of Animal Science and Industry

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