

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairman Dan Johnson at 3:30 p.m. on March 15, 2000, in Room 423-S of the Capitol.

All members were present except: Representative Flower - excused

Committee staff present: Raney Gilliland, Legislative Research Department
Darrell McNeil, Revisor of Statutes Office
Kay Scarlett, Committee Secretary

Conferees appearing before the committee:
Marvin Spees, Propane Marketers Association of Kansas

Others attending: See attached list

Hearing on SB 640 - Scales; annual inspection.

Chairman Johnson opened the hearing on **SB 640**.

Marvin Spees, Propane Marketers Association of Kansas, testified in support of **SB 640** that would authorize the Secretary of Agriculture to adopt rules and regulations providing for inspection of vapor meters at intervals less frequent than annually as is currently required by statute. He explained that the intent of the bill is to allow the Secretary to make Kansas law conform to the national inspection standard for vapor meters adopted by the National Institute of Standards and Technology. NIST requires vapor meters to be inspected every ten years. He said that not only is an annual inspection unnecessary, presently no one in Kansas is certified to inspect these meters. (Attachment 1)

The hearing on **SB 640** was closed.

Discussion and action on SB 501 - Enacting the agricultural and specialty chemical remediation act.

Chairman Johnson opened discussion on **SB 501**.

Representative Schwartz moved to amend SB 501 as suggested by the Kansas Grain & Feed Association and the Kansas Fertilizer and Chemical Association on page 5, in line 18, by striking "agricultural or" and after "distributors" by inserting "or retailer"; in line 19, by striking "or" and inserting "and."; and on page 7, in line 42, by striking "disinfectant" and inserting "an antimicrobial pesticide as defined by 7 U.S.C. Sec. 136 (mm)." (Attachment 2) Seconded by Representative Feuerborn, the motion carried.

Representative Schwartz then moved to amend SB 501 as requested by the Kansas Department of Health and Environment on page 5, in line 13, after "Kansas" by inserting "agricultural"; and on page 7, in lines 1, 2, 8 and 10, after "Kansas" by inserting "agricultural." (Attachment 3) Seconded by Representative Larkin, the motion carried.

Darrell McNeil, Revisor of Statutes Office, explained technical changes to amend SB 501 on page 4, in line 21, by striking "(a)"; on page 5, in line 24, by striking "(c)" and inserting "(b)"; in line 39, by striking "(d)" and inserting "(c)"; in line 41, by striking "(e)" and inserting "(d)"; and in line 42, by striking "(f)" and inserting "(e)." (Attachment 4) Representative Schwartz moved to make the necessary technical amendments. Seconded by Representative Light, the motion carried.

Representative Light proposed to amend SB 501 on page 11, lines 11 and 27, to clarify that Federal Farm Credit Banks can participate in the Kansas agricultural production loan deposit program. The motion was seconded by Representative Weiland. (Attachment 5) The revisor explained amendments prepared by staff on page 2, line 14, and on page 11, line 11 and 29, to clarify the same issue. (Attachment 6) Derl Treff with the Pooled Money Investment Board didn't believe the amendments were necessary as it is covered under K.S.A. 75-4201 in the statutes. Raney Gilliland proposed that the definitions concerning eligible lending

CONTINUATION SHEET

institutions relating to institutions of the farm credit system in both the remediation section and the production loan section of the bill should be the same. He suggested incorporating the more extensive language in the definition on page 11, lines 24-29, into the definition section on page 1, lines 41-43. Representative Light, with Representative Weiland's consent, withdrew his amendment. Representative Light then moved to adopt the amendment suggested by Mr. Gilliland to make the two definitions identical. Seconded by Representative Weiland, the motion carried.

Representative Larkin, seconded by Representative Faber, moved to make the low interest linked deposit loan program available for grain storage facilities. It was noted by the committee that a sales tax exemption for grain storage construction is being worked in the House Tax Committee and that a federal low interest loan program for grain storage is under consideration. Representative Larkin, with Representative Faber's consent, withdrew his amendment.

Mr. Treff with the Pooled Money Investment Board suggested a conceptual amendment to SB 501 that the interest rate in both sections of the bill shall be recalculated on the first business day of each calendar year using the market rate then in effect. Representative Weiland moved to reset the interest rate each year. Seconded by Representative Schwartz, the motion carried.

Representative Larkin moved to make the activities of both sections of SB 501 subject to review by the Legislative Division of Post Audit. Seconded by Representative Mollenkamp, the motion carried.

Representative Schwartz moved to pass SB 501 as amended. The motion was seconded by Representative O'Brien. The motion carried.

Discussion and action on SB 531 - Revision to the Kansas egg law.

Chairman Johnson opened discussion on SB 531. Representative Freeborn moved to amend SB 531 on page 2, in line 13, by adding the word "ambient" before the word "temperature" as suggested by the Secretary of the Department of Agriculture. Seconded by Representative Schwartz, the motion carried.

Representative Compton moved that SB 531 be passed as amended. Seconded by Representative O'Brien, the motion carried.

Discussion and action on SB 534 - Establishing a center of excellence at KSU for sustainable agriculture; alternative food, fiber and medical crops; and marketing assistance for alternative crops.

Chairman Johnson opened SB 534 for discussion. Raney Gilliland explained the amendment by the Senate Agriculture Committee making the appointment of a coordinator for the center subject to appropriations. He will provide a modified supplemental note reflecting the new fiscal note. Representative Larkin, seconded by Representative Thimesch, moved to pass SB 534. The motion carried.

Discussion and action on SB 532 - Licensing electronic auctions.

Discussion was opened on SB 532. Representative Tedder moved to pass SB 532 favorably. Seconded by Representative Feuerborn, the motion carried.

Discussion and action on SB 533 - Allowing the livestock commissioner to charge on-site inspection and mileage fees for brand inspections.

Chairman Johnson opened discussion on SB 533. Representative Feuerborn moved to amend the definition of "resident owner of cattle" and to repeal the definition for "board" in K.S.A. 47-434 as suggested by the Kansas Livestock Association. It was noted that the Livestock Commissioner concurred with these changes. Seconded by Representative Schwartz, the motion passed.

Representative Feuerborn moved to pass SB 533 as amended. Seconded by Representative Showalter, the motion carried.

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Discussion and action on SB 586 - Reimbursement for warranty work on farm equipment, outdoor power equipment, and lawn and garden equipment.

Chairman Johnson opened **SB 586** for discussion. Representative Thimesch moved to amend SB 586 to include reimbursement for warranty work on household appliances. Seconded by Representative O'Brien, the motion failed.

Representative Aurand moved to table SB 586. Seconded by Representative Light, the motion carried.

Discussion and action on SB 588 - Contracts for farm equipment, outdoor power equipment, and lawn and garden equipment.

Discussion was opened on **SB 588**. Representative Thimesch moved to include household appliances in the buyback provisions of SB 588. Seconded by Representative Larkin, the motion failed.

Representative Schwartz, seconded by Representative O'Brien, moved to pass SB 588. The motion failed.

Discussion and action on HCR 5063 - Concurrent Resolution supporting establishment of a center of excellence in Kansas for the scientific study of medicinal plants.

Chairman Johnson opened **HCR 5063** for discussion. Representative Larkin, seconded by Representative Dahl, moved to adopt HCR 5063. The motion carried.

Discussion and action on SB 640 - Scales; annual inspection.

The Chairman opened discussion on **SB 640**. Representative Larkin moved that SB 640 be passed favorably and because the bill is of a noncontroversial nature be placed on the consent calendar. Seconded by Representative O'Brien, the motion carried.

The meeting adjourned at 5:00 p.m. The next meeting is scheduled for March 20, 2000.

HOUSE AGRICULTURE COMMITTEE GUEST LIST

DATE: March 15, 2000

NAME	REPRESENTING
Steve Keane	PMAK
Marvin Speed	PMAK
Lee Eisenhower	PMAK
Julie Jimison	Ks Grain + Feed Assn.
Doug Warcham	Ks Fert + Chem Assn / Ks Grain + Feed
Chuck Stokes	KBA
Jul Lubin	KS Council
Derl Treff	PmIB
Mary Jane Stattelman	KDA
Constantine Cotsoyadis	KDA
Rick Bean	KDHE
Tom Bruno	Farm Credit System
Jim Graverholz	Farm Credit System
Bruce Graham	KEPG

March 15, 2000

RE: Senate Bill 640

Mister Chairman and members of the Committee:

I am appearing today as a representative of the Propane Marketers Association of Kansas to request your help in passing Senate Bill 640. It has been recently discovered that K.S.A. 83-304(a) which pertains to the inspection of weighing and measuring devices requires an annual inspection regardless of the type of device.

A device known as the "vapor meter," which is similar to the natural gas meter on your home, is required to be inspected every ten years by national standards. Without a change to the statute these meters will have to be inspected every year. Not only is it unnecessary, but presently no one in the state is certified to inspect these devices.

We are proposing the language be added as follows:

(e)The secretary may adopt rules and regulations providing for inspection of vapor meters at intervals less frequent than annually if the secretary determines that annual inspections are not necessary to protect the public interest. In adopting any such rules and regulations, the secretary shall take into consideration the standard for inspections of vapor meters adopted by the national institute of standards and technology of the United States department of commerce.

This change would allow the adoption of the National Institute of Standards and Technology Handbook #44 by the Secretary of Agriculture by rule and regulation which establishes the ten year standard nationwide and allows the Secretary to adopt subsequent versions without statutory change.

Thank you for your consideration of this matter.

Marvin G. Spees

House Agriculture Committee
March 15, 2000
Attachment 1

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

The Committee on Agriculture recommends SB 501, as amended by Senate Committee of the Whole, be amended on page 5, in line 18, by striking "agricultural or" and after "distributors" by inserting "or retailer"; in line 19, by striking "or" and inserting "and";

On page 7, in line 42, by striking "disinfectant" and inserting "an antimicrobial pesticide as defined by 7 U.S.C. Sec. 136(mm)"; and the bill be passed as amended.

_____ Chairperson

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

The Committee on **Agriculture** recommends **SB 501**, as amended by Senate Committee of the Whole, be amended on page 5, in line 13, after "Kansas" by inserting "agricultural";

On page 7, in lines 1, 2, 8 and 10, after "Kansas" by inserting "agricultural"; and the bill be passed as amended.

_____Chairperson

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

The Committee on Agriculture recommends SB 501, as amended by Senate Committee of the Whole, be amended on page 4, in line 21, by striking "(a)";

On page 5, in line 24, by striking "(c)" and inserting "(b)"; in line 39, by striking "(d)" and inserting "(c)"; in line 41, by striking "(e)" and inserting "(d)"; and in line 42, by striking "(f)" and inserting "(e)"; and the bill be passed as amended.

_____Chairperson

1 made pursuant to the provisions of sections 3 through 7, and amendments
 2 thereto, [and agricultural production loan deposits made pursuant
 3 to the provisions of sections 17 through 23, and amendments
 4 thereto,] shall be at zero percent interest rate an interest rate which
 5 is 2% less than the market rate determined under this section.

6 [New Section 17. The provisions of sections 17 through 23, and
 7 amendments thereto, shall be known and may be cited as the Kansas
 8 agricultural production loan deposit program.

9 New Sec. 18. As used in sections 17 through 23, and amend-
 10 ments thereto: (a) "Agricultural production loan deposit" means an
 11 investment account placed by the director of investments under the
 12 provisions of article 42 of chapter 75 of the Kansas Statutes Anno-
 13 tated, and amendments thereto, with an eligible lending institution
 14 for the purpose of carrying out the intent of sections 17 through 23,
 15 and amendments thereto;

16 (b) "agricultural production loan deposit loan package" means
 17 the forms provided by the state treasurer for the purpose of apply-
 18 ing for an agricultural production loan deposit;

19 (c) "eligible lending institution" means:

20 (1) A bank, as defined under K.S.A. 75-4201, and amendments
 21 thereto, that agrees to participate in the Kansas agricultural pro-
 22 duction loan deposit program and is eligible to be a depository of
 23 state funds; or

24 (2) an institution of the farm credit system organized under the
 25 federal farm credit act of 1971 (12 U.S.C. 2001), as amended, that
 26 agrees to participate in the Kansas agricultural production loan
 27 deposit program and provides securities ~~accepted by~~ acceptable to
 28 the pooled money investment board pursuant to article 42 of chapter 75 of the
 29 Kansas Statutes Annotated, and amendments thereto; and

30 (d) "eligible agricultural borrower" means any individual, lim-
 31 ited liability agricultural company, limited agricultural partner-
 32 ship or family farm corporation as defined in K.S.A. 17-5903 and
 33 amendments thereto involved in farming.

34 New Sec. 19. (a) The state treasurer is hereby authorized to
 35 administer the Kansas agricultural production loan deposit pro-
 36 gram. Such program shall be for the purpose of providing incentives
 37 for the making of agricultural production loans. The state treasurer
 38 shall promulgate rules and regulations to carry out the provisions
 39 of this act.

40 (b) The state treasurer shall submit an annual report outlining
 41 the status of the program to the governor and the legislature.

42 New Sec. 20. (a) The state treasurer is hereby authorized to
 43 disseminate information and to provide agricultural production

including an investment in bonds, notes, debentures or
 other obligations or securities issued by the Federal
 Farm Credit Banks,

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

The Committee on Agriculture recommends SB 501, as amended by Senate Committee of the Whole, be amended on page 2, in line 14, after "institution" by inserting "including an investment in bonds, notes, debentures or other obligations or securities issued by the federal farm credit banks";

On page 11, in line 11, after "account" by inserting ", including an investment in bonds, notes, debentures or other obligations or securities issued by the federal farm credit banks,"; in line 29, after "thereto" by inserting ", including an investment in bonds, notes, debentures or other obligations or securities issued by the federal farm credit banks"; and the bill be passed as amended.

Chairperson