

Approved: January 30, 2001
Date

MINUTES OF THE SENATE AGRICULTURE COMMITTEE.

The meeting was called to order by Chairperson Derek Schmidt at 8:30 a.m. on January 23, 2001 in Room 423-S of the Capitol.

All members were present except: Senator Downey (excused)
Senator Lee (excused)

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

Conferees appearing before the committee:
Rebecca Reed, Special Assistant to the Secretary of Agriculture
Greg A. Foley, Assistant Secretary of Agriculture
Frances Kastner, Kansas Food Dealers Association

Others attending: See attached list

Upon motion by Senator Huelskamp, seconded by Senator Tyson, the Minutes of the January 16 and January 17 meetings were unanimously approved.

Senator Morris moved, seconded by Senator Huelskamp that a Resolution be introduced which conceptually requests the Bush administration to withdraw several environmental regulations proposed by the Clinton administration, including a rule proposing to regulate farm ponds in Kansas and to permanently withdraw the proposed water-quality regulations. The voice vote was unanimous in favor of the motion.

Senator Morris moved, seconded by Senator Corbin, a bill be introduced as a Committee bill, reducing the pesticide retail fee under certain conditions to \$25.00. The voice vote was unanimous in favor of the motion.

SB 60 - Repealing the statute requiring the statistics division of the department of agriculture to work with county appraisers to collect agriculture data from producers.

Rebecca Reed, Special Assistant to the Secretary of Agriculture, testified that **SB 60** repeals the requirement that the Statistics Division of the Kansas Department of Agriculture work with county appraisers statewide to collect agricultural data from all producers within each county. The state property tax code has changed dramatically since 1978 when the provision was passed, and this method of data collection has become ineffective in accomplishing the original goal of identifying new producers. Ms. Reed stated survey forms are mailed to producers and collected by the county appraisers which returns are returned to the Agriculture Statistics Division for processing. The information is used to update the Kansas agriculture producer database and to provide county-level data for Kansas Farm Facts, an annual publication of the Agriculture Statistics Division. Of the 50,000 to 60,000 farms in Kansas approximately 16,000 responses are received by the Division. (Attachment 1)

In order to maintain the statistical information, the Statistics Division plans to expand its end-of-year mailings from about 6,000 to 7,000 to around 10,000 to 12,000. This mailing, together with the current mailings and data collection, will result in more abundant data and financial resources will be reallocated to provide for follow-up telephone calls on surveys not returned.

Ms. Reed, in response to questioning from the Committee, stated the county appraisers are in favor of the proposed legislation and will provide the Committee with a letter verifying their position.

CONTINUATION SHEET

SB 61 - Kansas meat and poultry inspection act; defining wholesaler, distributor and public warehouseman and requiring such persons to be registered

Greg A. Foley, Assistant Secretary of Agriculture, testified in favor of **SB 61**. Mr. Foley stated the inspection program and the state's small meat processors have been challenged to improve sanitation in plants to maintain the state "equal to" federal status and approval from the USDA. Recent review earned the program plaudits from federal reviewers and a laudable category II. The state's fully inspected plants developed and put into effect new Hazard Analysis and Critical Control Point (HACCP) plans as of January 2000. Federal legislation is presently pending that allows interstate shipment of state-inspected meat and poultry. (Attachment 2)

SB 61 amends the definitions of "Wholesaler", "Distributor", and "Public warehouseman" to clarify which entities are required to register and defines their categories. KDA anticipates an industry move toward value-added products and the proposed changes will allow the Meat and Poultry Inspection Program to address such changes. These amendments provide the inspection program authority to monitor meats that enter the food supply, and to ensure that each registrant complies with existing laws and regulations, in order to provide a wholesome product to Kansas consumers.

SB 61 modifies the fee statute to include wholesaler, distributor, and public warehouseman. Mr. Foley stated there are currently 153 distributors, wholesalers and warehouses registered with the Secretary of Agriculture and the \$50 assessment is projected to generate \$7,650 which will defray some of the costs to inspect these facilities. The registration fee was inadvertently omitted from a previous revision of the act.

Frances Kastner, Kansas Food Dealers Association, testified in opposition to **SB 61**, stating the registration fee is another cost that must be borne by the food dealers. The food dealers are the persons bearing the increased cost for all the regulations.

A Memorandum from Tracy Streeter, Executive Director, State Conservation Commission, relating to TMDL high priority areas, was distributed to members of the Committee. (Attachment 3)

The meeting adjourned at 9:30 a.m.

The next meeting is scheduled for January 24, 2001.

BILL GRAVES, GOVERNOR

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KANSAS DEPARTMENT OF AGRICULTURE

House Agriculture Committee

January 24, 2001

Testimony Regarding SB 60

Rebecca Reed, Special Assistant to the Secretary of Agriculture

Good afternoon Chairman Johnson and members of the House Agriculture Committee. I am Rebecca Reed, Special Assistant to the Secretary of the Kansas Department of Agriculture.

Current law (K.S.A. 74-504d) requires the Statistics Division of the Kansas Department of Agriculture to work with county appraisers statewide to collect agricultural data from all producers within each county. Due to changes in the state property tax code, this method of data collection has become ineffective in accomplishing the original goal of identifying new producers, and it has become a burden to our county appraisers.

When the 1978 legislature passed this provision, producers were required to provide, for tax purposes, information on all agriculture machinery, livestock and production on hand. It was common for an individual to go to the county appraiser's office to provide this information, at which time the producer's name and address would be recorded. A change made to the tax law in 1989 exempted all farm machinery, equipment, livestock and production, so the routine visit to the county appraiser's office to fill out forms is no longer practiced. To comply with current law, however, the Statistics Division still supplies each county appraiser with survey forms and mailing labels for all known producers within that appraiser's county. The survey forms are mailed to producers and collected by the appraiser, who returns them to the Agriculture Statistics Division to be processed. The information is then used to update the Kansas agriculture producer database and to provide county-level data for Kansas Farm Facts, an annual publication of the

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Attachment # *1-1 thru 1-2*

Agriculture Statistics Division. Out of the 50,000 to 60,000 farms in Kansas, this method garners approximately 16,000 responses.

To offset the loss of data caused by a repeal of K.S.A. 74-504d, the Agriculture Statistics Division will expand some of its end-of-year mailings from about 6,000 to 7,000 to around 10,000 to 12,000. The Agriculture Statistics Division currently mails two end-of-year acreage and production surveys. One is conducted in August and September and the other one in November and December. The Division also sends special criteria mailings to producers who have not been selected recently on any of the Division's sample surveys. In addition to these surveys, the Agriculture Statistics Division now collects information for the five-year United States Census of Agriculture, a function it assumed after being designated the state office of the National Agricultural Statistics Service in 1997.

Expanding the end-of-year surveys, and supplementing the data collected from them with the five-year census data, will result in more abundant data, and resources will be allocated to provide for follow-up telephone calls on surveys not returned, a practice that currently is not employed due to insufficient resources.

I ask you to repeal of the current statute K.S.A. 74-504d. Thank you for your interest. I am happy to answer any questions you may have.

STATE OF KANSAS

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KANSAS DEPARTMENT OF AGRICULTURE
Senate Agriculture Committee

January 23, 2001

Testimony Regarding SB 61

Greg A. Foley, Assistant Secretary of Agriculture

Chairman Schmidt and members of the committee, I am Greg Foley, Assistant Secretary of Agriculture. As you know, the state Meat and Poultry Inspection Program is one of 12 front-line programs within the Kansas Department of Agriculture (KDA).

Brief History

In 1906, Congress passed the Wholesome Meat Act, mandating that all meat destined for interstate commerce or export be inspected by USDA. The Federal Meat Inspection Act of 1967 and the Poultry Products Inspection Act of 1968 resulted in significant changes in meat and poultry inspection, including the required inspection of all meat and poultry products entering either **intrastate** or **interstate** commerce. Individual state programs are required to be at least equal to federal inspection standards, and the federal government provides up to 50% of funding for each state that maintains an "equal to" program. In FY 2001, it is estimated that KDA will receive \$1,382,279 in USDA funding to support the Kansas Meat and Poultry Inspection Program.

The Kansas Legislature enacted the Kansas Meat and Poultry Inspection Act in 1969, placing the program authority under the Kansas Department of Agriculture. The Kansas act (K.S.A. 65-6a18 et seq.) assigns to the program the responsibility to provide antemortem and postmortem inspection of all cattle, sheep, swine, American bison, rabbits, goats, horses, mules, other equine, and poultry slaughtered for human consumption. The act also provides regulatory oversight in the processing of meat and poultry products by establishing standards of identity for certain products, and other requirements relating to sanitation and labeling. The act also allows an individual to slaughter and process, without inspection, animals of his or her own raising for the exclusive consumption by the family, nonpaying guests and employees of that individual's household.

Since its inception in 1969, the act has been amended several times. A structured schedule assessing registration fees was established in 1986. In 1990, amendments were enacted to provide for reinstatement fees and the prorating of registration fees. Civil penalty authority was granted in 1991. When the meat industry expanded to include innovative alternative meat selections, the act was amended to provided for their inspection (elk and domesticated deer in 1993 and ratites (ostriches, emus, rheas, etc.) in 1994).

Meat and Poultry Inspection Program

The state licenses small, local meat processors, often referred to as locker plants, while most large slaughter plants are federally inspected. Licensing entails inspection on slaughter da

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ongoing processing of meat products for sale to consumers. Program staff also inspect establishments to ensure sanitary conditions are maintained, they provide sanitary and labeling information and they investigate complaints about the sale of meat and poultry in Kansas.

In recent years, the inspection program and the state's small meat processors have been challenged to improve sanitation in plants to maintain the state's "equal to" federal status and approval from the USDA. The most recent review earned the program plaudits from federal reviewers and a laudable category II (acceptable with minor variations) rating. As of January 2000, the state's fully inspected plants developed and put into effect new HACCP plans. Department staff and plants alike are watching federal legislation that will allow interstate shipment of state-inspected meat and poultry in 2001. However, no action has been taken by Congress.

Requested Changes

KDA would like to address two areas of current statute:

Addition of Definitions (K.S.A. 65-6a18):

(ee) "Wholesaler" means any person engaged in the distribution of inspected and passed meat, meat products, poultry or poultry products between the manufacturer and the retailer. Wholesalers may not sell products directly to consumers, and do not further process or repackage product.

(ff) "Distributor" means any person engaged in the distribution of inspected and passed meat, meat products, poultry or poultry products either between the manufacturer and retailer, or directly from manufacturer to consumer. Distribution does not include further processing or repackaging product. Distributors may sell individually packaged product bearing complete consumer labels.

(gg) "Public warehouseman" means any person engaged in the business of storing for commerce any meat, meat product, poultry or poultry product without assuming ownership of the product in storage.

Amending the statute to include these definitions will clarify which entities are required to register and into which category they fall. KDA anticipates an industry move toward more value-added products and these changes will allow the Meat and Poultry Inspection Program to address these changes. The program will have the authority it needs to monitor meats that enter the food supply, and to ensure that each registrant complies with existing laws and regulations and, in turn, provides a wholesome product to Kansas consumers.

Modification of the Fee Statute to include Wholesaler, Distributor, and Public Warehouseman (65-6a34(c)(1)):

(1) An annual registration fee of \$50 shall be charged for the registration of each meat broker, wholesaler, distributor, public warehouseman, poultry product broker, animal food manufacturer, seasonal poultry packing or dressing plant, state-owned slaughter or processing facility operated in conjunction with education and research and located at institutions under the jurisdiction of the state board of regents, or slaughter or processing facility operated in conjunction with education and research and located at a public secondary school, and each such registration shall expire on December 31 of each year.

Currently there are 153 distributors, wholesalers and warehouses registered with the Secretary, and the \$50 assessment will generate \$7,650 to help defray some of the costs to inspect these facilities, which we currently inspect without charge. Our compliance officers spend untold time locating some registrants only to be told they have not conducted business for years, yet remain registered because it is free. Also, the registration fee was inadvertently left out of a previous revision of the act.



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Memorandum

To: Senate Agriculture Committee

From: Tracy Streeter, Executive Director

Date: January 22, 2001

Re: TMDL High Priority Areas

As a follow up to last week's discussion on TMDL's, I have attached two maps to add to your collection of TMDL information. One map illustrates the high priority areas in the Upper Arkansas, Lower Arkansas and Cimarron River Basins and the other illustrates those in the Kansas - Lower Republican River Basin.

If I can be of further assistance, please let me know.

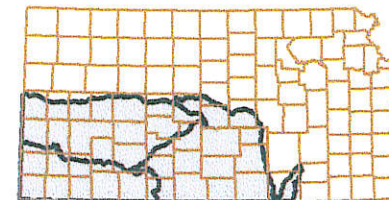
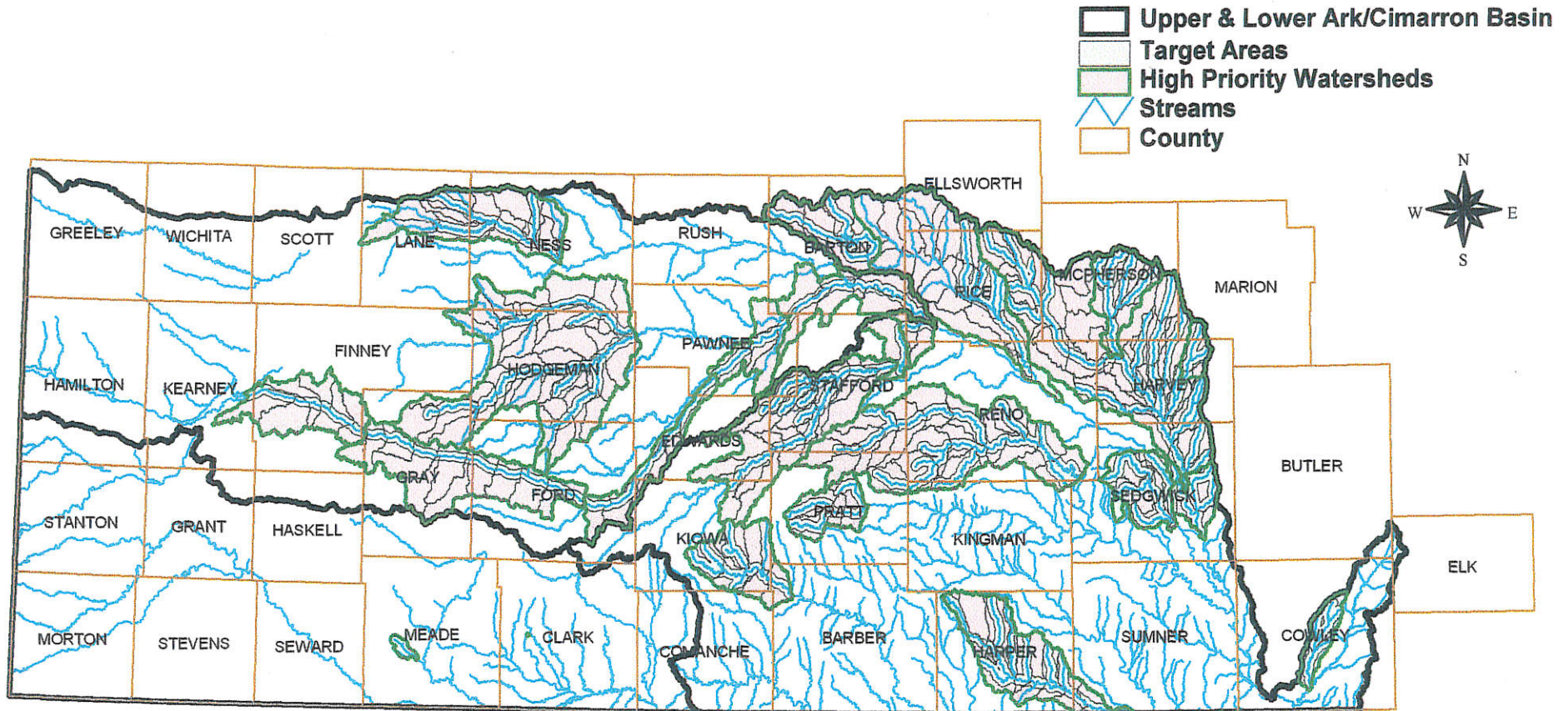
Attachment

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Attachment # 3.1 thru 3-3

Upper & Lower Arkansas and Cimarron Basins High Priority TMDL Watersheds and Target Areas



Kansas/Lower Republican Basins High Priority Watersheds: Summary

