

MINUTES OF THE HOUSE COMMITTEE ON ENVIRONMENT.

The meeting was called to order by Chairperson Representative Joann Freeborn at 3:30 p.m. on March 20, 2003 in Room 231-N of the Capitol.

All members were present except: Representative Ted Powers - excused
Representative Bill Light - excused
Representative Donald Betts - excused

Committee staff present: Raney Gilliland, Legislative Research
Mary Torrence, Revisor of Statutes
Mary Ann Graham, Secretary

Conferees appearing before the committee: Professor Art Barnaby, Agricultural Economics Department, Kansas State University, Manhattan, KS 66506
Rebecca Davis, Director of the Topeka Regional Office, Risk Management Agency, United States Department of Agriculture, 3401 SW Van Buren, Topeka, KS 66611
Secretary Adrian Polansky, Kansas Department of Agriculture, 109 SW 9th Street, Topeka, KS 66612-2180
Janet McPherson, Assistant Director, KFB Governmental Relations, Kansas Farm Bureau, 2627 KFB Plaza, Manhattan, KS 66503-8508
Hank Ernst, Kansas Water Office, 901 SW Kansas Avenue, Topeka, KS 66612-1249
Representative John Faber, District 120
Steve Kearney, Southwest Kansas Irrigation Association, 922 W. Oklahoma, Ulysses, KS 67880

Others attending: See attached sheet

Chairperson Joann Freeborn called the meeting to order at 3:30 p.m. She welcomed twenty members of the Kansas Environmental Leadership Program (KELP) group in attendance today. They are visiting the Capitol today and attended the committee meeting to learn more about environmental issues and the political process.

The Chairperson announced that today's committee meeting could possibly be the final one of the session. If there is further business to discuss she may schedule a meeting at the rail.

The Chairperson brought the committee's attention to minutes for meetings of February 11, 13, and 18, that had been distributed in the last committee meeting for members to review. She asked if anyone wished to make a motion to approve or disapprove.

Rep. Gary Hayzlett made a motion the minutes for February 11, 13, and 18, be approved. Rep. Tom Sloan seconded the motion. Motion carried.

Chairperson Freeborn opened **SB155** for discussion and possible action.

SB155: Concerning waste tire accumulations.

Mary Torrence, Revisor of Statutes, distributed a corrected balloon to the bill. She reviewed the changes that had been made. (See attachment 1)

Rep. Dan Johnson made a motion to adopt the corrected balloon. Rep. Lee Tafanelli seconded the motion. Motion carried.

Mary Torrence, Revisor of Statutes, had made technical changes to the balloon.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON ENVIRONMENT at 3:30 p.m. on March 20, 2003 in Room 231-N of the Capitol.

Rep. Tom Sloan made a motion the technical language made by the Revisor of Statutes be adopted. Rep. Joshua Svaty seconded the motion. Motion carried.

Rep. Tom Sloan made a motion SB155 be passed as amended. Rep. Larry Powell seconded the motion. Motion carried. Rep. Larry Powell will carry the bill on the House Floor.

Chairperson Freeborn opened hearing on **HCR5019**.

HCR5019: Urging the Risk Management Agency of the United States Department of Agriculture to assure that crop insurance policies do not require irrigation after crop failure has occurred.

The Chairperson welcomed Professor Art Barnaby, Agricultural Economics Department, Kansas State University. Professor Barnaby briefed the committee on the crop insurance program relating to Kansas farmers. Farmers who use their water allotment before the crop is mature because of drought conditions are not required to continue irrigation for insurance purposes.

Rebecca Davis, Director of the Topeka Regional Office for the Risk Management Agency of the United States Department of Agriculture, was welcomed to the committee. She provided information concerning crop insurance, which is a vital part of the Kansas agricultural community. In 2002, the Risk Management Agency (RMA) provided Kansas farmers over \$1.6 billion in protection through more than 129,000 policies covering 16.0 million acres of crops. In 2002, nearly \$445 million in losses were paid to producers. This is more than any other state in the nation. (See attachment 2)

Committee discussion followed.

The Chairperson welcomed Adrian Polansky, Secretary of the Kansas Department of Agriculture. He provided testimony in support of the resolution. Last summer the Department learned that some western Kansas farmers with failed, insured crops were told to keep irrigating until an adjuster could view the field. The high volume of claims made during and after wheat harvest caused adjusters to run several weeks behind schedule. Many producers were near their water appropriation limits and they did not want to over pump or waste water, especially when it was clearly too late for their crops to survive. Staff from the Department's division of water resources met with Risk Management Agency staff to explain that their directives were placing producers in violation of the Kansas Water Appropriation Act and wasting a precious natural resource. This month, staff again discussed this issue with staff from the Risk Management Agency and the Kansas Water Office, and with KSU Extension agronomists. Their plan is to help keep insurance companies up to date on drought conditions so they are prepared to make more timely crop assessments. (See attachment 3)

Janet McPherson, Kansas Farm Bureau, was welcomed to the committee. She testified in support of the resolution. American Farm Bureau Federation policy regarding crop insurance is expansive, and their members value crop insurance as a risk management tool in their operations. Kansas Farm Bureau supports the language and intent of the resolution and appreciates the committee's interest in this issue. (See attachment 4)

Hank Ernst, Kansas Water Office (KWO), was welcomed to the committee. He testified in support of the resolution. The Kansas Water Office is responsible for monitoring drought conditions in the state of Kansas and keeping the Governor and the Governor's Drought Response team apprised of those conditions. In addition, it is the KWO's responsibility to promote the goals and objectives of the Kansas Water Plan related to conservation and management of water. To help prevent unwarranted watering for insurance purposes this year, the Kansas Department of Agriculture and the KWO met March 6 with the Risk Management Agency. At the meeting, it was agreed that the Water Office, working in concert with the Kansas Department of Agriculture, the Kansas State University Extension agronomists and the Risk Management Agency, will provide an update on potential drought issues. In this way, insurance companies will be alerted to circumstances that could require fielding additional adjusters. (See attachment 5)

Chairperson Freeborn recognized Rep. John Faber. Rep. Faber introduced this resolution on March 11, 2003.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON ENVIRONMENT at 3:30 p.m. on March 20, 2003 in Room 231-N of the Capitol.

He thanked the committee for the opportunity to present this resolution. He believes water is a concern to the state both for conservation and beneficial use. As the irrigation industry moves towards more efficient use of water in order to conserve as much as possible for future generations, we must encourage the federal government to also help in the conservation of water. It makes no sense for an industry in Western Kansas to waste both water and fuel on a crop that for all practical purposes is lost for any economic good and at the same time has to continue to spend \$3000/month in order to collect crop insurance. It would be one thing to pre-irrigate this land and there would not be as much waste. But the plants that are there are still utilizing water with no possibility of improving the yield. (See attachment 6)

The Chairperson welcomed Steve Kearney to the committee. He presented testimony on behalf Kirk Heger, Southwest Kansas Irrigation Association, in support of the resolution. Which, they feel is a very timely and necessary resolution. Many irrigated crops experienced a very negative situation in the growing season of 2002. This growing season was very unforgiving. Much of the crop was severely stressed early and even with full irrigation it was not able to fully recover. In most cases the crops were timely appraised by representatives of insurance companies. At the time of appraisal a decision must be made either to abandon the crop and accept the appraisal or continue normal production practices and take the crop to harvest and use the harvested production as the appraisal. (See attachment 7) Committee discussion followed.

Written only was submitted by Greg Krissek, Director of Operations, Kansas Corn Growers Association, in support of the resolution. (See attachment 8)

The Chairperson recognized Rep. Sharon Schwartz. She explained a proposed amendment to the resolution. (See attachment 9)

Rep. Sharon Schwartz made a motion to adopt the proposed amendment (See attachment 9). Rep. Gary Hayzlett seconded the motion. Motion carried.

Rep. Gary Hayzlett made a motion the resolution be passed favorably as amended. Rep. Sharon Schwartz seconded the motion. Motion carried. Rep. John Faber will carry the resolution on the House Floor.

The meeting adjourned at 4:45 p.m. No further meetings have been scheduled at this time.

HOUSE ENVIRONMENT COMMITTEE GUEST LIST

DATE: March 20, 2003

| NAME | REPRESENTING |
|------------------|---|
| JUDY WILLINGHAM | K-State |
| Gary Larson | SCHA |
| Guy S. Ciabelli | NEKES |
| Richard Beson | KDHE |
| Daniel T. Howell | FARMER |
| Dale Kirkham | Kansas Rural Center |
| Julie MacLachlan | KELP |
| Barbara Oplinger | Kansas Foundation for Ag in the Classroom |
| Howard Miller | Cheney Lake Watershed |
| KERRY WEDEL | KELP |
| May Lou Pender | Coffey Co. Buffer Coord. / KELP |
| Jeff Neel | Kansas State University |
| Brian Loving | U.S. Geological Survey |
| James Munyan | SEN. CO. COWS. DIST (KELP) |
| Morgan Powell | KELP - KSCE |
| Mark T. Wilson | KELP Abilene, KS |
| BETH ROWLANDS | KELP - LAWRENCE |
| Linda Johnson | Marion County |
| Melinda Holmes | Leg. Spouse |

HOUSE ENVIRONMENT COMMITTEE GUEST LIST

DATE: March 20, 2003

| NAME | REPRESENTING |
|--------------------|---------------|
| Rebecca Davis | USDA - RMA |
| J. Phil Benfer | U.S.D.A - RMA |
| Dave Ellison | USDA - RMA |
| Adrian J. Polansky | KOA |
| Carole Jordan | KOA |
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corrected

House Environment
3-20-03
Attachment 1

As Amended by Senate Committee

Session of 2007

SENATE BILL No. 155

By Committee on Natural Resources

2-5

AN ACT concerning solid hazardous waste; relating to waste tires; amending K.S.A. 65-3424, 65-3424a, 65-3424b, 65-3424g, 65-3424k and 65-3426 and repealing the existing sections; also repealing K.S.A. 65-3424m.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 65-3424 is hereby amended to read as follows: 65-3424. As used in K.S.A. 65-3424 through 65-3424i, and amendments thereto, unless the context otherwise requires:

(a) Terms have the meaning provided by K.S.A. 65-3402, and amendments thereto.

(b) "Abatement" means the processing or removing to an approved storage site of waste tires which are creating a danger or nuisance.

(c) "Beneficial use" means the use or storage of waste tires in a way that creates an on-site economic benefit to the owner of the tires ~~and~~ as determined by the secretary, causes no adverse impacts to human health or the environment and complies with all applicable zoning requirements.

(d) "Contaminated waste tire" means a tire which, as determined in accordance with rules and regulations adopted by the secretary, is recovered in a project to abate a waste tire accumulation and is so coated by or filled with dirt, mud, sludge or other natural substances as to render the tire substantially unsuitable for processing.

(e) "Landfill" means a disposal site in which the method of disposing of solid waste is by landfill, dump or pit and which has a solid waste disposal area permit issued under K.S.A. 65-3401 et seq., and amendments thereto. "Illegal waste tire accumulation" means any waste tire pile containing more than 50 waste tires except the following:

(1) A waste tire accumulation on the premises of a facility which has been issued a permit by the secretary pursuant to K.S.A. 65-3407, and amendments thereto, or K.S.A. 65-3424b, and amendments thereto, and managed in accordance with the conditions of such permit; or

(2) a waste tire accumulation which is exempt from the waste tire collection center permit requirement listed in K.S.A. 65-3424b, and amendments thereto.

(1)

, including, but not limited to, bumpers for boat docks or boats, playground equipment, silo covers, traffic control, feed bunks, water tanks, windbreaks constructed of baled tires or in a manner consistent with rules and regulations of the secretary, erosion control on the face of an earthen dam and stabilization of soil or sand blow-outs caused by wind; and

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1 department with information concerning the site's location and size and
 2 the approximate number of waste tires that are accumulated at the site.

3 —(b) No person shall:

4 ~~(1) (a) Maintain a waste tire site unless such person holds a valid~~
 5 ~~permit issued for such site pursuant to K.S.A. 65-3424b and amendments~~
 6 ~~thereto an illegal waste tire accumulation;~~

7 ~~(2) dispose of waste tires in the state unless the waste tires are dis-~~
 8 ~~posed of for processing, or collected for processing, at a solid waste proc-~~
 9 ~~essing facility, a waste tire site which is an integral part of a waste tire~~
 10 ~~processing facility, a waste tire processing facility or a waste tire collection~~
 11 ~~center or are made available to: (A) The department of wildlife and parks~~
 12 ~~for use by the department, or (B) a person engaged in a farming or ranch-~~
 13 ~~ing activity, including the operation of a feedlot as defined by K.S.A. 47-~~
 14 ~~1501, and amendments thereto, as long as the accumulation has a bene-~~
 15 ~~ficial use to the person accumulating the tires and (i) the secretary~~
 16 ~~determines that the use has no adverse environmental effects and (ii) the~~
 17 ~~accumulation is in accordance with all applicable zoning regulations~~

18 ~~(b) transfer ownership of waste tires to any person unless the recipient:~~

19 ~~(1) Has been issued a permit by the secretary pursuant to K.S.A. 65-3407,~~

20 ~~and amendments thereto, or K.S.A. 65-3424b, and amendments thereto;~~

21 ~~(2) intends to use the waste tires for a beneficial use; or (3) is a tire retailer~~

22 ~~who collects waste tires from the public or other tire retailers in the or-~~
 23 ~~inary course of business;~~

24 ~~(2)(c) deposit waste tires in a landfill as a method of ultimate disposal~~
 25 ~~except that the secretary may authorize, by rules and regulations or by~~
 26 ~~permits issued pursuant to K.S.A. 65-3407, and amendments thereto: (A)~~
 27 ~~The final disposal of processed waste tires at permitted municipal solid~~
 28 ~~waste landfills and permitted waste tire monofills; (B) the final disposal~~
 29 ~~of contaminated whole, unprocessed waste tires at permitted municipal~~
 30 ~~solid waste landfills and permitted waste tire monofills; (C) the use of~~
 31 ~~waste tires in their original state as part of or supplemental to a proven~~
 32 ~~and approved leachate collection system at a landfill; or (D) the use of~~
 33 ~~waste tires which have been cut into two or more parts as daily cover~~
 34 ~~material for a landfill; or~~

35 ~~(4)(d) receive money in exchange for waste tires unless: (A) The per-~~
 36 ~~son holds a permit issued by the secretary pursuant to K.S.A. 65-3407,~~
 37 ~~and amendments thereto, or K.S.A. 65-3424b, and amendments thereto;~~
 38 ~~or (B) the person is a tire retailer who collects waste tires from the public~~
 39 ~~or from other tire retailers in the ordinary course of business.~~

0 Sec. 3. K.S.A. 65-3424b is hereby amended to read as follows: 65-

1 3424b. (a) The secretary shall establish a system of permits for mobile

42 waste tire processors and waste tire processing facilities, and permits for

43 waste tire transporters and waste tire collection centers. Such permits

(E) the final disposal of small numbers of whole, unprocessed waste tires in landfills if such tires are intermingled with other solid waste and retrieval of such tires would be hazardous; or

1 center on the premises:

2 (2) a business that, in the ordinary course of business, removes tires
3 from motor vehicles ~~if~~ where fewer than 1,500 of these tires are kept on
4 the business premises ~~may operate a waste tire collection center or a waste~~
5 ~~tire processing facility or both on the premises;~~

6 (3) a retail tire-selling business ~~which is serving as a waste tire col-~~
7 ~~lection center if~~ where fewer than 1,500 waste tires are kept on the busi-
8 ness premises ~~may operate a waste tire collection center or a waste tire~~
9 ~~processing facility or both on the premises;~~

10 (4) the department of wildlife and parks ~~may perform one or more of~~
11 ~~the following to facilitate a beneficial use of waste tires:~~ (A) Operate a
12 waste tire collection center on the premises of any state park, state wild-
13 life area, or state fishing lake; (B) operate a waste tire processing fa-
14 cility on the premises of any state park, state wildlife area, or state
15 fishing lake; or (C) act as a waste tire transporter to transport waste
16 tires to any state park, state wildlife area, or state fishing lake;

17 (5) a person engaged in a farming or ranching activity, including the
18 operation of a feedlot as defined by K.S.A. 47-1501, and amendments
19 thereto, ~~as long as the accumulation has a beneficial use may perform one~~
20 ~~or more of the following to facilitate a beneficial use of waste tires:~~ (A)
21 Operate ~~an on-site waste tire collection center on the premises of the~~
22 ~~feedlot;~~ (B) operate ~~an on-site waste tire processing facility on the~~
23 ~~premises of the feedlot;~~ or (C) act as a waste tire transporter to transport
24 waste tires to the farm, ranch, or feedlot;

25 (6) ~~a waste tire collection center where fewer than 1,500 used tires~~
26 ~~are kept on the premises;~~

27 ~~(7) a waste tire collection center~~ a person with a used tire accumu-
28 lation where: (1) fewer than 1,500 or more used tires are kept on the
29 premises; or (2) 1,500 or more used tires are kept on the premises, if the
30 owner demonstrates through sales and inventory records that such tires
31 have value, as established in accordance with standards adopted by rules
32 and regulations of the secretary ~~may operate a waste tire collection center;~~

33 ~~(8) (7) local units of government operating managing waste tires at~~
34 solid waste processing facilities ~~and~~ or solid waste disposal areas permitted
35 by the secretary under the authority of K.S.A. 65-3407, and amendments
36 thereto ~~may perform one or more of the following in accordance with the~~
37 ~~conditions of the solid waste permit:~~ (A) Operate a waste tire collection
38 center on the premises of the permitted facility; (B) operate a waste tire
39 processing facility on the premises of the permitted facility; (C) act as a
40 waste tire transporter to transport waste tires to the permitted facility; or
41 (D) act as a mobile waste tire processor;

42 ~~(9) (8) a person transporting may act as a transporter to transport:~~
43 (A) Waste tires mixed with other municipal solid waste; (B) fewer than

(6) a watershed district may perform one or more of the following to facilitate a beneficial use of waste tires: (A) Operate a waste tire collection center on the premises of a watershed district project or work of improvement; (B) operate a waste tire processing facility on the district's property; or (B) act as a waste tire transporter to transport waste tires to the district's property.

[renumber remaining subsections accordingly]

Risk Management Agency
Background Information
House Environment Committee

House Concurrent Resolution No. 5019
Thursday, March 20, 2003

Madam Chairperson and members of the committee, thank you for the opportunity to be a part of the proceedings regarding House Concurrent Resolution No. 5019 by providing some information on the requirements of the crop insurance program.

I am Rebecca Davis, Director of the Topeka Regional Office for the Risk Management Agency of the United States Department of Agriculture.

Crop insurance is a vital part of the Kansas agricultural community. In 2002, the Risk Management Agency (RMA) provided Kansas' farmers over \$1.6 billion in protection through more than 129,000 policies covering 16.0 million acres of crops. In 2002, nearly \$445 million in losses were paid to producers. This is more than any other state in the nation.

Based on 2002 National Agricultural Statistics Service (NASS) planted acres, multiple-peril crop insurance is protecting approximately 84 percent of the corn acres, 77 percent of soybean acres and 83 percent of wheat acres.

Insurable crops in Kansas are:

Barley, corn, cotton, dry beans, grain sorghum, millet, oats, popcorn, soybeans, sunflowers, wheat, and nursery. In addition, RMA provides coverage through written agreements for canola, forage seeding, forage production, onions, potatoes, and rye.

RMA agrees that producers should not irrigate a crop beyond the point of no continued benefit to the crop. Crop insurance policies offered by RMA do not require such actions. When the crop would not benefit from continued irrigation, insureds should give immediate notice to their insurance provider.

Hot, dry weather and drought conditions can cause producers to apply irrigation water on a continual basis throughout the growing season. As a result, many producers could be near, or even exceed their water allocation before the crop can mature. Producers who continue to irrigate when their water allocation has been met are violating State legal requirements. Although producers are required to carry out a good irrigation practice, RMA does not advocate irrigating beyond any legal restriction imposed by the State.

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Attachment 2*

Producers who use their allotment before the crop is mature because of a drought are not required to continue irrigation for insurance purposes, but must immediately notify their insurance provider. In such cases, production losses will be covered as an insurable cause of loss unless the producer did not have adequate water, or the reasonable expectation of receiving adequate water (water allotment plus normal precipitation during the insurance period), to carry out a good irrigation practice throughout the growing season at the time of planting.

In the interest of water conservation and responsiveness to producers, insurance providers are encouraged to give high priority to these types of notices.

The Topeka Regional Office staff met with water authorities in Kansas and agreed to work closely together for the 2003 crop year.

Thank you, Madam Chairperson and members. I would be happy to answer any questions you may have.



KANSAS

DEPARTMENT OF AGRICULTURE
ADRIAN J. POLANSKY, SECRETARY

KATHLEEN SEBELIUS, GOVERNOR

House Environment Committee

March 20, 2003

Testimony on House Concurrent Resolution 5019

Secretary of Agriculture Adrian Polansky

Good afternoon, Representative Freeborn and members of the committee. I am Secretary of Agriculture Adrian Polansky. I am here to make brief remarks in support of HCR 5019, a resolution that urges USDA's risk management agency to not require farmers to continue irrigating crops that may have failed because of drought.

It is our fervent hope that Kansas will not suffer another year of drought; however, if the 2003 growing season is as dry as last year, we should not repeat mistakes made in 2002.

Last summer we learned that some western Kansas farmers with failed, insured crops were told to keep irrigating until an adjuster could view the field. The high volume of claims made during and after wheat harvest caused adjusters to run several weeks behind schedule. Many producers were near their water appropriation limits and they did not want to overpump or waste water, especially when it was clearly too late for their crops to survive.

Staff from our division of water resources met with risk management agency staff to explain that their directives were placing producers in violation of the Kansas Water Appropriation Act and wasting a precious natural resource. This month, staff again discussed this issue with staff from the risk management agency and the Kansas Water Office, and with

KSU Extension agronomists. Our plan is to help keep insurance companies up to date on drought conditions so they are prepared to make more timely crop assessments.

In closing, I support this resolution. If drought does occur, I hope that insurance adjusters can visit producers promptly to ensure that irrigation is not required after a crop has failed.



Kansas Farm Bureau

2627 KFB Plaza, Manhattan, Kansas 66503-8508 • 785.587.6000 • Fax 785.587.6914 • www.kfb.org
800 S.W. Jackson, Suite 817, Topeka, Kansas 66612 • 785.234.4535 • Fax 785.234.0278

PUBLIC POLICY STATEMENT

House Committee on Environment

RE: HCR 5019 -- urging the Risk Management Agency of the U.S.D.A. to assure that crop insurance policies do not require irrigation after crop failure has occurred.

**March 20, 2003
Topeka, Kansas**

**Presented by:
Janet McPherson, Assistant Director
KFB Governmental Relations**

Chair Freeborn and members of the committee, thank you for the opportunity to provide support for House Concurrent Resolution 5019. I am Janet McPherson, Assistant Director of Governmental Relations for the Kansas Farm Bureau. Kansas Farm Bureau is a grassroots organization of more than 41,000 farmers and ranchers from 105 county Farm Bureau Associations in Kansas.

American Farm Bureau Federation policy regarding crop insurance is expansive, and our members value crop insurance as a risk management tool in their operations. Kansas Farm Bureau supports the language and intent of HCR 5019 and appreciates the committee's interest in this issue.

The federal crop insurance program has undergone reform in recent history, and it's a perpetual process to refine the system. During the past year, some Farm Bureau members experienced significant crop devastation. In some cases, the crop could be determined to be lost, but in order to fulfill the requirements of crop insurance policies, farmers had to water the crop until they met their water allocation. This was egregious to many producers, but particularly so to those in water sensitive areas. This brought considerable discussion amongst Kansas Farm Bureau members, and resulted in the adoption of American Farm Bureau policy that a crop should not be required to be irrigated after crop failure has occurred. This conservation-minded policy position is reflective of good stewardship and prudent natural resource use. As such, we respectfully request that the committee report favorable for action HCR 5019. Thank you.

Kansas Farm Bureau represents grassroots agriculture. Established in 1919, this non-profit advocacy organization supports farm families who earn their living in a changing industry.

*House Environment
3-20-03
Attachment 4*

**Kansas Water Office Testimony
House Environment Committee
Supporting
House Concurrent Resolution No. 5019**

3:30 p.m. Thursday, March 20, 2003
Room 231-N

Good afternoon Chairwoman Freeborn and members of the committee. I am Hank Ernst and I am testifying today on behalf of the Kansas Water Office in favor of House Concurrent Resolution No. 5019.

The Kansas Water Office is responsible for monitoring drought conditions in the state of Kansas and keeping the Governor and the Governor's Drought Response team apprised of those conditions. In addition, it is the Kansas Water Office's responsibility to promote the goals and objectives of the Kansas Water Plan related to conservation and management of water.

During the drought of 2002, many farmers were required by insurance companies to continue watering a crop after it had failed and until an adjuster could verify the crop failure. This is contrary to good water management and conservation.

To help prevent unwarranted watering for insurance purposes this year, the Kansas Department of Agriculture and the Kansas Water Office met March 6 with the Risk Management Agency. The Risk Management Agency is the United States Department of Agriculture agency charged with oversight of the multi-peril crop insurance program.

At the meeting, it was agreed that the Water Office, working in concert with the Kansas Department of Agriculture, the Kansas State University Extension agronomists and the Risk Management Agency, will provide an update on potential drought issues. In this way, insurance companies will be alerted to circumstances that could require fielding additional adjusters.

Ideally, insurance companies in concert with the Risk Management Agency, would work to standardize adjustment procedures for a failed irrigated crop as a result of drought. Those measures might include:

- Certification of non-company professionals who could validate a crop's condition if adjusters are unable to inspect the field in a timely manner. Is it dead or alive? Will further watering make a difference? Currently,

(over)

*House Environment
3-20-03
Attachment 5*

insurance companies rely on Extension agents to help determine whether diversion, or watering a smaller portion of an irrigated field, would save at least part of the crop.

- Development of uniform acceptable procedures (in the case of an insurance claim on an irrigated crop) to allow farmers to limit watering to a representative sample of the field until an adjuster arrived. This would limit water use and attempt to reflect what might have happened to the crop had irrigation continued on the whole field.

The Kansas Water Office contends that passage of HCR 5015 evidences the Kansas Legislature's resolve to deal with this issue. We urge passage of this resolution and continued work with the parties involved to the mutual benefit of farmers, insurance providers and the resource.

Thank you for the opportunity to testify today in support of HCR 5019.

For further information, please contact

Hank Ernst
296-3185
hernst@kwo.state.ks.us

STATE OF KANSAS
HOUSE OF REPRESENTATIVES

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TOPEKA

JOHN FABER
REPRESENTATIVE, 120TH DISTRICT

COMMITTEE ASSIGNMENTS
MEMBER: AGRICULTURE
EDUCATION
FEDERAL AND STATE AFFAIRS
SELECT COMMITTEE INFORMATION MANAGEMENT

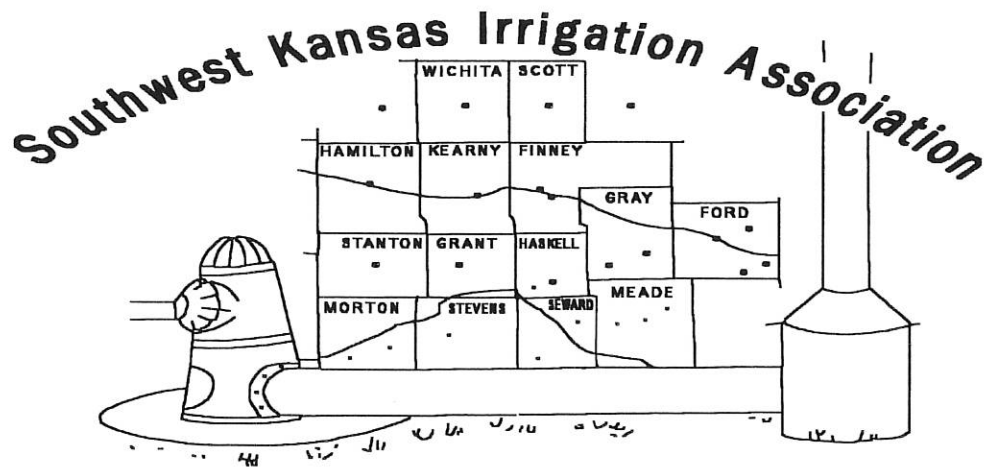
Thank you for the opportunity to present this resolution before the committee.

Water is a concern to the state both for conservation and beneficial use. As the irrigation industry moves towards more efficient use of water in order to conserve as much as possible for future generations, we must encourage the federal government to also help in the conservation of water.

It makes no sense for an industry in Western Kansas to waste both water and fuel on a crop that for all practical purposes is lost for any economic good and at the same time has to continue to spend \$3000/month in order to collect crop insurance. It would be one thing to pre-irrigate this land and there would not be as much waste. But the plants that are there are still utilizing water with no possibility of improving the yield.

Please join me in moving this resolution out of committee.

*House Environment
3-20-03
Attachment 6*



*Written Testimony provided to the House Environment Committee
RE: House Concurrent Resolution No. 5019*

Dear Chairperson Freeborn and Members of the Committee:

Our organization represents approximately 600 irrigators and businesses directly tied to irrigation in Southwest Kansas.

It is our understanding that you are sponsoring a Concurrent Resolution urging the Risk Management Agency of the United States Department of Agriculture to assure that crop insurance policies do not require irrigation after crop failure has occurred.

We feel this is a very timely and necessary resolution!

Many irrigated crops experienced a very negative situation in the growing season of 2002. This growing season was very unforgiving. Much of the crop was severely stressed early and even with full irrigation it was not able to fully recover.

In most cases the crops were timely appraised by representatives of insurance companies.

At the time of appraisal a decision must be made either to abandoned the crop and accept the appraisal or continue normal production practices and take the crop to harvest and use the harvested production as the appraisal.

If the crop is taken to harvest the producers receive 100% of their guarantee. That is they will be able to collect on the deficiency in production (from their policy) as well as the amount of production they harvested, (by selling the harvested bushels in their local market). However if they accept the appraisal the amount appraised becomes unavailable for collection and the crop must be destroyed. That is to say if the crop is appraised at 30

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bushels per acre and a guarantee exists of 150 bushels per acre the producer will receive payment of 120 bushels per acre. Consequently he forgoes revenue of 30 bushels of production he is unable to harvest.

As you can see this scenario poses a difficult decision for the producer. The producer must make the best economic decision for himself and the landowner. That decision might be to irrigate a crop, although it has not failed, that will only produce a fraction of its full potential. It seems unnecessary to be concerned about a crop that is appraised at a total loss. However the discretion occurs when the crop has suffered significant damaged but is not a total loss.

We certainly support the base premise of the resolution although we are not sure it addresses the main issue. If the main issue is efficient and economic use of water than possibly the producer should be allowed to collect on the full amount of the policy and not just the guarantee minus the appraisal.

Thank you for your attention to this matter.

Sincerely,

Kirk Heger
Southwest Kansas Irrigation Association



Rep. Joann Freeborn, Chair
House Environment Committee
State Capitol, Room 155-E
Topeka, Kansas 66612

March 20, 2003

Re: Written testimony in support of HCR 5019 urging the Risk Management Agency of the United States Department of Agriculture to assure that crop insurance policies do not require irrigation after crop failure has occurred

Dear Chair Freeborn:

The Kansas Corn Growers Association appreciates the opportunity to submit this written testimony in support of the passage of HCR 5019. Due to previous commitments away from Topeka, we unfortunately are unable to testify in person at your committee hearing this afternoon.

Last year during the summer growing season, it became apparent to many of our members and other farmers, especially those in the western part of the state with irrigated acres, that the drought conditions had seriously impacted the growth potential for their corn crop. Quite simply, the corn plants did not pollinate thereby nearly eliminating the potential value of the planted acres and any harvestable crop. When these farmers contacted their crop insurance agents and adjusters to inform them of the conditions, many producers were told that they could not deviate from normal cropping practices, including continued irrigation of these acres, until the crop insurance adjusters performed an on-site analysis of the crop and its conditions.

Unfortunately, and in part due to the workload created by the drought conditions, many of these crop insurance adjusters were not able to perform on-site visits for between two to four weeks after notification of the insurance claim and conditions. Producers were told that they could not alter from these normal cropping practices, and that in some situations led to four to eight inches of additional irrigation water being applied to the affected crops where no marketable benefit would be gained and these requirements would further impact precious aquifer levels while burdening producers with additional energy costs for the irrigation and pumping activities.

The enormous economic cost of the drought to Kansas and its agricultural producers is well documented. Many of these producers have now suffered these types of impacts for consecutive years. It simply makes no sense for a government program like crop insurance, whose purpose is to assist farmers in difficult times, to impose requirements that actually increase costs to these same producers and negatively impact a precious and needed natural resource like groundwater.

We appreciate your strong interest in this topic and request your support of the passage of this legislation that will send a strong message about this costly and inconsistent crop insurance rule to the federal government.

Sincerely,

Greg Krissek
Director of Operations

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Attachment 8

Rep. SHARON SCHWARTZ

House Environment
3-20-03
Attachment 9

House Concurrent Resolution No. 5019

By Committee on Environment

3-12

A CONCURRENT RESOLUTION urging the Risk Management Agency of the United States Department of Agriculture to ~~ensure that crop insurance policies do not require irrigation after crop failure has occurred~~

take certain actions

WHEREAS, Many segments of the United States, including Kansas, have suffered catastrophic crop losses; and

WHEREAS, Some parts of the state are experiencing a fourth year of drought; and

WHEREAS, Federal crop insurance is a valuable risk management tool for farmers; and

WHEREAS, Crop insurance should provide producers of all crops options for various insurance products that accurately reflect individual risk considerations when making crop insurance purchasing decisions; and

WHEREAS, The development of additional risk management tools to supplement or be an alternative to the current crop insurance program would enhance the ability of farmers to mitigate risk; and

WHEREAS, Water is a precious resource: Now, therefore,

Be it resolved by the House of Representatives of the State of Kansas, the Senate concurring therein: That the legislature urges the Risk Management Agency of the United States Department of Agriculture to assure that crop insurance policies do not require irrigation of a crop after the crop has failed; and

: (1) Establish for each county an irrigated transition yield which more accurately reflects the yield capable by irrigated practices; (2) recognize changes in planting pattern to allow an irrigating producer to separate non-irrigated corners from the irrigated pivot circle; and (3)

Be it further resolved: That the Secretary of State is directed to provide an enrolled copy of this resolution to the Director of the Topeka Regional office of the Risk Management Agency of the United States Department of Agriculture, the United States Secretary of Agriculture, the President of the United States and each member of the Kansas Congressional Delegation.

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