

MINUTES OF THE HOUSE AGRICULTURE COMMITTEE

The meeting was called to order by Chairman Dan Johnson at 3:30 p.m. on March 13, 2006, in Room 423-S of the Capitol.

All members were present except:

Representative Bill Light- excused

Committee staff present:

Raney Gilliland, Kansas Legislative Research Department

Gordon Self, Revisor of Statutes Office

Kay Scarlett, Committee Secretary

Conferees appearing before the committee:

Dr. Jim Coffman, Professor of Clinical Sciences, College of Veterinary Medicine, KSU

Representative Sharon Schwartz

Brandon McBride, Kansas State University veterinary student

Garrett Stewart, Kansas State University student

Representative Richard Carlson

Steve Floersch, President, Kansas Forest Products Association

Charles Hewins, Vice Chairman, Kansas Tree Farm Committee

Daniel Howell, member, Kansas Forest Products Association

Mike Hoeme, Director of the Transportation Division, Kansas Corporation Commission

Tom Whitaker, Executive Director, Kansas Motor Carriers Association

Others attending:

See attached list.

Minutes of the March 1 and 6 meetings were distributed. Members were asked to notify the committee secretary of any corrections or additions prior to 5:00 p.m. Wednesday, March 15, or the minutes will be considered approved as presented.

Hearing on HB 3005 - Establishing the veterinary training program for rural Kansas

Chairman Johnson opened the hearing on **HB 3005**. Raney Gilliland explained that this bill would establish the Rural Veterinary Training Program. Subject to appropriation, the loan program would be for up to five first-year veterinary students per year pursuing a rural veterinary practice. The full-time veterinary practice may be in any Kansas county, except Douglas, Johnson, Riley, Sedgwick, Shawnee, or Wyandotte, for a period of at least 48 continuous months. A student would enter into an agreement with the Kansas State University College of Veterinary Medicine for a loan of up to \$20,000 per year for college expenses and advanced training. If the student graduates and fulfills the conditions of the contract, the loan would be forgiven. If not, then repayment of the amount of the loan, plus interest, would be enforced within 90 days of the breach of the contract.

Dr. Jim Coffman, Professor of Clinical Sciences, College of Veterinary Medicine, Kansas State University, appeared in support of **HB 3005** as vital to their efforts to provide graduates who will serve rural Kansas, explaining that the starting salary structure tends to be higher in urban areas than in rural areas of the state. He noted that risks inherent in animal agriculture have escalated dramatically in recent years due to the potential for accidental or intentional introduction of exotic diseases into food animal populations. Veterinarians are a first line of defense. Because of its large economic dependency on food animal production, Kansas has invested significantly in food bio-security. He said it is essential that adequate human infrastructure also be in place, including rural veterinary medical practitioners. (Attachment 1)

Dr. Bonnie Rush, Associate Dean for Career Development, and Dr. Dan Thomson, Assistant Professor of Food Animal Medicine, answered committee questions.

Representative Sharon Schwartz, testified in support of **HB 3005** to establish a program to provide incentives for persons pursuing a veterinary degree at Kansas State University to locate their veterinary practice in rural Kansas communities. She explained that she had worked with Dr. Ralph Richardson, Dean of the College

CONTINUATION SHEET

MINUTES OF THE House Agriculture Committee at 3:30 p.m. on March 13, 2006, in Room 423-S of the Capitol.

of Veterinary Medicine at Kansas State University, in drafting this legislation, which is similar to a program that Kansas has established to provide incentives to encourage physicians to practice in rural communities. ([Attachment 2](#))

Brandon McBride, a student at the Kansas State University College of Veterinary Medicine, provided a student's perspective in support of **HB 3005**.

Garrett Stewart, a student at Kansas State University, appeared in support of **HB 3005** as a way to make education and the practice of rural veterinary medicine economically feasible. ([Attachment 3](#))

Chairman Johnson closed the hearing on **HB 3005**.

Hearing on HB 3000 - Timber permit for registered farm trucks.

Chairman Johnson opened the hearing on **HB 3000**. Raney Gilliland explained that this legislation would allow the owner of a registered farm truck or truck tractor to obtain a timber permit. This permit would allow such vehicle to transport unprocessed forest products, logs, ties, stave bolts, and posts, originated and produced by the vehicle owner, on state highways when going from the point of production or harvesting to the point at which the materials first undergo processing. The permit would be valid for up to 90 days for a fee of \$26. A person issued a timber permit would be authorized to operate within 150 air miles of any farm or farms owned or leased by the registered vehicle owner.

Representative Richard Carlson appeared in support of **HB 3000** introduced at the request of a constituent to allow the owner of unprocessed timber to obtain a 90-day timber permit for his farm truck to be able to transport the timber up to 150 air miles from his farm. Since timber is not a farm product, it is ineligible to be hauled under a farm truck tag. ([Attachment 4](#))

Steve Floersch, President, Kansas Forest Products Association, and owner of a sawmill, logging, and hardwood lumber operation in Belvue, testified in support of **HB 3000**. Kansas produces high quality hardwood logs and timber including walnut, oak, and cottonwood, as well as eastern red cedar. He said the advent of new relatively inexpensive technology has made smaller sawmills much more efficient and affordable. Their association would like to help foster an environment that will encourage small local mills to grow in the rural areas of Kansas, helping to provide jobs and markets for products. One of the problems is the transportation of logs and timber products. He noted that although timber is classified as an agricultural product for taxation purposes, it isn't considered a farm product, thus making it illegal to move logs on farm tags. Because of federal safety requirements, he said timber cannot be considered a farm product for transportation purposes. He reported that they have worked with the Kansas Corporation Commission and the Federal Motor Carrier Safety Administration for proper language in this bill to allow logs and timber products to be transported under farm tags, yet conform to all federal safety regulations. He said the timber permit will allow this. ([Attachment 5](#))

Charles Hewins, Vice Chairman, Kansas Tree Farm Committee, and owner of Hewins Logging and Sawmill in Wathena, appeared in support of **HB 3000**. He said one of the many problems they face is the cost to bring logs to market. He believes the proposed timber permit, or even an agricultural designation for forestry, would help. He noted that Kansas is consistently one of the top five states in the sale of walnut trees. ([Attachment 6](#))

Daniel Howell, member, Kansas Forest Products Association, and farmer/rancher from Frankfort, testified in support of **HB 3000**, stating that this bill is not exactly what he would like to see, but it is a starting point. He questioned why logs, verses cattle, hay, or grain, are looked at so differently. ([Attachment 7](#))

Mike Hoeme, Director of the Transportation Division, Kansas Corporation Commission, testified in regard to **HB 3000**. He said that Kansas has never considered logging or timber operations to be exempt from the state's economic or safety regulations. The Kansas Administrative Regulations, the Kansas Statutes, and the Federal Motor Carrier Safety Regulations, specifically, exclude timber as an agriculture commodity. He said that any attempt to create a new exemption for this specific industry would create a variance that is

CONTINUATION SHEET

MINUTES OF THE House Agriculture Committee at 3:30 p.m. on March 13, 2006, in Room 423-S of the Capitol.

incompatible with existing federal regulations, thus jeopardizing millions of dollars of federal funds Kansas receives under the Motor Carrier Safety Assistance Program. He explained that farmers transporting unprocessed forest products are considered private commercial entities under current law. Registered carriers are required to meet the state's liability insurance requirements, as well as state and federal safety regulations. Safety regulations include driver qualification files, hours of service, commercial drivers license, substance and alcohol testing, maintenance program, size and weight restrictions, and all other applicable regulations. The KCC Transportation Division strongly discourages exemptions that create additional variances that may adversely affect motor carrier safety and the motoring public. (Attachment 8)

Tom Whitaker, Executive Director, Kansas Motor Carriers Association, appeared in opposition to **HB 3000**. He said that while this amendment to the farm vehicle registration statute may seem trivial, KMCA's membership is extremely concerned about any expansion of the special privilege the agricultural industry has when using the farm vehicle registration. KMCA believes that **HB 3000** creates more problems than it solves, noting that drivers and vehicles hauling timber would still be required to comply with the federal motor carrier safety regulations, including: drug and alcohol testing, medical requirements, vehicle maintenance, commercial drivers license, and hours of service. In addition, they question whether the sales tax exemption and property tax exemption for farm machinery and equipment would still apply to trailers used to transport timber which is not considered an agricultural crop in Kansas nor by the Federal Motor Carrier Safety Administration. (Attachment 9)

Representative Carlson asked if an amendment would correct the problem. Gordon Self, Revisor of Statutes, said this is a federal issue; if timber were an agriculture commodity at the federal level, then the state could do something. Tom Whitaker suggested contacting Congressman Moran or Congressman Tiahrt who both serve on the federal House Transportation Committee.

Chairman Johnson closed the hearing on **HB 3000**.

The meeting adjourned at 5:20 p.m. The next meeting of the House Agriculture Committee is scheduled for March 15, 2006.

HOUSE AGRICULTURE COMMITTEE GUEST LIST

DATE: MARCH 13, 2006

NAME	REPRESENTING
Don Thomson	Kansas State University
Bonnie Rush	Kansas State University
Jim Coffman	" " " "
MILIE HOEME	KCC
Tom Whitaker	Ks Motor Carriers Assn.
Sharon Schwartz	Sp. 106th District
Garrett Stewart	Kansas State University
Brandon McBride	Kansas State University
Charles M. Hawkins	Logger - Mill Operator
DAVID BRUTON	KANSAS FOREST SERVICE
Ray Astin	KANSAS Forest Service
Ken Gudenkaut	KDOT
Deann Williams	KDOR
Armen Allbritt	KDOR
Diane Albert	KDOR
BRAD HARRELSON	KFB
CV Cotsoradis	KDA
Taylor Gillespie	Gatewood Intern
Jeff Bonberg	State Farm Insurance

**Testimony by Kansas State University
College of Veterinary Medicine
on
House Bill No. 3005
to
Committee on Agriculture
Representative Dan Johnson, Chairman**

The College of Veterinary Medicine appreciates the opportunity to comment on HB3005 which is seen as vital to our efforts to provide graduates who will serve rural Kansas. This is an extremely important part of the mission of the college. I am Jim Coffman, professor of clinical sciences. I bring greetings from Dean Ralph Richardson who is out of the state unavoidably. I am accompanied by Dr. Bonnie Rush, associate dean for career development; Dr. Dan Thomson, assistant professor of food animal medicine; and Ms. Priscilla Roddy, chief fiscal officer for the college.

The Need for Rural Veterinarians

Veterinarians provide essential services to rural communities that cannot be obtained from other sources. Even though rural populations have declined over time due to urbanization and all the forces that drive it, the number of veterinarians serving rural areas has declined even more. This has very serious implications for specific reasons.

The American Veterinary Medical Association (AVMA) projects that at present there is a shortage of 1,500 veterinarians in public health areas, which includes private practitioners serving rural communities, state regulatory veterinarians working for the Kansas Animal Health Department (KAHD) and the Kansas Department of Health and Environment (KDHE), and federal veterinarians serving in the Public Health Service and those working for the United States Department of Agriculture's Animal and Plant Health Inspection Service (USDA-APHIS). Over the next twenty years this shortfall is projected to be 15,000 veterinarians. Since there are only 86,000 veterinarians in the United States at present, the shortage of rural veterinarians and those going into other public health related areas will become very severe if left unaddressed.

The agricultural base, an essential element of the Kansas economy, cannot urbanize. Some elements of animal agriculture are now concentrated in fewer locations. The most prominent examples include intensive feeding of cattle and swine. However the need for veterinary services to agriculture and the community-based infrastructure that supports it still is distributed across the state, just as grass and grain resources, cow/calf units, back-grounding operations and so forth are distributed across the state. The pre-harvest phase of animal-based food production is important to food safety. For example, downer cows that might be candidates for bovine spongiform encephalomyelitis (BSE) are more likely to occur in distributed rural settings than in urban areas or concentrated feeding environments, big dairies being the exception.

Risk inherent in animal agriculture has escalated dramatically in recent years due to the potential for accidental or intentional introduction of exotic diseases into food animal populations. Veterinarians comprise the first line of defense against this. The most striking example of this in recent times is the detection of West Nile virus in this country. A veterinarian saw that the encephalitis affecting humans on the eastern seaboard also was killing birds in zoos and the general environment and ultimately was able to provide convincing evidence to the CDC that the infectious agent was West Nile virus, not Eastern Encephalomyelitis virus as first supposed. This was based on the knowledge that Eastern Encephalomyelitis does not kill birds. Only veterinarians are in a position to make such observations early in the course of any similar event.

Veterinarians are a very important part of community infrastructure supporting public health in the broad sense. The KAHD, the KDHE, and the USDA-APHIS all depend on accredited, practicing veterinarians to amplify these agencies' work force in time of disease outbreak or public health problems. With the progressive urbanization of physicians, veterinarians often are the only source of public health expertise in rural communities.

Because of its large economic dependency on food animal production, Kansas has invested significantly in food bio-security. The Bio-security Research Institute at Kansas State University and the programmatic base behind it is vitally important, not just to the state, but also to the nation. Kansas is a leader in disease surveillance and diagnosis. The technology that underlies this work has substantive links to the mission of the Kansas Biosciences Authority. It is essential that adequate human infrastructure be in place including rural veterinary medical practitioners.

The Problem we are Trying to Solve

The overarching problem we are addressing in HB3005 is high debt at graduation. The reason debt has grown so much is that tuition has increased dramatically. The reason tuition has increased so much in recent years is that public funding, as a percent of educational cost, has declined markedly during the same period.

Inadequate numbers of veterinarians entering rural practice is best exemplified by the existence of the Academy of Rural Veterinarians. The mission of these veterinarians nation-wide is to create a network of mentors and externships to educate students about opportunities in rural practice and to encourage them to pursue it as a rewarding career. One of the national leaders in the academy is Dr. Bob Gentry of Beloit, Kansas. As of Friday, March 10, 2006, the academy website listed ten rural Kansas practices that include mentors. Most striking is that it also lists 32 K-State veterinary medicine students who have expressed an interest in rural practice.

Interest does not translate into opportunity. Nationwide the average debt at graduation for veterinarians exceeds \$80,000. At KSU the number is slightly less but still formidable. It is increasingly common for a married couple to graduate from veterinary college together or within a year of one another. In such instances the household debt

approaches \$200,000. While veterinarians in rural practice do well financially, the number of employment opportunities into existing practices is limited. The primary reason for this is that in many small communities only one or two veterinarians are needed. When a practice is vacated due to retirement or other reasons, purchasing the practice or starting a new one from scratch while already obligated to service a large education debt is daunting to say the least. In fact it would not make good business sense.

The formidable debt circumstance is exacerbated by the structure of the job market for veterinarians. For many years, approximately 80% of the published employment opportunities in the Journal of the AVMA are in small animal practice in urban areas. In addition the starting salary structure tends to be higher than that afforded by the far smaller number of opportunities in rural practice. The sheer economic pressure created by these dynamics drives graduates into urban small animal practice in large numbers.

What is being done now

Efforts by members of the veterinary medical profession, the AVMA and the Association of American Veterinary Medical Colleges (AAVMC), and the Kansas State University College of Veterinary Medicine (KSUCVM) are addressing this issue on multiple fronts. These are enumerated briefly below.

The AVMA and the AAVMC have worked with congressional leaders to create the Veterinary Workforce Expansion Act which is pending in congress. This effort is aimed at increasing education and research at the nations' veterinary medical colleges to increase the number of veterinarians with emphasis on food security and public health. A further result of this effort is the National Veterinary Medical Service Act, signed into law on December 6, 2003. The purpose of this bill is to address the shortage of veterinarians in specific areas, such as rural practice. Congress has appropriated \$500,000 of a \$60M request in 2006 for a pilot project. These funds have been appropriated to the USDA and have not been activated.

The KSUCVM has initiated specific actions to address the issue:

The most direct is a scholarship program promulgated by Dean Richardson wherein up to ten students per year with a primary interest in food animal medicine and related fields can receive a scholarship of \$2,500 per year for each year they are in good standing at KSUCVM. Distribution of these scholarships is based upon advice from an advisory committee that includes prominent livestock producers, agribusiness executives and veterinarians practicing in rural America. The total annual commitment to this effort, which is anticipated to include 40 students when fully implemented, annualizes at \$100,000 from funds raised from private sources. It should be noted that this program is in its second year.

The KSUCVM has a close working relationship with the Academy for Rural Veterinarians. That organization recently received a challenge grant from the USDA that provides \$2,000 stipends for students doing rural externships.

The College of Veterinary Medicine has secured federal funding to develop audio/visual bilingual (Spanish/English) training materials for people working in the beef industry. This will reinforce our commitment to recruitment and retention of Hispanic students at Kansas State University.

The College of Veterinary Medicine and the Department of Animal Sciences and Industry at K-State have formed a bovine production working group. The group meets monthly to discuss collaborative research and its application to the Kansas beef industry. In addition, a weekly symposium for students interested in food animal practice and livestock production is conducted by the faculty from both colleges. Speakers range from faculty at KSU to practitioners and beef producers from across the state. Every Thursday noon this plays to a full house of veterinary and agriculture college students.

The KSU CVM has added three new production medicine rotations (beef and dairy) to the 4th year curriculum. In addition to being offered to K-State students, the Feedlot Production Medicine rotation has been made available to students from other veterinary colleges. We have attracted students from one third of our nation's veterinary schools and, as a result, this nationally-recognized elective course will bring potential rural veterinarians to K-State and expose them to Kansas agriculture.

Recently the veterinary college has made very strong hires of new faculty in food animal medicine to complement the long-standing commitment the college has made to this effort. This will enable us to have strengths in surgery, medicine, population/production medicine and food animal therapeutics. No other veterinary school has a more focused group of bovine medicine faculty that combine academic excellence with relevance to the livestock industry.

The connections the college has as a result of its leadership role in food animal veterinary medicine and food bio-security have facilitated opportunities for students who become subject to the provisions of HB 3005 and the Veterinary Training Program for Rural Kansas to have specialized advanced training as enumerated in the Act.

Summary

The on-going efforts by the AVMA, AAVMC, KSUCVM and Academy for Rural Practice are important, even essential, for success in increasing the number of veterinarians entering practice in rural Kansas. However it is all too evident that, due to the mechanisms described above, the realities of educational debt obligations and the concomitant cost and uncertainties of purchasing or starting a veterinary practice in rural Kansas negate the aspirations of most students. The provisions of HB 3005 will provide the opportunity for graduating veterinarians to make a sound business decision in entering rural practice.



TOPEKA

HOUSE OF
REPRESENTATIVES

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COMMITTEE ASSIGNMENTS
CHAIRPERSON: AGRICULTURE AND NATURAL
RESOURCES BUDGET
MEMBER: APPROPRIATIONS
ENVIRONMENT

Kansas House Agricultural Committee

March 13, 2006

Testimony on HB 3005

I am here to offer my support for HB3005 which will establish a program to provide incentives for persons pursuing a veterinary degree at Kansas State University to locate their veterinary practice in rural Kansas communities. At the same time, their training will be targeted to meet the needs of livestock producers and rural Kansas communities.

Through the past several years, I have heard from young veterinarians who have graduated and had hoped to be able to return to rural Kansas to practice. However, they soon realized that because of the overwhelming increases in the cost to obtain their degree and to establish a large animal practice, it was impossible for them to return to the communities in rural Kansas. Their only affordable option was to work with an established small animal practice in an urban area.

The Dr. Ralph Richardson, Dean of the Veterinary College at KSU has worked with me to draft this legislation that is similar to a program that Kansas has established to provide incentives to encourage physicians to practice in rural communities.

I respectfully request your support of HB3005 to establish a program to provide incentives for students to return to rural Kansas to practice upon graduation.

Thanks for the opportunity to appear in support of HB3005

Testimony on
HB 3005
March 13, 2006

Dear Mr. Chairman and committee members,

I would like to thank you for the opportunity to show my support for House bill 3005. Veterinary medicine has been of great importance all my life. Coming from a 1500 head cow/calf operation in North Central Kansas, agriculture has always been a key component in my growing up. In all aspects of agriculture, prices are rising making it increasingly harder to make ends meet. Bill 3005 would be a large stepping stone to help make the practice and education of veterinary medicine more economically feasible. Today's graduating students of veterinary medicine are faced with a great challenge.

Can I afford to become a food-animal vet and have the ability to pay off my debt? The answer to this is debatable but the conclusion comes down to simple economics. Becoming a small animal vet pays equal to higher salaries when compared to food-animal medicine but requires a lot less time commitment and physical labor. For students interested in food-animal medicine the potentially lower salaries coupled with a high tuition debt makes for a financially long term risk. By establishing a program like that of Bill 3005, those students with their hearts desire in food-animal medicine, or those who question their future direction, are guaranteed an opportunity to aid them in making assured decision. This decision of this bill is the foundation of establishing an incentive for students wanting to practice food-animal medicine thus increasing the supply of food-animal veterinarians. Again I wish to thank you, the committee, for allowing me to present my ideas and beliefs and hope you choose to support a very noble cause.

Sincerely, Garrett Stewart

STATE OF KANSAS



TOPEKA

HOUSE OF
REPRESENTATIVES

COMMITTEE ASSIGNMENTS

AGRICULTURE
ECONOMIC DEVELOPMENT
GENERAL GOVERNMENT AND
COMMERCE BUDGET
TAXATION

RICHARD CARLSON

REPRESENTATIVE, 61ST DISTRICT
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March 13, 2006

Testimony from Representative Carlson

Chairman Johnson and members of the committee,

Thank you for the opportunity to speak before you today.

I have introduced HB 3000 by request of a constituent, Mr. Steve Floersch, President of the Kansas Forest Products Association. Mr. Floersch along with other interested parties will present testimony in detail about the bill.

In a brief explanation, HB 3000 provides the owner of unprocessed timber to obtain a 90-day timber permit for his farm truck and with that may transport the timber up to 150 air miles from his farm.

Timber is not a farm product. Therefore, it is ineligible to be hauled under a farm truck tag.

Thank you for your time and consideration.

A handwritten signature in black ink, appearing to read 'Richard Carlson'. The signature is fluid and cursive, with a long, sweeping underline.

Richard Carlson
District 61

March 13, 2006

**Testimony from Steve Floersch
House Bill 3000**

House Agriculture Committee:

I want to thank you for letting us speak today. My name is Steve Floersch. I am a business owner that has a sawmill, logging and hardwood lumber operation here in Kansas. All the logs we use come from the forests of Kansas. I am also president of the Kansas Forest Products Association. This is a relatively new organization that brings together and promotes the interests of the landowners, timber producers, loggers, sawmills and end users of timber from Kansas. Also today you will hear from Marty Hewins, vice-chairman of the Kansas Tree Farm Committee, an organization that is dedicated to timber stand improvement. Marty has a sawmill, logging and timber operation in Doniphan County. Also speaking is Dan Howell, a landowner, farmer and timber producer from Marshall County. We are here today to ask for support for House Bill 3000.

There is more timber in the state of Kansas than at any time since the 1950s. Kansas produces high quality hardwood logs and timber including walnut, oak and cottonwood. Kansas also has a great deal of the eastern red cedar that has matured into marketable saw logs. There is a growing interest within the state for farming trees and managing our timbers to improve the quality and the quantity and value of the timber in the state. We have a lot of work to do. The infrastructure of the sawmill and logging business in Kansas has been badly fractured over the years. A great deal of the saw logs that are harvested in Kansas go to other states for further processing. Many of those logs are harvested by out of state loggers including some that are less than reputable. Sadly, much timber is simply wasted due to a lack of local mills and markets for smaller amounts of timber. We are working to reverse that trend. The advent of new and relatively inexpensive technology have made smaller sawmills much more efficient and affordable. We would like to help foster an environment that will encourage small local mills to grow in the rural areas of Kansas, helping to provide jobs and markets for products. One of the problems is the transportation of logs and timber products. Our neighboring states have special tags that help the logging and timber industries in their states. This includes Missouri, Oklahoma and Arkansas. To help our industry grow, we are asking today to provide a way for logs to be hauled under farm tags. Currently, although timber is classified as an agricultural product for taxation purposes, it isn't considered a farm product thus making it illegal to move logs on farm tags. Because of federal safety requirements, we cannot simply ask that timber be considered a farm product for transportation purposes. We have worked with Mike Hoeme of the Kansas Corporation Commission and Teri Graham of the Federal Motor Carrier Safety Administration for proper language in this bill that would allow logs and timber products to be transported under farm tags, yet conform to all federal safety regulations. The forestry permit will allow this. This

will allow timber to be hauled to local mills by farmers, loggers and landowners within the state of Kansas, on tags that many or most already have.

I know the importance of farmers and landowners being able to haul their product to market. We get a lot of logs from local producers and farmers who are harvesting smaller amounts of timber. There are logs that would otherwise probably have gone to waste due to lack of local markets. This is a win-win situation for both the producer and the sawmill.

I believe that if this bill becomes a law, it will greatly help enhance the value of the forests of Kansas through more active participation in improving our timbers, and help create jobs and business opportunities in rural areas where they are greatly needed.

Steve Floersch

Steve Floersch

Belvue, KS

785-456-8141

785-636-5228

**Marty Hewins Logging
Hewins Sawmill
Charles M. Hewins
P. O. Box 64
Wathena, KS 66090**

March 13, 2006

Subject: House Bill # 3000

I'll start by reading the letter that I read to Governor Graves dated November 30, 1998. I read it here before a Joint Committee of the Senate and House.

[Letter]

Since this letter was written eight years ago the Forest Industry has organized itself into the Kansas Forest Products Association. I believe this shows an interest to move forward as not only a producer of timber but also a manufacturer of lumber and other related products.


The first problem of many we face is the cost to bring logs to market. Everyone knows that fuel prices are up but our problem is also the price of having to operate a log truck as a commercial vehicle. I will give an example:

My 1986 International Log Truck is worth around \$5000. I would like to update it but my tags and taxes for this truck and trailer are \$1976 per year. Liability insurance is \$6500 per year. It can only be driven with a Commercial Drivers License, the Department of Transportation Authority, Health cards for all drivers and files on each of my six possible drivers (most of whom are part-time since I only have one truck).

I hope this example shows what small operators such as myself face. I think the proposed permit or even an agricultural designation for forestry could help us.

In conclusion, please consider that our state is consistently one of the top five states in the sale of walnut trees. Help us to make Kansas a lumber and furniture producing state also.

Sincerely,



Charles M. Hewins

**913-370-0173
785-989-3429**

House Agriculture Committee
March 13, 2006
Attachment 6

**Marty Hewins Logging Company
Charles Martin Hewins
P.O. Box 64
Wathena, KS 66090-0064**

**Governor Graves
2nd Floor, State Capitol
Topeka, KS 66612-1590**

November 30, 1998

Dear Sir,

I doubt that you consider the State of Kansas a major timber producer. One reason is that most of the timber cut in Kansas is sold in Missouri, or exported, without anyone keeping track of footages or dollars. Another reason is that most of the western 3/4 ths of the state is only lightly timbered.

Have you ever considered the multiplier effect that manufacturing of wood products grown here could have on the economy of Kansas? We are presently giving raw material to outside interests, because we have few mills and very few modern mills in Kansas.

Our economy, which is very dependent on agriculture, could be diversified with some help from the government in the way of tax breaks to the forest industry and expertise from the Forestry Department.

Governor Graves, please consider the funding proposal presently in your office. If you would like more detailed information on the above mentioned items please feel free to call me anytime. My home number is 785-989-3429 and my mobile number is 913-370-0173.

Sincerely,

Charles M. Hewins

My name is Daniel Howell, a resident and farmer/rancher in Marshall County Kansas. We manage a diversified cow/calf operation and grow forages, crops, timber and have riparian buffers.

Why are logs verses cattle, hay or grain looked at so differently? The State of Kansas would gain much by broader farm economic activities. Whether it is my operation or the state's economy diversification and balance are good. We should promote economic activity instead of building economic road blocks.

I am a member of Kansas Forest Products Association to promote and learn of forest product opportunities.

Attached is our mission statement.

This bill is not exactly what I would like to see, but it is a starting point, or better than what we currently have.

I thank you for your time.

Daniel L Howell
1723 Wildcat Road
Frankfort, KS 66427-8618
785-292-4955 Home
785-562-8617 Cell Phone

KANSAS FOREST PRODUCTS ASSOCIATION

KFPA'S Mission Statement reads: "To service the needs of landowners, producers and consumers of forest products and to promote the conservation of forest resources through sustainable forestry practices." While timber production and utilization are the primary focus of the group, other benefits (water quality, wildlife, etc.) are realized.

Testimony of Mike Hoeme
Director of Transportation
Kansas Corporation Commission
House Bill 3000
March 13, 2006

Good afternoon, Mr. Chairman and members of the committee. My name is Mike Hoeme. I am the Director of the Transportation Division of the Kansas Corporation Commission ("Transportation Division" and "KCC," respectively). I am here to testify in regard to House Bill 3000.

This bill would establish certain exemptions from current requirements for farmers using farm vehicles to transport unprocessed forest products within 150 air-miles of the farm in intrastate commerce.

BACKGROUND

Kansas has never considered logging or timber operations to be exempt from the state's economic or safety regulations. The Kansas Administrative Regulations, the Kansas Statutes and the Federal Motor Carrier Safety Regulations specifically exclude timber as an agriculture commodity. Any attempt to create a new exemption for this specific industry would create a variance that is incompatible with existing federal regulations, thus jeopardizing millions of dollars of federal funds that our state receives under the Motor Carrier Safety Assistance Program (MCSAP).

ECONOMIC COMPLIANCE

Farmers transporting unprocessed forest products are considered private commercial entities under current law. Currently, Private Motor Carriers operating Commercial Motor Vehicles (CMVs), with a Gross Vehicle Weight Rating (GVWR) or Gross Combination Weight Rating (GCWR) of 10,001 lbs. or more, operating beyond the 25 air-mile radius of the farmer's domicile, to register as a Private Motor Carrier. Registered carriers are required to meet the state's liability insurance requirements.

SAFETY COMPLIANCE

Currently, commercial entities transporting unprocessed forest products in CMVs are also subject to the state and federal safety regulations. These regulations include driver qualification files, hours of service, CDL, substance and alcohol testing, maintenance program, size and weight restrictions and all other applicable regulations.

CONCLUSION

Farmers operating CMVs beyond the scope of their farm operation have always been subject to the state's economic and safety regulations. Currently, Kansas has CMV safety laws that address these concerns. The KCC Transportation Division strongly discourages exemptions that create additional variances, and may adversely affect motor carrier safety and the motoring public.



Kansas Motor Carrier Association

Trucking Solutions Since 1936

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LEGISLATIVE TESTIMONY

In Opposition to House Bill No. 3000

Presented by the Kansas Motor Carriers Association

Before the House Agriculture Committee

Representative Dan Johnson, Chairman

Monday, March 13, 2006

MR. CHAIRMAN AND MEMBERS OF THE HOUSE AGRICULTURE COMMITTEE:

I am Tom Whitaker, executive director of the Kansas Motor Carriers Association. I appear here this afternoon representing KMCA's 1,250 member-firms in opposition to House Bill No. 3000. The bill expands the allowable products that can be transported using a farm vehicle registration to include unfinished and unprocessed forest products, logs, ties, stave bolts and posts simply by purchasing a 90 day permit for \$26.00.

While this amendment to the farm vehicle registration statute may seem trivial, KMCA's membership is extremely concerned about any expansion of the special privilege the agricultural industry has when using the farm vehicle registration.

The farm vehicle registration has a long history in Kansas. In the early 1950s, the farm vehicle registration was placed in the statutes to make sure that those who operated, what were "farm straight trucks," would not be subject to the commercial motor vehicle registration requirements when transporting their crops to market. In the middle 80s, the legislature expanded it to allow the farm vehicle registration for a tractor semitrailer. Former Senator from Plains, Charlie Angel, told KMCA that, "If the farmer abuses this new law and hauls for-hire, I will be the first one back to repeal this law." He didn't run for re-election. Farmers continue to abuse these statutes.

The farm vehicle registration is indeed a privilege. Please note the attached table that sets out the differences between a commercial vehicle registration and a farm vehicle registration. The benefits of registering your vehicle under the farm registration are dramatic.

We believe that HB 3000 creates more problems than it solves. Drivers and vehicles hauling timber would still be required to comply with the federal motor carrier safety regulations including: drug and alcohol testing, medical requirements, vehicle maintenance, commercial drivers license and hours-of-service. In addition, we question whether the sales tax exemption and property tax exemption for farm machinery and equipment would still apply to trailers used to transport timber which is not considered an agricultural crop in Kansas nor by the Federal Motor Carrier Safety Administration.

Mr. Chairman, KMCA opposes HB 3000 and respectfully request that the House Agriculture Committee take no action on the bill. I thank you for the opportunity to appear today and would be pleased to respond to questions.

Commercial Truck Requirements

KCC Authority
\$1,935.00 annual reg. fee
Property Tax (Power Unit & Trailer)
 \$3,500 per combination unit
Federal Heavy Use Tax - \$550 annually
CDL
Drug/Alcohol Testing - \$75.00 per test
Medical Qualifications
Driver Qualifications
Hours-of-Service
USDOT Minimum Equipment Standards
 (Out-of-Service)
Annual/Post Trip vehicle inspection
Workers' compensation - \$2,600 per employee
Liability Insurance - \$3,500 to \$6,000 per truck
 \$750,000 minimum
Cargo Insurance
 \$300 for grain
 \$1,000 for livestock
Employee to administer compliance program

Prepared by:
Kansas Motor Carriers Association
11/05

Farm Truck Requirements

None
\$610.00 annual reg. fee

Property Tax (Power Unit only)
Exempt
Exempt
Exempt
Exempt
Exempt
Exempt

Exempt
Exempt
Exempt

10,000/50,000/25,000
Exempt