

Approved: July 21, 2006
Date

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 11:10 A.M. on April 26, 2006, in Room 123-S of the Capitol.

All members were present except:
Senator Jay Emler- excused

Committee staff present:

Michael Corrigan, Revisor of Statutes Office
Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Reagan Cussimanio, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Susan Kannarr, Kansas Legislative Research Department
Judy Bromich, Chief of Staff
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Constantine V. Cotsoradis, Assistant Secretary, Kansas Department of Agriculture
Dennis Hupe, Director of Field Services, Kansas Soybean Association
Brad Harrelson, State Policy Director, Kansas Farm Bureau Governmental Relations

Others attending:
See attached list.

Bill Introduction

Senator Barone moved, with a second by Senator McGinn, to introduce a bill designating a portion of United States Highway 69 as the Gordon Parks Memorial Highway. Motion carried on a voice vote.

Copies of the following sets of minutes were distributed to the Committee for review:

February 2, 2006	February 6, 2006
March 1, 2006	March 3, 2006
March 8, 2006	March 10, 2006
March 13, 2006	March 15, 2006
March 20, 2006	March 21, 2006
March 23, 2006	March 31, 2006

Senator Schodorf moved, with a second by Senator Taddiken, to approve the minutes of the meetings as listed above. Motion carried on a voice vote. Senator Wysong abstained from voting on the minutes of the meetings of February 6, 2006, and March 31, 2006.

Chairman Umbarger called the Committee's attention to consideration and discussion of:

HB 2520--Community mental health center licensure

The hearing was held at an earlier meeting of the Committee and Staff provided a review of the bill. Committee discussion followed. Senator Barone moved, with a second by Senator Schmidt, to amend HB 2520 with language provided by the Revisor, on Page 2, Line 23, following the word accreditation, to add the language "the Secretary of SRS shall adopt rules and regulations to implement the provisions of Subsection C." Motion carried on a voice vote.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 11:10 A.M. on April 26, 2006, in Room 123-S of the Capitol.

Following additional Committee discussion, the Chairman asked the groups to come together to prepare something for the 2007 Legislative Session, to visit with the Kansas Department of Social and Rehabilitation Services and come with some clarity regarding the bill.

The Chairman opened the public hearing on:

HCR 5042--Urging support of the "25 x '25" initiative

Staff briefed the Committee on the bill.

The Chairman welcomed the following conferees on the bill:

Constantine Cotsoradis, Assistant Secretary, Kansas Department of Agriculture, testified in support of **HCR 5042 (Attachment 1)**. Mr. Cotsoradis explained that Secretary Polansky is a strong supporter of 25 by 25 for three reasons: it is voluntary, it is visionary and it is value added. He appreciated the opportunity to appear at the meeting as a proponent of the resolution supporting this national renewable energy movement.

Dennis Hupe, Director of Field Services, Kansas Soybean Association, spoke in support of **HCR 5042 (Attachment 2)**. Mr. Hupe explained that having traveled the state the last two years, promoting the use of biodiesel in agriculture, transportation, and by school districts as an alternative, renewable, and cleaner burning fuel, the attitudes of those that stop by to talk with him about biodiesel have changed. He noted that the United State's President Bush is on board and once it becomes a national goal, it can happen.

Written testimony was provided by Brad Harrelson, State Policy Director, Kansas Farm Bureau on **HCR 5042 (Attachment 3)**.

Senator Barone moved, with a second by Senator Schmidt, to recommend HCR 5042 favorable for passage. Motion carried on a roll call vote.

The meeting adjourned at 11:55 a.m. This was the last meeting for the Senate Ways and Means Committee for the 2006 Legislative Session.

**SENATE WAYS AND MEANS
GUEST LIST**

Date April 26, 2006

NAME	REPRESENTING
Michael Byington	Ks. Assn Ft+ Blind and VI
MARK COATES	" " " "
Steve Erikson-	SRS MH - HCP
Scott Brunner	DHPPF
Ron Seelner	Hein Law Firm
JOAN DOUGHERTY	BSU
Dennis Hupe	KSA
Shel Sweeney	SCMICK
Mike Huttles	Campatico
Audy Shaw	Kearney + Associates
BRAD HARRELSON	KFB



KANSAS

DEPARTMENT OF AGRICULTURE
ADRIAN J. POLANSKY, SECRETARY

KATHLEEN SEBELIUS, GOVERNOR

Testimony on HCR 5042

to

the Senate Ways and Means Committee

by

Constantine V. Cotsoradis
Assistant Secretary
Kansas Department of Agriculture

April 26, 2006

Good afternoon Chairman Umbarger and members of the committee. Thank you for the opportunity to appear today as a proponent of the resolution supporting the national renewable energy movement called "25 by 25." Secretary Polansky is a strong supporter of 25 by 25 for three reasons: it is voluntary, it is visionary, and it is value added.

Voluntary

25 by 25 is agriculturally led. It challenges America to begin planning for a day when 25 percent of our energy will come from home-grown resources including wind, solar, ethanol, biodiesel or biomass. They want that goal to be met by the year 2025, but they do not propose to mandate it. Today, 25 by 25 is working to raise awareness, dispel misinformation and benefit rural America.

Visionary

25 by 25 is visionary, but it also is practical and achievable. From the beginning, agricultural and forestry leaders have worked to achieve a vision of one quarter of our domestic energy needs being provided by domestic, renewable resources in 2025. Now they are seeking alliances with other groups, including individual states, to build support for that vision. Secretary Polansky is proud to serve, along with Rep. Schwartz and President Baccus of the Kansas Farm Bureau, on a newly formed 25 by 25 state leadership team.

Value Added

25 by 25 is the essence of value added, both for our farms and ranches and our rural communities. We look forward to the day the Kansas farmer can grow energy in the field to fuel equipment to grow more energy, as well as food and fiber, in that same field. Energy production also fuels local economies. In Nebraska, a study found that a relatively small ethanol plant gave a one-time boost of \$71 million during construction. Then, it expands the local economic base by more than \$70 million each year through direct spending of \$58 million. It creates 33 new jobs at the plant and about 120 other jobs in the local community. These are important numbers for any small Kansas community.

I urge you to join Secretary Polansky and others in supporting HCR 5042. Thank you.



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Kansas Senate Ways and Means Committee Hearing

April 26, 2006

House Concurrent Resolution 5042

Chairman Umbarger and members of the Kansas Senate Ways and Means Committee, my name is Dennis Hupe and I serve as the Director of Field Services for the Kansas Soybean Association. I am here to offer my support for House Concurrent Resolution 5042, where by the year 2025, 25 percent of the total energy consumed in the United States will come from agriculture, agricultural lands or related enterprises.

With current and future risks to the United States energy security increasing, domestic and global energy demands are growing dramatically. The Kansas soybean farmer and other agricultural producers in Kansas are well positioned to play an expanded role in meeting the goals set forth by the Ag Energy Work Group that developed the "25 by '25" concept. These goals include producing transportation fuels, harnessing wind energy, converting biogas emissions, capturing solar energy, and providing biomass for generating heat and power.

Having traveled the state the last two years, promoting the use of biodiesel in agriculture, transportation, and by school districts as an alternative, renewable, and cleaner burning fuel, the attitudes of those that stop by to talk about biodiesel has changed. In the last year the person that stops by the booth has gone from saying that it looks like a good idea and they hope it works, to stopping by and asking where it is available and why is it not more available. All most to the tee, each one expresses their displeasure with sending their money overseas to a foreign country. It is sometimes expressed to me in a more direct fashion.

President Bush's recent State of the Union Address, supporting breaking the country's addiction to oil and move beyond a petroleum-based economy, demonstrates the importance of this House Concurrent Resolution 5042. Meeting the goals of "25 X'25" is a food and fuel vision, not a food or fuel vision. This will provide agriculture with increased farm income, added value uses, alternative enterprises, and more productive uses of marginal lands. It will also assist in resolution of air, water and soil quality problem, reduced reliance on government payments and enhanced rural economies that are important to Kansas agriculture.

The Kansas Soybean Association stands ready to work with agriculture and Kansas to meet these energy goals for our country.

Dennis Hupe, Director of Field Services
Kansas Soybean Association

25 X '25 Work Group

America's Farms, Ranches and Forests: Powering the Future

Project Overview

Through this initiative, grassroots agricultural, forestry and horticultural leaders are working together to determine how large a role this broad and productive sector can play in helping the nation improve energy security. The project has two primary goals: to help leaders unite behind a common vision for energy production from America's farms, ranches, forest land and horticultural industry, and to develop a comprehensive strategy to bring this vision to life.

The project is also exploring the feasibility of creating a new public/private sector partnership or coalition to provide strategic leadership in mobilizing the agricultural and forestry sectors to embrace and work proactively in support of new energy solutions. If successfully established, this partnership or alliance will:

- Maintain an ongoing dialogue with the ag and forestry sectors and forge partnerships/coalitions with other energy stakeholders.
- Mobilize grassroots ag and forestry sector constituents and associated partners to build congressional support for embracing new energy solutions.
- Work through various communication outlets to reach to the American public with the message that America's working lands are a key component of a new national energy strategy using national media outlets, op-eds, editorial board sessions, conferences and other information multipliers.
- Facilitate the marketing of conservation commodities and the reduction or elimination of associated barriers.

A Vision for the Future

Agriculture needs a vision and action plan for helping the nation achieve energy independence. The Ag Energy Work Group has a bold vision for the future. The following vision statement is offered as a starting point for additional dialogue on this critically important issue:

"By 2025, America's working lands will provide 25 percent of the total energy consumed in the United States while continuing to produce abundant, safe and affordable food, feed, fiber and fuel."

We are inviting the leaders of our nation's agricultural and forestry communities to explore their future role in energy production. Join us in crafting a new energy paradigm.

Updated: 4/17/06

25x'25 Endorsements

Agricultural Producers' Green Attributes Revenue Maximization Services Company, LLC
Agricultural Retailers Association
American Agriculture Movement
American Agri-Women
American Council on Renewable Energy (ACORE)
American Farm Bureau Federation
American Farmland Trust
American Society of Agricultural and Biological Engineers
American Society of Farm Managers and Rural Appraisers
American Solar Energy Society
American Soybean Association
Association of Consulting Foresters of America
Association of Equipment Manufacturers
Chenango County Farm Bureau (NY)
CHS Inc.
Climate Solutions
CoBank
Colorado Farm Bureau
Colorado State Legislature
Corporation for Economic Opportunity
CropLife America
Council of Western State Foresters
Deere & Company
Donald Danforth Plant Science Center
Environmental and Energy Study Institute
Environmental Defense
Environmental Law and Policy Center
Farm Equipment Manufacturers Association
Farmers National Company
Farrell Growth Group
Harvest Clean Energy
Independent Community Bankers of America
Indiana Farm Bureau Federation
Iowa Farm Bureau Federation
Krause Corporation
Lenawee County Michigan
MacDon Industries LTD
Mike Farm Enterprises Inc.
Minnesota Project
Molpus Woodlands Group
Molpus Timberlands Management, LLC
National Agricultural Education Council

National Association of Conservation Districts
National Association of Counties
National Association of State Departments of Agriculture
National Association of Wheat Growers
~~National Barley Growers Association~~
National Biodiesel Board
National Corn Growers Association
National Farmers Union
National Grange
National Milk Producers Federation
National Rural Electric Cooperative Association
National Sorghum Producers
National Woodland Owners Association
Natural Resources Defense Council
Nebraska Farm Bureau
Nebraska State Legislature
New Beginnings Environmental
New Uses Council
New York Farm Bureau Federation
New York Grange
North Dakota Department of Agriculture
Ohio Corn Growers
Red River Valley Sugarbeet Growers
Renewable Fuels Association
Rocky Mountain Farmers Union
Southern Alliance for Clean Energy
Southern Alliance for the Utilization of Biomass Resources
South Dakota Veterans of Foreign Wars
Sun Grant Initiative
Sunbow Farms Solutions
Texas Farm Bureau Federation
Texas Renewable Energy Industries Association
Texas Solar Energy Society
The Fertilizer Institute
Tilth Foundation
United Soybean Board
USA Rice Federation
Vermont Farm Bureau Federation
Washington Association of Wheat Growers
Washington Barley Commission
Washington State Conservation Commission
Western Resource Advocates
Women Involved in Farm Economics

Supporting Entities

American Bankers Association



PUBLIC POLICY STATEMENT

SENATE COMMITTEE ON WAYS and MEANS

RE: HCR No. 5042 – a resolution urging support of “25 by 25”.

April 26, 2006
Topeka, Kansas

Testimony provided by:
Brad Harrelson
State Policy Director
KFB Governmental Relations

Chairman Umbarger, and members of the Senate Committee on Ways and Means, thank you for the opportunity to offer support of HCR 5042. I am Brad Harrelson, State Policy Director—Governmental Relations for Kansas Farm Bureau. KFB is the state’s largest general farm organization representing more than 40,000 farm and ranch families through our 105 county Farm Bureau Associations.

On behalf of Kansas Farm Bureau (KFB) I would like to extend our support to the Kansas Legislature for it’s interest in promoting alternative, agricultural based energy resources. We at KFB stand ready to assist you in your mission to advance these alternative fuels and energy.

Enhanced domestic production of energy, especially renewable, alternative resources, has tremendous upside, not only for ag producers, but also fuel consumers. Domestically produced, agricultural based energy reduces our dependence on foreign oil and boosts market demand for Kansas crops, which is good for agriculture, and the rural Kansas economy. It is a win-win for Kansas farmers and consumers.

Realistic goals as suggested in the “25% by 2025” initiative present measurable targets that provide positive stimulus to one of Americas most important industries, production agriculture, and is far-sighted, sensible public policy.

Senate Ways and Means
04-26-06
Attachment 3

Therefore, Kansas Farm Bureau respectfully urges your recommendation to pass favorably HCR 5042 and send a strong message to Congress, that supports American agriculture and long-term energy independence. Thank you, once again, for the opportunity to appear before you and share the policy of our members. KFB stands ready to assist as you consider this measure. Thank you.