

MINUTES OF THE HOUSE AGRICULTURE AND NATURAL RESOURCES COMMITTEE

The meeting was called to order by Vice Chairman Rocky Fund at 3:30 p.m. on March 11, 2010, in Room 783 of the Docking State Office Building.

All members were present except:

Chairman Powell - Excused  
Representative Hayzlett - Excused  
Representative Hineman - Excused  
Representative Johnson - Excused  
Representative Light - Excused  
Representative Moxley - Excused  
Representative Palmer - Excused

Committee staff present:

Jason Thompson, Office of the Revisor of Statutes  
Daniel Yoza, Office of the Revisor of Statutes  
Corey Carnahan, Kansas Legislative Research Department  
Raney Gilliland, Kansas Legislative Research Department  
Pat Matzek, Committee Assistant

Conferees appearing before the Committee:

Jerry Jeschke, Vice-Chairman, Kansas Soybean Commission  
Jere White, Executive Director, Kansas Corn Commission  
Jeff Casten, Chairman, Kansas Grain Sorghum Commission  
Doug Keesling, Chairman, Kansas Wheat Commission

Others attending:

See attached list.

Vice Chairman Fund opened the meeting with introduction of Judy Willingham, Kansas Environmental Leadership Program (KELP) Coordinator, along with members of the KELP class, who were in attendance to observe the Committee at work.

Jerry Jeschke, Vice-Chairman, Kansas Soybean Commission (KSC), gave a presentation on the Kansas Soybean Commission (Attachment 1), stating the Soybean Commission has been authorized and operates under Kansas statutes and is also part of the federal soybean checkoff program. Included in the handouts is a copy of the Fiscal Year (FY) 2010 Marketing Plan (Attachment 2), which summarizes this fiscal year's program, including some information on the project areas the KSC funds. A Soybean Checkoff Research Database, a summary of production research (Attachment 3), Statements of Activities (Attachment 4), and Kansas Biodiesel Fuel Usage Survey Results (Attachment 5) are also enclosed. Additional information can be obtained on its website at [www.kansassoybeans.org](http://www.kansassoybeans.org).

Jere White, Executive Director, Kansas Corn Commission (KCC) (Attachment 6), spoke on behalf of the KCC, advising in 2009, over 598 million bushels of corn were harvested, breaking the record of 507 million bushels set in 2007, as well as a record yield of 155 bushels of corn per acre. The corn checkoff rate remains at a half-cent per bushel. The corn checkoff is fully refundable and refund vouchers are typically processed and checks mailed within 2-3 working days of receipt. The KCC funds research projects to improve corn, corn production techniques and to develop advances in corn products. The KCC is also active in groups like the Corn Farmers Coalition, which provides factual and verifiable information on corn farming to decision makers and other. Also provided with Mr. White's comments, are copies of the commission's FY 2009 Financial Audit (Attachment 7), the FY 2009 Year-End Budget Report (Attachment 8), and the FY 2010 Budget (Attachment 9). Additional information can be obtained on its website at [www.ksgains.com](http://www.ksgains.com).

Jeff Casten, Chairman, Kansas Grain Sorghum Commission (KGSC) (Attachment 10), presented information on behalf of the KGSC, stating Kansas' total yield of 224 million bushels of grain sorghum was up 10 million bushels from last year and ranks Kansas first nationally again with 58.6% of the nations' total sorghum crop. The KGSC takes pride in the total industry results as it invests checkoff dollars heavily into production research and breeding on a national level. Research funding includes development and utilization of sorghum

## CONTINUATION SHEET

Minutes of the House Agriculture and Natural Resources Committee at 3:30 p.m. on March 11, 2010, in Room 783 of the Docking State Office Building.

as a feedstock for biofuel production, and enhancing sorghum yield and profitability through nitrogen management, to name a few. Additional information is available on its website at [www.ksgrainsorghum.org](http://www.ksgrainsorghum.org).

Doug Keesling, Chairman, Kansas Wheat Commission (KWC) ([Attachment 11](#)), advises the KWC is funded by the wheat assessment, which collects a penny-and-a-half per bushel of wheat at the first point of sale. In the area of research, the KWC is on the cusp of new partnerships, collaborations and innovations that Kansas wheat farmers have been eagerly awaiting. Recently, there have been large private industry tech providers and seed companies enter back into the business of wheat variety development. Through the wheat assessment, farmers have invested millions of dollars in new variety development at Kansas State University (KSU) over the past 50 years. That strong partnership with KSU has resulted in a vibrant public breeding program in our region and has advanced countless varieties adapted throughout the state. Additional information can be obtained on its website at [www.kansaswheat.org](http://www.kansaswheat.org).

Kansas Wheat Commission Financial Statement with Independent Auditors' Report on file in Chairman Powell's Office.

A written report from the Kansas Sunflower Commission is also included ([Attachment 12](#)).

The next meeting is scheduled for March 17, 2010.

The meeting was adjourned at 4:20 p.m.

# AG. & NATURAL RESOURCES COMMITTEE GUEST LIST

DATE: 3-11-10

NAME	REPRESENTING
Kenlon Johannes	Kansas Soybean Commission
Terre White	KS Coal Commission
Ron Seebach	WFA/KARA
Judy WILLINGHAM	KELP (K-State)
Roberta Spencer	KELP
Janet Meyer	KELP
Dane Baxa	KELP
Jenni Carr	KELP
Jerry Clasen	KELP
Alicia Hamon	KELP
Lobby Albers	KELP
Mike Leveque	KELP
Kerri Ebert	KSU
S. Kim Nettleton	KELP
BRAD HARRELSON	KFB

**Kansas Soybean Commission**  
**March 11, 2010**  
**Report to the Kansas Legislature**

Members of the Kansas House Agriculture and Natural Resources Committee, my name is Jerry Jeschke from Robinson; I am the Vice-Chairman of the Kansas Soybean Commission.

While the soybean commission has been authorized and operates under Kansas statutes, it is also part of a federal soybean checkoff program. We have been designated as the Qualified State Soybean Board for the state of Kansas by the United Soybean Board (USB), the national checkoff board authorized by the United States Department of Agriculture under federal legislation approved by Congress. First purchasers in Kansas assist us by collecting one-half of one percent of the net market value of soybeans sold by a producer. We send one-half of the funds we collect to USB for national and international projects. Nine soybean farmers volunteer their time to serve on the soybean commission.

Included in the handouts is a copy of our FY2010 Marketing Plan which summarizes this fiscal year's program, including some information on the project areas we fund.

A summary of our research, primarily production research, is also included. We fund soybean breeding, production, and environmental research programs that focus on the most economical and efficient cropping systems with minimal impact on the environment, including best management practices, crop protection, and pest management. Our research program also funds a limited amount of new uses research. Developing environmentally friendly products to create new markets for soybeans is important to us.

Our state's international market development effort, separate from USB's extensive program, is mainly done through the International Grains Program (IGP) at Kansas State University. Projects such as promoting Kansas-grown soybeans overseas or hosting trade teams to expand the foreign markets for value-added products, including a special program done at IGP with the World Initiative on Soy in Human Health in Mozambique, are within this program area. We have been working with the Kansas Department of Commerce, Ag Marketing Division to sell containerized Kansas soybeans to a food and feed manufacturing company in our state's sister state, Henan Province in China.

Our consumer education program includes promoting soybean products such as biodiesel, (we have included the latest Kansas biodiesel sales survey and locations of retail and bulk outlets in your packet), and educating the public on the ease of preparing healthful foods with soy. The consumer information category is also responsible for our school education program.

Our communications program deals with the dissemination of information to producers and industry. Weekly radio farm reports, reports on the new TV program "AG am in Kansas", newsletters, attendance at farm shows, and other meetings are all included in this program. We strive to get the latest most relevant information to our producers. A copy of our newsletter *SoyNotes* provides you with some of the information we disseminate, including a summary of our FY2008 expenditures.

Our administration budget includes the cost of collections, audits, elections, and other board expenses. The Soybean Commission has an outside, accredited accounting firm audit its financial records each year. This ensures checkoff dollars are being spent according to acceptable, efficient business practices. Our FY2009 audit is available to you if you wish to have a copy; enclosed is a copy of the Statements of Activities and Schedules of Program Expenses for the past two fiscal years from that audit. We are also audited every three years by the USB for compliance to national soybean checkoff regulations.

We knew we needed different facility for our office and staff, and to host international trade teams and other visitors. After an extensive search and looking into several options, we felt it would be best to start from the ground up. Pictures of the construction of our new building in Topeka are in the copy of *SoyNotes* you received. You are all welcome to attend our building dedication ceremonies tomorrow. *NEXT Friday March 19th*

As stated earlier, one-half of the soybean checkoff collection goes to the United Soybean Board. This 68-member, farmer-run board, allocates our Kansas collections along with those of 25 other soybean producing states. The Kansas Soybean Commission has three representatives on USB. USB funds international market development, production and utilization research, consumer information programs, including assisting the National Biodiesel Board in its efforts to commercialize biodiesel, and producer communication projects.

I did not mention one of our most important domestic market develop priorities. It is represented by the pig light. While this light may be silly, we hope it makes you remember that it represents the serious commitment we have to protect the animal agriculture industry in Kansas. Since 98% of all soybean meal produced in the US is consumed by animal agriculture, we will work closely with Kansas animal, commodity and general farm organizations to educate Kansans on the importance of Animal Ag to the Kansas and US economy. We have done some initial work with the Kansas pork producers on this effort. We will also work with the Kansas Soybean Association to do what ever it takes to protect our animal agriculture industry in Kansas.

I am pleased to give you this brief synopsis of our program. Additional information and details on programs and specific projects are available at your request. Thank you.

Jerry Jeschke  
Robinson, Kansas

Kansas Soybean Commission Office  
1000 SW Red Oaks Place  
Topeka, KS 66615-1241

## Kansas Soybean Commission FY2010 Marketing Plan

The mission of the Kansas Soybean Commission is improving the profitability of Kansas's soybean producers. The Commissioners have identified the following priorities to work toward that mission:

1. Breeding/Production/Environmental Programs focusing on the most economical/efficient cropping systems with minimal impact on the environment including best management practices and crop protection/pest management; replacement of existing controls/seed treatments.
2. Animal/Human Nutrition studies that will increase the utilization of soybeans in the livestock feeding industry and new and innovative uses of soybeans as vital components in human nutrition.
3. Value-Added Projects developing and commercializing competitive industrial uses for soybeans including private entity cooperation.
4. Marketing Extension Program including extensive educational training of soybean pricing, crop disappearance/market share, crop insurance options, yield protection, farm program considerations and options in marketing available to Kansas soybean producers.
5. International market development with a focus on utilizing Kansas's soybeans.

In addition the Soybean Commission through its own work and through a contract with the Kansas Soybean Association promotes the nutritional benefits of using soybean products to consumers and because of its benefits to the environment, energy security and the farm economy, promotes the use of soy biodiesel as an alternative to diesel fuel. It also informs Kansas' soybean producers of their activities through producer communications efforts and participates in Industry Relations programs both state and nationally.

The Commission directly funds the following programs to reach their mission:

1. Kansas State University research and outreach:
  - Development of Soybean Host Plant Resistance and Other Management Options for the Soybean Stem Borer
  - Enhancement of Soybean through Genetic Engineering
  - Influence of soils, nutrition, and water relations upon charcoal rot disease processes in Kansas
  - Correction of Potassium Deficiency in Soybean Production in Kansas
  - Trait and Production Efficiency Enhancement in Soybean
  - Use of Seed and Foliar Fungicides at Two Planting Dates for Soybean Production in Kansas
  - Iron deficiency chlorosis in soybean: Effect of soil properties and iron fertilizer application
  - Soyoil Latex for Pressure Sensitive Adhesives
  - Nutritional enhancement of soybean carbohydrates and hulls for animal feeding using microbial cultures
  - Premium Texturized Soybean Protein by Extrusion Processing – Product Quality from Different Formulations and Processing Parameters
  - Extension and Applied Research Programs for Kansas Soybean Production
  - Development of Farm Management Data Systems for Kansas Farmers
2. Pittsburg State University research on:
  - Solvent-free Bio-based Adhesives from Soybean Oil-based Urethane Prepolymers
  - Hyperbranched Polyols for Flexible Foams from Soybean Oil Fatty Acids
  - Analysis of an Antibiotic Protein from Soybean

Ag & Natural Resources Committee  
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Attachment 2

3. The University of Kansas research on:  
 KU Biodiesel Initiative: A model for distributed production of biodiesel for rural communities Customer Response to Biodiesel
4. Wichita State University  
 Understanding charcoal rot disease using a genetics approach
5. North Central Soybean Research Program
6. Hydrogen from Glycerin for use in Hydrogen Engine
7. Ag in the Classroom, School Education Programs and state and county fairs
8. Youth Education Program
9. FFA program support
10. FACS education program
11. Biodiesel – Industrial Uses Advertising  
 Kansas State Football Network  
 WIBW - KU Football & Basketball
12. National Biodiesel Board, Membership and State Regulatory Project
13. Producer Radio and Print Outreach  
 WIBW radio, Topeka  
 KRVN radio, Lexington, NE  
 KKOW radio, Pittsburg, KS  
 KFEQ radio, St. Joseph, MO  
 KFRM radio, Clay Center, KS  
 KBUF radio, Garden City, KS  
 Agri-Talk Program  
  
 Print Ads for specific promotions. Advertise to educate producers of soybean checkoff program sponsored by the KSC, *Straight Rows*. Work on earned media with *Kansas Farmer*, *High Plains Journal*, *Farm Talk and Grass and Grain*.
14. *Soynotes* Newsletter
15. Kansas Soybean Expo
16. No-till education including No-till On the Plains organization
17. Field Days, Farm/ Trade Shows, Crop Tours
18. International Market Development work  
 Kansas State University  
 International Grains Program  
 Value of expanded soybean meal for dairy cattle (Chinese marketing information)  
 Karl Zhao, Kansas Department of Commerce, Chinese Consultant  
 WISHH Program  
 USSEC Latin American, Chinese and Taiwanese Program work  
 AGP, Inc., Gray's Harbor Export Program

19. Collection, meeting, administration and audit procedures
20. Program and administrative work by the Kansas Soybean Association
21. Leadership development and program management
22. First Purchaser Relations
  - Grain Grading Workshops
  - KGFA Annual meeting and trade show
23. Yield Contest
24. Consumer Awareness Media Program

FY2010 Kansas Soybean Commissioners

<p>Districts I-II-III Kurt Maurath, Secretary 420 Elm Avenue Oakley, KS 67748 (785) 672-3750</p>	<p>District IV Steve Clanton 721 Kiowa Minneapolis, KS 67467 (785) 392-2527</p>
<p>District V Harold G. Kraus 977 Chetolah Gold Rd. Hays, KS 67601 (785) 625-6488</p>	<p>District VI Jerry Wyse 8403 Mayfield Rd. Haven, KS 67543-8093 (620) 465-2303</p>
<p>District VII Jim Zwonitzer 10789 Cheyenne Road Horton, KS 66439 (785) 872-3165</p>	<p>District VIII Bob Haselwood, Chair 2130 SE 61<sup>st</sup> Street Berryton, KS 66409 (785) 862-1048</p>
<p>District IX Ron Westervelt 4851 NW Bethlehem Road Columbus, KS 66725 (620) 674-3301</p>	<p>At-Large Ron Ohlde, Treasurer 1579 4th Road Palmer, KS 66962 (785) 692-4322</p>
<p>At-Large Jerry Jeschke, Vice-Chair 1584 Willow Road Robinson, KS 66532 (785) 765-3623</p>	<p>United Soybean Board Representatives: John Wray, Ottawa Robert Haselwood, Berryton Bill Wiley, Lyndon</p>

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# Soybean Checkoff Research Database: Projects Being Funded on October 1, 2009

## Kansas Soybean Commission

**Development of Soybean Host Plant Resistance and Other Management Options for the Soybean Stem Borer;** *Lawrent Buschman, C. Michael Smith, Phillip E. Sloderbeck, William Schapaugh and Harold Trick (Entomology, Agronomy and Plant Pathology Departments, Southwest Area Extension Office, SW Research/Extension Center, KSU Extension Offices, Kansas State University); (\$26,156 ).*

The researchers will: 1) continue screening soybean germplasm accessions for resistance to soybean stem borer; 2) evaluate the yield response of different soybean varieties to soybean stem borer feeding using systemic insecticides; 3) conduct a survey of the occurrence of soybean stem borer across the High Plains and Midwest to determine if the problem is widespread enough to encourage registration of insecticides against this pest; and 4) expand web pages and other educational materials associated with soybean insect pests.

**Enhancement of Soybean through Genetic Engineering;** *Harold Trick, William Schapaugh and Tim Todd (Departments of Plant Pathology and Agronomy, Kansas State University); (\$75,092).*

This project will continue to produce and evaluate genetically engineered soybeans for increased fungal resistance. Use gene silencing (RNAi) to enhance Soybean Cyst Nematode (SCN) resistance in transgenic soybean. Produce phenylalanine-free corn protein in transgenic soybean to produce a nutraceutical (value-added) trait that may open new markets for Kansas' soybeans.

**Influence of Soils, Nutrition, and Water Relations Upon Charcoal Rot Disease Processes in Kansas;** *Christopher R. Little, P.V. Vara Prasad, DeAnn Presley (Plant Pathology and Agronomy Departments, Kansas State University); (\$33,770)*

The objectives are to: (1) Determine the influence of common soil types on charcoal rot disease incidence and severity. (2) Determine the influence of water relations and soil nutrition on charcoal rot disease incidence and severity within the context of various soils and irrigation regimes.

**Correction of Potassium Deficiency in Soybean Production in Kansas;** *David B. Mengel, Dorivar Ruiz Diaz (Agronomy Department, Kansas State University); (\$30,990)*

The objectives are to: 1) Determine the impact of K deficiencies on soybeans yields in Kansas. 2) Determine if broadcast applications of K will correct the observed deficiencies when soil test K levels are below the current critical level and if so, the amount of K required to correct deficiencies at a given soil test level. 3) Determine if surface banding of K will correct the K deficiency in soybeans more efficiently than broadcast applications.

**Trait and Production Efficiency Enhancement in Soybean;** *Bill Schapaugh, Tim Todd, Harold Trick, Jim Long, (Agronomy Department, Plant Pathology Department, Southeast Research Center, Kansas State University); (\$276,449)*

The objectives are to:

1. Improve the genetic potential and enhance the genetic diversity of soybean germplasm for the following traits
  - A. Seed yield: under dryland and irrigated production
  - B. Seed composition: high oil, high protein, low phytate, low linolenic, mid-oleic, low

- saturated fats
- C. Disease and insect resistance: Soybean Cyst Nematode (SCN), Soybean Sudden Death Syndrome (SDS), Soybean Aphid, Soybean Rust
2. Incorporate transgenic events into elite breeding lines
  3. Map resistance genes for the soybean aphid
  4. Characterize the virulence diversity in Kansas populations of soybean cyst nematode
  5. Investigate the interaction between SDS and SCN
  6. Develop best management practices in Southeast KS for disease control in soybean, with special consideration for season-long charcoal rot control, early and mid season leaf disease control, and late foliar, pod, and stem disease control
- Identify and assess biological methods to control diseases, including seed treatments and foliar treatments.

**Use of Seed and Foliar Fungicides at Two Planting Dates for Soybean Production in Kansas;** *Barney Gordon, Doug Jardine, Kraig Roozeboom, Stu Duncan (Department of Agronomy, Department of Plant Pathology, Northeast Area Extension, Kansas State University); (\$8,500)*

The objective of this research will be to investigate response of soybeans to both seed and foliar applied fungicides at a normal and a late planting date under irrigated and dryland conditions. An additional objective will be to assess the role of fungicides in improving quality of soybean seed for planting.

**Iron Deficiency Chlorosis in Soybean: Effect of Soil Properties and Iron Fertilizer Application;** *Dorivar Ruiz Diaz, David Mengel (Department of Agronomy, Kansas State University); (\$33,656)*

The objectives are: 1) Evaluate the effect of different iron fertilizer applications strategies on soybean yield on iron deficiency chlorosis potential soils. 2) Determine interactions between soil properties and iron fertilizer applications on soybean yield. 3) Evaluate economic returns to iron fertilizer applications and varietal resistance selection.

**Understand Charcoal Rot Disease Using a Genetics Approach;** *Bin Shuai (Department of Biological Sciences, Wichita State University); (\$28,745)*

This proposal is intended to address the problems enlisted in the area of 1B/C of the KSC Request for proposals (2009-2010) The research objective is to identify genes that are involved in the charcoal rot disease using Medicago as the model.

**Soy Oil Latex for Pressure Sensitive Adhesives;** *Xiuzhi Susan Sun, Donghai Wang (Department of Grain Science and Industry, Department of Bio & Ag Engineering, Kansas State University); (\$48,700)*

The goal of this proposal is to convert soybean oil into latex for pressure sensitive adhesive applications. Specific objectives include; 1) Technology will be developed that soybean oil will be used as a major material for latex production, 2) The soy oil latex will be evaluated for pressure sensitive adhesives applications. 3) Aging of pressure sensitive adhesives will be characterized and stabilized.

**Nutritional Enhancement of Soybean Carbohydrates and Hulls For Animal Feed Using Microbial Cultures;** *Praveen Vadlani, Ron Madl, Dan O'Brien (Department of Grain Science and Industry, Department of Extension Agricultural Economics NW Research Extension Center, Kansas State University); (\$38,742)*

The objective of the research is: 1) To achieve bioconversion of soluble carbohydrates (raffinose, sucrose and stachyose) and residual starch from soybean hulls to microbial protein, 2) Co-culture

fermentation of sugars derived from soybean carbohydrates and hull to single-cell-protein, and characterize the fiber utilization and nutritional enhancement, 3) Assess the economics of nutritionally enhanced soybean hulls compared with current use value and vs. distiller's grain from the ethanol process.

**Premium Texturized Soybean Protein by Extrusion Processing – Product Quality from Different Formulations and Processing Parameters;** *Sajid Alavi, Enzhi Michael Cheng (Department of Grain Science and Industry, Kansas State University); (\$35,530)*

The objectives for this proposal are as follows: 1) To produce high moisture meat analogs (HMMAs) using a model formulation consisting of soy protein isolate, vital wheat gluten and wheat starch. 2) To study how protein dispersibility index (PDI) of defatted soy flour (DSF) and soy protein concentrate (SPC) affects processing requirement and finished product quality of low moisture texturized soy proteins (TSPs); 3) To characterize the water holding capacity, texture and integrity of HMMAs and low moisture TSPs; To conduct a consumer acceptance study of the texturized protein products.

**Analysis of an Antibiotic Protein From Soybean;** *Daniel Zurek (Department of Biology, Pittsburg State University); (\$26,461)*

The objectives are: 1) Obtain mutation free copies of the gene for this glucanase in a yeast expression system in order to produce large amounts of authentic soybean protein. 2) Effectively purify nonmutant, authentic soybean glucanase protein for further studies with maximal yield and minimal degradation. 3) Analyze the purified protein for antibiotic activity upon variety of plant and animal pathogenic organisms, and quantitate its effects in comparison to commercial antibiotics.

**Extension and Applied Research Programs for Kansas Soybean Production;** *Kraig Roozeboom (Department of Agronomy, Kansas State University); (\$4,814)*

The objectives are: 1) Effectively educate producers, crop advisors, and other agri-business professionals about the latest developments in best management practices for soybean production and soybean cropping systems. 2) Maintain and expand personal soybean production and educational expertise.

**Development of Farm Management Data Systems for Kansas Farmers;** *Bryan Schurle, Kevin Herbel, Michael Langemeier (Department of Agricultural Economics, Kansas State University); (\$15,000)*

The objective of this project is to develop new database systems for farm management data for Kansas farmers. Specifically, we intend to: 1) Develop a new data collection system that collects farm management data in a similar fashion to the system currently in place, but with vastly superior flexibility in data handling ability and report writing capacity. 2) Develop new report writing systems that improve readability by utilizing graphs and charts for comparison purposes. 3) Develop new and improved benchmarks for enterprises and whole farm analyses.

**Biodiesel Glycerin Based Hydrogen Production for Electrical Generation from a Hydrogen Internal Combustion Engine;** *William Ayres (Renewable Solutions, LLC); (\$43,000).*

The objective of this project is to test hydrogen from glycerin from biodiesel production for hydrogen gas powered internal combustion engines by: 1) Glycerin Hydrogen Fuel Gas production at Biomass Energy Foundation (BEF); 2) Continue Testing of Plasma Reformer on Glycerin to Produce Hydrogen Rich Gas and operation of an engine generator set; 3) Integrate the Reformer and Operate an Engine on Biodiesel Glycerin Hydrogen Rich Gas.

**Hyperbranched Polyols For Flexible Foams From Soybean Oil Fatty Acids;** *Zoran Petrovic, Henry Emadipour (Kansas Polymer Research Center, Plastics Engineering Technology, Pittsburg State University); (\$52,000)*

The objectives are to: 1) develop a new family of low viscosity, all bio-based polyols for flexible foams starting from methyl esters of soybean oil (bio-diesel) using a new concept of hyperbranching; 2) characterize new polyols by measuring molecular weight, functionality, and viscosity using standard methods of polymer chemistry; 3) test new polyols as base polyols in flexible foams.

**Solvent-free Bio-based Adhesives from Soybean Oil-based Urethane Prepolymers;** *Ivan Javni, William Shirley (Kansas Polymer Research Center, Department of Chemistry, Pittsburg State University); (\$50,000)*

The objectives are: 1) screening of soy polyols and isocyanates; optimizing the conditions for synthesizing soy polyol-based urethane prepolymers with different isocyanates (aliphatic, cycloaliphatic, and aromatic isocyanates); 2) studying the physical properties of the urethane prepolymers based on different isocyanates so as to determine their potential applications; 3) development of: a) one-component moisture-cure polyurethane adhesives (low viscosity); b) one-component moisture-cure hot-melt polyurethane adhesives (solid at room temperature but melt at elevated temperatures); c) two-component polyurethane adhesives; 4) testing the adhesion property of different prepolymers on different substrates at different conditions, in order to get optimized formulations; 5) patent and commercialize the products.

KANSAS SOYBEAN COMMISSION

STATEMENTS OF ACTIVITIES

For the years ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Program Revenues:		
Soybean assessments	\$ 5,776,941	\$ 4,792,490
Less:		
USB remittances	(2,804,273)	(2,325,648)
QSSB remittances	(162,261)	(131,856)
KDA collection fees	(3,342)	(3,668)
KDA first purchaser audits	(2,133)	(5,604)
Net assessments revenues	<u>2,804,932</u>	<u>2,325,714</u>
Program refunds	32,685	10,480
Interest income	20,488	52,336
Penalties	3,259	6,299
Grants	87,946	45,350
Miscellaneous income	<u>1,924</u>	<u>-</u>
Total Revenues	<u>2,951,234</u>	<u>2,440,179</u>
Program Expenses:		
Projects:		
Research	866,531	688,208
Other	854,919	794,097
Supportive Services:		
Administration	<u>159,312</u>	<u>141,897</u>
Total Program Expenses	<u>1,880,762</u>	<u>1,624,202</u>
Program Income	1,070,472	815,977
Nonprogram Expense:		
Other income	31	11
Gain on sale of fixed assets	<u>-</u>	<u>1,733</u>
Net Other Income (Expenses)	<u>31</u>	<u>1,744</u>
Change in Net Assets	1,070,503	817,721
Net Assets, beginning of year	<u>2,299,070</u>	<u>1,481,349</u>
Net Assets, end of year	<u>\$ 3,369,573</u>	<u>\$ 2,299,070</u>

Ag & Natural Resources Committee

Date 3-29-10

Attachment 4

KANSAS SOYBEAN COMMISSION  
SCHEDULES OF PROGRAM EXPENSES

For the years ended June 30, 2009 and 2008

	2009	2008
Research Program Expenses:		
Kansas State University	\$ 549,554	\$ 518,536
Pittsburg State University	120,500	36,350
No Till on the Plains	10,000	10,000
North Central Soybean Research Program	80,000	50,000
Kansas University	43,915	30,000
Renewable Solutions, LLC	-	42,000
National Biodiesel Board	49,850	-
Miscellaneous research expenses	12,712	1,322
Total Research Program Expenses	\$ 866,531	\$ 688,208
Other Program Expenses:		
International market development	\$ 247,258	\$ 234,317
Consumer information	96,304	131,921
Youth education program	46,602	51,936
Consumer awareness	25,127	22,626
Biodiesel	114,052	85,333
Industrial uses market development	16,162	14,691
Industry information & relations	117,449	84,275
Producer communications	191,965	168,998
Total Other Program Expenses	\$ 854,919	\$ 794,097
Administrative Support Services:		
Kansas Soybean Association administrative contract fees	\$ 132,716	\$ 125,327
Contracted administration	2,556	1,439
Insurance	3,929	-
Meeting expenses	7,085	5,052
Travel	23	-
Election costs	631	805
Professional services - audits	8,625	7,280
Legal & professional services	1,595	88
Postage	975	600
Office supplies	1,177	1,306
Total Administrative Support Services	\$ 159,312	\$ 141,897

## Kansas Biodiesel Fuel Usage Survey Results

Kansas Soybean Commission, 1000 SW Red Oaks Place, Topeka, KS 66615

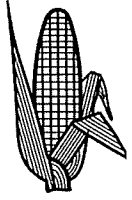
785-271-1040 www.kansassoybeans.org

Ag & Natural Resources Committee  
 Date 3-29-10  
 Attachment \_\_\_\_\_

Blend	2004 B100 Equiv.		2005 B100 Equiv.		2006 B100 Equiv.		2007 B100 Equiv.	
	July 03 - June 04		July 04 - June 05		July 05 - June 06		July 06 - June 07	
B2	5,926,305	118,526	3,921,861	78,437	3,616,039	72,337	3,019,480	60,390
B5	141,248	7,562	2,109,619	105,481	3,661,836	183,092	2,097,300	104,865
B10			100,000	10,000	2,750,000	275,000	344,400	34,440
B20			18,000	3,600	24,000	4,800	215,167	43,033
B50							50,893	25,447
B100		110,005	378,524	378,524	295,900	295,900	213,164	213,164
<b>Total B100</b>		<b>236,093</b>		<b>576,042</b>		<b>830,229</b>		<b>481,339</b>
<b>Surveys</b>								
Sent out		137		175		170		170
Returned		55		50		49		26

Blend	2008 B100 Equiv.		2009 B100 Equiv.	
	July 07 - June 08		July 08 - June 09	
B2	2,811,730	56,235	2,313,235	46,265
B5	682,590	34,130	389,249	19,462
B10	560,925	56,093	559,601	55,960
B20	740,216	148,043	1,408,977	281,795
B50				
B100	219,556	219,556	251,818	251,818
<b>Total B100</b>		<b>514,056</b>		<b>655,300</b>
<b>Surveys</b>				
Sent out		170		170
Returned		30		31

updated 02-02-2010



**Kansas  
Corn Commission**

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**Comments from Jere White, Executive Director  
Annual Report to the Legislature  
March 11, 2010**

My name is Jere White, and I am the executive director of the Kansas Corn Commission. I appreciate the opportunity to appear before you today and present the corn commission's annual legislative report.

Provided with my comments today, are copies of the commission's Fiscal Year 2009 financial audit, the FY 2009 Year-End Budget Report, the FY2010 Budget, and our annual report to producers, which was distributed through Kansas Farmer magazine as well as at grower meetings and farm shows. This report includes a description of current projects in the areas of Production/New Use Research, Domestic Market Development, Foreign Market Development, and Promotion and Education.

2009 was quite a year for Kansas corn farmers. We harvested over 598 million bushels of corn, breaking the record of 507 million bushels set in 2007. We also had a record yield of 155 bushels per acre. Our state's motto is "To the stars through difficulties". That sums up this year's corn crop. Many of our growers planted and harvested their crops in wet, muddy and even snowy conditions. However, we were lucky to have excellent weather during the growing season which was a big factor in the success of our corn crop. Improved crop genetics and better farming practices helped us to get through the difficulties during planting and harvest and to take advantage of a near perfect summer growing season.

The corn checkoff rate remains at a half-cent per bushel. The corn checkoff is fully refundable, and we honor refund requests in a prompt and courteous manner. Refund vouchers are typically processed and checks mailed within 2-3 working days of receipt at our office.

The FY09 checkoff refund percentage was 13.57 percent, which is similar to recent years.

Ag & Natural Resources Committee  
Date 3-29-10  
Attachment 6



Kansas corn has two major customers—livestock and ethanol. While these industries have had their ups and downs, one thing remains constant—farmers remain committed to providing a plentiful supply of feedstock for both livestock and ethanol.

People ask me what the corn commission does, and really it is quite simple. We invest checkoff dollars in programs aimed to increase the profitability of corn for our growers. We do this by supporting efforts to build markets for corn and its customers. We continue our work to promote and increase the use of ethanol, a key market for our growers. We work with groups like the US Grains Council to increase exports of corn, and with the US Meat Export Federation to increase exports of US beef. Our efforts in Asia and other countries to restore markets for our beef are important to rebuilding markets for our livestock producers. In addition, next week, the Kansas Corn Commission and USMEF are introducing with high quality US and Kansas-sourced beef burger at high end Hilton Hotels in Europe.

We also fund research projects to improve corn, corn production techniques and to develop advances in corn products. We fund educational efforts to help people get a better understanding of farming. In addition to print, broadcast and website communications, we are becoming more active in social media like Facebook, Twitter and blogs. Social media is a new area that we are using to reach out to consumers to educate them about the role of agriculture in their lives as well as to communicate with our farmers. We also are active in groups like the Corn Farmers Coalition, which provides factual and verifiable information on corn farming to decision makers and others. Many well-funded activist groups are trying to tell people what happens on our farms and ranches using misinformation and outright lies. It is important that growers tell the real story of agriculture.

The Kansas Corn Commission continues to work to benefit Kansas corn producers and we look forward to continuing these efforts in the years to come. Thank you for your interest in agriculture and in the activities of the Kansas Corn Commission.



November 16, 2009

Board of Directors  
Kansas Corn Commission  
Garnett, Kansas

### Independent Auditors' Report

We have audited the accompanying statements of assets and net assets - cash basis of Kansas Corn Commission (the Commission), a quasi municipal entity, as of June 30, 2009 and 2008, and the related statements of activities - cash basis for the years then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net assets - cash basis of Kansas Corn Commission as of June 30, 2009 and 2008, and the changes in its net assets for the years then ended on the basis of accounting described in Note 1.

Certified Public Accountants  
Manhattan, Kansas

Ag & Natural Resources Committee  
Date 3-29-10  
Attachment 7

*Independent Auditors' Report*

**KANSAS CORN COMMISSION**  
 Garnett, Kansas  
**STATEMENTS OF ASSETS AND NET ASSETS - CASH BASIS**  
 June 30,

	2009	2008
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash		
Generations Bank	\$ 1,570,293	\$ -
Brooke Savings Bank	-	1,702,647
Money Market	120,747	1,802,019
<b>TOTAL ASSETS</b>	<b>\$ 1,691,040</b>	<b>\$ 1,802,019</b>
<b>NET ASSETS</b>		
<b>Net Assets</b>	<b>\$ 1,691,040</b>	<b>\$ 1,802,019</b>
<b>TOTAL NET ASSETS</b>	<b>\$ 1,691,040</b>	<b>\$ 1,802,019</b>

*Financial Statements*

**Kansas Corn Commission**  
**Income & Expense Budget vs. Actual**  
 July 2008 through June 2009

	Jul '08 - Jun 09	Budget	% of Budget
<b>Income</b>			
<b>Checkoff Funds</b>			
Assessments Received	2,053,345.13	1,813,000.00	113.3%
Refunds to Producers	-278,637.57	-252,000.00	110.6%
<b>Total Checkoff Funds</b>	<b>1,774,707.56</b>	<b>1,561,000.00</b>	<b>113.7%</b>
Interest Received	30,194.26	60,000.00	50.3%
<b>Total Income</b>	<b>1,804,901.82</b>	<b>1,621,000.00</b>	<b>111.3%</b>
<b>Expense</b>			
<b>Communications</b>			
Annual Report	3,925.00	7,000.00	56.1%
Elections	630.75	3,000.00	21.0%
Postage	1,484.00	2,500.00	59.4%
Postage Permit	0.00	1,200.00	0.0%
Printing	0.00	5,000.00	0.0%
Radio	43,039.00	70,000.00	61.5%
Communications - Other	12,001.14		
<b>Total Communications</b>	<b>61,079.89</b>	<b>88,700.00</b>	<b>68.9%</b>
Corn Vision 2012 Project	1,601.73	10,000.00	16.0%
<b>Ethanol Expansion Program</b>			
E-10 Promotion	283.65	40,000.00	0.7%
E-85 Promotion			
E-85 Projects	10,169.95	15,000.00	67.8%
<b>Total E-85 Promotion</b>	<b>10,169.95</b>	<b>15,000.00</b>	<b>67.8%</b>
KSU E-85	10.00	4,000.00	0.3%
Vehicle, Additional Expenses	2,369.00	4,500.00	52.6%
<b>Total Ethanol Expansion Program</b>	<b>12,832.60</b>	<b>63,500.00</b>	<b>20.2%</b>
Grants	16,975.00	15,000.00	113.2%
Hospitality	4,775.69	6,000.00	79.6%
Meeting Expense	1,523.27	8,000.00	19.0%
Office Expenses	1,144.73	3,000.00	38.2%
<b>Professional Services</b>			
Auditing Services	3,100.00	3,100.00	100.0%
KCGA - Administration	80,000.00	80,000.00	100.0%
KCGA - Programs	368,000.00	368,000.00	100.0%
KDA - Audit and Collection Fees	3,687.61	14,000.00	26.3%
Ks Found for Ag in the Class	12,500.00	12,500.00	100.0%
KSU - International Grains	50,000.00	50,000.00	100.0%
<b>KSU - Research</b>			
KSU Prior Year Project Refunds	-70.05		
KSU - Research - Other	109,906.46	112,741.00	97.5%
<b>Total KSU - Research</b>	<b>109,836.41</b>	<b>112,741.00</b>	<b>97.4%</b>
<b>National Corn Growers Assn.</b>			
Core Funding	148,000.00	148,000.00	100.0%
Portfolio - Biotech	30,000.00	30,000.00	100.0%
Portfolio - Ethanol	62,600.00	62,600.00	100.0%
Portfolio - Grower Services	10,000.00	10,000.00	100.0%
Portfolio - Prod & Steward	27,400.00	27,400.00	100.0%
Portfolio - Public Policy	70,000.00	70,000.00	100.0%
Portfolio - Research & Develop	20,000.00	20,000.00	100.0%
<b>Total National Corn Growers Assn.</b>	<b>368,000.00</b>	<b>368,000.00</b>	<b>100.0%</b>
No-Till On The Plains	5,000.00	5,000.00	100.0%
ProExporter Network Grain Study	8,000.00	8,000.00	100.0%
Project Restore	50,000.00	50,000.00	100.0%
<b>Undetermined Contracts</b>			
ACE/RFA Natl Blender Pump Prog	150,000.00		
Project Restore	30,000.00		
USGC CEO Search Grant	50,000.00	50,000.00	100.0%
Undetermined Contracts - Other	0.00	300,000.00	0.0%
<b>Total Undetermined Contracts</b>	<b>230,000.00</b>	<b>350,000.00</b>	<b>65.7%</b>
<b>US Grains Council</b>			
DDG Project	25,000.00	25,000.00	100.0%

Ag & Natural Resources Committee  
 Date 3-29-10  
 Attachment 8

**Kansas Corn Commission**  
**Income & Expense Budget vs. Actual**  
 July 2008 through June 2009

	Jul '08 - Jun 09	Budget	% of Budget
Foreign Market Development	310,000.00	310,000.00	100.0%
Total US Grains Council	335,000.00	335,000.00	100.0%
US Meat Export Federation			
KS Corn Promotion Project	50,000.00	50,000.00	100.0%
USMEF Core Funding	70,000.00	70,000.00	100.0%
Total US Meat Export Federation	120,000.00	120,000.00	100.0%
Total Professional Services	1,743,124.02	1,876,341.00	92.9%
Travel			
In State Travel	4,025.32	10,000.00	40.3%
Out of State Travel	68,788.88	60,000.00	114.6%
Total Travel	72,814.20	70,000.00	104.0%
Total Expense	1,915,871.13	2,140,541.00	89.5%
Net Income	-110,969.31	-519,541.00	21.4%

**KANSAS CORN COMMISSION**  
 Garnett, Kansas  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - CASH BASIS**  
 For the Years Ended June 30,

**Financial Statements**

	<b>2009</b>	<b>2008</b>
<b>CHANGES IN NET ASSETS</b>		
<b>REVENUE</b>		
Check-off collections	\$ 2,053,345	\$ 2,231,525
Refunds	(278,648)	(297,945)
<b>Net</b>	<b>\$ 1,774,697</b>	<b>\$ 1,933,580</b>
Interest income	30,194	60,355
<b>Total Revenue</b>	<b>\$ 1,804,891</b>	<b>\$ 1,993,935</b>
<b>EXPENSES</b>		
Administrative		
Communications	\$ 61,080	\$ 35,809
KCGA - Administration	80,000	74,000
In-state travel	4,025	3,330
Out-of-state travel	68,788	40,245
Office	1,145	2,717
Meetings	1,523	3,394
Hospitality	4,776	2,737
Grants	16,975	14,650
Program		
Ks Env Mgmt CAFO Waste Water	-	50,000
Ks Foundation for Ag in the Class	12,500	12,500
KCGA	368,000	339,000
KS Department of Agriculture	-	8,208
KSU - Research	109,836	167,543
KSU - International Grains	50,000	50,000
National Corn Growers Association	368,000	347,000
No-Till on the Plains	5,000	5,000
Ethanol Expansion	12,833	41,811
Other contracts	288,389	332,053
ProExporter Network Grain Study	8,000	8,000
US Grains Council	335,000	335,000
US Meat Export Federation	120,000	50,000
<b>Total Expenses</b>	<b>\$ 1,915,870</b>	<b>\$ 1,922,997</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>\$ (110,979)</b>	<b>\$ 70,938</b>
<b>NET ASSETS - JULY 1, 2008</b>	<b>1,802,019</b>	<b>1,731,081</b>
<b>NET ASSETS - JUNE 30, 2009</b>	<b>\$ 1,691,040</b>	<b>\$ 1,802,019</b>

**KANSAS CORN COMMISSION**  
Garnett, Kansas  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2009 and 2008

**Note 1: Summary of Significant Accounting Policies**

***Organization***

The Kansas Corn Commission (the Commission) is organized as an instrumentality of the state to conduct a campaign of corn promotion and market development through research, education, and information.

***Method of Accounting***

The financial statements are prepared using the cash basis of accounting, which differs from generally accepted accounting principles in that revenues are recorded when received rather than when earned and expenses are recorded when paid rather than when the obligation is incurred.

***Income Taxes***

The Commission is a quasi municipal entity that is not subject to income tax and, accordingly, no provision has been made for income taxes.

***Pension Plan***

There is no formal pension plan.

***Use of Estimates***

The preparation of financial statements in conformity with the cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Note 2: Deposits and Investments**

The Commission's deposits were secured by FDIC insurance and pledged securities.

**Kansas Corn Commission**  
**FY10 Budget**  
 July 2009 through June 2010

	Jul '09 - Jun 10
<b>Income</b>	
<b>Checkoff Funds</b>	
Assessments Received	1,813,000.00
Refunds to Producers	-252,000.00
<b>Total Checkoff Funds</b>	1,561,000.00
Growth Energy Unused Funds Ret	252,127.21
Interest Received	40,000.00
<b>Total Income</b>	1,853,127.21
<b>Expense</b>	
<b>Communications</b>	
Annual Report	6,000.00
Elections	2,000.00
Postage	2,500.00
Printing	5,000.00
Radio	70,000.00
<b>Total Communications</b>	85,500.00
<b>Ethanol Expansion Program</b>	
ACE/RFA Promotion Program	50,000.00
E-85/Blender Pump Program	250,000.00
Ethanol Promotion	
Fuel Your Education	10,000.00
Ethanol Promotion - Other	30,000.00
<b>Total Ethanol Promotion</b>	40,000.00
KSU E-85	4,000.00
Vehicle, Additional Expenses	4,500.00
<b>Total Ethanol Expansion Program</b>	348,500.00
Grants	18,000.00
Hospitality	6,000.00
Meeting Expense	8,000.00
Office Expenses	3,000.00
<b>Professional Services</b>	
Auditing Services	3,100.00
KCGA - Administration	80,000.00
KCGA - Programs	368,000.00
KDA - Audit and Collection Fees	14,000.00
Ks Found for Ag in the Class	15,000.00
KSU - International Grains	50,000.00
KSU - Research	154,079.00
National Corn Growers Assn.	
Core Funding	223,500.00
Portfolio - Biotech	20,000.00
Portfolio - Ethanol	60,000.00
Portfolio - Grower Services	10,000.00
Portfolio - Prod & Steward	30,000.00
Portfolio - Public Policy	40,000.00
Portfolio - Research & Develop	10,000.00
<b>Total National Corn Growers Assn.</b>	393,500.00
No-Till On The Plains	5,000.00
ProExporter Network Grain Study	8,000.00
Project Restore	50,000.00
Undetermined Contracts	350,000.00
US Grains Council	
Foreign Market Development	310,000.00
<b>Total US Grains Council</b>	310,000.00
US Meat Export Federation	70,000.00
<b>Total Professional Services</b>	1,870,679.00
Travel	80,000.00
<b>Total Expense</b>	2,419,679.00
<b>Net Income</b>	-566,551.79

Ag & Natural Resources Committee  
 Date 3-29-10  
 Attachment 9

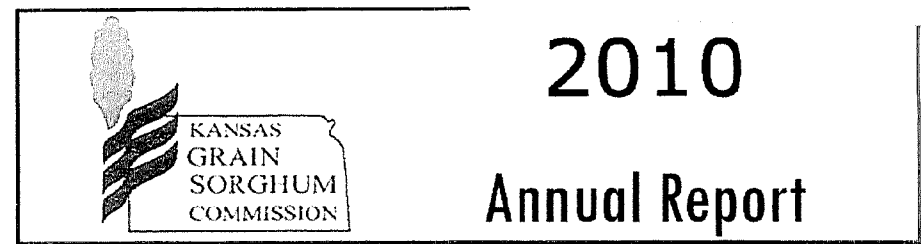


Kansas State University initiated the Center for Sorghum Improvement in 2001. The Center's coordinated interdisciplinary research efforts have led to the development of sorghum germplasm and parent lines with improved stalk quality, grain yield potential and drought tolerance. In 2006, these efforts were expanded to a regional scale with the development of the Great Plains Sorghum Improvement and Utilization Center (GPSIUC). The GPSIUC extends the interdisciplinary concept to include K-State, Texas Tech University, and Texas A&M University, integrating the combined expertise and resources of these three universities. The focus of the center is on genetic improvement, production systems to enhance water and nutrient use, innovative strategies to provide improved weed control, utilization of sorghum in human food products, animal feed, and as a bioenergy and industrial feedstock, plus marketing, and policy analysis in support of the US sorghum industry.

sustaining viable rural economies in the Great Plains. The wide diversity of sorghum types (sweet, forage, silage, grain) offer tremendous potential for many uses, but need to be evaluated and have varieties developed for important food, feed and industrial uses. The absence of gluten in sorghum grain offers huge opportunities for the development of new food products aimed at the population suffering from gluten intolerance. Systems for production, harvesting, transportation, and storage of sorghum products, feedstocks, and co-products have to be developed to meet the needs of the bio-energy industry, while optimizing the use of our natural resources and protecting the environment. Expanded research on genetic improvement, production and usage will result in new technologies and information to increase grain and forage sorghum production and processing efficiencies, reduce costs through the production and processing chain, and improve the U.S. sorghum industry's global competitiveness.

**Relevance**

Goals of the new checkoffs increased cash resources will expand existing research and education programs, particularly in genetic improvement and sorghum utilization. Sorghum is one of the most drought tolerant crops in the world, offering many potential advantages as a food, feed and bioenergy crop, and could be a key to



**RECORD YIELD & OVER-THE-TOP HERBICIDES  
LEAD TRANSITION INTO NATIONAL CHECK-OFF**

Kansas' total yield of 224 million bushels was up 10 million bushels from last year. It ranks Kansas first nationally again with 58.6 percent of the nations' total sorghum crop. With the reports of a final state yield of a record 88 bushels per acre, grain sorghum has strung together two strong productive years. The Kansas Commission takes pride in the total industry results as it invests check-off dollars heavily into production research and breeding on a National level. "We have been consistent production leaders and have led the way for our grower funded programs in Kansas to improving our crop and profitability," said Jeff Casten, KGSC Chairman from Quenemo.

many goal recently. The KSU Center for Sorghum Improvement and their team are working on sorghum genome marking, research in genetics, crop physiology, and production for the future technology that will be used in the next decade.

"This new technology will allow producers outstanding weed control and flexibility in crop rotations," says Al-Khatib. Reports from KSU has this product proceeding with the EPA IR4 registrations of Nicosulfuron and Rimsulfuron for use on ALS tolerant sorghum and quizalofop-P-ethyl for ACCase inhibitor tolerant sorghum. Growers could potentially see this new technology available by 2010, as it has been licensed to DuPont.

Wanting more tools for weed and grass herbicide management options for sorghum producers, the Commission started investing check-off dollars into programs to produce sorghum varieties resistant to many common herbicides used on other crops ten years ago. After surveys, and dwindling planted acreage, producers have requested weed control. Kansas State University (KSU) started researching solutions to the problem. Dr. Kassim Al-Khatib, Professor of Agronomy at KSU, says because sorghum is grown in primarily dry regions, preplant herbicides can perform poorly or fail without adequate precipitation. There are herbicides that can be applied after the crop is established to control weeds, but these products can potentially harm the crop as well. "There is a considerable need for over-the-top grass control in sorghum," said Al-Khatib. KSU has identified traits resistant to herbicides such as Acetolactate synthase and Acetyl co-enzyme-A carboxylase (ACCase) in some sorghum varieties. The Kansas Grain Sorghum Commission has invested about \$200,000 in the past three years for registrations and the preliminary testing through EPA for those herbicides. Proud of the science, but investing check-off dollars to insure that that science reaches Kansas grain sorghum fields have been the pri-

The Kansas legislative check-off was suspended on July 1, 2008 when the new national check-off began. This past year has seen the formation of a new national board, now called the United Sorghum Checkoff Program (USCP). It has five Kansans on the Board, with three of those being Commissioners. Bill Greving of Prairie View was elected Chairman, Jeff Casten of Quenemo serves as Secretary, and Gary Kilgore of Chanute is the other Commission member. Earl Roemer from Healy and Greg Shelor of Minneola are the other Kansans on USCP. USCP has been busy organizing, and the Commission was able to garner a contract to bridge the transition period for its research projects. Pass back funds to Kansas was distributed for the first time in December 2009. Programs will be able to continue as the structure is now in place with the national check-off.

<b>KANSAS GRAIN SORGHUM COMMISSION</b>		District 5 C Clayton Short Assaria 785-667-3833
District 1 NW Richard Calliham Colby 785-462-2459	District 6 SC Dennis Siefkes Hudson 620-458-5222	District 7 NE Kurt Staggenborg Marysville 785-562-3275
District 2 WC Greg Graff, Vice-Chair Marienthal 620-379-4677	District 8 EC Jeff Casten, Chairman Quenemo 785-759-3520	District 9 SE Gary Kilgore Chanute 620-431-0636
District 3 SW Boyd Funk, Sec/Treasurer Garden City 620-521-2463		
District 4 NC Bill Greving Prairie View 785-973-2224		
<b>Administrator</b>		
Kevin Lickteig PO Box 243 Paola KS 66071 Phone: 913-294-4314 e-mail <a href="mailto:kevin@ksgrainsorghum.org">kevin@ksgrainsorghum.org</a> Website: <a href="http://www.ksgrainsorghum.org">www.ksgrainsorghum.org</a>		

## Kansas State University Center for Sorghum Improvement

Grain sorghum is one of the most important dryland crops in the Central Great Plains of the United States. Sorghum is economically important in areas where low and erratic rainfall and high temperature limit the production of other summer crops. The U.S. is the largest producer of grain sorghum in the world with nearly 7 million acres of grain production in 2007.

Despite the national and international importance of this crop for farmers in drought prone environments, many public and private sorghum research positions and programs are being lost to downsizing and corporate consolidation. At least 10 public sorghum research positions have been lost to attrition in the last decade. It is more difficult to assess the loss of private research positions, but the support for private sorghum research programs is clearly much lower than it was even five years ago. Consequently, these programs are becoming more reliant on public research programs to address new or recalcitrant research problems. This ominous trend undermines the economic stability of those farmers that rely on this crop to maintain profitability of their farms. This is particularly significant in light of water shortages for irrigation that are predicted in the near future.

### Center of Excellence for Sorghum Improvement

In light of the importance of grain sorghum for farmers in the United States, Kansas State University established a Center of Excellence for Sorghum Improvement to provide the critical mass of students and scientists needed to maintain and improve this important crop resource. Research programs in four departments that will specifically focus their research efforts on sorghum improvement have been identified. These scientists are dedicated to sorghum and will work as an interdisciplinary team to address the most important sorghum production constraints. The investment of salary and base support by Kansas State University for this center exceeds \$1,000,000 annually. In addition, the Kansas Sorghum Check-off Fund contributes over \$200,000 from farmer grain sales to research in sorghum each year. Hopefully the recent creation of the National Sorghum Check-off Program will bring more research funds to bear on sorghum production and utilization problems.

### Objectives

The original research objectives addressed in this project were identified through discussions with Great Plains sorghum producers and commercial sorghum

breeders. Each research objective addresses a specific sorghum production problem. Interactions are being developed with researchers in private industry to ensure that results from basic research projects are rapidly incorporated into private sorghum breeding programs. K-State also has an extremely active extension program that will work to educate sorghum producers about the most profitable and cost-effective strategies for sorghum production.

1. Improve the agronomic characteristics, yield potential and feed value of sorghum through plant breeding and genetic improvement. As new uses for sorghum are developed, apply this knowledge to breeding new sorghum hybrids, which will better fit these end-use requirements.
2. Develop new uses for sorghum in food and non-food applications, emphasizing the grain's desirable characteristics such as absence of gluten and low glycemic index, as well as its suitability for use in biofuel production.
3. Identify more efficient sorghum production and management strategies which will enhance water and nutrient use efficiency and provide farmers additional options for the control of weeds and other pests.

### Successes to Date

1. Development and release of ALS and ACCase herbicide resistant parent lines to the seed industry. This will allow chemical control of late emerging weeds, especially grasses which has not been a viable option to sorghum growers before. Technology should be available to growers in 2010.
2. Development and release of "stay green" breeding lines to the seed industry to reduce lodging among sorghum hybrids.
3. Development of active crop sensor nitrogen recommendations to improve N use efficiency. This technology was first available to Kansas growers in 2008.
4. Development of new human food products such as waffle mixes, donut mixes, and other sorghum flour based products.

(continued on page 4)

## KGSC Funded Projects – FY 2010

The Kansas Grain Sorghum Commission allocated check-off funds in the areas of research, foreign market development, domestic market development, promotion, and education.

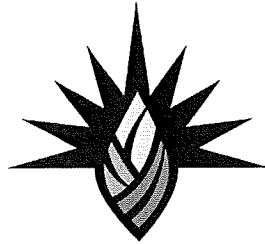
Below is a listing of projects funded by the Kansas Grain Sorghum Commission for FY 2010— July 1, 2009 through June 30, 2010.

<b>Research Funding</b>			
Development and Utilization of Sorghum as a Feedstock for Biofuel Production		Breeding Grain Sorghum for Improved Dryland Production	
KSU-Principal Investigator Donghai Wang		KSU-Principal Investigator Tesfaga Tesso	
.....	<b>\$21,000</b>	.....	<b>\$69,800</b>
Enhancing Sorghum Yield and Profitability through Nitrogen Management		<b>TOTAL RESEARCH</b>	
KSU-Principal Investigator David Mengel		.....	<b>\$ 220,000</b>
.....	<b>\$18,000</b>	Market Development, Promotion, and Education Funding	
Improving Drought Tolerance in Sorghum through Association Mapping		US Grains Council	
KSU-Principal Investigator Jianming Yu		.....	<b>\$6,000</b>
.....	<b>\$60,000</b>	<b>Funded Projects Total</b>	
Screening Sorghum Germplasm for Drought and Heat Tolerance		.....	<b>\$226,000</b>
KSU-Principal Investigator P.Vara Prasad			
.....	<b>\$33,000</b>		
Evaluation of Strip-Tillage for Grain Sorghum in Kansas			
KSU-Principal Investigator Keith Janssen			
.....	<b>\$6,300</b>		
Extension and Applied Research Programs for Kansas Grain Sorghum Production			
KSU-Principal Investigator Kraig Roozeboom			
.....	<b>\$5,400</b>		
Management Systems for Grain Sorghum Production under Dryland and Limited Irrigation Conditions			
KSU-Principal Investigator Barney Gordon			
.....	<b>\$6,500</b>		

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KANSAS WHEAT COMMISSION

Kansas grown. Kansas good.

**Kansas Wheat Commission Annual Report  
Presented to House Committee on Agriculture  
Thursday, March 11, 2010  
By Doug Keesling, Chairman of the Kansas Wheat Commission**

Chairman Powell and committee members, thank you for the opportunity to provide an annual report from the Kansas Wheat Commission. My name is Doug Keesling, a wheat producer from Chase, KS and Chairman of the Commission.

This is an exciting time to be part of the Kansas Wheat Commission and involved in the Kansas Wheat Industry. This coming decade may be one of the most pivotal for our industry since the inception of the Kansas Wheat Commission more than 50 years ago. The Kansas Wheat Commission was established by the Kansas legislature in 1957 to represent the states' wheat producers in the areas of research, domestic marketing, international marketing, education and communication.

The Kansas Wheat Commission is funded by the wheat assessment, which collects a penny-and-a-half per bushel of wheat at the first point of sale. Our stakeholders - the wheat farmers that grow this important grain - tell us that research is important to them. In the area of research, we are on the cusp of new partnerships, collaborations and innovations that Kansas wheat farmers have been eagerly awaiting. We have recently seen large private industry tech

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providers and seed companies enter back into the business of wheat variety development. Through the wheat assessment, farmers have invested millions of dollars in new variety development at Kansas State University over the past 50 years. That strong partnership with K-State has resulted in a vibrant public breeding program in our region and has advanced countless varieties adapted throughout the state.

That these varieties are largely in the public domain places a lot of importance on how we proceed. Past investments by Kansas wheat farmers must not be lost, nor should we relinquish the important role that successful public programs will play in the future. We are nearing an era where public-private collaborations in the wheat variety development industry must exist, in order to maximize the opportunity of this new investment from private companies. This will allow Kansas farmers and our customers around the world to benefit.

Times like this make us appreciate our commodity organizations because they give farmers a collective voice and seat at the table when these critical discussions are held and major decisions are being made.

This is one of the most immediate issues facing the Kansas Wheat Commission and by association, the state's wheat farmers. This is also a critical time in many other areas of work we are involved in to enhance our industry. Today, I would like to highlight a few of the Commission's key projects over the past year.

I've brought with me a copy of our Annual Report, a copy of my printed remarks, and our annual audit prepared by Varney and Associates, of Manhattan. The audit is with Chairman Taddiken and available to all who would like a copy.

When you look through our fiscal year 2009 report, one of the first things you'll notice is that we have hired a new CEO. Justin Gilpin began September 1<sup>st</sup> and replaced Dusti Fritz, who had been with the Kansas Wheat Commission for 10 years. She has pursued other interests at the national level and we are glad to have Justin on board. He brings to the Kansas Wheat Commission significant experience in the wheat industry and was a past employee with the Commission.

The largest undertaking by Kansas Wheat - the cooperative agreement between the Kansas Association of Wheat Growers and the Kansas Wheat Commission - was leading a collective effort of public and private companies in developing the Kansas Innovation Center for Advanced Plant Design. A grant provided by the Kansas Bioscience Authority has resulted in \$20 million dollars to be used over the next 5 years for research and development of wheat, sorghum and native plants. Heartland Plant Innovations is the entity supported by KBA that will lead this charge, and Forrest Chumley, formerly of K-State Research and Extension and Edenspace, was recently hired as president and CEO. This achievement could not have taken place without the leadership at Kansas Bioscience Authority or the foresight of Kansas legislature in making this program available.

Along with research and development of wheat, the Kansas Wheat Commission works to market Kansas wheat products both in the US and to overseas buyers.

The Kansas Wheat Commission was a primary contributor to a Wheat Foods Council effort called the Urban Wheat Field, held in the Financial District of New York City in October, 2008. The Wheat Foods Council – of which Kansas Wheat is a member - is the only national organization that represents the entire wheat industry – producers, millers, manufacturers, bakers and nutrition educators.

The Urban Wheat Field was an ambitious, interactive exhibit through which thousands of urban consumers learned how wheat is grown, processed and packaged into nutritious food. Consumers paraded through a quarter-acre interactive display of green, growing wheat, growing in pallets, illustrating the crop's progress from early emergence to just before harvest. They proceeded to a milling and baking session – complete with fresh-baked bread and cookies – before exiting the Urban Wheat Field with a handful of samples, recipes and nutrition information.

The Urban Wheat Field was such a success, we brought the story home and replicated it at the Kansas State Fair. This effort combined all wheat-related activities in one location, giving the more than 300,000 visitors to the State Fair an interactive experience and won Kansas Wheat Reserve Grand Champion booth display.

Another initiative to promote the "farm-to-fork" concept took place in June. The first-ever "National Festival of Breads" contest was a progression from the Festival of Breads, a bread-baking contest that got its start in Kansas 20 years ago. The National Festival of Breads gathered eight finalists from four categories in Wichita. More than 200 people watched finalists test-bake recipes, witnessed educational baking sessions from King Arthur Flour Co. and the Home Baking Association and visited other exhibits and vendors. The National Festival of Breads was highlighted in many local and regional news outlets and featured in two segments by Mr. Food, a nationally syndicated food program. All of the contestants were from out-of-state and they became big fans of Kansas and Kansans. We look forward to the next National Festival of Breads, in June, 2011.

Internationally, Kansas Wheat Commission works closely with our export marketing arm, US Wheat Associates. Half of the hard red winter crop needs to be exported so this effort

continues by establishing relationships, communication of wheat quality and market information, and trade visits. Producer dollars contributed to US Wheat Associates are matched 3-to-1 by the USDA's Foreign Agriculture Service. The Kansas Wheat Commission also works regionally with other states in supporting the K-State Department of Grain Science International Grains Program and Plains Grains, Inc.

As the need to do more with less in all areas of today's world, the recently increased wheat assessment has enhanced what Kansas wheat producers are able to invest in the future of their industry. In Jan., 2009, the Kansas Wheat Commission raised the assessment from 10 mills per bushel, or one penny; to the current 15 mills, or one-and-one-half pennies per bushel. In 2008, the Kansas legislature approved an increase in the assessment authority to 20 mills – or two-pennies-per-bushel.

This assessment increase comes at a pivotal time in our industry. The January 2010 Crop Report from USDA showed that Kansas farmers planted just 8.6 million acres of wheat last fall, the lowest winter wheat planting acreage since 1957 and an 8% reduction from the fall, 2008 total. The 2010 Wheat Seedings Report released by the National Ag Statistics Service Jan. 12<sup>th</sup> also reports that nationally, wheat acreage is down 14% from 2009, to 37.1 million acres. This is the lowest U.S. total since 1913.

In Kansas, wheat acreage has declined steadily since 1993, when farmers planted 12.1 million acres of winter wheat. Last fall, the trend was exaggerated by a late corn, soybean and grain sorghum harvest and unusually wet soils – both of which prevented many farmers from getting wheat planted. But the trend still has Kansas farmers growing alternatives to wheat and it is our charge to make wheat a profitable option for Kansas.

The Kansas Wheat Commission is currently evaluating proposals for research sent in from Kansas State University and other public and private entities. The amount requested for these research dollars was a record level, highlighted the stressed situation in the public sector to maintain important research efforts on behalf of Kansas farmers. On average, between 20-25% of our current budget directly funds wheat research. And as mentioned previously in these remarks, that effort is a priority of Kansas wheat producers.

This concludes my report. These are exciting and challenging times in our industry. Thank you once again for your support, this opportunity to share with you our efforts and your leadership in the future as we continue to work together. I'd be glad to answer any questions the committee may have.





**March 11, 2010**

**Legislative Written Report of the Kansas Sunflower Commission  
To the House Agriculture and Natural Resources Committee**

Chairman Powell and members of the Committee, the following is a report of the Kansas Sunflower Commission. Our apologies that know one from the Commission can be there to address you in person, but if there are any questions about this report please contact our executive director and that information will be provided to the Committee. We want to thank you for the opportunity to share information about the sunflower industry in Kansas and the Commission's use of check-off dollars authorized by the Legislature.

In fiscal year 2009 (10/1/2008 to 09/30/2009) the Kansas Sunflower Commission collected \$90,839.34 in check-off dollars from Kansas sunflower growers. During the year we received refund requests for \$677.28 which means we received gross check-off dollars of \$90,162.08. As of March 1, 2010, the Commission has assets of \$92,239.00. We are currently holding \$65,566.06 of the balance as investment funds to ensure operations can continue during a year when assessment dollars are low. As required by KSA 2-3005(k), attached to this testimony you will find the annual audit report. This year there were no irregularities found in KSC financial statements.

Under the agreement the KSC has used since its inception in 2002, one-half of the check-off dollars collected in Kansas are sent to the National Sunflower Association in Bismark, North Dakota for funding of research specific to sunflowers. This year we sent \$45,203.03 to NSA for research. The Commission also funded a Kansas-specific study for work on Sunflower planting dates in various parts of Kansas. This funding was provided to a K-State Extension specialist in southeast Kansas, but test plots were spread out across the State. Results were mixed for the study, but it is likely to be an ongoing investment and investigation by the Commission. This type of information is needed to provide to the crop insurance industry for documentation for coverage on later planted double crop and full-season crop sunflowers.

*Supporter of the Kansas Sunflower Industry through Farmer Check-off Dollars*  
*www.kssunflower.com*

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The Commission would like to share one major accomplishment from this year with the Committee. For several years, members of the Sunflower Commission have discussed trying to place sunflower oil in a prominent position at the Kansas State Fair. We have always felt this would be a prime opportunity to promote the product so often associated with Kansas. We are proud to say that in 2009 we accomplished this goal. Many of you are probably familiar with a signature item found at the Fair each year, the Pronto Pup. This year each and every Pronto Pup sold at the Fair and Wichita River Festival were fried in sunflower oil. In partnership with the National Sunflower Association and Northern Sun/ADM, the Commission provided over 650 gallons of NuSun<sup>®</sup> oil to the five pronto pup stands on the Fairgrounds. Signs (design attached) were displayed prominently at each stand to let the public know they were eating a product prepared in sunflower oil. The Commission's future goal is to someday have every fryer on the Fairgrounds use sunflower oil. Attached is an article that appeared in the High Plains Journal and National Sunflower Association magazine about our endeavor.

Mr. Chairman the Kansas Sunflower Commission continues to look for opportunities to promote the sunflower and to increase acres planted in our State. Again if there are any questions we will happily provide that information to the Committee.