

SESSION OF 2002

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 438**

As Amended by House Committee of the Whole

**Brief\***

SB 438 would adjust current fees within the Kansas Department of Agriculture. The bill would require that the existing fees being increased by the bill would return to current levels on July 1, 2005.

The following outlines the fees being increased by SB 438.

Program	Service	Current Charge	Proposed Charge	Last Fee Incr.	Sec. No.
Pesticide & Fertilizer	Failure to file affidavit and pay inspection fees	\$5 per day	\$10 per day		1
Pesticide & Fertilizer	Pesticide Product Registration	\$130	\$150	1987	2
Pesticide & Fertilizer	Business License Application	\$112 per category	\$140 per category	1987	3
Pesticide & Fertilizer	Uncertified Applicator Registration	\$10	\$15	1982	3
Pesticide & Fertilizer	Government Agency Registration	\$35	\$50	1982	3
Pesticide & Fertilizer	Technician Registration	\$25	\$40	1987	4
Pesticide & Fertilizer	Commercial Certification Application	\$35 per category	\$50 per category	1982	5
Pesticide & Fertilizer	Commercial Certification Examination per category	\$25	\$35	1982	6

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org/cgi-bin/fulltext/bills.cgi>

Program	Service	Current Charge	Proposed Charge	Last Fee Incr.	Sec. No.
Pesticide & Fertilizer	Private Certification Application	\$10	\$25	1982	7
Pesticide & Fertilizer	Soil Amendment Product Registration	\$50	\$60	1982	8
Pesticide & Fertilizer	Soil Amendment Inspection Fee	\$0.020 / ton	\$0.28 / ton	1976	9
Pesticide & Fertilizer	Soil Amendment Penalty – failure to file accurate & timely inspection fee or registration	\$1 per day	\$10 per day	1976	9
Pesticide & Fertilizer	Agricultural Liming Material Registration	\$25	\$30	1976	10
Pesticide & Fertilizer	Agricultural Liming Material Inspection Fee	\$0.05 / ton	\$0.07/ton	1976	11
Pesticide & Fertilizer	Chemigation User Permit	\$50	\$75	1985	12
Pesticide & Fertilizer	Chemigation User Permit for additional points of diversion	\$10	\$15	1989	12
Pesticide & Fertilizer	Chemigation Equipment Operator Exam and Certification	\$10	\$25	1989	13
Dairy Inspection	Dairy Manufacturing Plant License	\$120	\$155	1991	17
Dairy Inspection	Distributor License	\$120	\$155	1991	17
Dairy Inspection	Milk Hauler License	\$25	\$35	1993	17
Dairy Inspection	Receiving/Transfer Station License	\$50	\$65	1991	17
Dairy Inspection	Single Service License	\$50	\$65	1991	17
Dairy Inspection	Grade "A" Milk Produced	\$0.01 per hundred wt.	\$0.015 per hundred wt.	1991	18

Program	Service	Current Charge	Proposed Charge	Last Fee Incr.	Sec. No.
Dairy Inspection	Grade "A" Milk Distributed	\$0.01 per hundred wt.	\$0.015 per hundred wt.	1991	18
Dairy Inspection	Grade "A" Milk Processed	\$0.01 per hundred wt.	\$0.015 per hundred wt.	1991	18
Dairy Inspection	Mfg Grade Milk Produced	\$0.01 per hundred wt.	\$0.015 per hundred wt.	1991	18
Dairy Inspection	Mfg Grade Milk Processed	\$0.0075 per hundred wt.	\$0.01 per hundred wt.	1991	18
Dairy Inspection	Frozen Dessert—Mfg or Imported	\$0.001 per gallon	\$0.0015 per gallon	1991	18
Water Appropriations	Permit to Appropriate 0-100 acre foot	\$100	\$200	1989	21
Water Appropriations	Permit to Appropriate 101-320 acre foot	\$150	\$300	1989	21
Water Appropriations	Permit to Appropriate More than 320 acre foot	\$150 plus \$10 /ea. additional 100 acre foot	\$300 plus \$20 /ea. additional 100 acre foot	1989	21
Water Appropriations	Water Storage Permit 0 to 250 acre-feet	\$100	\$200		21
Water Appropriations	Water Storage Permit more than 250 acre feet plus an amount for each additional 250 acre feet	\$100 plus \$10 for each additional 250 acre feet	\$200 plus \$20 for each additional 250 acre feet		21
Water Appropriations	Change Point of Diversion – 300 ft or less	\$50	\$100	1989	22

Program	Service	Current Charge	Proposed Charge	Last Fee Incr.	Sec. No.
Water Appropriations	Change Point of Diversion – more than 300 ft	\$100	\$200	1989	22
Water Appropriations	Change Place of Use	\$100	\$200	1989	22
Water Appropriations	Use Made of Water	\$150	\$300	1989	22
Water Appropriations	Any Two Above	\$150	not to exceed \$300	1989	22
Water Appropriations	Any Three Above	\$250	not to exceed \$500	1989	22
Water Appropriations	Field Inspection Fee	\$200	\$400	1989	23
Water Appropriations	Extension Requests	\$50	\$100	1989	23
Water Appropriations	Water Right or Permit to Appropriate Reinstatement	\$100	\$200	1989	23
Water Appropriations	Temporary permit	\$100	\$200	1989	24
Weights & Measures	Scale Co. License	\$50	\$100	1996	25
Weights & Measures	Scale Co. License Renewal	\$50	\$100		25

The bill would make amendments to the Kansas Meat and Poultry Inspection Act to add definitions for the terms “wholesaler,” “distributor,” and “public warehouseman.” Individuals engaged in these activities would have to have a license. People engaging in the sale of meat and poultry products for youth fund raising activities would have to register.

The law dealing with dairy products would be amended to eliminate the agency's responsibility with respect to licensure of counter freezers and homemade ice cream manufacturing. The following fees would be eliminated.

Program	Service	Current Charge	Proposed Charge
Dairy Inspection	Homemade Ice Cream Manufacturer License	\$50	Repeal
Dairy Inspection	Counter Freezer License	\$50	Repeal

Also, the bill would create the Fertilizer and Pesticide Compliance and Administration Fund, where an amount equal to \$.05 per ton of fertilizer sold would be deposited.

Finally, the bill would require the Department of Agriculture to reimburse the fee for a water rights application to the applicant if the application is not processed within 150 days of receipt by the agency of the complete application.

## Background

This bill was introduced at the request of the Secretary of Agriculture as one of the package of four bills designed to address financial needs within the Department of Agriculture. **The bill was referred separately to the Senate Agriculture Committee and Senate Ways and Means Committee.**

Several days of hearings were held on this bill. The Secretary of Agriculture appeared in support of the bill and indicated that the bill was necessary to carry out existing statutory programmatic requirements. A spokesperson representing the Kansas Farm Bureau appeared in qualified support of the package of fee bills brought forth by the Secretary of Agriculture. Those appearing in opposition to all or parts of the bill included representatives of the Kansas Cooperative Council, the Kansas Propane Marketers, the Kansas Seed Industry Association, Northwest Kansas Groundwater Management District #4, the Petroleum Marketers and Convenience Store Association of Kansas, Mid-America

Lumbermen's Association, the Kansas Grain and Feed Association, and the Kansas Agribusiness Retailers Association. Concern was expressed about certain provisions of the bill in written testimony submitted by the Kansas Food Dealers Association.

The Senate Committee on Agriculture amended the bill to provide that as of July 1, 2005, the new fees would cease and existing fees would return to current levels. In addition, the Committee amended the bill to eliminate the new fee proposed for an application to change ownership of a water right; to make the change in the application fee for multiple changes to a water right in amounts "not to exceed" the amount provided in the bill; to establish a schedule of fees based on quantity for annual water use reports; to clarify the new fees imposed on metering devices are not to apply to dispensing devices as defined by KSA 83-401a; to lower the fees imposed on facilities with large scales; and to establish a "facility fee cap (any combination of measuring devices) at \$120 per facility.

The House Committee on Appropriations amended the bill by striking all new fees contained in the bill. These include the annual inspection fees for animal facilities where the agency has reviewed and approved nutrient utilization plans, annual facility authorization fees for scales, and annual water rights administration fees. The Committee further amended the bill to require the Department of Agriculture to reimburse the water rights application fee if the application is not processed within 150 days of receipt by the agency of the complete application.

The House Committee of the Whole amended the bill by striking all fee increases pertaining to the meat and poultry inspection program.