SESSION OF 2005

SUPPLEMENTAL NOTE ON SENATE BILL NO. 113

As Amended by House Committee on Agriculture

Brief*

SB 113 would amend a section of law which establishes the maximum fee to register a soil amendment product with the Kansas Department of Agriculture. Specifically, the bill would increase the maximum registration fee from \$60 to a maximum of \$100 per product. The bill also would delete the sunset provision in current law dealing with fees which would have expired on June 30, 2010. Also, the bill would repeal a section of law which permits the Kansas Department of Agriculture to charge an inspection fee based on the tonnage of soil amendment product sold in the state. This section of law proposed for repeal also requires reporting by registrants to the agency indicating tonnage distributed by county. Lastly, the bill would amend a section of law to remove language that makes it unlawful to fail to file the tonnage report or pay the inspection fee.

Background

This bill was introduced at the request of a spokesperson from the Kansas Department of Agriculture. At the hearing on the bill, a spokesperson from the agency indicated that the bill would streamline the reporting requirements in the Soil Amendment Act. The conferee explained that before a soil amendment can be sold in the state, it must be proved to work as claimed. The conferee stated that there were 12 firms with 15 products registered in the state. The conferee noted that since the tonnage reporting was being eliminated that there needed to be an increase in the registration fee in order to sufficiently fund the program.

^{*}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

There were no opponents to the bill.

The House Committee on Agriculture amended the bill by deleting a portion of the section of law dealing with unlawful acts. Specifically, the Committee eliminated language that currently makes it unlawful to fail to file the tonnage report or pay the inspection fee. This portion of the law was no longer necessary due to the bill's proposed repeal of the section of law requiring tonnage reports and the payment of inspection fees.

The fiscal note on the original bill states that according to the Department of Agriculture, enactment of SB 113 would increase revenue to the Soil Amendment Fee Fund in FY 2006 by \$306. The fiscal note also relates that the agency now has 15 annual soil amendment registrations at \$60, for fee fund revenue of \$900 (15 x \$60) and tonnage fee revenues of \$294, for a projected total revenue of \$1,194. The fiscal note states that passage of SB 113 would provide fee fund revenue of \$1,500 (15 x \$100), with the tonnage fees eliminated. The total increase in revenue for the Department would be \$306 (\$1,500 minus \$1,194). This change in fees is not accounted for in *The FY 2006 Governor's Budget Report*. These fees are deposited in the agency's fee fund and are exempt from the requirement to deposit 20.0 percent of the fee in the State General Fund. Therefore, there would be no fiscal effect on State General Fund revenues.