

MINUTES OF THE HOUSE AGRICULTURE COMMITTEE

The meeting was called to order by Chairman Dan Johnson at 3:30 p.m. on March 1, 2006, in Room 423-S of the Capitol.

All members were present except:

Representative Richard Carlson- excused

Committee staff present:

Raney Gilliland, Kansas Legislative Research Department

Gordon Self, Revisor of Statutes Office

Kay Scarlett, Committee Secretary

Conferees appearing before the committee:

Constantine Cotsoradis, Assistant Secretary, Kansas Department of Agriculture

Duane Simpson, Kansas Grain and Feed Association

Myron Holder, Chairman, Policy Committee, Kansas Soybean Association

Sue Schulte, Director of Communications, Kansas Corn Growers Association, and Kansas Grain Sorghum Producers Association

Brad Harrelson, State Policy Director, Governmental Relations, Kansas Farm Bureau

Others attending:

See attached list.

Minutes of the February 6, 8, 13, 15, 17, and 20 meetings were distributed. Members were asked to notify the committee secretary of any corrections or additions prior to 5:00 p.m. Monday, March 6, or the minutes will be considered approved as presented.

Chairman Johnson requested introduction of a House Concurrent Resolution supporting a Taiwan-United States free trade agreement. There being no objection, a resolution will be introduced by the House Agriculture Committee.

Hearing and action on SB 325 - Repeal of aquaculture advisory council.

Chairman Johnson opened the hearing on **SB 325**. Raney Gilliland explained that this bill, introduced by the Legislative Coordinating Council, would abolish the Aquaculture Advisory Council. The Secretary of Agriculture would still have the same responsibilities, duties, and powers to implement the Kansas Aquaculture Plan.

Constantine Cotsoradis, Assistant Secretary, Kansas Department of Agriculture, appeared in support of **SB 325** to repeal the Aquaculture Advisory Council, established in 1992. He reported that the industry has no interest in the continuation of the Council. He explained that when agriculture marketing activities were moved to the Kansas Department of Commerce, the Aquaculture Advisory Council statutes were not among the duties transferred. He said the Department will continue to support the aquaculture industry in the state and assist the Agriculture Marketing Division of the Kansas Department of Commerce in whatever way possible to promote and market aquaculture products from the State of Kansas. (Attachment 1)

There being no other conferees, Chairman Johnson closed the hearing on **SB 325** and opened the floor for discussion.

Representative Dahl moved to recommend SB 325 favorably for passage and, because the bill is of a noncontroversial nature, be placed on the consent calendar. Seconded by Representative Svaty, the motion carried.

Hearing on SB 500 - Raises phytosanitary fees.

Chairman Johnson opened the hearing on **SB 500**. Raney Gilliland explained that this bill would allow the Kansas Department of Agriculture to add any additional fee charged by the United States government for the

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acquisition of federal phytosanitary certificates. The Senate Agriculture Committee amended the bill so that if the federal government charges a fee, that fee would become a rule and regulation of the Kansas Department of Agriculture.

Constantine Cotsoradis, Assistant Secretary, Kansas Department of Agriculture, appeared in support of **SB 500**, introduced at the request of the Department. He explained that the Department's plant protection and weed control program ensures plant health in the state. One of their tasks is to issue federal phytosanitary certificates, a USDA document that must accompany agricultural shipments abroad. The certificate verifies to foreign authorities that an official inspection of the commodities has been made and it addresses specific concerns of the importing country. These certificates are issued for a variety of products including wheat, corn, sorghum, soybeans, and sunflowers. He reported that currently USDA doesn't charge a fee for federal phytosanitary certificates; however, they are in the process of proposing a \$16 fee for each certificate issued. He explained that the Department is already at the statutory maximum of \$50 for issuing the certificate. This bill would increase the maximum fee rate to a level that factors in the current rate, plus any additional charge that USDA levies. (Attachment 2)

Duane Simpson, Kansas Grain and Feed Association, testified in support of **SB 500** stating that their members are the ones who will pay this fee if it is increased. While KGFA does not support the federal government charging a fee for a service that is provided by the state, they understand the state not wanting to pay the fee out of its own revenue. KGFA supports this fee being passed on to its members if the federal government should decide to charge a fee for phytosanitary certificates issued by the Kansas Department of Agriculture. (Attachment 3)

There being no opponents, Chairman Johnson closed the hearing on **SB 500**.

Hearing on SCR 1620 - Concurrent Resolution urging support of "25 by 25."

Chairman Johnson opened the hearing on **SCR 1620**. Raney Gilliland explained that this resolution affirms that the Legislature of the State of Kansas supports the vision of "25 by 25" whereby agriculture will provide 25 percent of the total energy consumed in the United States by the year 2025, while continuing to produce abundant, safe, and affordable food and fiber.

Myron Holder, Chairman, Policy Committee, Kansas Soybean Association, testified in support of **SCR 1620**. He said the soybean farmer and other agricultural producers in Kansas are well positioned to play an expanded role in meeting the goals set forth in 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. This will provide agriculture with increased farm income, value-added uses, alternative enterprises, and more productive use of marginal lands. He said it will also assist in resolution of air, water, and soil quality problems; reduce reliance on government payments; and enhance rural economies that are important to Kansas. (Attachment 4)

Sue Schulte, Director of Communications, Kansas Corn Growers Association and Kansas Grain Sorghum Producers Association, appeared in support of **SCR 1620** and the goal that by the year 2025, 25 percent of our energy should come from American agriculture. She said that if we can reach this goal, American agriculture and Kansas agriculture would certainly benefit. This would provide an economic boost that would benefit our state and, especially, our rural communities. She noted that we are already seeing this today as new ethanol plants are making positive impacts on rural economies in Kansas and throughout the Midwest. She said that our economy has become increasingly tied to energy costs, which in turn has become increasingly tied to events in the foreign countries that supply much of our energy needs. (Attachment 5)

Brad Harrelson, State Policy Director, Governmental Relations, Kansas Farm Bureau, submitted written testimony in support of **SCR 1620** promoting alternative, agricultural based energy resources. He noted that enhanced domestic production of energy, especially, renewable, alternative resources has a tremendous upside, not only for agriculture producers, but also fuel consumers. It would reduce our dependence on foreign oil and boost market demand for Kansas crops, which is good for agriculture, and the rural Kansas economy. (Attachment 6)

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Representative Svaty questioned the clarity of the wording in **SCR 1620** on page 1, lines 30 - 33.

There being no other conferees, Chairman Johnson closed the hearing on **SCR 1620**.

The meeting adjourned at 4:18 p.m. The next meeting of the House Agriculture Committee is scheduled for March 6, 2006.