

MINUTES OF THE SENATE AGRICULTURE COMMITTEE

The meeting was called to order by Chairman Mark Taddiken at 8:40 a.m. on March 13, 2007 in Room 423-S of the Capitol.

All members were present except:
Derek Schmidt- excused

Committee staff present:
Raney Gilliland, Kansas Legislative Research
Art Griggs, Office of Revisor of Statutes
Judy Seitz, Committee Assistant

Conferees appearing before the Committee:
Duane Simpson, Vice President of Government Affairs, Kansas Agribusiness Retailers Association (KARA)
Leslie Kaufman, Executive Director, Kansas Cooperative Council
Constantine Cotsoradis, Deputy Secretary, Kansas Department of Agriculture
Gary Meyer, Pesticide and Fertilizer Program Manager, Kansas Department of Agriculture
Richard Cram, Director of Policy and Research, Kansas Department of Revenue

Others attending:
See attached list.

Chairman Taddiken opened the hearing on **HB 2487 – Regulation of ammonium nitrate dealers.**

Duane Simpson, Vice President of Government Affairs, Kansas Agribusiness Retailers Association, testified in support of **HB 2487 (Attachment 1)**. He also handed out a leaflet entitled “Fertilizer’s Role in Agriculture” (**Attachment 2**). He said this bill would require dealers of ammonium nitrate to register with the Kansas Department of Agriculture and maintain records of all sales for three years. A purchaser would be required to show a state or federal driver’s license or other photo ID. The retailer will record the date of purchase, quantity purchased, license number, purchaser’s name, physical address and telephone number. There are approximately 22 dealers of ammonium nitrate in the state.

Mr. Simpson stood for questions.

Leslie Kaufman, Executive Director, Kansas Cooperative Council (KCC), gave remarks in support of **HB 2487 (Attachment 3)**. The KCC supports the safe, legal use of a variety of crop-benefitting compounds. They are very concerned about potential misuse of products and the ramifications on innocent parties.

Ms. Kaufman offered to stand for questions.

Constantine Cotsoradis, Deputy Secretary, Kansas Department of Agriculture, appeared in support of **HB 2487 (Attachment 4)**. He noted that the fiscal note that was prepared may need to be changed. Mr. Cotsoradis said the projected costs for program outreach will be substantially less than originally estimated because little ammonium nitrate is sold through retailers like garden centers and hardware stores. He also noted that the bill exempts registered customer fertilizer blenders from paying an ammonium nitrate distributor registration fee.

Mr. Cotsoradis stood for questions.

Senator Francisco made a motion to strike the word “where”, page 3, line, paragraph 6, and add “of the person to whom”, seconded by Senator Pine. Discussion was held on the motion. Motion on the amendment carried.

Gary Meyer, Pesticide and Fertilizer Program Manager, Kansas Department of Agriculture, answered concerns of the Committee regarding where the product is delivered.

Senator Bruce moved to strike “that is not registered as a custom blender” on page 2, line 28, seconded by Senator Lee. Motion carried.

CONTINUATION SHEET

MINUTES OF THE Senate Agriculture Committee at 8:30 a.m. on March 13, 2007 in Room 423-S of the Capitol.

Senator Bruce moved that **HB 2487** be passed favorably as amended, seconded by Senator Ostmeyer. Motion carried.

Senator Ostmeyer moved, seconded by Senator Pine, to approve the minutes of the March 6, 2007 Committee Meeting. Motion carried.

Richard Cram, Director of Policy and Research, Kansas Department of Revenue, appeared in response to questions regarding **HB 2145**. The fuel supplier files a monthly return with the KDOR, paying \$.015 per barrel (50 gallon). The KDOR then splits out the revenue to the State General Fund (SGF) and what goes into the Petroleum Inspection Fee Fund (PIFF). Mr. Cram said that it costs the KDOR about \$24,300 per year for the administration of this program.

Mr. Cram stood for questions.

Edie Martin, Kansas Department of Revenue, also answered questions regarding **HB 2145**.

Chairman Taddiken thanked the Department of Revenue for the information and said that discussion of the bill would be finished at a later meeting.

The meeting adjourned at 9:26 a.m. The next meeting will be Wednesday, March 14.