

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairman Dan Johnson at 3:30 p.m. on March 13, 2000, in Room 423-S of the Capitol.

All members were present except: Representative Aurand - excused
 Representative Flower - excused
 Representative Larkin - excused
 Representative Light - excused
 Representative Tedder - excused

Committee staff present: Raney Gilliland, Legislative Research Department
 Gordon Self, Revisor of Statutes Office
 Kay Scarlett, Committee Secretary

Conferees appearing before the committee:
 Alan Alderson, Legislative Counsel, Western Retail Implement and Hardware Association
 Jim Meinhardt, President, Meinhardt Farm Equipment, Wamego, and President, Western Retail Implement and Hardware Association
 George Teagarden, Livestock Commission, Kansas Animal Health Department
 Mike Beam, Executive Secretary, Cow-Calf/Stocker Division, Kansas Livestock Association

Others attending: See attached list

In response to questions concerning the regulation of probable carcinogens at the hearing on **SB 501**, Representative Joann Freeborn distributed copies of an EPA fact sheet on Carbon Tetrachloride. (Attachment 1)

Hearing on SB 586 - Reimbursement for warranty work on farm equipment, outdoor power equipment, and lawn and garden equipment.

Chairman Johnson opened the hearing on **SB 586**.

Alan Alderson, Legislative Counsel, Western Retail Implement and Hardware Association, appeared in support of **SB 586** that would require manufacturers of various types of machinery and equipment to compensate dealers for warranty repair work at the same hourly rate which the dealer charges for non-warranty work. He said the bill was amended by the Senate Agriculture Committee to add a provision requested by Caterpillar to take into account the specific type of agreement manufacturers have with their dealers. (Attachment 2)

Jim Meinhardt, President, Meinhardt Farm Equipment, Wamego, and President, Western Retail Implement and Hardware Association, testified in support of **SB 586** that would require manufacturers to reimburse dealers of farm equipment and other types of machinery and equipment for warranty repair work at the dealer's normal charge to customers. He explained that a dealer's actual expenses for repairing machinery and equipment under warranty are not fully reimbursed by the manufacturers; not enough diagnostic time, little or no travel time, and no reimbursement for hauling equipment from the farm to the dealer's service area. (Attachment 3)

The hearing on **SB 586** was closed.

Hearing on SB 588 - Contracts for farm equipment, outdoor power equipment, and lawn and garden equipment.

Chairman Johnson opened the hearing on **SB 588**.

Alan Alderson, Legislative Counsel, Western Retail Implement and Hardware Association, testified in support of **SB 588** that amends the buyback statutes governing farm equipment, outdoor power equipment, and lawn

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and garden equipment making the laws consistent with each other. He explained that the proposed changes would require manufacturers or suppliers to repurchase parts and equipment whether the dealership agreement is cancelled by the manufacturer or the dealer; to pay 100 percent of the net cost on new equipment and 95 percent on new repair parts; to pay 5 percent for handling, packing and loading unless the supplier elects to perform these functions; and to make all required payments within 60 days. The current provision which does not require equipment purchased more than 12 months before termination to be repurchased would be extended to 24 months.

Mr. Alderson; Jim Meinhardt; and Jeff Flora, Chief Executive Officer, Western Retail Implement and Hardware Association, answered committee questions.

The Chairman closed the hearing on **SB 588**.

Hearing on SB 533 - Allowing the livestock commissioner to charge on-site inspection and mileage fees for brand inspections.

Chairman Johnson opened the hearing on **SB 533**.

George Teagarden, Livestock Commissioner, Kansas Animal Health Department, appeared in support of **SB 533** which was introduced at his request. He said that Kansas has a county option brand inspection law and that currently there are three brand inspection areas in Kansas; Kearny, Hamilton, and Wichita Counties. He explained that this bill would allow the Livestock Commissioner to charge and collect an on-site brand inspection fee and a mileage fee for each mile traveled going to and returning from the place of brand inspection. He noted that this would be in addition to the current per head fee for brand inspection. (Attachment 4)

Mike Beam, Executive Secretary, Cow-Calf/Stocker Division, Kansas Livestock Association, testified in support of **SB 533** that would allow the agency to collect a minimum on-site inspection fee and a mileage fee to cover the expense of brand inspection services. Mr. Beam proposed two changes in the brand inspection definitions section of K.S.A. 47-434. He reported that during debate on the Senate floor it was noted that these definitions were no longer appropriate. He proposed new language for definition (c) "resident owner of cattle" means any resident of a county who has owned one or more head of cattle at any time during the 12 preceding months. He suggested that the definition for "board" be repealed. (Attachment 5)

The Livestock Commissioner concurred with these changes.

Chairman Johnson closed the hearing on **SB 533**.

Discussion and action on HB 3026 - Certain agriculture inspection fees, plant pest activities funding.

Jamie Clover Adams, Secretary, Kansas Department of Agriculture, explained that **HB 3026** would allow the fees from the feeding stuffs fee fund, fertilizer inspection fee fund, and the agricultural liming materials fee fund to be used to fund plant pest activities; not to exceed \$75,000 per year from each fee fund.

Representative Schwartz moved to recommend passage of **HB 3026**. Seconded by Representative Feuerborn, the motion carried.

Discussion and action on HCR 5070 - Concurrent Resolution urging the Department of Agriculture, Department of Commerce, Kansas State Research and Extension and others to assist producers of beef, pork and poultry to market their own products.

Representative Thimesch moved to adopt **HCR 5070** which he had introduced. Seconded by Representative Faber, the motion carried.

The meeting adjourned at 4:33 p.m. The next meeting is scheduled for March 15, 2000.