

MINUTES OF THE SENATE AGRICULTURE COMMITTEE.

The meeting was called to order by Chairperson Derek Schmidt at 8:30 a.m. on February 13, 2002 in Room 423-S of the Capitol.

All members were present except: Senator Morris (excused)

Committee staff present: Raney Gilliland, Legislative Research Department
Gordon Self, Revisor of Statutes
Betty Bomar, Secretary

Conferees appearing before the committee:

Ted Zielke, Chairman, Kansas Corn Commission
Jeff Casten, Chairman, Kansas Grain Sorghum Commission
Kenlon Johannas, Administrator, Kansas Soybean Commission
Dusti Fritz, Assistant Administration, Kansas Wheat Commission

Others attending: See attached list

SB 435 - Repealing regulation of livestock remedies law

Senator Corbin moved, seconded by Senator Umbarger, that SB 435 be recommended favorably for passage. The voice vote was in favor of the motion.

The Committee heard the Annual Legislative Reports of the Commodity Commissions.

Ted Zielke, Chairman, Kansas Corn Commission, stated the grain commissions are currently proceeding through the first-ever elections of commissioners for Kansas grain commissions. The Commissions suggest the election process be extended by one month, until the end of November. This extension is predicated on harvest time and the time involved in getting the petitions filed.

Mr. Zielke stated the Commission utilizes the check-off funds to enhance corn demand and opportunities with customers. Livestock feed is the largest market for corn and exports is the second largest market. The Commission leverages its funds with cooperators such as the U.S. Grains Council and the U.S. Meat Export Federation to gain broader access to international markets. The Commission has granted funds for feasibility analysis and business plan development to seven Kansas communities that are currently pursuing potential ethanol plants. The Commission is beginning to develop a new promotion campaign for fuel retailers and the public highlighting the benefits of using ethanol-blended fuel. (E-10 Unleaded Fuel) ([Attachment 1](#))

Jeff Casten, Chairman, Kansas Grain Sorghum Commission, submitted a copy of the its Annual Report. ([Attachment 2](#)) The annual report to growers shows an overall per acre increase in yield from 59 bushels to 62 bushels. The stability in risk with uncooperative growing conditions still ranks grain sorghum high with many producers. The Commission is proud of the hybrid and germ plasm advancement of grain sorghum. The breeding programs at the Manhattan and Hays Kansas State University stations are the biggest joint public ones in the Nation, primarily because Kansas leads the nation with about 43% of the total production. The main goal of the breeding programs is to maximize yield.

The sorghum belt consists of four states: Nebraska, Kansas, Oklahoma and Texas, who are pooling their limited resources. Nutritional values of grain sorghum will help determine markets and the directions that certain grain sorghum hybrids can be utilized. The states are also conducting cold tolerance research which would permit one month earlier planting in Kansas, giving grain sorghum additional grain fill days and more opportunity for moisture.

CONTINUATION SHEET

Promotion and education account for 24% of the Commission budget expenditures in FY 2001. Times have changed and grain sorghum is working on public relations because the feed and food industry needs to inform consumers before the activists. Domestic market development is another area in which the Commission is strongly involved. Feed and fuel are the current leading markets. Swine, poultry and beef rations continue to use grain sorghum to make cost effective and nutritious gains. The Sorghum industry is proud to be feeding the state's growing and increasingly diverse livestock industry.

Seventeen percent of the Commission budget was used for international market development. Approximately 4 of 10 bushels of grain sorghum raised in the United States is exported. Mexico continues to use the majority of it; however, China, Morocco and the Philippines are viewed as favorable markets with the restrictions on corn. (Attachment 3)

Kenlon Johannas, Administrator, Kansas Soybean Commission, presented the Commission report in place of Ed Mader, the Chairman. Mr. Johannas stated the Commission collects ½ of one percent of the net value of a soybean sale of a producer collected by the first purchasers in the state of Kansas; one half of the funds collected are then sent to the United Soybean Board for national and international projects.

The number one priority of the Commission is research. Primarily production research. Developing environmentally friendly products from soybean derivatives helps Kansas farmers and the environment. The international market development goal is to promote soybeans to potential international buyers. The largest emphasis area in this category is funding the International Grains Program at Kansas State University, hosting trade teams to expand the foreign markets for value-added products. The administration budget includes cost of collections, audits, election and other board expenses. (Attachment 4)

Dusti Fritz, Assistant Administrator, Kansas Wheat Commission, stated the Commission continues to focus its energy on research, domestic and international market development, and education. Research accounted for 27% of the budget. Achievements are: new red wheat variety with wheat aphid resistance and a reduced risk pesticide that could offer safer more effective storage and pest control; red and white variety development with pest/disease resistance and higher quality; identifying varieties that could potentially lead to protection against certain types of cancer; and a video that educates consumer about biotechnology.

Thirty-six percent of the budget is utilized by participation in international market development activities. These activities include: the Quality Seal program and its success in Egypt, the top market for Hard Red Winter wheat, and the Sudan. Kansas is also continuing to work with other wheat states to work with formally sanctioned markets such as Cuba and Iran. Canada continues to be the main competitor for the Latin America markets. (Attachment 5)

Ms. Fritz was asked to provide the Committee with a breakdown of its administration costs.

The meeting concluded at 9:25 a.m.

The next meeting is scheduled for February 19, 2002