



Kansas Grain and Feed Association
Kansas Agribusiness Retailers Association
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February 1, 2022

To: House Committee on Agriculture
From: Randy Stookey, Senior Vice President of Government Affairs
Re: **Neutral Joint Testimony for HB 2560, extending penalties, fees, maximum amounts of Fees, and expiration dates of certain programs of the Kansas department of agriculture.**

Chairman Rahjes and members of the Committee on Agriculture, thank you for the opportunity to provide testimony on House Bill 2560. This testimony is submitted jointly on behalf of the Kansas Grain and Feed Association (KGFA) and Kansas Agribusiness Retailers Association (KARA).

KGFA is the state association of the grain receiving, storage, processing and shipping industry in Kansas. KGFA's membership includes over 950 Kansas business locations and represents 99% of the commercially licensed grain storage in the state.

KARA is a state trade association that appreciates membership of over 700 agribusiness firms that supply agricultural services and inputs to Kansas farmers, such as seed, fuel, fertilizer, pesticides, and herbicides, and provide agronomic expertise.

Our agribusiness members are regulated by the Kansas Department of Agriculture (KDA) and are required to maintain various licenses and certifications to conduct business in this state, including licenses for commercial grain warehouse, seed dealers, pesticide application businesses, pesticide dealers, custom fertilizer blenders, agricultural chemical registrants, fertilizer registrants, certified commercial pesticide applicators, and bulk pesticide and fertilizer storage facilities.

Annual fees attached to these licenses and certifications pay for KDA programs that regulate our industry. In addition, many of the fees on the pesticide, fertilizer, and grain industries pay for other programs, such as the state water plan fund, and the agricultural chemical remediation reimbursement fund which assists agribusinesses with the costs of remediating soil and ground water across the state.

As last reviewed, many fees of the paid by our industry are already higher than similar fees assessed by our surrounding states. For instance, fertilizer tonnage inspection fee in Kansas (\$1.67/ton) is many times higher than most surrounding states. Also, Kansas' agricultural chemical product registration fee is much higher than our surrounding states. Any increase in these fees would only increase the current disparity across state lines.

Our members have a direct interest in any legislation that might impact fees on our industry. As House Bill 2560 would extend current sunsets on various industry fees, without increasing those fees, we would stand neutral on the bill as presented. However, we would be opposed to any fee increases on our industry at this time.

Thank you for the opportunity to testify on HB 2560. We will stand for questions at the appropriate time.