

MINUTES OF THE HOUSE AGRICULTURE COMMITTEE

The meeting was called to order by Chairman Dan Johnson at 3:30 p.m. on March 13, 2006, in Room 423-S of the Capitol.

All members were present except:

Representative Bill Light- 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:

Dr. Jim Coffman, Professor of Clinical Sciences, College of Veterinary Medicine, KSU

Representative Sharon Schwartz

Brandon McBride, Kansas State University veterinary student

Garrett Stewart, Kansas State University student

Representative Richard Carlson

Steve Floersch, President, Kansas Forest Products Association

Charles Hewins, Vice Chairman, Kansas Tree Farm Committee

Daniel Howell, member, Kansas Forest Products Association

Mike Hoeme, Director of the Transportation Division, Kansas Corporation Commission

Tom Whitaker, Executive Director, Kansas Motor Carriers Association

Others attending:

See attached list.

Minutes of the March 1 and 6 meetings were distributed. Members were asked to notify the committee secretary of any corrections or additions prior to 5:00 p.m. Wednesday, March 15, or the minutes will be considered approved as presented.

Hearing on HB 3005 - Establishing the veterinary training program for rural Kansas

Chairman Johnson opened the hearing on **HB 3005**. Raney Gilliland explained that this bill would establish the Rural Veterinary Training Program. Subject to appropriation, the loan program would be for up to five first-year veterinary students per year pursuing a rural veterinary practice. The full-time veterinary practice may be in any Kansas county, except Douglas, Johnson, Riley, Sedgwick, Shawnee, or Wyandotte, for a period of at least 48 continuous months. A student would enter into an agreement with the Kansas State University College of Veterinary Medicine for a loan of up to \$20,000 per year for college expenses and advanced training. If the student graduates and fulfills the conditions of the contract, the loan would be forgiven. If not, then repayment of the amount of the loan, plus interest, would be enforced within 90 days of the breach of the contract.

Dr. Jim Coffman, Professor of Clinical Sciences, College of Veterinary Medicine, Kansas State University, appeared in support of **HB 3005** as vital to their efforts to provide graduates who will serve rural Kansas, explaining that the starting salary structure tends to be higher in urban areas than in rural areas of the state. He noted that risks inherent in animal agriculture have escalated dramatically in recent years due to the potential for accidental or intentional introduction of exotic diseases into food animal populations. Veterinarians are a first line of defense. Because of its large economic dependency on food animal production, Kansas has invested significantly in food bio-security. He said it is essential that adequate human infrastructure also be in place, including rural veterinary medical practitioners. (Attachment 1)

Dr. Bonnie Rush, Associate Dean for Career Development, and Dr. Dan Thomson, Assistant Professor of Food Animal Medicine, answered committee questions.

Representative Sharon Schwartz, testified in support of **HB 3005** to establish a program to provide incentives for persons pursuing a veterinary degree at Kansas State University to locate their veterinary practice in rural Kansas communities. She explained that she had worked with Dr. Ralph Richardson, Dean of the College

CONTINUATION SHEET

MINUTES OF THE House Agriculture Committee at 3:30 p.m. on March 13, 2006, in Room 423-S of the Capitol.

of Veterinary Medicine at Kansas State University, in drafting this legislation, which is similar to a program that Kansas has established to provide incentives to encourage physicians to practice in rural communities. (Attachment 2)

Brandon McBride, a student at the Kansas State University College of Veterinary Medicine, provided a student's perspective in support of **HB 3005**.

Garrett Stewart, a student at Kansas State University, appeared in support of **HB 3005** as a way to make education and the practice of rural veterinary medicine economically feasible. (Attachment 3)

Chairman Johnson closed the hearing on **HB 3005**.

Hearing on HB 3000 - Timber permit for registered farm trucks.

Chairman Johnson opened the hearing on **HB 3000**. Raney Gilliland explained that this legislation would allow the owner of a registered farm truck or truck tractor to obtain a timber permit. This permit would allow such vehicle to transport unprocessed forest products, logs, ties, stave bolts, and posts, originated and produced by the vehicle owner, on state highways when going from the point of production or harvesting to the point at which the materials first undergo processing. The permit would be valid for up to 90 days for a fee of \$26. A person issued a timber permit would be authorized to operate within 150 air miles of any farm or farms owned or leased by the registered vehicle owner.

Representative Richard Carlson appeared in support of **HB 3000** introduced at the request of a constituent to allow the owner of unprocessed timber to obtain a 90-day timber permit for his farm truck to be able to transport the timber up to 150 air miles from his farm. Since timber is not a farm product, it is ineligible to be hauled under a farm truck tag. (Attachment 4)

Steve Floersch, President, Kansas Forest Products Association, and owner of a sawmill, logging, and hardwood lumber operation in Belvue, testified in support of **HB 3000**. Kansas produces high quality hardwood logs and timber including walnut, oak, and cottonwood, as well as eastern red cedar. He said the advent of new relatively inexpensive technology has made smaller sawmills much more efficient and affordable. Their association would like to help foster an environment that will encourage small local mills to grow in the rural areas of Kansas, helping to provide jobs and markets for products. One of the problems is the transportation of logs and timber products. He noted that although timber is classified as an agricultural product for taxation purposes, it isn't considered a farm product, thus making it illegal to move logs on farm tags. Because of federal safety requirements, he said timber cannot be considered a farm product for transportation purposes. He reported that they have worked with the Kansas Corporation Commission and the Federal Motor Carrier Safety Administration for proper language in this bill to allow logs and timber products to be transported under farm tags, yet conform to all federal safety regulations. He said the timber permit will allow this. (Attachment 5)

Charles Hewins, Vice Chairman, Kansas Tree Farm Committee, and owner of Hewins Logging and Sawmill in Wathena, appeared in support of **HB 3000**. He said one of the many problems they face is the cost to bring logs to market. He believes the proposed timber permit, or even an agricultural designation for forestry, would help. He noted that Kansas is consistently one of the top five states in the sale of walnut trees. (Attachment 6)

Daniel Howell, member, Kansas Forest Products Association, and farmer/rancher from Frankfort, testified in support of **HB 3000**, stating that this bill is not exactly what he would like to see, but it is a starting point. He questioned why logs, verses cattle, hay, or grain, are looked at so differently. (Attachment 7)

Mike Hoeme, Director of the Transportation Division, Kansas Corporation Commission, testified in regard to **HB 3000**. He said that Kansas has never considered logging or timber operations to be exempt from the state's economic or safety regulations. The Kansas Administrative Regulations, the Kansas Statutes, and the Federal Motor Carrier Safety Regulations, specifically, exclude timber as an agriculture commodity. He said that any attempt to create a new exemption for this specific industry would create a variance that is

CONTINUATION SHEET

MINUTES OF THE House Agriculture Committee at 3:30 p.m. on March 13, 2006, in Room 423-S of the Capitol.

incompatible with existing federal regulations, thus jeopardizing millions of dollars of federal funds Kansas receives under the Motor Carrier Safety Assistance Program. He explained that farmers transporting unprocessed forest products are considered private commercial entities under current law. Registered carriers are required to meet the state's liability insurance requirements, as well as state and federal safety regulations. Safety regulations include driver qualification files, hours of service, commercial drivers license, substance and alcohol testing, maintenance program, size and weight restrictions, and all other applicable regulations. The KCC Transportation Division strongly discourages exemptions that create additional variances that may adversely affect motor carrier safety and the motoring public. (Attachment 8)

Tom Whitaker, Executive Director, Kansas Motor Carriers Association, appeared in opposition to **HB 3000**. He said that while this amendment to the farm vehicle registration statute may seem trivial, KMCA's membership is extremely concerned about any expansion of the special privilege the agricultural industry has when using the farm vehicle registration. KMCA believes that **HB 3000** creates more problems than it solves, noting that drivers and vehicles hauling timber would still be required to comply with the federal motor carrier safety regulations, including: drug and alcohol testing, medical requirements, vehicle maintenance, commercial drivers license, and hours of service. In addition, they question whether the sales tax exemption and property tax exemption for farm machinery and equipment would still apply to trailers used to transport timber which is not considered an agricultural crop in Kansas nor by the Federal Motor Carrier Safety Administration. (Attachment 9)

Representative Carlson asked if an amendment would correct the problem. Gordon Self, Revisor of Statutes, said this is a federal issue; if timber were an agriculture commodity at the federal level, then the state could do something. Tom Whitaker suggested contacting Congressman Moran or Congressman Tiahrt who both serve on the federal House Transportation Committee.

Chairman Johnson closed the hearing on **HB 3000**.

The meeting adjourned at 5:20 p.m. The next meeting of the House Agriculture Committee is scheduled for March 15, 2006.