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Date: March 22, 2023
To: Senator Mike Petersen, Chairman, Senate Committee on Transportation
From: Shahira Stafford, Kansas Cooperative Council
RE: **Proponent, Oral Testimony on House Bill 2160**

Mr. Chairman and Members of the Committee,

On behalf of the Kansas Cooperative Council (Co-op Council), thank you for the opportunity to provide comments on House Bill 2160.

The Co-op Council is a statewide association that works on behalf of all types of cooperatively structured businesses in Kansas. Simply, cooperatives differ from other businesses because they are member-owned, member-controlled, and profits are returned to its member-patrons. Over 116,000 people are members of a cooperative headquartered in Kansas, and our 575 locations provide over 5,000 jobs that contribute significantly to the economic well-being of our rural communities.

Most of the Co-op Council's members are farmer-owned agricultural cooperatives, including two cotton gins in Kansas with three locations. Northwest Cotton Growers and Southern Kansas Cotton Growers are both cooperatives. We also have a member with gins located in Texas; and a regional member, Plains Cotton Cooperative Association, which is a grower-owned cotton cooperative with a new warehouse in Clearwater, Kansas. There are roughly 130 cotton growers across 27 counties in the southern part of Kansas.

A few statistics of the cotton industry you may find interesting:

- Planted cotton acres in Kansas have grown exponentially from 27,000 acres in 2013 to 195,000 acres in 2020. A large portion of this cotton was ginned at a cotton cooperative.
- With increased acres, Kansas has also seen an increase in the processing or ginning of cotton. In 2013, Kansas produced 41,000 finished bales of cotton. In 2020, Kansas produced 300,000 finished bales.
- A finished bale weighs around 480 pounds. One bale can produce 215 pairs of jeans or more than 300,000 one-hundred-dollar bills.
- The average price received by farmers in the 2020-2021 marketing year was seventy-three cents per pound or approximately \$350 per bale.

Cotton ginning season in south central and southwest Kansas is from August to December. In December 2021, we began seeing an uptick in round cotton bale enforcement on both commercial carriers and farmers. This resulted in a year of discussion within the cotton industry and state agencies, reviewing state and federal regulations to determine how best to enforce and regulate the securement of round cotton bales. Also at that time, we received guidance from the Kansas Highway Patrol that high stakes are sufficient to meet secure load requirements if strapping is not possible.

House Bill 2160 would exempt the transport of cotton bales from secured load requirements under certain conditions. The bill applies to producer haulers only, not for commercial transport. The exemption would only apply if the truck, trailer, or semitrailer is hauling cotton bales intrastate from the place of production or storage. Exempt vehicles would have to be equipped with cradles and side posts that are a minimum of one foot high. Additionally, exempt cotton bale loads would have to be loaded from front to back in a single layer on the vehicle.

This commonsense policy would allow our cotton gins to move trucks faster back to the field while ensuring that the bales are securely tied down in other adequate manners.

Thank you for allowing the Kansas Cooperative Council to comment on House Bill 2160, and we respectfully ask for your support.