

MINUTES OF THE SENATE AGRICULTURE COMMITTEE

The meeting was called to order by Chairman Mark Taddiken at 8:30 a.m. on January 14, 2009 in Room 446-N of the Capitol.

All members were present except:
Senator Terry Bruce- excused

Committee staff present:

Raney Gilliland, Kansas Legislative Research
Corey Carnahan, Kansas Legislative Research
Jason Thompson, Revisor of Statutes Office
Judy Seitz, Committee Assistant

Conferees appearing before the Committee:

Carole Jordan, Senior Director, Rural Development, Kansas Department of Commerce (KDOC)
Wally Kearns, State Director, Kansas Small Business Development Center (KSBDC)

Others attending:
See attached list.

Chairman Taddiken welcomed new Committee members, Senator Pyle and Senator Barnett; and a new Legislative Research Fellow, Corey Carnahan and the Senator's intern, Zachary Goodman.

Carole Jordan, Senior Director, Rural Development, Kansas Department of Commerce (KDOC) introduced members of her ag marketing team: Becky Rhoades, Corey Mohn, J.J. Jones and Mari Tucker, Marketing Specialists; LeAnn Thurman, Central Kansas Community Development Block Grant (CDBG). Ms. Jordan also recognized Sarah Larison, Marketing Specialist, who was not in attendance).

Ms. Jordan ([Attachment 1](#)) said that in September 2008 Governor Sebelius announced the creation of a Rural Development Division in the Department of Commerce. She said the Rural Development Division is an umbrella under which the KDOC has some 30 programs and 20-plus employees that deal with some aspects of rural development.

The Office of Rural Opportunity gathers data about available resources and connects towns with the resources and can also tell where there are conditions and situations for which there are insufficient resources.

SB 453 passed last session created the Rural Policy Commission. It is hopeful that this group can develop creative policy initiatives based on information from the Office of Rural Opportunity.

Ms. Jordan reported that the Agriculture Products Development Division works to increase the viability and the visibility of Kansas agriculture and agribusiness. The KDOC also collaborates with other divisions, agencies and groups to advocate for agriculture and rural communities in Kansas. Through the Kansas Pavilions project companies have developed a more effective and attractive trade show presence to market Kansas food products.

There are 255 registered agritourism businesses in Kansas. Registration provides access to tax credits toward purchase of liability insurance, scholarship grants and development loans. Agritourism allows traditional Kansas farmers to expand their businesses by making them tourist destinations.

The Rural Development Division supports the grape and wine industry, organically grown products and locally grown fruits and vegetables.

The Agriculture Value Added Center Program provides marketing assistance, technical support, information and research to assist Kansas agricultural producers with value added ventures. The economic impact of sales from current recipients of loans or grants totaled \$233.5 million in sales.

The Rural Development Division has assisted and supported sensible and sustainable development of the

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Minutes of the Senate Agriculture Committee at 8:30 a.m. on January 14, 2009 in Room 446-N of the Capitol.

renewable energy industry which includes ethanol, biodiesel, cellulosic technologies and wind energy. At the end of FY 2008 there were 12 ethanol facilities in operation in Kansas with an output of 501 million gallons per year. In FY 2008 biodiesel producers received more than \$48,000 in incentive funds and ethanol producers received more than \$5.2 million in incentive funds.

The Division's International Marketing Program promotes Kansas agricultural products at the global level by conducting trade missions to target countries and coordinating itineraries for foreign buying teams. Many of the international trade activities are through Food Export-Midwest, a non-profit association that helps U.S. companies promote their food and agricultural products in foreign markets.

The Kansas products trademark program is designed to promote the use and sales of Kansas-based products resulting in additional revenues for Trademark Program members. Members of the Trademark Program are offered business assistance, technical assistance, and promotion of their companies. A new trademark program, *Simply Kansas*, was launched at the beginning of FY 2009.

Ms. Jordan stood for questions.

Wally Kearns, State Director, Kansas Small Business Development Center (KSBDC) said the Center is in the process of conducting an economic impact analysis for 2002-2007. There have been 1,557 new businesses started with 6,632 new jobs and 7,380 saved jobs. He will provide copies of the report showing the economic impact of the KSBDC for CY2002-CY2007. Mr. Kearns said there is still a big focus on assisting Greensburg in recovery from the tornado.

Mr. Kearns took questions.

The next meeting is scheduled for January 20, 2009.

The meeting was adjourned at 9:30 a.m.