

MINUTES OF THE SENATE AGRICULTURE COMMITTEE

The meeting was called to order by Chairman Mark Taddiken at 8:30 a.m. on March 12, 2008 in Room 423-S of the Capitol.

All members were present except:
Derek Schmidt- excused

Committee staff present:
Raney Gilliland, Kansas Legislative Research Department
Jason Thompson, Office of Revisor of Statutes
Matt Todd, Office of Revisor of Statutes
Judy Seitz, Committee Assistant

Conferees appearing before the Committee:
Kenlon Johannes, Chief Executive Officer, Kansas Soybean Association
Jere White, Executive Director, Kansas Corn Growers Association and Kansas Grain Sorghum Producers Association
Paul Penner, Farmer & Rancher, Vice President , Kansas Association of Wheat Growers (KAWG)
Kendall Hodgson, Wheat Producer, Immediate Past President, Kansas Association of Wheat Growers (KAWG), Little River
Allan Fritz, Professor of Agronomy, Kansas State University
Steve Clanton, Wheat Producer, Minneapolis
Randy Fritzemeier, Wheat Producer, Stafford
Duane Simpson, Chief Operating Officer & Vice President, Kansas Grain & Feed Association (KGFA) and Kansas Agribusiness Retailers Association
Dan Cain

Others attending:
See attached list.

The hearing was opened on **HB 2897–Commodity Commission; assessment rates; voting process.**

Raney Gilliland, Legislative Research Department, reviewed **HB 2897**. This bill would allow each commission, by majority approval of the commission, to appoint a first purchaser as a member of the commission. Another change would be on page 5 in Sec. 3, referring to the annual reports the commissions submit to the legislative committee. Another change would be the assessment rates for the various commissions.

Kenlon Johannes, Chief Executive Officer, Kansas Soybean Association, testified in favor of the soybean related section changes in **HB 2897 (Attachment 1)**. He said the Kansas Soybean Association would like to have the checkoff rate changed from the .02 cents per bushel to the ½ of 1% of the net market value.

Mr. Johannes took questions from the Committee.

Jere White, Executive Director, Kansas Corn Growers Association and Kansas Grain Sorghum Producers Association, appeared in general support of **HB 2897 (Attachment 2)**. His associations support the increase in assessment authority and the language that suspends the collection of state assessments if there should be a national checkoff in place. Mr. White expressed concern regarding the optional appointment of a first purchaser to the commission and with ballots being sent to farmers.

Mr. White answered questions.

Paul Penner, Farmer & Rancher, Vice President , Kansas Association of Wheat Growers (KAWG), appeared in support of parts of **HB 2897 (Attachment 3)**. His organization does not support the part of the bill which mandates a wheat grower vote on any change - higher or lower - which is made to the amount collected.

Mr. Penner stood for questions.

Kendall Hodgson, Wheat Producer, Immediate Past President, Kansas Association of Wheat Growers

CONTINUATION SHEET

MINUTES OF THE Senate Agriculture Committee at 8:30 a.m. on March 12, 2008 in Room 423-S of the Capitol.

(KAWG), Little River, appeared in support of **HB 2897** ([Attachment 4](#)). He favors the authority of the Wheat Commission to raise the assessment from less than 0.08% up to 0.17% of the gross value of wheat in today's prices. Mr. Hodgson said that he is concerned about the commission having to ask for a vote of all wheat growers before they could change the assessment rate.

Allan Fritz, Professor of Agronomy, Kansas State University, testified in support of **HB 2897** ([Attachment 5](#)). He said there is a relatively small investment in wheat research by the private sector. He also said that wheat is lagging far behind other crops in the biotechnology revolution. Solutions will require creativity and organizations, such as the Kansas Wheat Commission, are central to making up ground in this area.

Steve Clanton, Wheat Producer, Minneapolis, spoke in favor of **HB 2897** ([Attachment 6](#)). He echos the concerns about the lack of funding to advance wheat technology. He said that he sees no need for the producer referendum.

Randy Fritzemeier, Wheat Producer, Stafford, appeared in support of **HB 2897** ([Attachment 7](#)). He said the change in the cap on the wheat assessment is essential to address funding shortfalls in the areas of research and biotechnology, cellulosic ethanol and consumer education.

The conferees from out of town stood for questions.

Duane Simpson, Chief Operating Officer & Vice President, Kansas Grain & Feed Association (KGFA) and Kansas Agribusiness Retailers Association, testified in support of **HB 2897** ([Attachment 8](#)). He addressed the question regarding the first purchaser. The bill would give the commission the option of adding another at-large commissioner. His associations did not want to replace someone on a commission, but to have an opportunity, if they choose, to use the expertise from the people that are actually marketing their product.

Mr. Simpson offered to stand for questions.

Written testimony in support of **HB 2897** was also submitted by:

Jerry McReynolds; Wheat Producer, Woodston ([Attachment 9](#))

Dr. Fred Cholick, Dean & Director, College of Agriculture, K-State Research & Extension ([Attachment 10](#))

Jay Cook, Wheat Producer, Garden City ([Attachment 11](#)).

Written testimony as a qualified supporter of **HB 2897** was submitted by:

Leslie Kaufman, Executive Director, Kansas Cooperative Council ([Attachment 12](#)).

Dan Cain, spoke in favor of **HB 2897** and handed out information on twenty-six (26) soy based products funded by checkoff funds ([Attachment 13](#)). He said this bill to raise the amount of commodity checkoff money is very timely. He believes there should be more checkoff money.

Hearing was closed on **HB 2897**.

Meeting adjourned.