

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairman Dan Johnson at 3:30 p.m. on February 19, 2001, in Room 423-S of the Capitol.

All members were present.

Committee staff present: Raney Gilliland, Legislative Research Department
 Gordon Self, Revisor of Statutes Office
 Kay Scarlett, Committee Secretary

Conferees appearing before the committee:

 Dennis Morrice, Executive Director, Kansas Soybean Association
 Bill Wiley, Kansas Soybean Association
 Leslie Kaufman, Associate Director, Public Policy Division, Kansas Farm Bureau
 Jamie Clover Adams, Secretary, Kansas Department of Agriculture
 Brendan Donnelly, Head of Grain Science and Industry Department, Kansas State University

Others attending: See attached list

Dennis Morrice, Executive Director, Kansas Soybean Association, provided background information on bio-diesel and discussed how the State of Kansas can further enhance both the production and demand for bio-diesel. (Attachment 1)

Bill Wiley, Kansas Soybean Association, discussed ideas and incentives to help foster development of the bio-diesel industry in Kansas. In addition to already proposed legislation to require state vehicles to use bio-diesel fuel and to provide a tax abatement on construction of new refining plants, he suggested: 1) providing small distributors access to economic development funds for marketing expenses; 2) tax credits for distributors and consumers who need to add storage, pumps, and/or injection systems to handle a new product; and 3) using tobacco settlement funds to buy down the cost of B-20 bio-diesel fuel for use in school buses to reduce exposure to exhaust fumes by school children. (Attachment 2)

Discussion and action on HB 2011 - Incentives for production of ethanol from agricultural products; amounts; removal of cap; expiration date.

Jamie Clover Adams, Secretary, Kansas Department of Agriculture, submitted written comments concerning **HB 2011**. (Attachment 3)

Leslie Kaufman, Associate Director, Public Policy Division, Kansas Farm Bureau, explained a conceptual amendment to **HB 2011**, including caps on the existing and expanded production; incentive for new or expanded production; and the placement of moneys left in each incentive provision. She reported that these provisions were agreed to on February 15, 2001, by representatives of the Kansas Corn Growers Association, Kansas Grain Sorghum Producers, Kansas Farm Bureau, and the Kansas Ethanol Association. She noted that a representative of the Kansas Department of Agriculture was also in attendance and that the Kansas Department of Transportation had signed off on this concept. (Attachment 4)

Representative Hayzlett moved to amend **HB 2011** as outlined by Ms. Kaufman. Seconded by Representative Light, the motion carried.

Representative Feuerborn moved to pass **HB 2011** as amended. Seconded by Representative Hutchins, the motion carried.

Hearing and action on HB 2455 - Providing for value-added facility at Kansas State University.

Chairman Johnson opened the hearing on **HB 2455**.

CONTINUATION SHEET

Brendan Donnelly, Head of Grain Science and Industry Department, Kansas State University, appeared in support of **HB 2455** to establish a Bioprocessing and Industrial Value-Added Center at Kansas State University. He discussed plans for the new Grain Science and Industry Complex at Kansas State University to consist of five buildings to be built over a number of years using a combination of private, State, and Federal funds. He provided copies of the prospectus given to potential contributors; copies can be obtained from the University. In the Governor's State of the State and budget message, Governor Graves recommended \$3 million to help build the BIVAC facility. (Attachment 5)

Leslie Kaufman, Associate Director, Public Policy Division, Kansas Farm Bureau, testified in support of the concepts contained in **HB 2455** to establish a biological and industrial value-added facility including food and feed processing plants, a value-added pilot plant and applied research, processing, and testing laboratories at Kansas State University. She emphasized that Kansas Farm Bureau is a strong advocate for K-State and its agricultural related programs. (Attachment 6)

As there were no other conferees, the Chairman closed the hearing on **HB 2455** and opened discussion on the bill.

Representative Feuerborn moved to recommend **HB 2455** favorable for passage. The motion was seconded by Representative Dahl.

Representative Larkin offered a substitute motion to amend **HB 2455** to require identification of value-added projects for their long-term ability to increase profits for producers. Seconded by Representative Thimesch, the motion carried.

Representative Larkin moved to pass **HB 2455** as amended. Seconded by Representative Feuerborn, the motion carried.

Discussion and action on HB 2102 - Unlawful acts and annual testing requirements involving weighting and measuring devices.

Representative Dahl submitted the Subcommittee Report in the form of a balloon amendment to **HB 2102**. (Attachment 7) The subcommittee recommended a tolerance standard of plus or minus 100 pounds for vehicle scales used solely for the purpose of weighing aggregate products and that dispensing devices used for commercial purposes be tested and inspected for accuracy at least once every 18 months. The Revisor noted that some technical corrections would be necessary. Representative Dahl moved to amend **HB 2101** as outlined in the balloon. Seconded by Representative Feuerborn, the motion carried.

Representative Dahl moved to pass **HB 2102** as amended. Seconded by Representative Compton, the motion passed.

The meeting adjourned at 4:50 p.m. The next meeting is scheduled for February 28, 2001.