

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairman Dan Johnson at 3:30 p.m. on February 4, 2002, in Room 423-S of the Capitol.

All members were present except: Representative Compton - excused
Representative Faber - excused
Representative Hutchins - excused
Representative O'Brien - excused

Committee staff present: Gordon Self, Revisor of Statutes
Kay Scarlett, Committee Secretary

Conferees appearing before the committee:

Jamie Clover Adams, Secretary, Kansas Department of Agriculture
Leslie Kaufman, Associate Director, Public Policy Division, Kansas Farm Bureau
Jim Herynk, Kansas Nursery and Landscape Association
Mary Odgers, Executive Secretary, Kansas Nursery and Landscape Association
Doug Wareham, Kansas Grain & Feed Association and Kansas Agribusiness Retailers Assn.
Mark Hassman, Chairman, Government Affairs, Kansas Pest Control Association
Frances Kastner, Director, Governmental Affairs, Kansas Food Dealers Association
Art Brown, Mid-America Lumbermens Assn. and Western Retail Implement and Hardware Assn.
Justin Holstin, Executive Vice President, Propane Marketers Association of Kansas
Joe Lieber, President, Kansas Cooperative Council
Chris Wilson, Legislative Counsel and Director of Member Services, Kansas Seed Industry Assn.
Tom Palace, Executive Director, Petroleum Marketers and Convenience Store Assn. of Kansas
Wayne Bossert, Northwest Kansas Groundwater Management District No. 4

Others attending: See attached list

The Kansas Association of Conservation Districts submitted written testimony requesting that wetlands planned and constructed through the USDA Wetlands Reserve Program be exempt from the provisions of **HB 2689** heard in committee on January 28. (Attachment 1)

Representative Showalter requested introduction of a committee bill on behalf of humane societies to issue special license plates with the fees going toward spaying and neutering of cats and dogs. Seconded by Representative Thimesch, the motion carried.

Hearing on HB 2700 - Regulation of plant pests, plants and plant products and plant dealers and certain agriculture commodities.

Chairman Johnson opened the hearing on **HB 2700** rescheduled from January 30 due to the weather.

Jamie Clover Adams, Secretary, Kansas Department of Agriculture, provided an overview of **HB 2700** requested by the department. She explained that **HB 2700** would replace the term "nursery stock" with "live plants"; license all live plant dealers and simplify the inspection fee structure; set one fee for all domestic and international inspection certificates; establish pest freedom standards based on risk; and grant the department civil penalty authority. The bill would also repeal the Kansas Apiary Inspection Act. The department estimates that an additional \$84,400 in fee revenues would be generated by this legislation. (Attachment 2)

Leslie Kaufman, Associate Director, Public Policy Division, Kansas Farm Bureau, appeared in qualified support for **HB 2700** and **HB 2701**. Kansas Farm Bureau policy states that "Regulatory functions provided primarily for the protection of the general population should receive significant funding from State General Fund monies. Programs that have a more limited scope of benefit may be candidates for a funding mix that includes reasonable user fees..." (Attachment 3)

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Jim Herynk, Kansas Nursery and Landscape Association and member of the Kansas Plant Pest Act Review Group, provided written testimony in support of **HB 2700**, stating that the Kansas horticulture industry has changed enough to warrant the revisions proposed by the Kansas Department of Agriculture. ([Attachment 4](#))

Mary Odgers, Executive Secretary, Kansas Nursery and Landscape Association, submitted written testimony in support of **HB 2700** asking that the committee honor the recommendations set forth by the industries involved in reviewing the Kansas Plant Pest Act. ([Attachment 5](#))

Doug Wareham, Senior Vice President, Kansas Grain & Feed Association, appeared in opposition to **HB 2700** in light of the proposed inspection and certification fee increases outlined in Section 7 on Page 5 beginning at line 25. ([Attachment 6](#))

This concluded the hearing on **HB 2700**.

Hearing on HB 2701 - Powers, duties and responsibilities of secretary of agriculture related to fees and penalties.

Jamie Clover Adams, Secretary, Kansas Department of Revenue, reported that every program in the department is affected by **HB 2701** or one of its companion bills. The impact of the entire package would increase department fee fund revenues by approximately \$2.27 million. If the entire fee fund package is enacted, the overall funding mix will be 46 percent from state general funds, 36 percent from state fees, and 18 percent from federal grants. She discussed proposed changes in the Pesticide and Fertilizer Program, Meat and Poultry Inspection Program, Dairy Inspection Program, Weights and Measures Program, and the Water Appropriation and Water Management Services Programs. ([Attachment 7](#))

Mark Hassman, Chairman of the Government Affairs Committee of the Kansas Pest Control Association, testified that while their organization was not opposed to the fee increases proposed in **HB 2701**, they did have concerns about the performance of the Department's Pesticide Program in regulating their industry. ([Attachment 8](#))

Leslie Kaufman, Associate Director, Public Policy Division, Kansas Farm Bureau, again expressed Kansas Farm Bureau's qualified support for **HB 2701**. ([Attachment 3](#))

Frances Kastner, Director of Governmental Affairs, Kansas Food Dealers Association, submitted written testimony concerning **HB 2701**. Their members view the fees on scales at the bottom of page 36 and on scanners or point of sale systems at the top of page 37 as "reasonable" provided there isn't an increase every year. ([Attachment 9](#))

Doug Wareham, Vice President, Government Affairs, Kansas Grain and Feed Association, testified in opposition to **HB 2701** questioning the equity of the proposed new fees for weights and measure devices which will add significant costs to every grain handling facility and feed manufacturer in the state. ([Attachment 10](#))

Doug Wareham, on behalf of the Kansas Agribusiness Retailers Association, appeared in opposition to **HB 2701**, specifically, the new fees proposed for weights and measure devices and the increase in the Pesticide and Fertilizer Program business license application fee. ([Attachment 11](#))

Art Brown, Mid-America Lumbermens Association and the Western Retail Implement and Hardware Association, appeared in opposition to **HB 2701** regarding new fees being implemented for small scales. ([Attachment 12](#))

Justin Holstin, Executive Vice President, Propane Marketers Association of Kansas, testified in opposition to **HB 2701** as it pertains to fee increases for meter testing and licensing for private service companies. ([Attachment 13](#))

Joe Lieber, President of the Kansas Cooperative Council, appeared in opposition to **HB 2701** and any fee increase that would create a financial hardship for their members. ([Attachment 14](#))

CONTINUATION SHEET

Chris Wilson, Legislative Counsel and Director of Member Services of the Kansas Seed Industry Association, testified in opposition to **HB 2701** particularly the scales fees. She noted that many of the Department of Agriculture's programs are for the protection of the public and felt the public should provide for the cost of administration of those programs through the state's general fund. (Attachment 15)

Tom Palace, Executive Director of the Petroleum Marketers and Convenience Store Association of Kansas, asked that the committee oppose **HB 2701** or amend the bill to exempt motor fuel dispensers and vehicle tank meters from the \$25 annual fee. (Attachment 16)

Wayne Bossert, Northwest Kansas Groundwater Management District No. 4, submitted written testimony regarding **HB 2701** outlining their concerns associated with transitioning the Kansas Department of Agriculture away from traditional legislatively funded budgets toward more fee funded budgets. (Attachment 17)

Chairman Johnson closed the hearing on **HB 2701**.

The meeting adjourned at 5:40 p.m. The next meeting is scheduled for February 6, 2002.