



Feb. 13, 2024

To: House Committee on Commerce, Labor and Economic Development

From: Scott Gigstad, Kansas Soybean Association (KSA)

RE: Oral Proponent Testimony on H.B. 2648

Chairman Tarwater and members of the House Federal and State Affairs Committee, thank you for the opportunity to appear today in support for H.B. 2648.

Kansas was the thirteenth ranked state for soybean production at 105 million bushels in 2023. The Kansas Dept. of Agriculture (KDA) reports that oilseeds, mainly soybean, in Kansas have a direct output of more than \$2.67 billion on the Kansas economy. Ninety-seven percent of soybean meal is fed to livestock bringing essential and quality protein to their diets.

Kansas soybean farmers face many challenges in sustaining and increasing their profitability. Soybean farmers operate in highly regulated industries and while we agree that regulations may serve a sound purpose, the cost to comply can be high. The KSA feels that H.B. 2648 could reduce the cost of doing business, which should translate into higher prices for grain or lower prices for inputs for farmers.

H.B. 2648 would require state agencies to research the potential costs of proposed rules or regulations to businesses before they are submitted to the Kansas Legislature. The agencies must consult with and solicit information from regulated businesses, business associations, local government units and members of the public that may be impacted by the proposed rules and regulations.

The state budget director would be required to approve the agencies' economic impact statements. Regulations that would create a fiscal impact of one million dollars or more over five years would require an additional process to adopt to ensure that industry has been consulted and that there is not a less costly approach to satisfying the legislative intent in the act.

The KSA respectfully requests that the committee pass H.B. 2648 favorably for passage.

Respectfully submitted,

Scott Gigstad, President

Everest, Kansas