Approved Inela Kern Date

2/2/83

MINUTES OF THE SENATE COMMITTEE ON AGRICULTURE AND SMALL BUSINESS

The meeting was called to order by Senator Fred A. Kerr at Chairperson at Chairperson

10:00 a.m./pxx. on Tuesday, February 1, 1983, 19 in room 423-S of the Capitol.

All members were present except: Senator Ross Doyen (Excused) Senator Ed Reilly (Excused)

Senator Dan Thiessen (Excused)

Committee staff present: except Hank Avila

Conferees appearing before the committee: None

SENATE BILLS 1 - 6

Senator Arasmith moved the January 27, 1983, committee minutes be approved, seconded by Senator Norvell. Motion carried.

Senator Kerr stated the committee would be working Senate Bills 1-6 and referred to the Research Department's summary of amendments to these bills as proposed by conferees who had been heard. (Note Attachment 1).

Senate Bill 1 - Senator Kerr mentioned a few technical changes in this bill--for uniformity it was suggested on line 70 the term "assets" be changed to "net worth" and the corresponding language be so changed; on line 219 the word should be "additional"; on line 384 correct spelling to "director's"; on line 173 change "Is" to "In". Senator Gannon moved, seconded by Senator Karr that these technical changes be made. Motion carried.

Senator Warren questioned changing the word "compilation" to "review". A number of Senators stated they could stand with the existing language. There was considerable discussion as to the interpretation of "should" and "shall" in the federal government's requirements for management firms to be approved under the USDA regulations. These items will be further reviewed and discussed in tomorrow's committee meeting.

A number of conferees had suggested on line 65 the "180 days" be changed to "90" days. <u>Senator Montgomery moved on line 65, the number "180" be changed to "90" days, seconded by Senator Norvell.</u>
<u>Motion carried.</u>

There was considerable discussion regarding the language in S.B. 1 as to whether all--existing and new applicants for warehouse licenses should be screened and covered under (d), page 3, line 85, or whether this would apply to new applicants only. Senator Kerr stated as worded every applicant would be checked as they applied for licensing/re-licensing. Senator Norvell moved subsection (d), page 3, line 85 should be reworded to apply to new applicants only, seconded by Senator Warren. There was considerable discussion as to whom this requirement would apply; therefore, the motion and second were withdrawn.

On page 8, it was recommended the language be clarified to coincide with the present law with regards to the court system. Sen. Norvell moved the language be drafted by the revisor's office to clarify the intent, seconded by Senator Warren. Motion carried.

(MORE)

CONTINUATION SHEET

| MINUTE | S OF THE _ | SENATE | COMMITTE | E ON _ | AGRICUI | LTURE | AND | SMALL | BUSINESS | |
|----------------|-------------|-------------------|-----------------|--------|----------|-------|------|-------|----------|-------|
| room <u>42</u> | 3-S, Stateh | ouse, at <u>l</u> | 0:00 a.m./pxxx. | on | Tuesday, | Febru | ıary | 1, 19 | 83 | ., 19 |

Senate Bill 2 - A number of conferees felt a certain date should not be set out for the submission of statements to depositors by the warehouse and suggested "on or before December 1 of each year" should be changed to "should submit annually". Senator Karr moved the bill should be changed to make it read "annually", seconded by Senator Norvell. Motion carried.

There was discussion as to the date the bill should become effective since a number of warehouses will have had their audits and renewals completed before the publication in the statute book. Senator Kerr questioned whether the bill should become effective January 1 1984. Discussion of Senate Bill 2 will be continued tomorrow.

The meeting was adjourned.

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SENATE

AGRICULTURE AND SMALL BUSINESS COMMITTEE

'10:00 a.m., Room 423-S

Tuesday, Feb.. 1, 1983

Date

| NAME | ADDRESS | ORGANIZATION |
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| Ivan W. Wyatt | McPherson | Ks Farmers Union |
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| TON R. TUNNELL | HUTCHINSON | KANSAS GRAM & FRED DEALER HS |
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MEMORANDUM

January 31, 1983

TO:

Senate Agriculture and Small Business Committee

FROM:

Kansas Legislative Research Department

RE:

Suggested Amendments to Senate Bills 1 Through 6

The following outlines by bill the suggested amendments or sections which consideration for changes need to be made to Senate Bills 1 through 6.

S.B. 1

| Conferee | Bill Line Number | Amendment | |
|---|------------------|--|--|
| Kansas State Grain Inspection Department | 85 through 89 | Restrict this to new applicants only. | |
| | 173 | "Is" should be "In." | |
| | 219 | "Addition" should be "additional." | |
| Gary Warden | 63 through 66 | Omit entirely. | |
| | 156 through 175 | Increase bond to at least a minimum of \$100,000. | |
| T.C. Anderson - Kansas Society of CPAs | 58 through 62 | Omit entirely. | |
| Gerald Riley - Kansas Assn. of Wheat Growers | 58 | Change "compilation" to "re-view." | |
| Dale Sprague - Public Accountants Assn. of Kansas | 58 through 62 | Prefers omitting but as an alternative suggests "compilation" should be changed to "review." | |

Atch. 1

S.B. 2

| Conferee | Bill Line Number | Amendment | | |
|---|---|---|--|--|
| Kansas State Grain Inspection Department | 22 | Suggests a date specific be included. | | |
| Attorney General - Robert Stephan | | Suggests an enforcement pro- vision. | | |
| Bill Morand | | Suggests a date specific be included. | | |
| John Blythe - Kansas Farm Bureau | public warehousema director of the Kar ment a verified con of open storage gra | ing language be added: "Every in shall make available to the issas state grain inspection department of depositors ain or grain bank grain. The it shall contain the same information." | | |

S.B. 3

| Conferee | Bill Line Number | Amendment |
|---|------------------|---|
| Gerald Riley - Kansas Assn. of Wheat Growers | 129 and 132 | Change "six" to "three." |
| Tom Tunnell - Kansas Grain and Feed Dealers Assn. | 129 and 132 | Suggest the possibility of changing "six" to "three." |
| John Blythe - Kansas Farm Bureau | 129 and 132 | Change "six" to "three." |

S.B. 4

| Conferee | Bill Line Number | Amendment |
|--|----------------------|---|
| Kansas State Grain Inspection Department Kansas Livestock Assn. | 273 and 274 | Replace with "All warehouse receipts shall be written upon warehouse receipt forms furnished by the State Grain Inspection Department." Make jail sentences "nonsus- |
| | | pendable." |
| | <u>S.B. 5</u> | |
| Conferee | Bill Line Number | Amendment |
| | No changes suggested | 4 |

No changes suggested.

S.B. 6

| Conferee | Bill Line Number | Amendment |
|---|------------------|---|
| Gary Warden | | Suggests a flat term of office for the director of four or six years. |
| Gerald Riley - Kansas Assn. of Wheat Growers | | Suggests director of KSGID be appointed by the Grain Advisory Commisson or Kansas State Board of Agriculture. |

83-28/RG