Approved Date 3-19-85

MINUTES OF THE HOUSE	COMMITTEE ON	AGRICULTURE AND SMALL BUSINESS .
The meeting was called to order by	Lloyd D.	Polson at Chairperson
9:00 a.m./pexxx on	March 6,	
All members were present except:		

#### Committee staff present:

Raney Gilliland, Legislative Research Department Norman Furse, Revisor of Statutes Office Mary Jane Holt, Committee Secretary

Conferees appearing before the committee:

Harland Priddle, Secretary, Kansas State Board of Agriculture

Representative Clifford Campbell, Chairman of the subcommittee on H.B. 2148, Declaring electric fences to be legal and sufficient fences, and H.B. 2240, Agreements between owners of adjoining land relating to division of partition fences, reported the subcommittee recommended no action be taken on H.B. 2148, at this time, and H.B. 2240 be amended and acted upon favorably, ( $\underline{\text{Attachment A}}$ ).

Representative Teagarden moved to adopt the subcommittee report. The motion was seconded by Representative Long. The motion passed.

Representative Teagarden made of conceptual motion to amend H.B. 2240 as recommended in the subcommittee report. Representative Dean seconded the motion. The motion passed.

Representative Eckert moved to change the word occupants in line 0035 to owners. The motion was seconded by Representative Teagarden and the motion passed.

A motion was made by Representative Buehler to pass out favorably, as amended, H.B. 2240. Representative Teagarden seconded the motion. The motion passed.

Representative Apt, Chairman of the subcommittee on H.B. 2239, Creating grain storage indemnity fund for compensation of losses of grain producers; H.B. 2418, Enacting the Kansas Grain Insurance Act; and H.B. 2554, Authorizing two examinations per year of public warehouses by the Kansas State Grain Inspection Department; reported the subcommittee recommended the bills be combined and an interim study in 1985 be requested. They also recommended the interim committee review how the state could enhance the sale of producer's insurance. They further recommended a separate interim study on the licensure and regulation of grain dealers, (Attachment B).

A motion was made by Representative Apt to adopt the subcommittee report on H.B. 2239, H.B. 2418 and H.B. 2554. The motion was seconded by Representative Roenbaugh. The motion passed.

The Chairman announced he will draft letters to the appropriate people asking for the interim studies.

Representative Goossen, Chairman of the subcommittee on H.B. 2488, Enacting the agriculture production input lien act; and H.B. 2247, Lien on crop for seed furnished; reported the subcommittee recommended amendments to H.B. 2488, and recommended no action be taken, at this time, on H.B. 2247, as the concept of this bill is included in H.B. 2488, (Attachment C).

Representative Goossen moved to accept the subcommittee report, subject to review of the subcommittee amendments. Representative Buehler seconded the motion. The motion passed.

#### CONTINUATION SHEET

MINUTES OF THE HOUS	E COMMITTEE ON	AGRICULTURE AND	D SMALL BUSINESS
	9:00 a.m. 40x0xi. on	March 6,	<sub>19</sub> 85

The Committee considered for action H.B. 2003. Harland Priddle reviewed the bill and the fiscal note. He estimated they could cut the fiscal note by \$8,000.

Representative Hamm moved to amend H.B. 2003 to delete in new section 5, 30 days and \$50.00 fee. The motion was seconded by Representative Teagarden. The motion passed.

A conceptual motion was made by Representative Neufeld to amend H.B. 2003 to conform to H.B. 2004. The motion was seconded by Representative Apt. The motion passed.

Representative Sallee moved to pass out favorably H.B. 2003, as amended. Representative Buehler seconded the motion. The motion passed.

The Committee meeting was adjourned at 9:50 a.m.

The next meeting will be Thursday, March 7, 1985, at 9:00 a.m., in Room 423-S.

march 6, 1985

Cety Name Organization Beleeca Genshaw-Comm grann Orgo - Topela Joh Jesserard Sein Hotel Topela Mound Theley Janet Myers Vistar Darlene Brown Vistor Mound Vally. KLRG, A. Ken Ryster Fofeba Den Johnson Topeka Kansas Co-op Council Mancy Mantola HOWARD W. TICE K.A.W.G. HATCH INSON Joe Lieben Hs- co-op Council Topota - topeha MIKE BEAM K.L.A. (= 5. G.1. D. GON Sefeibmein Topelas Bour of Agriculture Eldon R. Fustrup KG7DA KGFDA Hutchiuson Marsha & Hutcheson LIGHTCHINSON TOM R. FUNNELL Marion High School

Nisitor Coffey County Schooly Schoolery Julie Plenert Marion County marion High School Marion Country Jone Monroe Manon High School Visitor Manyn (Grey )OST Marion County Loru Challacombe Marion Ligh School marion High School florence, KS Patty (and) Marion High School Marion Brenda Beig Jacqueline & Cusick Marion High Sch. Marion, KS I lorence, \$2 Morion High School Otephanie Williams

# HOUSE AGRICULTURE AND SMALL BUSINESS Subcommittee on HB 2148 and HB 2240

Mr. Chairman, your subcommittee on HB 2148 and HB 2240 has met and has developed the following recommendations.

The subcommittee's conclusion and recommendation on HB 2148 is that no action be taken on this bill at this time.

The subcommittee's conclusion and recommendation on HB 2240 is that the bill be acted upon favorably with one amendment. That amendment would be that if the parties involved in the maintenance of a partition agree to change the agreement, they would be permitted to do so. However, if they do agree to change their agreement, that change would be required to be recorded in the Office of the Register of Deeds of the proper county.

Respectfully submitted,

Rep. Clifford Campbell, Chairman

Rep. Dick Eckert Rep. J. C. Long Rep. Lee Hamm

Rep. George Teagarden

CVC:pb

3/4/85 Attachment A

# HOUSE AGRICULTURE AND SMALL BUSINESS COMMITTEE SUBCOMMITTEE REPORT ON H.B. 2239, H.B. 2418, H.B. 2554

Mr. Chairman, your Subcommittee on H.B. 2239, H.B. 2418, and H.B. 2554, recommends that these three bills be combined and recommended by the House Agriculture and Small Business Committee to the Legislative Coordinating Council for interim study in 1985.

Toward this end, the Subcommittee recommends that during the interim committee study, that officials from other states that have grain indemnity fund programs in place be asked to come to Kansas to relate their experiences. The Subcommittee recommends that the interim committee ask officials from the states of Illinois, Oklahoma, and Ohio.

The Subcommittee also concluded that there tends to be a sense of security on the part of depositors of grain at public warehouses, particularly with respect to the coverage through bonding. At the present time, state-licensed facilities carry approximately \$.57 per bushel of bonding for grain stored in those facilities. The Subcommittee believes it would be in the best interests of producers if they were more aware that the bonding did not cover the total worth of grain stored in a particular facility. The Committee also recommends increased awareness of the grain elevator problems on the part of the general public.

The Subcommittee also recommends that the study of the grain warehouse issues include the study of the number of examinations which are required to be performed by the Kansas State Grain Inspection Department (H.B. 2554).

The Committee discussed the possibility of producer's insurance and heard from a representative of the Kansas Insurance Department in this regard. The representative indicated that two private insurers were now offering insurance to depositors of grain in Kansas against losses that might be sustained in a grain warehouse insolvency case. The Subcommittee recommends that the interim committee review how the state could enhance the sale of such insurance as well as bringing in officials from states where such private offerings have been relatively successful. The state mentioned in this regard was Montana.

In concluding this report, the Subcommittee recommends that the full Committee recommend to the Legislative Coordinating Council that a separate interim study be conducted to deal with the issue of the possible licensure and regulation of grain dealers in the state of Kansas.

3/c/85 Attachment B Respectively submitted,

Venise apt

Representative Denise Apt, Chairperson

Lusan Renchange

Representative Susan Roenbaugh

Representative Don Sallee

Representative Don Rezac

Representative John Solbach

### HOUSE AGRICULTURE AND SMALL BUSINESS COMMITTEE SUBCOMMITTEE REPORT ON H.B. 2488 AND H.B. 2247

Mr. Chairman, your Subcommittee on H.B. 2488 and H.B. 2247 recommends that amendments to H.B. 2488, as attached to this report, be considered by the entire Committee. The Subcommittee met twice hearing from the Kansas Fertilizer and Chemical Dealers, the Kansas Bankers Association, the Kansas Livestock Association, the Kansas Oil Marketers Association, and the Kansas Grain and Feed Dealers Association.

The Committee makes no recommendation on H.B. 2247 since the concept of that bill is included in H.B. 2488.

Respectfully submitted,

Representative Duane Goossen, Chairman

Representative Frank Buehler

Representative Lloyd Polson

Representative Patt Weaver

Representative George Teagarden

D85-75a/RG

3/6/85 Attachment C