		Dute
MINUTES OF THE <u>Senate</u> The meeting was called to order	by Senator Allen	re at
10:08 a.m. a.m. Jan		, 19 <u>87</u> in room <u>423-S</u> of the Capitol.
Committee Francisco	ney Gilliland, Legislative	

Approved February

Howard Tice, Kansas Association of Wheat Growers

Conferees appearing before the committee:

Sam Brownback, Secretary, State Board of
Agriculture

F.E. Bliss, President of the Board State Fair
Managers
Chuck Kuntz, President, Kansas Fertilizer and
Chemical Association
Chris Wilson, Kansas Grain and Feed Dealers Assoc.
Ivan Wyatt, Kansas Farmers Union
Wilbur Leonard, Committee of Farm Organizations
Paul Fleener, Kansas Farm Bureau
George Barbee, Travel Industry Association of Ks.
Harold Stone, Kansas Bankers Association

Senator Allen called the Committee to order and called attention to Committee minutes of January 27.

Senator Karr made a motion the minutes be approved. Senator Gannon seconded the motion. Motion carried.

The Chairman announced that the Committee would be hearing testimony from proponents for SB 3; he then called on Sam Brownback to testify.

Mr. Brownbeck expressed support for SB 3 and gave copies of his testimony to the Committee members (attachment 1). Mr. Brownback stated that in line 52 of the bill the number '50' should be changed to '100' so that 100 signatures would be required on a petition to be a delegate for an annual meeting of the State Board of Agriculture. Mr. Brownback expressed support for the change in the makeup of the State Fair Board so that it would include delegates from ag businesses.

The Chairman thanked Mr. Brownback and called on F.E. Bliss to testify.

Mr. Bliss gave copies of his testimony to the Committee ( $\underline{\text{attachment 2}}$ ). Mr. Bliss expressed support of SB 3 with regards to the proposed change in the makeup of the State Fair Board.

During Committee questions, Mr. Bliss said he had no objections to someone from state government being on the board but he did not know who that person should be.

The Chairman thanked Mr. Bliss and called on Chuck Kuntz to testify.

Mr. Kuntz provided copies of his testimony for the Committee (attachment 3). He spoke in favor of SB 3 with the request that it be changed so that agri-business associations may send delegates to the annual meetings.

The Chairman thanked Mr. Kuntz and called on Chris Wilson to testify.

Ms. Wilson gave copies of her testimony to the Committee (attachment 4). Ms. Wilson showed the Committee a map of Kansas showing the location of the grain dealers in the state that are members of the Kansas Grain and Feed Dealers Association. She requested the Committee vote favorably on SB 3.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

Page \_1\_ of \_2\_\_\_

### CONTINUATION SHEET

MINUTES OF THE Senate COMMITTEE ON Agriculture

room 423-S, Statehouse, at 10:08 a.m. a.m. January 28 , 1987

The Chairman thanked Ms. Wilson and called on Ivan Wyatt to testify.

Mr. Wyatt expressed agreement with the proposed changes in SB 3 and especially with the change to require that the Secretary of the State Board of Agriculture be confirmed by the Senate. Mr. Wyatt questioned if there would be any legal ramifications caused by parts of SB 3.

The Chairman thanked Mr. Wyatt and welcomed Wilbur Leonard to the Committee to testify.

Mr. Leonard gave copies of his testimony (<u>attachment 5</u>) to the Committee and spoke in support of SB 3. He expressed support for the proposed increase in the number of eligible delegates to the annual meeting of the State Board of Agriculture and the expansion of the number of persons on the State Fair Board.

In answer to Committee questions, Mr. Leonard stated that Kansas Farm Organizations only interested in delegates or State Fair Board members being selected from organization members that live in Kansas.

The Chairman thanked Mr. Leonard and called on Paul Fleenor to testify.

Mr. Fleenor provided copies of his testimony for the Committee (attachment 6). Mr. Fleenor stated that Kansas Farm Bureau favored the concept of SB 3 but that the organization made no policy statement in regard to the proposed change that would require the Secretary of the State Board of Agriculture be confirmed by the Senate.

The Chairman thanked  $\operatorname{Mr.}$  Fleenor and called on George Barbee to testify.

Mr. Barbee explained that the word 'and' in line 215 of SB 3 needed to be omitted and that the Travel Industry Association of Kansas would prefer to choose its member for the State Fair Board rather than submitting 3 nominees to the State Board of Agriculture for them to choose the board member.

The Chairman thanked Mr. Barbee and called on Harold Stones to testify.

Mr. Stones gave copies of his testimony to the Committee (attachment 7). Mr. Stones requested that if the number of delegates is increased to include agri-businesses to the annual meeting of the State Board of Agriculture that the Kansas Bankers Association be included in the increased number of delegates.

The Chairman thanked Mr. Stones and called attention to the written statement (attachment 8) provided by Howard Tice who could not be present to present his testimony.

Mr. Tice requested that if the number of delegates to the annual meeting of the State Board of Agriculture is increased to include agribusinesses that commodity organizations such as the Kansas Association of Wheat Growers be included and allowed to send delegates.

The Chairman asked if anyone else present would like to testify; there were none; he then stated that concluded the hearing on SB 3 and that Committee discussion and action would be taken at a later date. Senator Allen adjourned the Committee at 10:49 a.m.

(attachment 9), testimony of Ivan Wyatt was handed in after the minutes were approved.

COMMITTEE: SENATE AGRICULTURE DATE: Jamay 28, 1987 NAME (PLEASE PRINT) COMPANY/ORGANIZATION ADDRESS Vernon Deines Box 6 Ramona Ks 6747 Farmers Union erson Kr ts Farmers Union KS STAL BORKDORAKE

### PRESENTATION TO THE KANSAS SENATE AGRICULTURE COMMITTEE

by

SAM BROWNBACK
KANSAS SECRETARY OF AGRICULTURE

January 28, 1987

Senote ogrewlture 1-28-87 Thank you Mr. Chairman and the rest of the Committee for allowing the State Board of Agriculture this opportunity to testify before you regarding a bill we consider extremely important, that being Senate Bill 3 and its restructuring of some of the things dealing with the State Board of Agriculture.

I would like to say at the outset that the State Board is generally in agreement with the proposed changes and I shall go through each specifically.

### CHANGES REGARDING SECTION B

We have several suggestions regarding Section B of the proposed bill affecting the State Board of Agriculture. The State Board feels that having only 50 qualified electors of a county being able to put forth a delegate is too low. Section B is a petitioning procedure and as such the State Board does not feel like it would take much at all for an individual to get 50 signatures and that a perhaps this standard is too low to merit a delegate status. They suggest more along the lines of requiring 100 petitioners sign a petition in order to send a delegate. This as well would be more in line with the size of membership that we require per county organization to send a delegate to the State Board of Agriculture Annual Meeting.

### CONFIRMATION OF THE SECRETARY BY THE SENATE

The State Board of Agriculture is not opposed to the Secretary being confirmed by the Senate as provided in K.S.A. 75-4315 B. Indeed if the Secretary could not be confirmed by the Senate, one would have to wonder about his or her ability to be effective as a Secretary. The only problem we would have in this area is that according to statutes, the Secretary can only be selected for a two-year term and we do not think it would be fitting or worthy of the Senate's time for every two years to take up the confirmation of the Secretary. Therefore, we would suggest that the wording be changed to state that every new Secretary of the State Board of Agriculture be confirmed by the Senate. This would get away from an every two year confirmation.

### ADDITIONAL MEMBERS TO THE STATE FAIR BOARD

The State Board of Agriculture is not opposed and supports adding additional members to the State Fair Board. The only comment that they would have regarding the amendments to K.S.A. 74-520 would be that the three proposed new individuals be selected each by their own organization, rather than nominating three and the State Board of Agriculture or in fact, the State Fair Board picking one of the three nominees. The Board feeling that if these groups and entities are to put forth someone on the State Fair Board that they should be their own person and beholding only to their own organization and not to any selection procedure by the State Fair Board.

### DELEGATE STATUS GIVEN TO STATEWIDE NON-PROFIT AGRIBUSINESS ORGANIZATIONS

As agriculture goes, so goes agribusiness. The two are intertwined inextricably. The same things that affect agriculture affect agribusiness. Witness the recent downsizing and downturn in agriculture and its impact on agribusiness. For these reasons, and because agribusiness can add much to the consideration and input process of the State Board of Agriculture, it is the

attachment 1

State Board's request that statewide non-profit agribusiness organizations that provide direct input and output goods and services to production agriculture be granted delegate status at the State Board of Agriculture Annual Meeting. We would suggest one per organization similar to the delegate status granted statewide breed associations and crop associations. Attached hereto is a proposed amendment to cover this particular area.

By doing this we are proposing the sending of delegates to the Annual Meeting by such organizations as the: Kansas Feed and Grain Dealers Association, Kansas Fertilizer and Chemical Institute, Wichita Farm Credit System Association, Kansas Meat Processors Association, Kansas Ag Bankers Association (KABAR), and others specifically organized as non-profit entities of a statewide nature that represent an industry providing direct input or output goods and services to production agriculture. We feel that this will strengthen the State Board and tie those together who are very logical compatriots.

Again, I thank you for this opportunity to make this presentation to you and I further applaud your efforts to address the needs of the Kansas State Board of Agriculture. We are an old institute, being over 116 years old and adjustments are necessary to make sure that we are meeting the needs of the times.

I would be happy to respond to any questions.

### PROPOSED LANGUAGE FOR AGRIBUSINESS DELEGATE

"(12) one from each nonprofit association of statewide character for the promotion of or representing a specific segment of agribusiness. For the purpose of this subsection, agribusiness means suppliers of services or goods used directly in the production of food and fibre. Each delegate authorized under this subsection shall be directly involved in the segment of agribusiness represented".

attachment 1 1-28-87

# TESTIMONY OF F. E. BLISS PRESIDENT OF THE BOARD STATE FAIR MANAGERS

January 28, 1987

### SENATE BILL #3

I am F. E. Bliss, President of the Board of State Fair Managers. I would like to thank you, Mr. Chairman, for holding these hearings on this very important issue. We feel strongly that such changes would help the State Fair of Kansas. I, along with the rest of the Board of Agriculture concur with the statement that Secretary Brownback offered on Senate Bill 3. Today however, I would like to specifically speak toward those issues which pertain to the Board of State Fair Managers.

On March 7, 1986 the Board of State Fair Managers approved a resolution to expand the present 13 member board to include representation from organizations such as: the Kansas Chamber of Commerce and Industry and the Travel Industry of Kansas with full board responsibilities to bring their expertise to the State Fair.

On October 21, 1986 the Board of State Fair Managers moved to cooperate and confer with Senator Jim Allen in devising legislation to expand the Board by three additional positions.

At the Board's most recent meeting of January 15, 1987, Fair Board President FE Bliss was instructed to convey to Senator Jim Allen that the Board of State Fair Managers respectfully requested that those organizations: KCCI, TIAK, and KTEC have the responsibility to designate their representatives rather than delegate that responsibility to the current thirteen members of the Board of State Fair Managers. The Board feels that these persons should be selected by the groups for which they will represent. In this manner it is assured that proper representation will be employed to benefit the operation of the State Fair.

attachment 2 Senate agriculture 1-28-87



## KANSAS FERTILIZER AND CHEMICAL ASSOCIATION, INC.

Box 1392

Hutchinson, Kansas 67504-1392

316-662-2598

#### STATEMENT OF THE

KANSAS FERTILIZER AND CHEMICAL ASSOCIATION

BEFORE THE SENATE AGRICULTURE COMMITTEE

SENATOR JIM ALLEN, CHAIRMAN

WEDNESDAY, JANUARY 28, 1987

REGARDING SENATE BILL 3

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, MY NAME IS CHUCK KUNTZ. I OWN AND OPERATE HARVEYVILLE SEED COMPANY, HARVEYVILLE, KANSAS, AND AM CURRENTLY SERVING AS PRESIDENT OF THE KANSAS FERTILIZER AND CHEMICAL ASSOCIATION (KFCA). KFCA'S 450 MEMBERS ARE AGRICULTURAL FERTILIZER AND CHEMICAL RETAIL DEALERS, MANUFACTURERS AND DISTRIBUTORS.

OUR SEGMENT OF AGRICULTURE IS A VITAL AND IMPORTANT PART OF THE TOTAL INDUSTRY. WE ARE PARTNERS WITH FARMERS IN THE PRODUCTION OF FOOD AND FIBER. AS AN EXAMPLE, IN 1984, OUR MEMBERS SOLD 1,483,000 TONS OF FERTILIZER. THE ECONOMIC HEALTH OF THE AGRICULTURAL CHEMICAL INDUSTRY IS DIRECTLY RELATED TO THE HEALTH OF THE PRODUCTION AGRICULTURE ECONOMY.

ANY POLICIES OR DECISIONS WHICH AFFECT AGRICULTURE, AFFECT US AS MUCH AS THEY AFFECT PRODUCERS. THUS, WE FEEL IT IS IMPERATIVE THAT WE HAVE INPUT TO POLICY MAKERS AND THAT WE HAVE A VOICE IN THE STATE BOARD OF AGRICULTURE'S DECISION MAKING PROCESS. ALSO, OUR MEMBERS ARE CLOSELY TIED TO THE BOARD OF AGRICULTURE. FERTILIZER TONNAGE

Senate agriculture

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FEES ASSESSED OUR INDUSTRY PROVIDE THIRTY-CENTS (\$.30) PER TON OR
APPROXIMATELY \$444,000 TO THE BOARD'S ANNUAL BUDGET. THE LAWS
ADMINISTERED BY THE BOARD DIRECTLY AFFECT OUR INDUSTRY. THE BOARD
HAS ALWAYS BEEN AN EFFECTIVE ADMINISTRATOR AND OUR ASSOCIATION
BELIEVES IN THE LAWS AND REGULATIONS FOR WHICH THE BOARD IS
RESPONSIBLE. WE DO NOT SEEK TO HAVE UNDUE INFLUENCE OVER OUR
REGULATOR, BUT RATHER TO BE RECOGNIZED AS AN IMPORTANT PART OF KANSAS
AGRICULTURE.

FOR THESE REASONS, WE ARE ASKING THAT YOU AMEND K.S.A.-74-502
THROUGH SB 3, TO PROVIDE FOR AGRIBUSINESS ASSOCIATIONS THE RIGHT TO
SEND DELEGATES TO THE BOARD OF AGRICULTURE'S ANNUAL MEETING. WE
APPRECIATE YOUR CONSIDERATION OF THIS REQUEST. I WOULD BE HAPPY TO
RESPOND TO ANY QUESTIONS YOU MIGHT HAVE.

"A PRIVILEGED COMMUNICATION"

KANSAS GRAIN & FEED DEALERS Association

1722 N. PLUM (BOX 949) / AREA CODE 316 662-7911 / HUTCHINSON, KANSAS 67504-0949

\*GEORGE AICHER, President, Eureka \*GARY COOPER, First Vice-PresidELESITIMONY OF THE

\*ROGER WOLFE, Second Vice-President, White Cloud TOM R. TUNNELL, Executive Vice-President, Hutchinson

KANSAS GRAIN AND FEED ASSOCIATION TO THE SENATE AGRICULTURE COMMITTEE JIM ALLEN, CHAIRMAN . REGARDING SB3 JANUARY 27, 1987

Chairman Allen and members of the Committee, I am Chris Wilson, Director of Governmental Relations of the Kansas Grain and Feed Dealers Association (KGFDA). KGFDA's 1100 members constitute the state's grain handling, storage and marketing industry. We appreciate the opportunity to comment on SB 3 and commend the Chairman for moving to broaden the input to the State Board of Agriculture and the Board of State Fair Managers.

Through the difficult economic times agriculture has faced in the past few years, one thing has become increasingly clear to the American public: that agriculture is this country's most important industry, and when it suffers, the entire economy suffers. The total agricultural industry is much broader than production agriculture. While production is of course the base of the industry, it takes 20 percent of all working Americans to bring our food from the farm to the table. KGFDA members take pride in being a vital part of Kansas agriculture. We are an integral link in the chain of production, transportation, marketing and distribution of grain. (Date Term Expires)

\*BILL BLAIR, Atchison (88)

DON TIMMEL, Salina (88)

L. SHANE BRADY, Edmond (87) DON MORRIS, Arkansas City (89) DALE PARSONS, Cairo (87) DAVE WARRINGTON, Salina (89)

ARCH DeBRUCE, Ulysses (89) JAN MOYER, Wichita (87) JERRY SCHWEITZER, Dighton (87) \*CLINTON WEBBER, Hutchinson (88)

DON EPPS, Prescott (88) PAUL NEUFELD, Wright (87) RON STUCKY, Kansas City (87)

(\*Executive Committee)

<sup>\*</sup>GARY GILBERT, Morganville (87) \*FRED NOWAK, Sharon Springs (87)

KGFDA's members represent over 900 million bushels of licensed storage space in Kansas and market about \$2 billion worth of grain annually. Over 8,000 Kansans are employed in our segment of the state's agriculture.

Because of our role in Kansas agriculture, we have a relationship to every program and regulatory area of the State Board of Agriculture. We feel we make a helpful contribution to the Board's programs. For instance, the feed tonnage fees paid by our industry support not only feed inspection but other areas of the Board's budget as well. We support the Board's programs whenever possible in such ways as participating in Marketing Division special programs. We take an active role in the public hearings and comment periods during the development of regulations. We believe the Board does a very good job of implementing the laws which the Legislature has given it the job of administering. We would like to make helpful contributions to the Board of Agriculture in other appropriate ways as well.

Because of this and because we believe we should be a recognized part of Kansas agriculture, we are requesting that you consider an amendment to SB 3, which would provide for agribusiness associations to each send a delegate to the Board of Agriculture annual meeting. We are pleased that the Board unanimously voted to support such a move and that the Committee of Kansas Farm Organizations is also supporting such a step. We are proud to be a member of CKFO and part of Kansas agriculture.

As a CKFO member, we are aligned with the CKFO position of support for SB 3, and again commend the Committee for consideration of measures to broaden input to the Board of Agriculture. Thank you for consideration of our request. I would be happy to respond to any questions you might have.

Senote agriculture 1-28-87

## Committee of . . .

# Kansas Farm Organizations

Wilbur G. Leonard Legislative Agent 109 West 9th Street Suite 304 Topeka. Kansas 66612 (913) 234-9016

TESTIMONY SUPPORTING

THE PROVISIONS OF SB 3

Senate Committee on Agriculture

January 28, 1987

Mr. Chairman and Members of the Committee:

I am Wilbur Leonard, the legislative agent for the Committee of Kansas Farm Organizations. I appreciate the opportunity to appear before you on behalf of the 23 farm related organizations which comprise our membership. The unanimous vote of our members is required to take a position on legislative matters.

We support wholeheartedly the thrust of Senate Bill 3 in spreading the base for participation in the annual meeting of the state board of agriculture. There are a number of statewide agribusiness organizations engaged directly in various areas of production and marketing of food and fibre. Their representation is not only a recognition of their value to agriculture but their delegates will bring additional expertise to the meeting.

Likewise, the inclusion of additional county delegates by petition affords the opportunity for some geographical areas which are not now represented to send delegates.

We also support the provisions with respect to the addition of members to the state board of fair managers and we believe that this is in keeping with the emphasis on economic progress in Kansas.

The provision with respect to Senate confirmation of the Secretary we leave to our individual member organizations to make their views known to this Committee as they see fit to do so.

attachment 5 Senate agriculture

### Members of the Committee of Kansas Farm Organizations:

ASSOCIATED MILK PRODUCERS

KANSAS AGRI-WOMEN

KANSAS ASSOCIATION OF SOIL CONSERVATION DISTRICTS

KANSAS ASSOCIATION OF WHEAT GROWERS

KANSAS COOPERATIVE COUNCIL

KANSAS CORN GROWERS ASSOCIATION

KANSAS ELECTRIC COOPERATIVES

KANSAS ETHANOL ASSOCIATION

KANSAS FARM BUREAU

KANSAS FERTILIZER & CHEMICAL INSTITUTE, INC.

KANSAS GRAIN & FEED DEALERS ASSOCIATION

KANSAS LIVESTOCK ASSOCIATION

KANSAS LIVESTOCK MARKETING ASSOCIATION

KANSAS MEAT PROCESSORS ASSOCIATION

KANSAS PORK PRODUCERS COUNCIL

KANSAS RURAL WATER DISTRICT ASSOCIATION

KANSAS SEED DEALERS ASSOCIATION

KANSAS SHEEP ASSOCIATION

KANSAS SOYBEAN ASSOCIATION

KANSAS STATE GRANGE

MID-AMERICA DAIRYMEN

KANSAS VETERINARY MEDICAL ASSOCIATION

KANSAS WATER WELL ASSOCIATION

Senate agriculture



# **PUBLIC POLICY STATEMENT**

SENATE COMMITTEE ON AGRICULTURE

RE: S.B. 3 - Concerning the State Board of Agriculture

January 28, 1987 Topeka, Kansas

Presented by:
Paul E. Fleener, Director
Public Affairs Division
Kansas Farm Bureau

Mr. Chairman and Members of the Committee:

My name is Paul Fleener. I am the Director of Public Affairs for Kansas Farm Bureau. The topic before you is a familiar one. The Chairman has introduced legislation to bring about some modifications in the structure of the process of selecting delegates to the Annual Meeting of the State Board of Agriculture, to bring about the confirmation of the Secretary of the State Board of Agriculture, and to broaden the State Fair Board.

Following the activity of the 1986 Session we brought the topic of the State Board of Agriculture and its structure, duties, responsibilities and the processes by which delegates are selected to the attention of our members in our Policy Questionnaire in August of 1986. We were seeking to find out what the desires of farmers and ranchers who belong to Farm Bureau in the State of Kansas are in regard to the State Board of Agriculture.

Let me say at this point in my testimony that we favor one of the changes suggested by Senator Allen's bill, have a suggestion for changing one of his proposed amendments, and have a policy position that is silent on the third issue ... that of confirmation.

-1-

Senate agriculture 1-28-87

Mr. Chairman and Members of the Committee, it was not long ago that this Legislature changed the statute regarding the State Board of Agriculture and reduced significantly the number of members an agricultural organization must have in order to qualify to select a delegate to the Annual Meeting of the State Board of Agriculture. At that time a new provision was added which gave an opportunity for circulating and signing of a petition by electors in any county who are agricultural producers but who are not voting members of Farm Bureau, Farmers' Union, Grange, NFO and others who do select delegates. At that time the number of 150 Now Senate Bill 3 proposes to take that down to 50 was used. producers. We think that is perhaps beyond the number. It seems to us that to standardize the figure at 100 for all of the associations, those who do have voting members of 100, and those who belong to no organization at 100 so that everyone is on the same footing in selecting delegates to the Annual Meeting.

As indicated, our policy is silent on the confirmation. That question was raised. For a time it seemed to me, a staff member, the discussion of that issue would be resolved in favor of the position taken by S.B. 3. Notwithstanding that feeling on my part, the delegates, when they met in Wichita on December 1 & 2 in a business session opted to move to other areas of the policy position, a copy of which is attached.

We do support Section 3 of Senate Bill 3 in lines 208 through 223 where the State Fair Board is broadened. We think it is appropriate that business and industry, travel and tourism, and KTEC (Kansas Technology Enterprise Corporation) ... since we're

all interested in economic development and technical advancement in this state ... be included as members of the State Fair Board.

Mr. Chairman, these comments are made in support of S.B. 3. We would be pleased to respond to any questions.

### State Board of Agriculture

The present Kansas method of electing a State Board of Agriculture, which board employs the administrative head of the State Department of Agriculture, is unique among the states. We believe a close study of the history of the Department of Agriculture in Kansas will reveal that agriculture, and indeed the whole state, has been well served because the Department has never been placed in a partisan political position. For that reason, we support a continuation of the present system.

We support the present method of electing the State Board of Agriculture. We support selection of the Secretary of the State Board of Agriculture by the elected members of the Board.

Members of the State Board of Agriculture now serve as the Board of State Fair Managers. We believe a new State Fair Board should be created to establish policy and operating procedures for the State Fair in Hutchinson. Members of the new State Fair Board should include the members of the State Board of Agriculture and one person each from business, industry, and travel and tourism.

We recommend that the Legislature establish a Division of Rural Initiatives within the State Board of Agriculture and that programs of the new Division be jointly administered by the Secretary of the State Board and the Dean of the College of Agriculture/Director of Extension at Kansas State University, or appropriate Division heads designated by the Secretary and Dean.

We further recommend the State Board of Agriculture develop a program for grading and quality evaluation of confectionary sunflowers and oil sunflowers.

### COME TO KBA 100TH BIRTHDAY PARTY CENTENNIAL CONVENTION, MAY 13-15, TOPEKA

**ANKERS** ANSAS SSN. 707 MERCH. NTL. BLDG. TOPEKA, KS 66612

January 28, 1987

TO: SEN. JIM ALLEN

FROM: Harold Stones

RE: SENATE BILL 3 (additions to Board of Agriculture)

There are 407 "Agricultural banks" in Kansas as defined by federal regulatory agencies. Every one is a member of KBA.

There are 467 banks in Kansas with \$1 million or more in ag loans. Every one is a member of KBA.

KBA is the only state-wide, non-profit banking organization whose members have some \$2.5 billion invested in the agricultural economy.

If there is a move to include significant representatives of agri-business as delegates, we respectfully urge consideration of inclusion of the Kansas Bankers Association.

Sam Brownback said yesterday that there was a plan to include the "Kansas Agricultural Bankers" in the bill. I do not know of any such organization. There is an organization known as the "Kansas Association of Bank Agricultural Representatives", which is a very good one, and works closely with KBA. But they are mostly the lending officers of some of the ag banks, whereas the owners and CEO's are, as a rule, not involved. They are very important people, but they are usually not the policy-makers in their banks, in the vast majority of cases. It seems to me it would be good to have the highest level of policy-makers represented in S. B. 3, who could truly speak for the industry. If that is the goal, then KBA is the right organization.

I will try to call and talk to you about this personally, but I know how busy you are, and hope this not gets to you before action occurs.

Thank you, Mr. Chairman, for your time and consideration.

Senate agriculture
1-28-87

## KANSAS ASSOCIATION OF WHEAT GROWERS



### TESTIMONY

SENATE BILL No. 3

Wednesday, January 28, 1987

Submitted by Howard W. Tice, Executive Director

I regret that I am unable to present this testimony in person, but my presence, and that of our officers, is required at our national convention. I appreciate this opportunity to present our views in writing.

The Kansas Association of Wheat Growers is supportive of Senate Bill 3. We agree with the concept of expanding the scope and effectiveness of the Board of Agriculture beyond its present excellent status. Last year, we strongly opposed the reorganization of the Board into an advisory capacity with an appointed Secretary. SB-3 appears to be an effective compromise with some of the positive elements of ERO-21.

We have no objection to expanding the Board of State Fair Managers to include representatives of more urban oriented businesses. If this idea is successful in expanding the scope of the fair without adversely affecting the role of agriculture in the fair, it is definitely a plus. If more people attend the fair as a result, that increases the opportunity for exchanges of ideas and understanding between urban and rural citizens.

We also support the amendment that may be proposed, adding non-profit agri-business associations, such as the Kansas Grain & Feed Dealers Association, to the annual Board convention with an official delegate. They are an important part of Kansas agriculture, and would be valuable assets to the convention.

\*\* We would also offer an amendment to Senate Bill 3 to allow commodity organizations such as the Kansas Association of Wheat Growers, to participate more fully. Presently, general farm organizations, such as the Kansas Farm Bureau, are allowed one delegate from each county with 100 or more members. (The Kansas Livestock Association is also allowed one delegate from each county with 100 or more members, which places them in the same category as a "general farm organization.") The KAWG is considered, along with the Corn Growers, the Pork Producers, etc as a statewide commodity group, and is allowed only one delegate for the entire state.

Last year, at a meeting between Harland Priddle, and members of the Board of Agriculture and several farm organizations, we proposed broadening the delegate process from commodity organizations to allow us to have one delegate from each county with 100 or more members. There was unanimous approval of all who were present. We would therefore, ask this committee to amend SB-3, either in that section of the bill that would allow "at-large" delegates who can present petitions signed by at least 50 nonfarm organizations members, or as part of the agri-business amendment, whichever the committee deems more appropriate, to allow statewide commodity organizations to send one delegate to the State Board of Agriculture Convention from each county with 100 or more members.

Our only concern with SB-3 is the requirement for Senate confirmation of the Ag-Secretary. It is seen by some as a compromise with those who worked for an appointed Secretary last year. The question is whether it is necessary at this time, or is it unnecessary politicizing of the process, which we worked last year to avoid? If, as we are told, confirmation is necessary to carry out Governor Hayden's intent to make the Secretary a full fledged member of the cabinet, then our concerns are unfounded, and it is a fair price for this upgraded status for the Secretary of Agriculture. However, if confirmation is not mandated by law, but by some perceived need for a political compromise, then we would question the validity of that mandate.

Last year, we echoed the sentiment, "If it ain't broke, don't fix it." However, our support for the intent of SB-3 is recognition that even the best of things can be improved. The challenge is to make sure that changes are really improvements.

Senate agreculture

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### IVAN W. WYATT, PRES. KANSAS FARMERS UNION

ON SB-3

### BEFORE THE

### THE SENATE COMMITTEE ON AGRICULTURE

JANUARY 28, 1987

MR. CHAIRMAN, MEMBERS OF THE COMMITTEES:

I AM IVAN WYATT, PRESIDENT OF THE KANSAS FARMERS UNION.

WE RISE IN SUPPORT OF SENATE BILL NO. 3 .... BUT WITH SOME QUESTIONS.

WE BELIEVE SB-3 DEALS IN PART WITH THE OVERALL LEGAL QUESTION OF THE SELECTION OF THE STATE BOARD OF AGRICULTURE AND THE SECRETARY OF THE STATE BOARD OF AGRICULTURE.

THE STATE BOARD OF AGRICULTURE, A QUASI-PUBLIC AGENCY SELECTED BY
PRIVATE ORGANIZATIONS, NEEDS AT LEAST SENATE CONFIRMATION OF THE SECRETARY
SELECTED BY THE BOARD OF AGRICULTURE, BECAUSE IT IS IN REALITY A NON-PUBLIC
ORGANIZATION IN CHARGE OF ENFORCING REGULATIONS OVER PRIVATE BUSINESSES
AND THE GRANTING OF PROPERTY RIGHTS.

THIS RAISES SERIOUS LEGAL QUESTIONS.

THE CONFIRMATION OF THE BOARDS SELECTION OF IT'S SECRETARY BY THE SENATE IS A STEP IN THE RIGHT DIRECTION, BY PROVIDING SOME PUBLIC OVERSIGHT.

ONE QUESTION HERE....WILL THE SECRETARY BE CONFIRMED JUST ONCE OR BEFORE EACH TWO YEAR TERM?

WE BELIEVE CONFIRMATIONS OF THE SECRETARY OF THE STATE BOARD OF AGRI-CULTURE BY THE SENATE ADDS STATURE BUT DOES IT ANSWER THE LEGAL QUESTION OF THE SELECTION OF THE SECRETARY?

AS TO THE QUESTION OF EXPANDING THE STATE FAIR BOARD, WE THINK BROADENING THE STATE FAIR BOARD IS WELL AND GOOD.

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WHO DOES THE STATE FAIR BELONG TO?

DOES A BOARD SELECTED BY PRIVATE ORGANIZATIONS HAVE LEGAL AUTHORITY
TO SCREEN OR CHALLENGE NOMINEES OF OTHER PRIVATE ORGANIZATIONS TO THE
STATE'S FAIR BOARD?

THESE MAY APPEAR AS UNFRIENDLY QUESTIONS ON SB-3, BUT THEY ARE NOT.

WE SUPPORT THE INTENT OF SB-3. HOWEVER, WE BELIEVE THESE ARE SOME

QUESTIONS THAT WILL HAVE TO BE ANSWERED NOW OR EVENTUALLY.

THANK YOU.

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