Approved: January 29, 2002

MINUTES OF THE SENATE AGRICULTURE COMMITTEE.

The meeting was called to order by Chairperson Derek Schmidt at 8:30 a.m. on January 23, 2002 in Room 423-S of the Capitol.

All members were present except:

Committee staff present:

Raney Gilliland, Legislative Research Department

Gordon Self, Revisor of Statutes

Betty Bomar, Secretary

Conferees appearing before the committee:

Jill Shelley, Legislative Post Audit

Greg Foley, Assistant Secretary of Agriculture

Tom Tunnell, Kansas Grain and Feed Ass'n. & Kansas Agribusiness

Retailers Ass'n.

Claire Homitzky, Kansas Rural Center

Others attending: See attached list

Jill Shelley, Legislative Post Audit, presented the Performance Audit Report on the <u>Department of Agriculture</u>: A K-GOAL Audit of the Kansas Pesticide and Fertilizer Program. (A copy is on file in the <u>office of Legislative Research</u>)

Ms. Shelley stated Kansas Laws and Regulations regarding the sale and use of fertilizers and pesticides generally meet those in federal law or national standards. Sometime Kansas laws and regulations are tougher and sometimes they are weaker than the requirements of Iowa, Nebraska, and Oklahoma. Kansas is more stringent in several ways: it requires government agencies whose workers apply pesticides to register, mobile fertilizer tanks must meet the same construction requirements as non-mobile tanks, and violators of the State's chemigation laws must cease chemigation immediately. Kansas has weaker requirements for notifying the public when pesticides are applied and reporting fertilizer spills, and its requirements for inspecting chemigation equipment are significantly different. Kansas, like 2 of the other 3 states, doesn't have the authority to impose civil penalties for violations of fertilizer law.

The Audit recommends that <u>substitute for SB 255</u>, introduced during the 2001 legislative session, be considered to ensure that the Department of Agriculture has the enforcement tools it needs to help protect the public from fraud and the environment from contamination caused by equipment that doesn't meet requirements or is improperly maintained. The proposed legislation should be considered to impose civil penalties for violations of fertilizer law.

Greg Foley, Assistant Secretary of Agriculture, stated the Kansas Department of Agriculture (KDA) has recently reorganized its pesticide and fertilizer programs into one program. KDA is presently in the process of promulgating new rules and regulations for pesticides and bulk fertilizers. Rules and regulations for anhydrous ammonia have not, as yet, been promulgated. (Attachment 1)

Mr. Foley stated KDA strongly supports the recommendation that additional enforcement tools be enacted which would provide KDA with the authority to impose civil penalties for violations of fertilizer laws.

Tom Tunnell, Kansas Grain and Feed Ass'n. & Kansas Agribusiness Retailers Ass'n., stated the Associations' support in providing the KDA with the authority to impose civil penalties for violations of fertilizer laws.

The Chair advised the Committee that it would be working **SB 395** next week.

CONTINUATION SHEET

Claire Homitzky, Kansas Rural Center, requested the Committee introduce a committee bill that supports participants in the Special Supplemental Nutrition Program for Women, Infants, and Children with vouchers to purchase fresh, nutritious, unprocessed produce at farmers' markets. The cost of the program would be \$30,000 which would be utilized for a federal match. (Attachment 2)

Senator Corbin moved, seconded by Senator Huelskamp, that a bill conceptually endorsing the voucher program be introduced and referred back to committee for consideration. The voice vote was in favor of the motion.

The meeting concluded at 9:15 a.m.

The next meeting is scheduled for January 29, 2002.

SENATE AGRICULTURE COMMITTEE GUEST LIST

DATE: January 23, 2002

NAME	REPRESENTING
Doug Wareham	Kansas Grain & Feed Assn. Ks. Agribismess Retailers Assn.
Tom Funnell	n n .,
Fodd Johnson	Kansas Livestock assn
Carolyn middendox	Kansas Livestock assn. Ks &t N = Cesan
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STATE OF KANSAS

BILL GRAVES, GOVERNOR

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KANSAS DEPARTMENT OF AGRICULTURE

Senate Agriculture Committee

January 23, 2002

Testimony Regarding K-GOAL Audit of Kansas' Pesticide and Fertilizer Program

Greg A. Foley, Assistant Secretary of Agriculture

Good morning Chairman Schmidt and members of the Senate Agriculture Committee. I am Assistant Secretary of Agriculture Greg Foley. Thank you for the opportunity to appear today to present testimony on the K-GOAL Audit of the Kansas Department of Agriculture's Pesticide and Fertilizer Program.

We would like to thank the Post Auditor for the efficient work of this audit team. We consider the K-GOAL audit a valuable tool for program analysis and this audit was particularly timely.

KDA recently reorganized its pesticide and fertilizer programs into one program. This action follows national trends to protect the environment by integrating the regulation of agricultural chemicals with that of fertilizers and other crop protection tools. The Pesticide and Fertilizer program protects the public health by promoting the safe use of pesticides and fertilizers.

The audit's comparisons of Kansas laws to those of other Midwestern agricultural states will provide a useful tool for program management to assess the efficiency and effectiveness of operations in the realigned program.

We agree with the conclusions of the audit, that Kansas statutes, rules and regulations dealing with pesticides and fertilizers are generally in line with the federal government and neighboring states. We strongly support the recommendation that additional enforcement tools, such as the authority to impose civil penalties for violations of fertilizer laws, which would increase our ability to protect the agricultural industry, the citizens of Kansas, and the environment.

Thank you for the Legislative Division of Post Audit's assistance as we assess and improve the efficiency and effectiveness of this and other KDA programs.

Senate Agriculture Committee
Date /-23-02

WIC Farmers' Market Nutrition Program (FMNP) Talking Points

The WIC Farmers' Market Nutrition Program provides participants in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) with vouchers to purchase fresh, nutritious, unprocessed produce at farmers' markets.

The objectives of the WIC FMNP are:

- to provide resources to low-income, nutritionally at-risk women and children in the form of fruits and vegetables from farmers' markets; and,
- to expand the awareness and use of farmers' markets and increase the income of the farmers who vend at them.

In fiscal year 2000, 39 jurisdictions, including 35 states, the District of Columbia, one territory and four Indian Tribal Organizations (ITO's), participated in the WIC FMNP.

The program served 1.9 million low-income, nutritionally at-risk women, infants and children who purchased over \$17.5 million of fresh produce from 13,000 farmers selling at over 2,000 community markets and farmstands.

The FMNP seeks to change the food selection and consumption habits of WIC participants rather than to supplement family food budgets. Farmers' markets provide a unique opportunity to provide nutrition education in an informal setting that can positively influence eating habits.

Seventy-one percent of recipients surveyed reported that they are more fresh produce last summer than usual because of the FMNP and 80% said they plan to eat more fresh fruits and vegetables year round. Moreover, 44% of the recipients bought a type of vegetable or fruit they had never tried before.

The FMNP supports local agriculture by increasing sales at farmers' markets where groups of farmers sell directly to consumers. Fruit and vegetable producers are reimbursed for the face value of the vouchers, thereby increasing their farm income and expanding their customer base.

Nine out of ten farmers surveyed said that the FMNP increased their farmers' market sales. Additionally, 53% of recipients spent more than their benefits at the market, using cash and/or food stamps to purchase goods there, and 73% said they would continue to shop at farmers' markets even after their FMNP benefits run out.

The program promotes the expansion and diversification of family farms by stimulating the production of fresh fruits and vegetables. Thirty-five percent of farmers surveyed said they grew a wider variety of fruits or vegetables to sell at markets and a third are increasing their production next year to meet FMNP demands.

The program promotes the development of farmers' markets to communities lacking access to fresh produce. Nineteen percent of farmers surveyed have increased the number of hours and/or days they sell at markets to better accommodate the WIC clientele.

The FMNP attracts significant federal funding to the state that is paid directly to the WIC clientele in the form of vouchers and indirectly to the farm population in the form of income from sales. The additional income to farmers generated by the FMNP is subject to state and local sales taxes, as well as the appropriate state and federal income taxes, thereby providing a positive revenue stream to the state.

Senate Agriculture Committee

Date /-23-02

Attachment # 2