Approved: April 29, 2004

MINUTES OF THE SENATE AGRICULTURE COMMITTEE

The meeting was called to order by Chairman Derek Schmidt at 8:30 a.m. on February 18, 2004 in Room 423-S of the Capitol.

All members were present.

Committee staff present:

Raney Gilliland, Legislative Research Lisa Montgomery, Office of the Revisor of Statutes Robert Myers, Committee Secretary

Conferees appearing before the committee:

Lisa Montgomery - Office of the Revisor of Statutes Raney Gilliland - Legislative Research Greg Foley - Kansas Department of Agriculture Lesa Roberts - Kansas Department of Health and Environment

Others attending:

See Attached List.

SB 524: Updating references in department of agriculture statutes with respect to departmental duties.

Lisa Montgomery appeared before the committee in order to provide an overview of <u>SB 524</u>. She explained to the committee that all references within the statute to the previously-titled Board of Agriculture had been updated to reflect the current title of Kansas Department of Agriculture (KDA). She stated, without further explanation, that some outdated language had been cleaned up as well. Furthermore, she informed Chairman Schmidt that the bill contains neither policy changes nor substantive changes.

Chairman Schmidt asked that the Kansas Department of Agriculture and the Office of Revisor of Statutes overlook the bill one more time before moving the bill to the full Senate.

Senator Downey moved to report SB 524 favorably for passage, given that it be examined once more beforehand, as mentioned above. Senator Huelskamp seconded the motion. The motion carried.

SB 296: Sub for S 296 by Committee on Agriculture -- Reorganizes the department of agriculture.

Lisa Montgomery appeared before the committee once again in order to provide a section-by-section overview of the Proposed Substitute for <u>SB 296</u>. She explained that the Kansas Department of Agriculture would not be abolished by this piece of legislation, but rather that it would be renamed. Furthermore, she stated that all records dating prior to October 1, 2004 would stay with the Kansas Department of Health and Environment, whereas those following that date would be kept by the newly-renamed Kansas Department of Agriculture and Food Safety. She also pointed out that the Proposed Substitute would allow for the establishment of a Food Safety Fee Fund. The other effects of the Proposed Substitute can be seen in the hard copy that was distributed to the committee (<u>Attachment 1</u>).

Chairman Schmidt stated that <u>SB 296</u> presupposes that <u>ERO 32</u> is going to become law, and that it (i.e., the bill) fills in the perceived gaps in the order.

Senator Corbin moved to amend SB 296 by adopting the Proposed Substitute, seconded by Senator Morris. The motion carried.

Raney Gilliland appeared in order to bring to the attention of the full committee several issues that had been noted previously by the Chairman-appointed Subcommittee on Food Safety. First of all, he noted the renaming of the Kansas Department of Agriculture as the Kansas Department of Agriculture and Food

CONTINUATION SHEET

MINUTES OF THE SENATE AGRICULTURE COMMITTEE at 8:30 a.m. on February 18, 2004 in Room 423-S of the Capitol.

Safety, found in New Section 1 of the Proposed Substitute. Senator Tyson and Senator Huelskamp both showed opposition to this renaming, whereas Senator Morris showed support for the changed title. Senator Lee and Senator Downey both expressed neutral feelings toward the issue.

Senator Huelskamp moved to retain the name of the department as the Kansas Department of Agriculture, seconded by Senator Tyson. The motion carried.

Raney Gilliland continued to note the issues focused upon by the Subcommittee on Food Safety, stating that, as of October 1, 2004, Kansas Department of Health and Environment fee fund money would be transferred along with Food Safety Programs to the Kansas Department of Agriculture, found in New Section 6 of the Proposed Substitute. He reported that this transfer of funds had raised concerns within the Kansas Department of Health and Environment due to its usage for duties and functions that fall outside of the sphere of food safety, giving the following as examples: hardware, software, and maintenance of computers.

Raney Gilliland furthermore focused on New Section 9 of the Proposed Substitute, or more specifically, the designation of the Secretary of Agriculture and Food Safety as an unclassified employee.

Greg Foley appeared before the committee in order to differentiate between classified and unclassified positions. He claimed indifference toward whether the Secretary of Agriculture and Food Safety would be a classified or unclassified position.

Senator Downey moved to change the position of Secretary of Agriculture and Food Safety from unclassified to classified, seconded by Senator Umbarger. The motion carried.

Raney Gilliland brought to the attention of the full committee the last issue noted by the Subcommittee on Food Safety: the appointment of the Secretary of Agriculture and Food Safety.

Chairman Schmidt presented to the committee the following two options regarding the above-mentioned appointment:

- 1. Allow the Agriculture Advisory Board to appoint the Secretary of Agriculture and Food Safety.
- 2. Add the provisions of <u>SB 145</u>, as it passed in the Senate, to the Proposed Substitute for <u>SB 296 (Attachment 2)</u>.

Senator Corbin moved to add the provisions of SB 145, as it passed in the Senate, to the Proposed Substitute for SB 296, seconded by Senator Lee. The motion carried.

Lesa Roberts appeared before the committee in order state that although the regulation of water plants has occurred, there have not been standards set for the water that they produce. She addressed this issue in response to the concerns of Senator Huelskamp regarding the well-being of his constituents in the bottled water business.

Senator Corbin moved to report the Proposed Substitute for SB 296, as amended, favorably for passage, seconded by Senator Tyson. The motion carried.

Senator Downey expressed her desire that the minutes reflect the concern of the committee with regard to the Kansas Department of Agriculture having adequate resources to successfully undertake their proposed food safety role.

Chairman Schmidt announced that the next meeting is scheduled for Monday, February 23, 2004.

SENATE AGRICULTURE COMMITTEE GUEST LIST

DATE: 2-18-04

NAME	REPRESENTING
Chris Wilson	KAAA
andy Sorson	KLA
Amy Sainders	KLA
Elliott Harris	KLA
Eric Martin	KLA
Todd Harman	KLA
Janet Harman	KLA
Founded &	KLA
156 R 11/	KLA
DianoSherrer	45 Cogo Council
Loslie Kaufman	KS Coops
Mary Jan Stankiewicz	KARA I KGFA
TOM PALACE	PMCA OF KANSAS
Tom Whitaker	KS MOTOR CARRIURS ASSN
TOM DAY	KCC
Jan Lyons	KLA: A Nat'l Cattleman's
J.R. Isch	KARA
Chuck Kuntz	KARA.
DOYLE E. EARL	KARA

SENATE AGRICULTURE COMMITTEE GUEST LIST

DATE: 2-8-04

NAME	REPRESENTING	
BROD HORRELSON	KFB	
Kent Askren	KFB	
Darrel Pettan	TAL/XFGA	
Bob Tempsh	TAI /KFGA	
Agron Hackerott	TAL /KGFA	
LOCK MARQUARDI	TAL/KEFA	ŭ.
Tom meyer	KGFA	
John Millsworn	AP	
Carole Jordan	KDA	
Jesse Mc Corry	Commerce,	
TOMREDIAN	RIGHT COOPHESN/KE COOP CON	VEIL
TED LOMAS	RIGHT COOPASSA	
LEE MASON	ADM- Collingwood Grain	
Jon Tunnell	RGFA/KARA	
Alan Goldsby	Agriliance, LCC	
thank Keth	Hein Cau Firm	
Kasl M-Nortan	KSFMO	
Kon Seeber	Hein Lan Firm	
W Gody Wloses	16. Agg. Prod. Assn	

SENATE AGRICULTURE COMMITTEE GUEST LIST

DATE:	2-18-04	
Newscore and the second		

NAME	REPRESENTING
Jendy Show	Buch of Ks
Byene MKissen	Tim Heelscorp
Muywhat	KILA
Davielle Noe	Janson County
	Ü
	`
	,

PROPOSED Substitute for SENATE BILL NO. 296

By Committee on Agriculture

AN ACT relating to the department of agriculture; renaming the department of agriculture; transferring powers and duties of the secretary of the department of health and environment to the secretary of agriculture; amending K.S.A. 65-688 and K.S.A. 2003 Supp. 74-567 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

New Section 1. (a) On October 1, 2004, the department of agriculture shall be and hereby is officially designated as the department of agriculture and food safety.

- (b) On and after October 1, 2004, when the department of agriculture or the secretary of agriculture, or words of like effect, is referred to or designated by a statute, contract or other document, such reference or designation shall mean and apply to the department of agriculture and food safety and to the secretary of agriculture and food safety.
- (c) Nothing in this act shall be construed as abolishing the department of agriculture or the office of the secretary of agriculture, or as reestablishing the same.

New Sec. 2. On and after October 1, 2004, the department of agriculture and food safety renamed by this act shall succeed to whatever right, title or interest the department of health and environment has acquired in any real property in this state concerning the functions transferred by this act or by 2004 Executive Reorganization Order No. 32, and the authority shall hold the same for and in the name of the state of Kansas. On and after October 1, 2004, whenever any statute, contract, deed or other document concerns the power or authority of the department of health and environment or the secretary of the department of health and environment concerning the functions transferred by this act or by 2004 Executive Reorganization Order No. 32 to acquire, hold or dispose of real property or any interest therein, the department of agriculture and food safety as renamed by this act shall succeed to such power or authority.

New Sec. 3. Except as otherwise provided in this act, on October 1, 2004, officers and employees who, immediately prior to

Sevete Agriculture February 18, 2004 Attuchment 1

Lisa Montgomery

such date, were engaged in the performance of powers, duties or functions of the department of health and environment concerning food and food service which are transferred by this act or by 2004 Executive Reorganization Order No. 32, or who become a part of the department of agriculture and food safety, or the powers, duties and functions of which are transferred to the department of agriculture and food safety, and who, in the opinion of the secretary of the department of agriculture and food safety, are necessary to perform the powers, duties and functions of the department of agriculture and food safety, shall be transferred to, and shall become officers and employees of the department of agriculture and food safety renamed under this act.

New Sec. 4. On and after October 1, 2004, when any conflict arises as to the disposition of any power, function or duty or the unexpended balance of any appropriation as a result of any abolition, transfer, attachment or change made by or under authority of this act, such conflict shall be resolved by the governor, whose decision shall be final.

New Sec. 5. (a) On and after October 1, 2004, the department of agriculture and food safety shall serve as custodian for all agency records as defined by the Kansas open records act, related to those sections of chapter 36, article 5 and chapter 65, article 6, from which authority is transferred from the secretary of health and environment to the secretary of agriculture and food safety. The department of health and environment shall continue to serve as custodian as defined by the Kansas open records act for all agency records related to chapter 36, article 5 and chapter 65, article 6 generated prior to October 1, 2004. A request for records generated prior to October 1, 2004, pursuant to the Kansas open records act may be made to the department of agriculture and food safety and it will be forwarded to the department of health and environment upon receipt.

(b) The department of health and environment will immediately make available to the department of agriculture and food safety upon request any records, memoranda, writings,

entries, prints, representations or combinations thereof of any act, transaction, occurrence or event of the department of health and environment related to those functions transferred to the secretary of agriculture and food safety.

New Sec. 6. (a) The balances of all funds or accounts thereof appropriated or reappropriated for the department of health and environment relating to the powers, duties and functions transferred by this order are hereby transferred within the state treasury to the department of agriculture and food safety and shall be used only for the purpose for which the appropriation was originally made. On and after October 1, 2004, all such balances shall be deposited in the food safety fee fund and may be used to carry out the responsibilities and duties of the division of food safety of the department of agriculture and food safety, as established by this act.

- (b) There is hereby created the food safety fee fund. The department of agriculture shall remit all moneys received by or for it from fees, charges or penalties to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the food safety fee fund. All expenditures from the food safety fee fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of agriculture and food safety or by a person or persons designated by the secretary.
- Sec. 7. K.S.A. 65-688 is hereby amended to read as follows: 65-688. (a) As used in this section and K.S.A. 65-689, and amendments thereto:
- (1) "Retail food store" means any establishment or section of an establishment where food and food products are offered to the consumer and intended for off-premises consumption. The term includes delicatessens that offer prepared food in bulk quantities only. The term does not include roadside markets that

offer only fresh fruits and vegetables for sale, food service establishments or food and beverage vending machines,—or—any plant—which—is—registered—by—the—department—of—agriculture—under article—7—of—chapter—65—of—the—Kansas—Statutes—Annotated—or—which is—licensed—by—the—department—of—agriculture—under—article—6a—of chapter—65—of—the—Kansas—Statutes—Annotated.

- (2) "Food processing plant" means a commercial operation that manufactures, packages, labels or stores food for human consumption and does not provide food directly to the consumer. "Food processing plant" shall not include any operation or individual beekeeper that produces or stores honey who does not process or offer the honey for sale at retail; or any plant which is registered by the department of agriculture under article of chapter 65-of the Kansas-Statutes Annotated or which is licensed by the department of agriculture under article 65-of chapter 65-of the Kansas-Statutes Annotated.
- (3) "Food" means a raw, cooked or processed edible substance, ice, beverage or ingredient used or intended for use or for sale in whole or in part for human consumption or chewing gum.
- (4) "Secretary" means the secretary of health--and environment agriculture and food safety.
- In order to reimburse the state of Kansas for by the secretary of health--and--environment inspections agriculture and food safety of retail food stores and food processing plants, the secretary of health--and--environment agriculture and food safety shall adopt rules and regulations establishing a graduated inspection fee schedule to cover all of the cost of inspection of retail food stores and food processing plants which shall not exceed \$200 per calendar year for each retail food store and food processing plant location. Whenever the secretary determines that the total amount of revenue derived from the fees collected pursuant to this section are insufficient to carry out the purposes for which the fees are collected, the secretary may amend such rules and regulations to increase the

amount of the fee or fees, except that the amount of any fee shall not exceed the maximum amount authorized by this subsection. Whenever the amount of fees collected pursuant to this subsection provides revenue in excess of the amount necessary to carry out the purposes for which such fees are collected, it shall be the duty of the secretary to decrease the amount of the fees prescribed for retail food stores or food processing plants by amending the rules and regulations which fix the fees, as the case may be.

- (c) All moneys received as fees under this section shall be remitted to the state treasurer at least monthly. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the food inspection safety fee fund.
- (d) The secretary of health-and-environment agriculture and food safety shall adopt rules and regulations necessary to carry out the provisions of this section.

New Sec. 8. The secretary of agriculture and food safety and the secretary of health and environment shall provide for a mechanism for ongoing communication and access between the division of food safety, as established by this act, and the bureau of epidemiology at the department of health and environment.

New Sec. 9. (a) There is hereby established within and as a part of the department of agriculture and food safety, the division of food safety. The secretary of agriculture and food safety shall appoint a director of such division and such director shall be in the unclassified service of the Kansas civil service act.

(b) The secretary of agriculture and food safety may organize the division of food safety in the manner the secretary deems most efficient, so long as the same is not in conflict with the provisions of this act or with the provisions of law, and the secretary may establish policies governing the transaction of business of the division of food safety within the department.

Sec. 10. K.S.A. 2003 Supp. 74-567 is hereby amended to read as follows: 74-567. (a) The state board of agriculture shall have such powers, duties and functions as prescribed by this section. The board shall serve in an advisory capacity to the governor and the secretary to review and make recommendations on department legislative initiatives and proposed rules and regulations or proposed revised rules and regulations prior to the submission of such rules and regulations to the secretary of administration pursuant to K.S.A. 77-420, and amendments thereto, other than rules and regulations pertaining to personnel matters of the department and, rules and regulations of the division of water resources and rules and regulations of the division of food safety. The board shall not have any powers, duties or functions concerning the day-to-day operations of the department of agriculture.

- (b) The board shall serve in an advisory capacity to the agriculture products development division of the department of commerce. The board shall advise the division on issues and concerns relating to agriculture products development and marketing.
- (c) The agriculture products development division of the department of commerce shall report to the board, at not less than two meetings of such board each year, on the activities and functions of the division.

New Sec. 11. (a) The department of agriculture and food safety shall create a statistically based random selection of not less than 1,000 retail food stores which shall be inspected, documented and evaluated as a transferred programs baseline. The department shall include the results of the baseline inspections in the report required in section 12, and amendments thereto.

(b) On February 1, 2005, the department of agriculture and food safety shall report to the legislature the status of the baseline inspection program using 359 randomly selected retail food stores from subsection (a).

New Sec. 12. Not later than January 31, 2005, and January

31, 2006, the department of agriculture and food safety shall report to the house and senate committees on agriculture on the status of the transition. Such report shall be prepared in cooperation with the department of health and environment. The report shall include the steps taken to ensure that food safety resources are targeted at identifying, preventing and eliminating those concerns that constitute the greatest risk to public health and food safety. The report shall also include a description of what steps have been taken to engage stakeholders in the transition and in deciding what actions would tend to improve food safety.

New Sec. 13. (a) Any manufacturer, importer, jobber, firm, association, corporation or person who shall violate any of the provisions of this act and amendments thereto or the rules and regulations adopted, may incur a civil penalty in an amount not more than \$1,000 per violation, and in the case of a continuing violation every day such violation continues may be deemed a separate violation. Such civil penalty may be assessed in addition to any other penalty provided by law. Any civil penalty assessed pursuant to this subsection is subject to review in accordance with the act for judicial review and civil enforcement of agency actions.

- (b) Any manufacturer, importer, jobber, firm, association, corporation or person who shall violate any of the provisions of this act and amendments thereto or the rules and regulations adopted, in a willful or wanton manner shall be guilty of a class A, nonperson misdemeanor.
- (c) Any food misbranded or adulterated or containing or suspected of containing any substance or substances injurious to public health or which is offered or exposed for sale in violation of any of the provisions of this act and amendments thereto shall be subject to seizure in place until such time that the final disposition of the food has been determined by sampling and analysis. Within 30 days of seizure in place, upon verification that the suspected food was misbranded, adulterated

or contains a substance or substances that may be injurious to public health the secretary of agriculture and food safety shall issue an order establishing measures to prevent further contamination or the threat to public health. The opportunity for hearing pursuant to the Kansas administrative procedure act shall be provided upon issuance of the order. The secretary of agriculture and food safety may order the destruction of contaminated food if no alternative assures that further contamination of health hazards are averted, and may be imposed in addition to any other penalty established by law. The district courts of the state of Kansas shall have jurisdiction to restrain violations of this act by injunction.

New Sec. 14. For the purposes of carrying out the provisions of this act, the secretary of agriculture and food safety or the secretary's agent or the county or district attorney or their agents may enter any premises at any reasonable time, in order:

- (1) To have access for the purpose of inspecting any premises, products or equipment subject to this act; or
- (2) to inspect or sample food actually or reported to be adulterated or a threat to public health; or
- (3) to inspect or investigate complaints of violations of this act; or
 - (4) to sample products.

Should the secretary of agriculture and food safety, the secretary's agent or the county or district attorney or their agents be denied access to any premises where such access was sought for the purposes authorized, the secretary of agriculture and food safety or the county or district attorney may apply to any court of competent jurisdiction for a search warrant authorizing access to such premises for such purposes. The court may upon such application, issue the search warrant for the purposes requested.

The enforcement of the criminal provisions of this act shall be the duty of, and shall be implemented by, the county or district attorneys of the various counties or districts. In the

event a county or district attorney refuses to act, the attorney general shall so act. The secretary of agriculture and food safety is charged with the duty of enforcing all other provisions of this act.

New Sec. 15. (a) The secretary of agriculture and food safety may deny, suspend, revoke or modify the provisions of any license issued under this act, if the secretary finds, after notice and hearing, that the applicant or registrant has:

- (1) Been convicted of or pleaded guilty to a violation of this act or any rule and regulation promulgated thereunder;
- (2) failed to comply with any provision or requirement of this act or any rule and regulation adopted thereunder;
- (3) interfered with or prevented the secretary or any authorized representative of the secretary from the performance of that person's job duties regarding any inspection or the administration of the provisions of this act; or
- (4) denied the secretary or any authorized representative of the secretary access to any premises required to be inspected under the provisions of this act.
- (b) Before any license shall be suspended, modified, revoked or denied renewal, the secretary shall inform the registrant of the date and place of hearing upon such proposed revocation, denial or suspension.
- (c) The license holder may appeal from the decision and order, in accordance with provisions of the act for judicial review and civil enforcement of agency actions.
- Sec. 16. K.S.A. 65-688 and K.S.A. 2003 Supp. 74-567 are hereby repealed.
- Sec. 17. This act shall take effect and be in force from and after its publication in the statute book.

3 4 5

1

2

6

7 8

10 11 12

13 14

21

22

37 38 39

40

41

42

33

34

9

SENATE BILL No. 145

By Senator Corbin

2-5

AN ACT concerning the state board of agriculture; amending K.S.A. 74-560 and 74-562 and repealing the existing sections; also repealing K.S.A. 74-563, 74-564, 74-565, 74-566 and 74-567 section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 74-560 is hereby amended to read as follows: 74-560. (a) On and after the effective date of this act, in order to reorganize the administration, planning and regulation of the state's agriculture industry there is hereby established within the executive branch of government the Kansas department of agriculture, which shall be administered under the direction and supervision of a secretary of agriculture.

(b) The state board of agriculture, established pursuant to K.S.A. 74-562, shall nominate three individuals to the governor for the appointment as secretary of agriculture. The governor either shall select and appoint a person nominated to be secretary or shall reject the nominations and request the board to nominate three new individuals for the appointment as secretary. Upon receipt of any such request for the nomination of three new individuals, the board shall nominate three new individuals for the appointment as secretary in the same manner The secretary shall be appointed by the governor. The nominees secretary shall have a demonstrated executive and administrative ability to discharge the duties of the office of secretary. Every appointed secretary of agriculture shall be appointed subject to confirmation by the senate as provided in K.S.A. 75-4315b, and amendments thereto. The secretary shall be a member of the governor's cabinet. The secretary shall serve at the pleasure of the governor. The secretary shall be in the unclassified service under the Kansas civil service act and shall receive an annual salary to be fixed by the governor. The acting secretary of agriculture who is serving as the secretary on the effective date of this act shall be the secretary of agriculture as established by this act, shall serve at the pleasure of the governor and shall be subject to confirmation by the senate as provided in K.S.A. 75-4315b, and amendments thereto. Any action of the Senate taken prior to the effective date of this act which confirms an individual as the secretary of agriculture is hereby validated and shall constitute confirmation by the

Senate Agricultur February 18,2004 Attuchment 2

Senate of such individual as secretary of agriculture under this section.

- (c) The secretary shall organize an annual public informational meeting. The meeting shall take place in each congressional district on a rotating basis.
- (d) The provisions of the Kansas governmental operations accountability law apply to the Kansas department of agriculture, and the department is subject to audit, review and evaluation under such law.
- Sec. 2. K.S.A. 74-562 is hereby amended to read as follows: 74-562.

 (a) On the effective date of this act, there is hereby created within and as part of the department of agriculture a state board of agriculture.
- (b) The board shall be composed of nine members who shall be appointed by the governor. One member shall be appointed from each congressional district with the remaining members appointed at large, however, no two members shall reside in the same county at the time of their appointment. At no time shall more than five members of the board of agriculture be members of the same political party.
- (e) Subsequent redistricting shall not disqualify any member of the board from service for the remainder of such member's term.
- (d) The regular term of office of members of the board of agriculture shall be four years. Regular terms shall commence on the second Monday in January following appointment of the board member.
- (e) Of the members of the board appointed in the year 1995: (1) Four members shall have terms ending on the second Monday in January 2001 and no more than two such members shall be members of the same political party; and (2) five members shall have terms ending on the second Monday in January 1999 and no more than three such members shall be members of the same political party.
- (f) Any member appointed subsequent to 1995 shall be appointed for a four-year term, unless such appointment is to fill the unexpired term where a vacancy has occurred on the board, in which case the member shall be appointed for the remainder of the unexpired term.
- (g) No officer or employee of the department of agriculture shall be a member of the state board of agriculture the state board of agriculture is abolished.
- Sec. 3 2. K.S.A. 74-560, 74-562, 74-563, 74-564, 74-565, 74-566 and 74-567 are is hereby repealed.
- Sec. 43. This act shall take effect and be in force from and after its publication in the statute book.

2-2