Approved:	March 6, 2006
	Date

## MINUTES OF THE HOUSE AGRICULTURE COMMITTEE

The meeting was called to order by Chairman Dan Johnson at 3:30 p.m. on February 15, 2006, in Room 423-S of the Capitol.

All members were present except:

Representative Jerry Williams- excused

#### Committee staff present:

Raney Gilliland, Kansas Legislative Research Department Gordon Self, Revisor of Statutes Office Kay Scarlett, Committee Secretary

## Conferees appearing before the committee:

Duane Simpson, Vice President of Government Affairs, Kansas Agribusiness Retailers Association Leslie Kaufman, Executive Director, Kansas Cooperative Council

Jere White, Executive Director, Kansas Corn Growers and Kansas Grain Sorghum Producers Assn.

Brad Harrelson, State Policy Director, Governmental Relations, Kansas Farm Bureau

Dana Hoffman, Producer Policy Specialist, Kansas Association of Wheat Growers

John Kabus, County Weed Directors Association of Kansas (Written only)

Dr. Dirk Hanson, Executive Director, Kansas Board of Veterinary Examiners

Dr. Marty Vanier, Chair, Legislative Committee, Kansas Veterinary Medical Association

## Others attending:

See attached list.

## Discussion and action on HB 2836 - Revisions to Kansas egg law.

Chairman Johnson opened discussion on <u>HB 2836</u> by asking Raney Gilliland to review the bill for the committee. Gordon Self explained proposed technical amendments as discussed at the hearing on the bill. (<u>Attachment 1</u>)

Representative Powers moved to accept the balloon amendments to **HB 2836.** Seconded by Representative Miller, the motion carried.

Representative Svaty moved to recommend **HB 2836**, as amended, favorably for passage. The motion was seconded by Representative Miller.

Representative Peck offered a substitute motion to amend **HB 2836** on page 6 by deleting lines 23, 24, and 25. The motion was seconded by Representative Gatewood. Constantine Cotsoradis, Assistant Secretary, Kansas Department of Agriculture, explained that this language codifies current regulation practices and urged the committee to keep the language in the bill to assure that safe eggs are sold to the public. The motion failed.

The original motion to recommend HB 2836, as amended, favorably for passage carried.

## Hearing on HB 2718 - Issuance of private applicator's certificate under pesticide law.

Chairman Johnson opened the hearing on <u>HB 2718.</u> Gordon Self explained that this bill would remove the exemption that allows a property owner to perform some personal service in exchange for another person with a private applicator's certificate applying a restricted use pesticide on his property.

Duane Simpson, Vice President of Government Affairs, Kansas Agribusiness Retailers Association, testified in support of <u>HB 2718</u> introduced at KARA's request. He explained that under current law, how the state regulates a person applying restricted use pesticides on a third party's property is decided by the method of payment. If the customer barters for trade instead of paying cash, the applicator need only be licensed as a private applicator rather than a commercial applicator. He said the current system is impossible for the Department of Agriculture to enforce. KARA believes removing the bartering exemption is important for three reasons: 1) A private applicator's insurance does not cover damage done to crops through

#### CONTINUATION SHEET

MINUTES OF THE House Agriculture Committee at 3:30 p.m. on February 15, 2006, in Room 423-S of the Capitol.

misapplication; 2) A private applicator is not required to provide a written statement of service; and 3) A private applicator is only required to take an open book test once every 5 years, while a commercial applicator must pass a closed book test and be re-certified every 3 years through continuing education. He reported that the Department of Agriculture has notified them that they will be attempting to rewrite the agricultural chemical and pesticide statutes over the interim. (Attachment 2)

Leslie Kaufman, Executive Director, Kansas Cooperative Council, appeared in support of **HB 2718** to amend the private applicator certificate provisions by eliminating the bartering exemption. She stated that a bartering transaction is an exchange of value, it is no different than a cash transaction—value exchanged for product/service. KCC supports regulation of agricultural chemicals and fertilizers based on sound scientific principles and applied evenly to dealers, handlers, and end-users. They support efforts to ensure that current regulations for storing, handling, and applying bulk fertilizers and agricultural chemicals are uniformly enforced. (Attachment 3)

Jere White, Executive Director, Kansas Corn Growers and Kansas Grain Sorghum Producers Association, appeared in strong opposition to <u>HB 2718</u>. He believes this bill was proposed by an industry that wants the legislature to regulate away their perceived competition. He said that it is time to send a strong message to Kansas farmers that the legislature understands their business enough to not do unreasonable harm, even if agricultural retailers do not. (<u>Attachment 4</u>)

Brad Harrelson, State Policy Director, Governmental Relations, Kansas Farm Bureau, testified in opposition to <u>HB 2718</u>. He said proponents of this bill state that elimination of this provision would protect the environment and provide for better enforcement. KFB believes the true intent has very little to do with further protecting the environment and much more to do with preserving a market. KFB is unaware of rampant abuse of the privileges currently provided private applicators under the law, neither environmental damage through misapplication nor individuals commercially applying chemicals under private certification. If there are isolated occurrences of such illegal activity, KFB supports swift and full enforcement to prevent further offenses. (<u>Attachment 5</u>)

Dana Hoffman, Producer Policy Specialist, Kansas Association of Wheat Growers, appeared in opposition to <a href="HB 2718">HB 2718</a> and elimination of the barter provision of the private applicator certificates for restricted use pesticides. She stated that primarily their members oppose this bill as Kansas producers are facing high fuel and input costs. This is not the time to take away any producer's opportunity to gain efficiencies in their operations. She noted that although the process for professional application is more intense, that particular individual is not always the one making application in the field. (<a href="Attachment 6">Attachment 6</a>)

John Kabus, County Weed Directors Association of Kansas, submitted written testimony in opposition to <u>HB</u> <u>2718</u> that would remove the ability for an applicator to apply restricted use herbicides on his neighbor's property. He explained that Weed Directors routinely are the liaisons between neighbors and their noxious weed disputes, that they often coordinate these control solutions. He noted that it is also common for neighbors that share a fence line to control weed and brush infestations on both sides of that property line. He stated that County Weed Directors depend on responsible landowners to be "neighborly" in their efforts to reduce noxious weeds in their counties. (<u>Attachment 7</u>)

Following a question and answer period, Chairman Johnson closed the hearing on HB 2718.

Hearings on HB 2833 - Licenses, definitions and registration under the Kansas veterinary practice act; HB 2834 - Unlawful conduct under Kansas veterinary practice act; and HB 2835 - Disciplinary action, assessment of penalties and confidentiality under the Kansas veterinary practice act.

Chairman Johnson opened the hearings on <u>HB 2833, HB 2834, and HB 2835.</u> Raney Gilliland and Gordon Self reviewed the proposed changes to the Kansas Veterinary Practice Act contained in these three bills.

Dr. Dirk Hanson, Executive Director, Kansas Board of Veterinary Examiners, appeared in support of <u>HB</u> <u>2833, HB 2834, and HB 2835</u> introduced at his request. He said these amendments would better enable the Board to "promote public health, safety, and welfare" relative to the practice of veterinary medicine. He

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explained that <u>HB 2833</u> would remove the definitions for "veterinary medical specialist" and "ECFVG certificate" as well as all references to "ECFVG." The bill provides that all applicants for licensure to practice must meet the education requirements as determined by the Board. The bill would also modify statute to clarify that a veterinary premise is to be audited and registered when there is any change of the licensed veterinarian who is responsible for the operation and management of the veterinary premise. <u>HB 2834</u> establishes actions and penalties to be taken against any person who is unlawfully practicing veterinary medicine in Kansas, even if such person is doing so from a location outside Kansas, such as via internet. <u>HB 2835</u> adds "violation of a Board order" as grounds for disciplinary action under the category of unprofessional conduct. The bill also adds waivers to the confidentiality privilege. Finally, the bill would increase the maximum fine that the Board may assess from \$2,000 to \$5,000. (Attachment 8)

Dr. Marty Vanier, Chair, Legislative Committee, Kansas Veterinary Medical Association, spoke in support of HB 2833, HB 2834, and HB 2835. She reported that KVMA's strong support for these changes in the Kansas Veterinary Practice Act is the result of careful study and deliberation that began over eight months ago. The KMVA Legislative Committee met on three occasions followed with an endorsement of the proposed legislation by the KVMA Board of Directors on January 20. She noted that these proposed changes were shared with the entire KVMA membership on at least three occasions. KVMA believes the statutory changes found in these bills will allow the Kansas Board of Veterinary Examiners to operate more efficiently, better serve veterinarians and the citizens of Kansas, and most importantly, protect the public health, safety, and welfare. (Attachment 9)

Chairman Johnson closed the hearings on HB 2833, HB 2834, and HB 2835.

The meeting adjourned at 5:30 p.m. Congressman Jerry Moran will address a joint meeting of the House and Senate Agriculture Committees on February 17, 2006, at 7:30 a.m.

## HOUSE AGRICULTURE COMMITTEE GUEST LIST

DATE: FEBRUARY 15, 2006

NAME	REPRESENTING
Gary Reser	KAN. VETERINARY MEDICAL ASSN.
Dana Hoffman	Ks Assoc, of Wheat Growers
Duary Simpson	KARA
Mike Beam	KS LUSTK ASSNI
Jere White	KCGA KGSPA
BRAD HARRELSON	KFB
Gary Meyel	K Dept of Ag
tron Klataske	AOK
Mary Jane Stankiewicz	KARA
cucotsoradis	KDA
NirkHow- NVM	KBYE
Leslie Kaufman	Ks Coop Council
LARRY D'HARA	Ks Board & Veterinary Examiner
SEAN MILLER	KS Daney Assus
John Donley	KS Lust. Assuc.
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AN ACT concerning agricultur	re; relating to the Kansas egg law; require-
ments; definitions; unlawful	acts; enforcement and penalties; registra-
tion; fees; amending K.S.A. 2	2-2502, 2-2503, 2-2505, 2-2507 and 2-2508
and K.S.A. 2005 Supp. 2-250	01 and repealing the existing sections.

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

Section 1. K.S.A. 2005 Supp. 2-2501 is hereby amended to read as follows: 2-2501. (a) This act shall be known and may be cited as the Kansas egg law.

- (b) For the purposes of this act:
- (1) "Eggs" mean eggs in the shell that are the product of the domesticated chicken, turkey, goose, guinea and any other eggs offered for sale for human consumption shall not include balut;
- (2) "person" means all individuals, firms, associations, partnerships and corporations;
  - (3) "department" means the Kansas department of agriculture:
- (4) "secretary" means the secretary of agriculture or the secretary's authorized representative;
- (5) "consumer" means a person who buys or otherwise acquires eggs for personal consumption and not for resale:
- (6) "container" means any box, case, basket, carton, sack, bag or other receptacle; and
- (7) "ambient temperature" means the air temperature maintained in an egg storage facility or transport vehicle;
- (8) "balut" means a food derived from fertile eggs, generally chicken or duck eggs, which are incubated for a period of time shorter than is necessary for hatching:
- (9) "candling" means the careful examination of each shell egg and the elimination of those eggs determined unfit for human consumption;
- (10) "expiration date" means the date the eggs are to be removed from sale;
- (11) "food purveyor" means state institutions, military or federal installations. Freezy stare, restaurants, cafes, cafeterias, hotels, institutions or other places where eggs are served in the shell or broken out for immediate consumption or where any foods containing eggs are sold;

Proposed Technical Amendments to House Bill No. 2836

Eggs

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- (12) "graded egg" means an egg which is classified in accordance with the standards established by the Kansas department of agriculture, taking into consideration the size or weight, quality factors, interior and exterior, including condition of white and yolk, the size and condition of the air cell and cleanliness and soundness of shell;
- (13) "identity" means types of eggs other than chicken eggs such as turkey, duck, guinea and other eggs;
- (14) "last handler" means any person who sells, offers or exposes for sale or distributes eggs to retailers or food purveyors;
- (15) "pack date" means the date the eggs were packed which shall be expressed in terms of the month and day or as a julian date;
- (16) "packer" means any person who grades, sizes, candles and packs eggs for purpose of sale;
- (17) "producer" means any person who exercises control over the production of eggs and disposes of eggs from the output of a flock owned by such person;
- (18) "repackaging eggs" means packaging eggs in another carton or container other than the carton in which the eggs were first packed; and
- (19) "retailer" means any person selling or offering eggs for sale to consumers and not for resale.
- Sec. 2. K.S.A. 2-2502 is hereby amended to read as follows: 2-2502. The standards of size and quality of *graded* eggs shall be those promulgated and adopted by the department as provided in article 5 of chapter 74 of the Kansas Statutes Annotated and amendments thereto. The tolerances for eggs in any container or bulk lot, as determined by count, of the quality grades "Grade AA," "Grade A," and "Grade B," shall conform to the tolerances adopted by the department as provided by statute.
- Sec. 3. K.S.A. 2-2503 is hereby amended to read as follows: 2-2503. It shall be a violation of this act for any person, other than those exempted by K.S.A. 2-2508, and amendments thereto, to:
- (a) To Sell graded eggs below the quality of "Grade B" to food pur-
- (b) to sell graded eggs to food purveyors or consumers that are not labeled on the container to indicate size and quality thereof in boldface type letters not less than % inch in height;
- (c) to sell graded eggs to food purveyors or consumers without the name and address of either the dealer packer, last handler, retailer, food purveyor or agent by or for whom the eggs were graded or, labeled or packed, indicated on the carton or container:
  - (d) to falsely or deceptively label, advertise or invoice eggs:
- (e) to advertise graded eggs in a manner which indicates price without also indicating the full, correct and unabbreviated designation of size and quality as provided herein;

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- (f) to hold eggs for human consumption at an ambient temperature higher than 45° Fahrenheit after being received at the point of first purchase or assembly:
- (g) to sell to food purveyors or consumers graded eggs in a container which does not bear an inspection fee stamp showing that the inspection fee has been paid thereon unless the person registered as required by subsection (i) has been issued a permit to pay the inspection fee on a quarterly basis as required by K.S.A. 2-2507, and amendments thereto;
- (h) to use an inspection fee stamp the second time more than once, or to use a counterfeit thereof;
- (i) to grade eggs for size and quality for subsequent resale to food purveyors, retailers or consumers without first registering acquiring a license issued by the secretary for such purveyor's, retailer's or consumer's person's place of business with the department,
- (j) to fail or neglect to file the quarterly inspection fee report and pay the inspection fee due, as provided in K.S.A. 2-2507, and amendments thereto, or to file a false quarterly inspection fee report of the quantity of eggs sold during any period;
- (k) to refuse entry to any authorized inspector or employee of the department for the purpose of making inspections under the provisions of this act;
- (I) to engage in the business of purchasing eggs unless there is posted in a conspicuous place in such place of business every day that the same such place of business is open for the purchase of eggs the prices which are being paid for each of the various grades of eggs;
  - (m) to offer eggs for sale that have not been candled and graded; or
- (n) to fail to mark all containers with official United States or Kansas grade AA, A or B identification with label to indicate that refrigeration is required, e.g. using "keep refrigerated," or words of similar meaning:
- (o) sell, offer or expose for sale or distribute eggs in this state without first acquiring a license issued by the secretary for such person's place of business; or
- (p) fail to comply with any other provision of this act or any rule or regulation adopted pursuant to this act.
- Sec. 4. K.S.A. 2-2505 is hereby amended to read as follows: 2-2505. The department shall prescribe by rules and regulations methods of selecting samples of lots or containers of eggs which shall be a minimum of 100 egg samples that will fairly represent the entire lots or containers sampled. Any sample taken because pursuant to this section or an official certificate of the grade shall be prima facie evidence, in any court in this state, of the true condition of the entire lot in the examination of which such sample was taken.
  - Sec. 5. K.S.A. 2-2507 is hereby amended to read as follows: 2-2507.

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(a) For the purpose of financing the administration and enforcement of this act, there is hereby levied an inspection fee on all graded eggs sold, offered or exposed for sale or distributed to food purveyors or consumers retailers at the rate of 3.5 mills for each dozen eggs. Such fees shall be paid quarterly, but in no event shall the remittance for any quarter be less than \$15. If the department finds that the above fees are providing more funds than necessary for the administration of this act, the depart ment may reduce the above mentioned fee by rules and regulations, and in like manner may increase such fee when necessary, but not to exceed the rate specified above. The secretary shall provide inspection fee stamps for sale to persons desiring them. The price of such stamps shall include the printing and mailing costs thereof. Such inspection fee stamps shall also serve as a label indicating size and quality in holdface type letters not less than 36 inch in height. Persons desiring to report and pay the in spection fee quarterly, in lieu of using inspection fee stamps, may make application to the secretary for a permit to pay the inspection fee quarterly. Such fee shall be paid by the last handler. The inspection fee shall be paid only once on the same quantity of eggs so long as such eggs remain in the eggs' original container.

(b) The secretary may grant the permit if the applicant agrees to keep such records as may be necessary to indicate accurately the quantity of eggs sold on which the inspection fee is due, and if the applicant agrees to grant the secretary or a duly authorized representative of the secretary permission to verify the statement of quantity of eggs sold. The report shall be filed in the office of the secretary, and shall be due and payable on the first day of October, January, April, and July for the previous three months. If the report is not filed and the inspection fee paid within 30 days after the due date, or if the report of quantity is false, the secretary may revoke the permit. In addition to the inspection fee there may be assessed against the permit holder a penalty of \$5 per day for each day the inspection fee remains unpaid after the thirty-day period. Such records of quantity sold shall be held for a period of three years. The see retary shall remit all moneys received by or for the secretary under article 25 of chapter 2 of Kansas Statutes Annotated, and amendments thereto 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 egg fee fund. All expenditures from such fund shall be made in accordance with appropriation acts upon warrants of the director of ac counts and reports issued pursuant to vouchers approved by the secretury of agriculture or by a person or persons designated by the secretary. The secretary shall provide inspection fee stamps for sale to persons requesting such stamps. The price of such inspection fee stamps shall include the

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printing and mailing costs thereof. Such inspection fee stamps shall also serve as a label indicating size and quality in boldface type letters not less than % inch in height.

(c) Persons desiring to report and pay the inspection fee quarterly, in lieu of using such inspection fee stamps, may make application to the secretary for a permit to pay the inspection fee quarterly, except that in no event shall the inspection fee for any quarter be less than \$15. The secretary may grant the permit if the applicant agrees to keep such records and make such report as may be necessary to indicate accurately the quantity of eggs sold on which the inspection fee is due, and if the applicant agrees to grant the secretary permission to verify the statement of quantity of eggs sold. The report shall be filed in the office of the secretary. and shall be due and payable on the first day of October, January, April and July for the precious three months. If the report is not filed and the inspection fee is not paid within 30 days after the due date, or if the report of quantity is false, the secretary may revoke the permit. In addition to the inspection fee there may be assessed against the permit holder a penalty of \$5 per day for each day the inspection fee remains unpaid after the 30-day period has expired. Such records of quantity sold shall be held for a period of three years.

(d) If the department finds that the fees specified in this section are providing more funds than necessary for the administration of this act, the department may reduce the above-mentioned fee pursuant to rules and regulations adopted by the secretary. The secretary may increase such fee when necessary, pursuant to rules and regulations adopted by the secretary, except that such fee shall not exceed the rate specified in subsection (a). The secretary shall remit all moneys received by or for the secretary under article 25 of chapter 2 of Kansas Statutes Annotated, and amendments thereto, to the state treasurer in accordance with the provision 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 egg fee fund. All expenditures from such 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 or by a person or persons designated by the secretary.

Sec. 6. K.S.A. 2-2508 is hereby amended to read as follows: 2-2508. (a) Any person registering selling, offering or exposing for sale or distributing or grading eggs in this state shall first obtain a license for such person's place of business for the purpose of qualifying to grade eggs as required under subsection (i) of K.S.A. 2-2503, and unrendments theretoghall file on from the secretary. A written application for such registration

license or renewal shall be made on a form supplied by the secretary and

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of such license

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shall pay include payment of an annual registration license fee of \$5 to be set by rules and regulations adopted by the secretary, except that such license fee shall not exceed \$25. Each registration license shall expire on December 31 of the year in which issued. Licenses shall not be transferable and shall be posted conspicuously at the place of business for which the license was issued so that the license may be seen by the public and by inspectors of the department of agriculture at any time during business hours. Before any license is renewed, the previous year's licensing fees and, when applicable, inspection fees shall be paid. Any person selling eggs without the required license shall be subject to having the eggs removed from sale until a license is obtained.

(b) Retailers and feed purveyors shall be exempt from the licensing fee requirement of subsection (a), but shall be subject to all other requirements of this section.

- (c) Licensees and any person required to be licensed under the protisions of this act shall keep and retain for three years such records required to verify the quantity of eggs bought, sold, offered for sale or distributed in this state. Such records shall be available for inspection by the secretary at all reasonable times.
- (d)  $(\tilde{I})$  A producer of eggs when selling ungraded eggs of the producer's own flock production is exempted from the provisions of this act if: (A) The producer owns less than 250 hens:
  - (B) eggs are washed and clean;
- (C) eggs are prepackaged and labeled as ungraded with the name and address of the producer;
- (D) cartons are not reused unless all brand markings and other identification is obliterated and the carton is free of foreign material;
  - (E) sales are to consumers only; and
  - (F) eggs are maintained at a temperature of 45° Fahrenheit or below.
- (2) If such producer desires to sell graded eggs, the producer shall be permitted to do so if in compliance with this act.
- New Sec. 7. (a) Each container of eggs shall be labeled with the following information:
- (1) The size and quality of eggs which shall be printed in boldface type letters not less than % inch in height:
  - (2) the identity of the eggs:
- (3) name and address of either the packer, the person for whom the eggs are packed or the retailer if the eggs have been repacked;
  - (4) the pack date:
  - (5) safe handling instructions, which shall include the statements:
- 41 (A) "Keep refrigerated at or below 45° Fahrenheit," which shall be 42 printed on the outside of the carton; and
  - (B) "to prevent illness from bacteria: Keep eggs refrigerated, cook

food

the Kansas egg law

1	eggs until yolks are firm, and cook foods containing eggs thoroughly,"	
3	which may be printed either on the outside or the inside of the curton;	
-	and	
	(6) the expiration date which shall be preceded by "exp," "sell by,"	
5	"use by" or similar language.	
6	(b) Such information shall be printed in English, be clearly and con-	
7	spicuously placed on the outside of the carton except otherwise provided	as
$\mathbf{S}$	in this section, and not be false or misleading.	The state of the s
9	(e) The provisions of this section shall be part of and supplemental	retailer
10	to the Kansas egg law.	- Same
1.	New Sec. S. (a) A letail store may equal to eggs located in a store	repack
12	as long as the following requirements are met:	Тераск
13	(1) Eggs eligible for a packagin, include dirty eggs or eggs in con-	
14	tainers with broken eggs. Eggs that are determined to pose a health risk	repacking
15	shall not be eligible for spackaging	
16	(2) the eggs are not subject to a stop sale order issued by the	repacked
17	secretary;	
18 19	(3) eggs cannot be concluded in order than once; (4) eggs must meet grade B requirements and shall not	retailer
20	be graded higher than grade B;	Leanier
21	(5) all containers shall have the necessary labeling requirements	
22	printed on the outside of the carton which shall include:	repacked
23	(A) Grade and size;	<b>/</b>
24	(B) a statement saving that the eggs have been repackaged by the	/
25	retail store where the eggs are located;	- a 1
26	(C) name and address of the tetal star that the eggs;	repacked
27	(D) a statement containing the phrase, "Keep refrigerated at or below	//
18	45° Fahrenheit;"	retailer
29	(E) the expiration date which shall be the earliest expiration date of	
30	the gepackagest eggs; and	
31	(F) an inspection fee stamp on the carton indicating that the inspec-	1
32 33	tion fee has been paid; (6) records must be kept and available for inspection on all eggs re	
34	(6) records must be kept and available for inspection on all eggs re- processor by the retail store, and	Retailers
35	(7) eggs remain subject to inspection and the requirements of this	/_
3	act.	repack
	(b) Steres may lose the privilege to repuelled eggs if:	
38	(1) The store is found postdating speciaged eggs;	retailer
39	(2) the eggs do not meet Grade B standards; and	
40	(3) the store has violated any other provision of this act.	7
41	(c) The provisions of this section shall be part of and supplemental	repacked
42	to the Kansas egg law.	~
43	New Sec. 9. (a) In addition to any other penalty provided by law, any	retailer

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person who violates any provision of this act, and amendments thereto, or any rules and regulations adopted thereunder, may incur a civil penalty of not less than \$100 nor more than \$500 for each such violation. In the case of a continuing violation, every day such violation continues may be deemed a separate violation.

- (b) In determining the amount of the civil penalty, the following shall be taken into consideration: (1) The potential or actual harm, or both, caused by the violation:
  - (2) the nature and persistence of the violation;
  - (3) the length of time over which the violation occurs;
  - (4) compliance history;
- (5) any corrective actions taken; and
  - (6) any and all other relevant circumstances.
- (c) All civil penalties assessed shall be due and payable within 10 days after written notice of assessment is served on the person, unless a longer period of time is granted by the secretary.
- (d) No civil penalty shall be imposed pursuant to this section except upon the written order of the secretary. Such order shall state the violation, the penalty to be imposed and the right of the person to appeal to the secretary. Any such person, within 20 days after notification, may make written request to the secretary for a hearing in accordance with the provisions of the Kansas administrative procedure act.
- (e) Any person aggrieved by an order of the secretary made under this section may appeal such order to the district court in the manner provided by the act for judicial review and civil enforcement of agency actions.
- (f) An appeal to the district court or to an appellate court shall not stay the payment of the civil penalty.
- (g) Any civil penalty recovered pursuant to the provisions of this section shall be remitted 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 state general fund.
- (h) The provisions of this section shall be part of and supplemental to the Kansas egg law.
- New Sec. 10. (a) The secretary may deny, suspend, revoke or modify the provisions of any license issued under this act, if the secretary finds, after notice and hearing, conducted in accordance with the provisions of the Kansas administrative procedure act, that the applicant, licensee or permit holder has:
- (1) Been convicted of or pleaded guilty to a violation of the Kansas egg law, and amendments thereto, or been convicted of or pleaded guilty to a felony under the laws of this state or of the United States, if the

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department determines, after investigation, that such person has not been sufficiently rehabilitated to warrant the public trust;

- (2) failed to comply with any provision or requirement of this act or any rule and regulation adopted thereunder, or any of the laws or rules and regulations of any other state or the United States relating to licensing or other provisions concerning eggs: or
- (3) had any license, certificate registration or permit issued to the person under the Kansas egg law, and amendments thereto, or the egg laws of any other state revoked.
- (b) The provisions of this section shall be part of and supplemental to the Kansas egg law.

New Sec. 11. (a) Balut must be refrigerated upon removal from incubation and maintained at a refrigerated temperature of 45° Fahrenheit, or less, while transported, stored or held for retail sale.

- (b) Balat labeling must be unequivocally elem to inform the consumer that the product is an embryonated egg or such other term or phrase that is informative and not false or misleading.
- (c) The provisions of this section shall be part of and supplemental to the Kansas egg law.
- 20 Sec. 12. K.S.A. 2-2502, 2-2503, 2-2505, 2-2507 and 2-2508 and 21 K.S.A. 2005 Supp. 2-2501 are hereby repealed.
  - Sec. 13. This act shall take effect and be in force from and after its publication in the statute book.

Each container of balut shall be clearly and conspicuously labeled

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## Statement of the Kansas Agribusiness Retailers Association House Agriculture Committee In Support of House Bill 2718 February 15, 2006

Chairman Johnson and Members of the House Agriculture Committee, I am Duane Simpson, I am Vice President of Government Affairs for the Kansas Agribusiness Retailers Association (KARA). KARA's membership includes over 700 agribusiness firms that are primarily retail facilities that supply fertilizers, crop protection chemicals, seed, petroleum products and agronomic expertise to Kansas farmers. KARA's membership base also includes ag-chemical and equipment manufacturing firms, distribution firms and various other businesses associated with the retail crop production industry. I appear today in support of HB 2718.

KARA proposed registering commercial sized spray rigs 2 years ago to improve education and enforcement of current pesticide laws. That proposal was met with stiff opposition from producer groups. Those groups testified that the \$10 registration fee and database was unnecessary and that the state's focus should be on enforcing current law. A Bob Timmons, Fredonia, testified as Kansas Corn Growers Association Board Member that, "Instead of creating new bureaucracies and new regulations, we should focus on encouraging compliance with the laws we already have in place." KARA agrees with those sentiments and spent the last year working with the Department of Agriculture to try to improve compliance with on the farm storage of chemicals. Mr. Timmons also said, "If there is dissatisfaction in how existing pesticide regulations are being enforced, we should address those concerns, and not make another new law so we can later complain how that is being enforced." KARA took those comments to heart and HB 2718 is the result.

Under current law, whether and how the state regulates a person applying restricted use pesticides on a third party's property is decided by what method of payment the customer uses. If the customer barters for trade instead of paying cash, the applicator needs to only be licensed as a private applicator rather than a commercial applicator. What qualifies for the bartering exemption is certainly up to interpretation. The Department of Agriculture once testified that if the customer pays for fuel for the applicator in exchange for service, that transaction fits the bartering exemption as long as the fuel payment goes directly to the fuel vendor. If the customer hands a check to the applicator for the purchase, then the applicator must have a commercial license. One Senator recently explained his position on the bill by saying, "if my neighbor sprays my crop and I pay too much for his calf, that's a trade."

The problem with the current system is it is impossible for the Department of Agriculture to enforce the law as Mr. Timmons suggested. The Department does not have the authority to audit a private applicator's books to see if they are receiving payment. We have a law that opponents will say should be enforced, but they are unwilling to give enforcement authority to the Department. HB 2718 removes the bartering exemption from the law. That closes the loophole that allows private applicators to compete head-to-head with more heavily regulated commercial applicators. Why is that important?

First of all, if you are the customer of a private applicator, the applicator's insurance does not cover damage done to your crop through misapplication. A commercial applicator is required by law to have insurance or a bond to protect their customer.

Second, a private applicator is not required to provide a written statement of service to the customer. A commercial applicator must provide in writing the following information: 1) what pest is being controlled, 2) the product being applied and its EPA registration number, 3) the quantity and concentration of the pesticide applied, 4) the rate of application if required by EPA label, and 5) wind direction and velocity if appropriate. These requirements protect the customer from fraud and make a record in case of drift complaints.

Third, the private applicator is only required to take an open book test, similar to what it takes to qualify for a driver's license, once every 5 years. To be a commercial applicator, you must pass a closed book test and be recertified every 3 years through continuing education.

HB 2718 makes a very simple change to current law. By passing this law, the Department of Agriculture will be able to enforce our private and commercial applicator statutes. A private applicator will be able to apply on land they own or lease and commercial applicators will apply on land owned and farmed by third parties.

Is this the perfect solution to this problem? Of course it's not. We're not asking this committee to report this bill to the full House. Unfortunately, opponents to this and other similar legislation will testify that they want the law enforced but will offer no solutions to give the Department the ability to do it.

The Department of Agriculture has notified KARA and other stakeholders that they will be attempting to rewrite the ag chemical and pesticide statutes over the interim. It is our intention to try to reach some compromise that allows producers to continue to apply on land that they farm but will also give protection to third parties through proper insurance and reporting requirements. Mr. Chairman and Members of the Committee, the bartering exemption is a loophole in our regulatory structure big enough to drive a spray rig through. It is being abused and the Department of Agriculture is powerless to stop the abuse. Something needs to be done because the status quo is unacceptable. Thank you for giving us an opportunity to discuss this issue. We hope that some action will be taken in the next year to address this problem.



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## House Committee on Agriculture

February 15, 2006

HB 2718 - Eliminating the bartering exemption for private applicator certification.

Chairman Johnson and members of the House Agriculture Committee, thank you for the opportunity to comment today in support of HB 2718. I am Leslie Kaufman and I serve the Kansas Cooperative Council as Executive Director. As you know, the bill before you today will eliminate the bartering exemption under the private applicator certification program.

The Kansas Cooperative Council represents all forms of cooperatively structured, member-owned/member-controlled businesses. We have nearly 200 members across Kansas. Approximately one-half of these members are engaged in grain storage and farm supply enterprises. Most all of these will be involved in sale and application of crop protection products, requiring employee-applicators to be commercially certified.

HB 2718 amends the private applicator certificate provisions by eliminating an exception commonly referred to as "the bartering exemption". Currently, an applicator can avoid acquiring a commercial applicator's certificate and still apply crop protection products on a third party's land, provided the applicator claims no actual money traded hands. Rather, the parties traded services as a means of "compensation".

The fuzziness of this provision means enforcement and oversight is often problematic. As professional, commercial applicators, our members have concerns with this exemption.

Certification programs like this one are designed with safety in mind. They help ensure that at least a minimum level of knowledge relative to safe application.

House Agriculture Committee

House Agriculture Committee February 15, 2006 Attachment 3 Our members feel strongly that agricultural in-puts should be regulated uniformly based on sound science and product traits. A product should not be regulated differently simply because it is owned by an individual producer or applied by a "farmer".

Regulation of agricultural chemicals and fertilizers should be based on sound scientific principles and applied evenly to dealers, handlers, and endusers. The KCC supports efforts to ensure that current regulations for storing, handling, and applying bulk fertilizers and agricultural chemicals are uniformly enforced.

A bartering transaction is an exchange of value. In that context, it is no different than a cash transaction – value exchanged for product/service. Yet, those applicating on a cash basis are treated differently than those applying in exchange for another's service. To us, this creates a fundamental inequality in the regulation.

HB 2718 addresses this inequity by closing the bartering loop-hole. Until the bartering exemption is eliminated, there will be inequality among applicator classes. We would hope this Committee would undertake action on the bill and act favorably on this measure. Thank you.





#### **TESTIMONY**

TQ:

House Agriculture Committee

FROM:

Jere White, Executive Director

DATE:

15 February 2006

SUBJECT:

H.B. 2718

The Kansas Corn Growers Association and Kansas Grain Sorghum Producers Association appear before this committee today to stand in strong opposition to H.B. 2718.

Over the past several years, the Kansas Legislature has been asked to get involved in common farming practices by the fertilizer and chemical industry, or at least by their association. While not always successful in getting the Legislature to intervene, they certainly are persistent. Which brings us to today.

H.B. 2718 would make illegal the practice of a farmer trading work with a neighbor when part of that trade involves the application of restricted use pesticides by a certified private applicator. It has nothing to do with alleged illegal commercial application, as that activity is illegal today, if and when it occurs. It does have everything to do with an industry that complains of regulation on one hand, but expects you to regulate away their perceived competition on the other.

One of the ironies in play is that when farmers trade work, the result usually means better equipment, training, and expertise in the field. If I can trade applying herbicides with a neighbor who has a better planter or hay baler, we both win. This type of practice is a great thing, in spite of attempts to suggest otherwise. Not only should we embrace it for the potential environmental benefits, especially for small farmers that simply can't invest in the latest and greatest for their smaller acreage, but it is also part of what makes the social fabric of rural Kansas. Certainly precision farming tools shouldn't be limited to only the largest of farms or those that can afford custom application. I am appalled that any organization that represents themselves as an agricultural advocate in Kansas would support, let alone propose such legislation.

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Mr. Chairman, members of the committee, H.B. 2718 does a bad thing that offers no environmental benefit. In fact we believe the opposite is true. The only outcome we can see is that farmers working together would become an illegal activity in the State of Kansas, and the custom applicators hope to benefit. We know that ag retailers are struggling to stay in business. But so are Kansas farmers. Net farm income in Kansas will be down significantly in 2005, driven largely by dramatically increased input costs. Costs that are paid by farmers to the very people promoting this bill.

It is time to send a strong message to Kansas farmers, that at least in Kansas, the Legislature understands their business enough to not do unreasonable harm, even if ag retailers do not. You can send that message by rejecting H.B. 2718. Thank you.

2627 KFB Plaza, Manhattan, Kansas 66503-8508 • 785-587-6000 • Fax 785-587-6914 • www.kfb.org 800 SW Jackson St., Suite 1300, Topeka, Kansas 66612-1219 • 785-234-4535 • Fax 785-234-0278

## PUBLIC POLICY STATEMENT

## HOUSE COMMITTEE ON AGRICULTURE

RE: HB 2718 – an act concerning agriculture; relating to pesticide law; private applicators certificate.

February 15, 2006 Topeka, Kansas

Testimony provided by:

Brad Harrelson

State Policy Director

KFB Governmental Relations

Chairman Johnson, and members of the House Committee on Agriculture, thank you for the opportunity to appear today in opposition to HB 2718. I am Brad Harrelson, State Policy Director—Governmental Relations for Kansas Farm Bureau. KFB is the state's largest general farm organization representing more than 40,000 farm and ranch families through our 105 county Farm Bureau Associations.

The membership of Kansas Farm Bureau appears today in strong opposition to HB 2718. Proponents of this bill will suggest that this legislation is needed in the name of protecting the environment, and additional enforcement tools are necessary to further regulate operators of application equipment. Ostensibly, this provision would allow for better enforcement and eradicate "irresponsible" operators. Furthermore, it has been suggested in other venues by the proponents, that all applicators, including private applicators and individual farmers and ranchers, should be required to maintain the same liability coverage as commercial applicators.

We strongly object to this proposition and suggest there are other motives behind the bill. We believe the true intent of HB 2718 has very little to do with further protecting the environment and much more to do with preserving a market. In other words, the

requirements of this legislation would place additional burdens on those who choose alternatives to traditional custom application services, thereby restricting competition.

A number of statutory requirements already exist that prescribe who may or may not custom apply agricultural chemicals and what appropriate steps must be taken to do so. Furthermore, recently adopted fertilizer and pesticide containment regulations determine how larger quantities of ag-inputs must be stored on-farm and at commercial locations. We would suggest that these existing requirements already address the concerns expressed by the proponents. Indeed, effective enforcement tools are already established through these statutory and regulatory requirements.

We are unaware of rampant abuse of the privileges currently provided private applicators under the law, either environmental damage through misapplication or individuals commercially applying under a private certification. If indeed there are isolated occurrences of such illegal activity we support swift and full enforcement to prevent further offenses.

Furthermore, it is particularly untimely and insensitive to limit producer options in a time of staggering energy costs, production operating expense and low commodity prices. Farmers, as you know, operate their business without the opportunity to pass costs on to others. They are subject to receiving only what the market will pay for their commodities without regard for the costs of their inputs. The only limited control they do have is on these very input costs, which often makes the difference between profit and loss. It is common for neighboring farms and ranches to collectively invest in expensive equipment and trade services in an effort to be more efficient and hold down costs. This bill would eliminate this option.

In summary, thank you for the opportunity to appear today. This legislation would introduce an inappropriate precedent of government oversight that encroaches on an individuals right to have machinery and equipment and responsibly use it as they see fit. We respectfully urge you to weigh the intended and unintended consequences of the bill and reject HB 2718 without favorable action. Thank you.



## KANSAS ASSOCIATION OF WHEAT GROWERS

2630 Claflin Road • Manhattan, KS 66502 • (785) 587-0007 • FAX (785) 539-8946 • kawg@kswheat.com

Testimony submitted to House Committee on Agriculture February 15, 2006

RE: opposition of HB 2718

Chairman Johnson and committee members, I appreciate the opportunity to share the Kansas Association of Wheat Growers' opposition to eliminating the barter provision of the private applicator certificates for restricted use pesticides.

Primarily, our members oppose this as Kansas producers are facing high fuel and input costs and this is not the time to take away any producer's opportunity to gain efficiencies in their operations. Eliminating this provision would remove the opportunity to exchange or barter services when farming partners regularly barter equipment, labor and other inputs within their family or farming neighborhoods. These partnerships may be between father-son, husband-wife, siblings or neighbors, especially at times of need. In these arrangements one individual would typically invest the time and effort to attain the private applicator's certificate to utilize within the partnership. By developing individuals with specific proficiencies, numerous operations across our state increase their profitability.

As opposed to obtaining an individual private applicator's certificate, producers may otherwise use a commercially licenses applicator. However, although the process for professional application is more intense, that particular individual is not always one making application in the field. From time to time producers and others rural communities will hear about application mistakes. These accounts reduce producers' confidence in forking over money in tight cash flow situations for commercial application.

Currently 16,541 capable producers maintain private applicator certificates to apply restricted pesticides on their operations for about five years (5,405 commercial). The current process involves going through training, passing an examination and paying a fee. However, as stated before, the main impact of eliminating this barter provision alters the partnership arrangements that are key to our rural farming community structures.

Again, the Kansas Association of Wheat Growers would oppose the elimination of the barter provision of the private applicator certificates for restricted use pesticides.

Respectfully submitted,

Dana Hoffman Producer Policy Specialist, Kansas Association of Wheat Growers 2630 Claflin Rd, Manhattan, KS 66502

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House Agriculture Committee February 15, 2006 Attachment 6 To: Chairman Dan Johnson and House Agriculture Committee

From: John Kabus, County Weed Directors Association of Kansas &

**Shawnee County Noxious Weed Director** 

Date: February 15, 2006

Re: House Bill 2718 - Opponent

The County Weed Directors of Kansas would like to respectfully request that the committee reject House Bill 2718. The current pesticide law allows farmers, ranchers and landowners that have successfully completed the requirements for a Kansas Private Pesticide Certificate to apply "restricted use" herbicides to control noxious weeds and other pests. They can apply these herbicides on their own property, rented property, and on a neighbor's property for no compensation other than bartering. H.B. 2718 removes this last statement, and the ability for the applicator to apply "restricted use" herbicides on his neighbor's property.

This ability for neighbors to be "neighborly" is an important tool used by Kansas Weed Directors to help control noxious weed infestations. Weed Directors routinely are the liaisons between neighbors and their noxious weed disputes. A common farmer/rancher statement about a neighboring weed infestation is, "I'd spray his thistles if he'd just let me get in there!" With a simple phone call, Weed Directors often coordinate these control solutions throughout weed season. It is also common for neighbors that share a fence line to control weed and brush infestations on both sides of that property line. H.B. 2718 would also prohibit the responsible landowner who wishes to control a noxious weed infestation on a neighboring parcel owned by an absentee landowner; or the federal government that would go to seed another year if he did not spray them.

As you review the testimony from H.B. 2718, please remember the invasive nature of noxious weeds and the need for every available tool to curb noxious weed infestations in the State of Kansas. County Weed Directors depend on responsible landowners to be "neighborly" in their efforts to reduce noxious weeds in their counties.

Thank you for your thoughtful consideration of this matter.

## Testimony to the House Agriculture Committee, February 15, 2006

My name is Dr. Dirk Hanson. I serve as the Kansas Board of Veterinary Examiners' Executive Director. I testify today on behalf of the seven member Board in support of House Bills 2833, 2834, and 2835 which amend statutes found in what is commonly referred to as "the Veterinary Practice Act." These amendments would better enable the Board to "promote public health safety and welfare" relative to the practice of veterinary medicine.

In House Bill 2833, Section 1, KSA 47-816 is amended to remove the definition of "Veterinary medical specialist." Such definition is obsolete language, as the alternative provisions for licensure of such specialists were removed in an earlier revision of the practice act.

Additionally, the definition of "ECFVG certificate" is removed.

In Section 2, KSA 47-824 is modified by removing the reference to "ECFVG". The specific requirement for the licensing of an applicant who is not a graduate of a school of veterinary medicine which is recognized and approved by the board is that they "possess a certificate issued by the educational commission for foreign veterinary graduates". This specific requirement already currently exists in both statute 47-824, and regulation 70-4-8(d). The statute is being changed to simply say that any such applicant must meet the "education requirements prescribed by the board in rules and regulations". Since the specific "educational requirements currently prescribed by the board" are already established in regulation 70-4-8(d), the regulation will remain unchanged.

In Section 3, KSA 47-825 is amended to establish re-examination is governed by rules and regulations of the Board. Additionally, language is removed that would contradict that the Board may limit the re-examinations of the national exam.

In Section 4, KSA 47-840 is modified to clarify that a veterinary premises is audited and registered when there is a change of the licensed veterinarian who is responsible for the operation and management of the premises.

In House Bill 2834, KSA 47-834 is amended to allow the Board, in cases of a person without a license practicing veterinary medicine unlawfully, to: 1) issue cease and desist order; 2) issue a citation and fine; 3) issue subpoenas to; and 4) bring an injunction action against such person. Such actions could be taken against any person who is unlawfully practicing veterinary medicine in Kansas, even if such person is doing so from a location outside Kansas, such as via internet.

In House Bill 2835, Section 1, KSA 47-830 "violation of a board order" would be added as grounds for disciplinary action under the category of unprofessional conduct.

In Section 2, KSA 47-839 is amended to add the following waivers to the confidentiality privilege: (1) reporting cruel or inhumane treatment of any animal; (2) where information is necessary to provide care in an emergency where the absence of immediate medical attention could reasonably be expected to place the animal's health in serious jeopardy or impair bodily function; (3) where the failure to disclose vaccination information may endanger the public's health, safety, or welfare.

We respectfully request you vote "yes" on H.B. 2833, H.B. 2834, House Agriculture Committee February 15, 2006

Attachment 8



RINARY MEDICAL ASSOCIATION 816 SW Tyler, Suite 200, Topeka, KS 66612-1635 ■ (785) 233-4141 ■ FAX: (785) 233-2534

# Testimony House Agriculture Committee 3:30 p.m. Wednesday, Feb. 15 Dr. Marty Vanier

Good afternoon.

My name is Dr. Marty Vanier. I am chair of the Kansas Veterinary Medical Association (KVMA) Legislative Committee. The KVMA is the association for the Kansas veterinary profession and is composed of over 700 members in Kansas and almost 400 members in all other states.

I am here today to represent the KVMA and to respectfully request that you vote "yes" on H.B. 2833, H.B. 2834, and H.B. 2835.

The KVMA's strong support for the changes in the Kansas Veterinary Practice Act found in these bills is the result of careful study and deliberation that began over eight months ago.

In June of 2005, the KVMA Legislative Committee met for the first time with members of the Kansas Board of Veterinary Examiners and reviewed the initial proposals for changes in the Kansas Veterinary Practice Act.

Members of the KVMA Legislative Committee met with members of the Kansas Board of Veterinary Examiners again on Nov. 4, 2005 when the Board gave final approval to the proposals.

The KVMA Legislative Committee gave final approval to the changes found in H.B. 2833, H. B. 2834, and H.B. 2835 on Dec.11, 2005 and this was followed with an endorsement of the proposed legislation by the KVMA Board of Directors on Jan. 20 in Topeka.

It is also important to mention that these proposed statutory changes were shared with the entire KVMA membership on at least three occasions.

As you can see, the KVMA carefully scrutinized this legislation at each level of membership over a nearly eight month period.

The KVMA feels that the statutory changes found in these bills will allow the Kansas Board of Veterinary Examiners to operate more efficiently, better serve veterinarians and the citizens of Kansas, and most importantly, protect the public health, safety, and welfare.

Once again, please vote "yes" on H.B. 2833, H.B. 2834, and H.B. 2835.

Thank you.

Dr. Marty Vanier, Chair Kansas Veterinary Medical Association Legislative Committee

House Agriculture Committee February 15, 2006 Attachment 9