

MINUTES OF THE HOUSE AGRICULTURE & NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairman Larry Powell at 9:00 a.m. on February 14, 2011, in Room 783 in the Docking State Office Building.

All members were present except:

Representative Dan Collins - Excused
Representative Rocky Fund - Excused
Representative Gary Hayzlett - Excused
Representative Michael Peterson - Excused
Representative Willie Prescott - Excused

Committee staff present:

Sean Ostrow, Office of the Revisor of Statutes
Raney Gilliland, Kansas Legislative Research Department
Michael Wales, Kansas Legislative Research Department
Kay Scarlett, Committee Assistant

Conferees appearing before the Committee:

Woody Moses, Managing Director, Kansas Aggregate Producers Association

Others attending:

See attached list.

Copies of two bills under consideration by the Nebraska Legislature were distributed: (1) Implement a state meat and poultry inspection program under federal law, and (2) Require certain entities to provide care and shelter to equine animals. (Attachment 1)

Hearing on HB 2205 - Continuing the use of weights and measures standards.

Chairman Powell opened the hearing on **HB 2205**. Sean Ostrow, Office of the Revisor of Statutes, reviewed **HB 2205** to remove the sunset date of June 30, 2011, on the exception to standards and requirements that was put in place for mechanical vehicle scales used solely to sell aggregate products. It was noted this legislation would have no fiscal effect on the state.

Woody Moses, Managing Director, Kansas Aggregate Producers Association, appeared in support of **HB 2205**. He explained that during the 2001 session, they had requested and received an amendment granting a limited tolerance variance for aggregate scales from the tolerance requirements mandated by the National Institute of Standards and Technology Handbook 44. This variance only concerns the national standard up to 50,000 lbs., after 50,000 lbs., where most transactions occur, they are in full compliance with federal requirements. The current variance was initially authorized with a sunset by the 2001 Legislature and renewed by the 2005 Legislature. **HB 2205** would make this variance permanent. He noted that this variance has been beneficial to Kansas consumers and has not resulted in any unintended consequences during the ten years it has been in effect. (Attachment 2)

As there were no other conferees, Chairman Powell closed the hearing on **HB 2205**.

The meeting adjourned at 9:12 a.m. The next meeting of the House Agriculture & Natural Resources Committee is scheduled for February 15, 2011.

HOUSE AG & NATURAL RESOURCES COMMITTEE
GUEST LIST

DATE: FEBRUARY 14, 2011

[illegible]

LEGISLATURE OF NEBRASKA
ONE HUNDRED SECOND LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 305

Introduced by Larson, 40; Avery, 28; Brasch, 16; Carlson, 38;
Christensen, 44; Dubas, 34; Hansen, 42; Loudon, 49;
Schilz, 47; Schumacher, 22; Wallman, 30.

Read first time January 12, 2011

Committee: Agriculture

A BILL

- 1 FOR AN ACT relating to agriculture; to amend sections 54-857 and
2 54-1901, Reissue Revised Statutes of Nebraska; to state
3 intent to implement a state meat and poultry inspection
4 program under federal law; to provide powers and duties
5 to the Department of Agriculture; to create a fund and
6 transfer funds; to harmonize provisions; and to repeal
7 the original sections.
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 54-857, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 54-857 All money received pursuant to the Commercial Feed
4 Act shall be remitted by the director to the State Treasurer for
5 credit to the Commercial Feed Administration Cash Fund which is
6 hereby created. Such fund shall be used by the department to aid in
7 defraying the expenses of administering the act, except that
8 transfers may be made from the fund to the General Fund at the
9 direction of the Legislature. On each of October 1, 2011, and October
10 1, 2012, the State Treasurer shall transfer one hundred thousand
11 dollars from the Commercial Feed Administration Cash Fund to the
12 Cooperative State Meat and Poultry Inspection Cash Fund. Any money in
13 the Commercial Feed Administration Cash Fund available for investment
14 shall be invested by the state investment officer pursuant to the
15 Nebraska Capital Expansion Act and the Nebraska State Funds
16 Investment Act.

17 Sec. 2. Section 54-1901, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 54-1901 Sections 54-1901 to 54-1915 and sections 3 and 4
20 of this act may be cited as the Nebraska Meat and Poultry Inspection
21 Law.

22 Sec. 3. (1) It is the intent of the Legislature that, on
23 or before January 1, 2013, the director shall implement a program of
24 state inspection at establishments which process meat, poultry, or
25 meat and poultry products for human consumption that qualifies as a

1 cooperative state inspection program under the Federal Meat
2 Inspection Act, 21 U.S.C. 661, and the Poultry Products Inspection
3 Act, 21 U.S.C. 454.

4 (2) The department may employ a program administrator who
5 shall be responsible for developing, implementing, and operating a
6 state meat inspection program. Such administrator, on behalf of the
7 director, shall coordinate activities necessary, including
8 cooperation and consultation with the United States Department of
9 Agriculture, in order to prepare a state performance plan that
10 includes provisions for ante mortem and post mortem inspection,
11 reinspection, sanitation, and program management at least equal to
12 those imposed under the Federal Meat Inspection Act, 21 U.S.C. 601 et
13 seq., and the Poultry Products Inspection Act, 21 U.S.C. 451 et seq.

14 (3) On or before November 15, 2011, the director shall
15 provide a report to the Legislature which enumerates and describes
16 any actions necessary to implement a state program of meat and
17 poultry inspection described in this section. The report shall
18 identify necessary revisions of the Nebraska Meat and Poultry
19 Inspection Law, other revisions to statutory authority of the
20 department, and any rules and regulations promulgated thereto in
21 order to effect the purposes of this section. The report shall
22 include a detailed description of anticipated resources required to
23 develop and maintain such program of meat and poultry inspection. The
24 report shall recommend a fee schedule that ensures revenue produced
25 from the licensure and inspection of establishments which process

1 meat, poultry, or meat and poultry products for human consumption
2 sufficient to fund the state program of meat and poultry inspection,
3 including the implementation of a fee-for-service system in
4 conducting inspections.

5 Sec. 4. The Cooperative State Meat and Poultry Inspection
6 Cash Fund is created. The fund may be used to carry out the purposes
7 of section 3 of this act. The State Treasurer shall credit to the
8 fund any funds transferred pursuant to section 54-857, any funds
9 appropriated to the fund by the Legislature, and funds received as
10 gifts or grants or other private or public funds obtained for the
11 purposes set forth in section 3 of this act. Any money in the fund
12 available for investment shall be invested by the state investment
13 officer pursuant to the Nebraska Capital Expansion Act and the
14 Nebraska State Funds Investment Act.

15 Sec. 5. Original sections 54-857 and 54-1901, Reissue
16 Revised Statutes of Nebraska, are repealed.

LEGISLATURE OF NEBRASKA
ONE HUNDRED SECOND LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 306

Introduced by Larson, 40.

Read first time January 12, 2011

Committee: Agriculture

A BILL

- 1 FOR AN ACT relating to animals; to amend section 54-901, Reissue
- 2 Revised Statutes of Nebraska; to require certain entities
- 3 to provide care and shelter to equine animals; to provide
- 4 a penalty; and to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Any entity representing itself as a humane
2 society or an equine shelter or rescue operation that provides care
3 and shelter for stray, abandoned, abused, or neglected equines shall
4 accept custody and provide care and shelter for any equine that is
5 presented by its owner or a law enforcement officer or agency.
6 Failure to accept custody and provide care and shelter as required by
7 this section is a Class IV misdemeanor for each occurrence.

8 Sec. 2. Section 54-901, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 54-901 Sections 54-901 to 54-912 and section 1 of this
11 act shall be known and may be cited as the Livestock Animal Welfare
12 Act.

13 Sec. 3. Original section 54-901, Reissue Revised Statutes
14 of Nebraska, is repealed.

KANSAS AGGREGATE PRODUCERS ASSOCIATION

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Edward R. Moses, Managing Director

TESTIMONY

Date: February 14, 2011

Before: The House Committee on Agriculture & Natural Resources

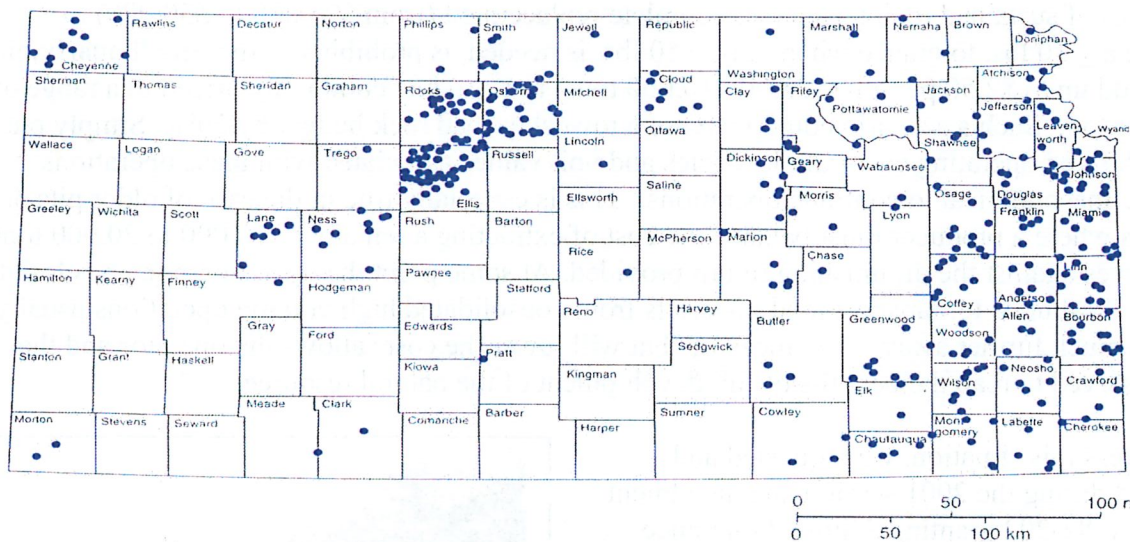
By: Woody Moses, Managing Director
Kansas Aggregate Producers Association

Regarding: HB 2205 – An act concerning standards and requirements of commercial weighing and measuring devices.

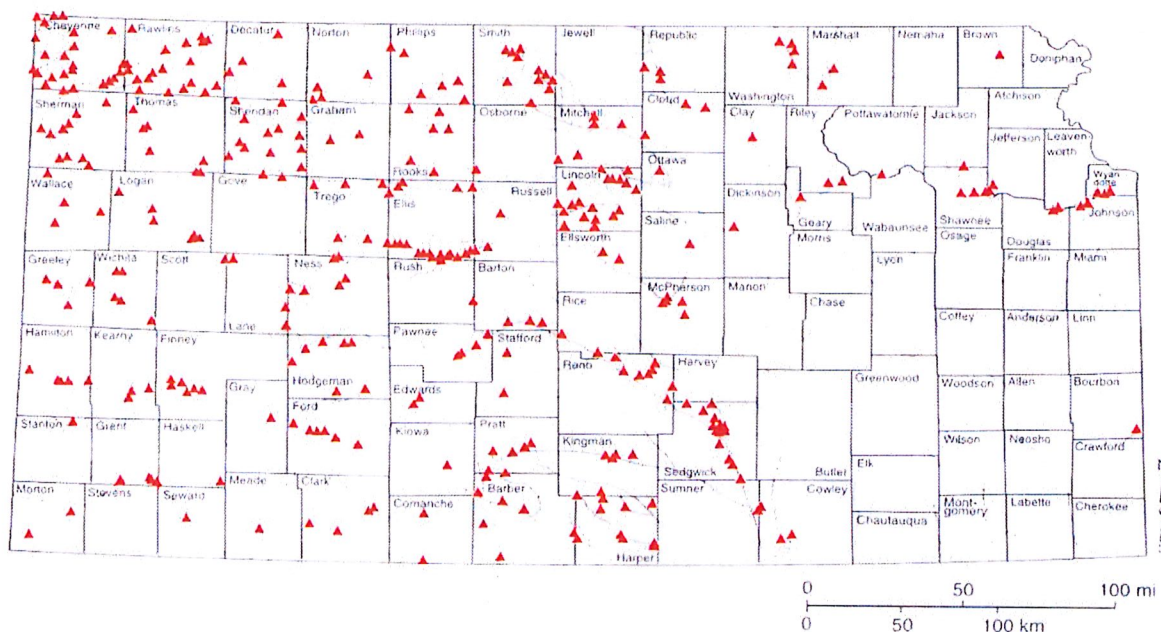
Good Morning Mr. Chairman and Members of the Committee:

My name is Woody Moses, Managing Director of the Kansas Aggregate Producers Association. The Kansas Aggregate Producers Association (KAPA) is an industry wide trade association comprised of over 170 members located or conducting operations in all 165 legislative districts in this state, providing basic building materials to all Kansans. I appreciate the opportunity to appear before you today in support of HB 2205.

Unlike Missouri and many eastern states blessed with abundant sources of limestone in formations with thick ledges, the Kansas mining industry is forced to mine from several small widely scattered quarries and pits in order to service our clients (primarily local units of government).



CRUSHED STONE QUARRIES IN KANSAS



SAND AND GRAVEL OPERATIONS IN KANSAS

In order to serve this market the common practice is to locate a portable crusher at the site and then produce and stockpile 2-3 years worth of material in 2-3 months. Over the course 2-3 years our clients then purchase this inventory and it is weighed by a set of scales permanently left at the site.

Most of the scales sited at these locations, while adequate to the task of weighing rock in 100 lbs. increments, are usually unable to meet modern testing and tolerances (implemented in the late 90's) which require accuracy to within ± 20 lbs for annual certification or ± 10 lbs for acceptance. The costs of sustained maintenance or complete replacement (from \$25,000 to \$50,000) to achieve a ± 10 lbs. tolerance when only ± 50 lbs. is needed, is prohibitive. In a small quarry, this could add up to \$2.50 per ton (\$25,000/10,000 tons) to a product commonly priced in a range of \$3-4 per ton. Such a scenario could increase a township road rock budget by 50%. Simply put, the high fixed operating costs and low sales and unit values associated with these operations make it uneconomical to continue operations. This is especially true in the case of older pits or quarries where a producer must balance the cost of extracting a remaining 10,000 to 20,000 tons of reserves against the diminishing return provided. At some point the operation must be closed forcing local units to transport road materials from consolidated high volume operations usually located much further away. Any measure that will lower the costs allows the operator and the public served to reap the benefits of full development of the natural resource.

To address this situation, we requested and received during the 2001 session an amendment to K.S.A. 82-202 granting a limited tolerance variance for aggregate scales from the tolerance requirements mandated by the National Institute



of Standards and Technology (NIST) Handbook 44 which the state of Kansas adopts by reference. Please note this variance only concerns the national standard up to 50,000 lbs., after 50,000 lbs., where most transactions occur, we are in full compliance with NIST Handbook 44. For example, transactions weighed in standard double axle dump still meet the standard.

The current variance was initially authorized with a sunset by the 2001 Legislature and renewed by the 2005 Legislature with a June 30, 2011 sunset. The bill before you today, HB2205, would simply make this variance permanent. Adoption of HB 2205 will provide many benefits to all Kansans, among them:

1. Adoption of HB 2205 will allow Kansas aggregate producers to continue serving small markets at a fair and reasonable price by extending the life of quarries and pits equipped with older scales.
2. Adoption of HB 2205 will prevent undue and unnecessary price or cost increases to local units of government.
3. Adoption of HB 2205 will allow the Kansas Division of Weights & Measure to allocate their limited resources to higher priority areas. For example, the division itself enjoys a variance in the testing fuel pumps.
4. Adoption of HB 2205 will not allow a total exemption for aggregate scales. Aggregate scales will continue to be regulated in all other aspects and to be fully regulated above 50,000 lbs.
5. Adoption of HB 2205 will not create a great disparity in uniformity with NIST standards, which, as evidenced by the attached table, is not all that uniform to begin with.

In 2001 the Kansas Legislature acted wisely by adopting a policy to address local needs as opposed to national conformance. The result has been beneficial to Kansas consumers and has not resulted in any unintended consequences during the last ten years it has been in effect. We urge this committee to continue this policy by recommending HB 2205 favorable for passage. Thank you for the opportunity to come before you with our comments on HB 2205.

I will be happy to respond to any questions you may have.