

SESSION OF 2007

**CONFERENCE COMMITTEE REPORT BRIEF  
HOUSE BILL NO. 2487**

As Agreed to March 29, 2007

**Brief\***

HB 2487 would require the registration of ammonium nitrate dealers with the Secretary of Agriculture. The bill would establish a registration fee in an amount not to exceed \$25 per year. "Ammonium nitrate dealer" would be defined by the bill to mean any person operating a business that is engaged in the distribution or sale of ammonium nitrate and would not include an end-user who is engaged in the physical act of application of ammonium nitrate as a commercial fertilizer and also is not engaged in further sale or distribution of ammonium nitrate. Custom blenders of fertilizer who also are ammonium nitrate dealers would be exempt from the registration fee.

Under the provisions of the bill, ammonium nitrate storage would need to be secured to provide reasonable protection against vandalism, theft, and unauthorized access. In addition, the bill would require ammonium nitrate dealers to obtain information regarding any sale of ammonium nitrate, including the date of sale, quantity purchased, the purchaser's state or federal driver's license number or other picture identification card number, the physical address of the person to whom the ammonium nitrate is delivered if different than the physical address of the purchaser, the purchaser's name, and similar information if the person receiving the ammonium nitrate is a person other than the purchaser. Records would need to be maintained by a dealer for three years. Authority would be given to ammonium nitrate dealers to refuse to sell to any

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person who is purchasing out of season, in an unusual quantity or under suspect purchase patterns. The bill would subject ammonium nitrate dealers to denial, suspension, or revocation of the registration for violations.

### **Conference Committee Action**

The Conference Committee agreed to add language which would exempt custom blenders of fertilizer from paying the registration fee if they also are ammonium nitrate dealers.

### **Background**

Proponents of the bill included representatives of the Kansas Agribusiness Retailers Association, the Kansas Department of Agriculture, and the Kansas Cooperative Council. Some of the proponents indicated this bill is proactive legislation and is enacting what some providers of ammonium nitrate are doing so that incidences similar to the Oklahoma City bombing would not occur. There were no opponents to the bill.

The House Committee on Agriculture and Natural Resources amended the bill to clarify that the new provisions of the bill would be a part of and supplemental to the other statutes relating to the regulation of commercial fertilizers.

The Senate Committee on Agriculture amended the bill to:

- Require custom fertilizer blenders to pay any registration fee if they also are ammonium nitrate dealers; and
- Clarify the provision relating to the collection of physical address information from the person to whom the ammonium nitrate is delivered, if different than that of the purchaser.

The fiscal note on the bill indicates that the Department of Agriculture estimates up to \$10,700 would be required to

develop registration forms, modify internal data files, and initiate an outreach program. The agency also estimates it would incur costs of up to \$45 per registration for processing and inspecting registration materials. The agency would receive additional revenue from the provision that requires each business location to pay a registration fee of up to \$25. However, precise estimates of the total amount of expenditure and revenue are unknown because the Department of Agriculture does not possess data on the number of business locations that sell ammonium nitrate in Kansas.

ammonium nitrate dealers