Approved: <u>January 24, 2012</u>

MINUTES OF THE HOUSE AGRICULTURE &NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairman Larry Powell at 8:30 a.m. on January 18, 2012, in Room 783 in the Docking State Office Building.

All members were present except:

Representative Grant (Excused)

Representative Hildabrand (Excused)

Representative Michael Peterson (Unexcused)

Representative Weber (Excused)

Committee Staff Present:

Sean Ostrow, Office of the Revisor of Statutes Raney Gilliland, Kansas Legislative Research Department Christopher Sevedge, Kansas Legislative Research Department Joyce Hladky, Committee Assistant

Conferees appearing before the committee:

Dale Rodman, Secretary of Agriculture Kansas Department of Agriculture

Others attending:

See Attached List.

Chairman Powell welcomed the committee.

Dale Rodman presented an overview and update on the state of Kansas agriculture. Kansas agriculture continues to be the largest and most dynamic growth industry in the state. Agriculture has a window of opportunity to expand toward the creation of jobs, investments and wealth for Kansas. (Attachment 1)

The Kansas Department of Agriculture serves the entire agriculture industry through service to all farmers, ranchers, and related agribusiness in the state. By helping their customers succeed and grow their businesses, the entire Kansas economy is prospered and strengthened.

Kansas agriculture is strong with net farm income of \$3.4 billion in 2010. While the Department does not yet have 2011 figures, U.S. net farm increased by an estimated 28 percent

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Minutes of the HOUSE AGRICULTURE AND NATURAL RESOURCES Committee at 9:00 a.m. on January 18, in 783-DSOB

last year. Agricultural retail, wholesale, and manufacturing in Kansas accounts for approximately \$50 annual economic activity. Kansas is a key player in world markets. Kansas exports more than \$4.9 billion of agriculture products annually, which makes agriculture the state's largest export. The trends in world agriculture indicate a significant opportunity for growth in international markets for Kansas.

Secretary Rodman also presented charts reflecting "middle class" growth in developing countries combined with developed countries and how that growth is expected to more than double by 2020. In India and China the rate of growth in the two countries is more than 200 percent in eleven years.

These trends will continue to increase market opportunities for Kansas in beef and will provide incentives to grow the beef industry. There is also a growth potential for both the pork and poultry industries to help meet the demand for the world and Asian market.

In addition to food markets, there is a need for live cattle, equipment, agriculture education and veterinary services in Russia and Kazakhstan.

Kansas competes with other states and countries for these markets and international trade agreements allowing the U.S. access to these markets are necessary. With increased access, Kansas agriculture will focus on how to maximize its ability to serve these markets.

To serve these markets the Department of Agriculture has identified Kansas' competitive advantages and disadvantages.

Advantages

Geography and Climate

Government Support – Kansas has the right leaders at the right time

Valuable Resources

<u>Challenges</u>

Burdensome Regulations and Laws Corporate Farming Laws

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Animal Welfare
Labor Shortage
Ogallala Aquifer
Perception and demographics
Weather

The Department has identified four issues that the Legislature will have an opportunity to address this session:

- a. Agriculture Labor
- b. Corporate Agriculture
- c. Animal Care Laws
- d. Water

The new focus is building on the Kansas agriculture industry and serving our customers.

Secretary Rodman answered questions from the Committee.

Chairman Powell opened the floor for bill introduction requests.

Chris Tymeson, Chief Legal Counsel, Department of Wildlife, Parks, and Tourism introduced the following bills:

Vessel registration cap and we would like to request an increase in the cap.

Vehicle entrance park permits and we'd like to discuss a new potential program.

There being no objection, this request will be introduced as a committee bill.

Chairman Powell announced hearings **HB2451** and **HB2452** on Thursday, January 19, 2012

The meeting adjourned at 9:55 a.m. The next meeting of the House Agriculture & Natural is scheduled for Thursday, January 19, 2012.