

MINUTES OF THE SENATE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairperson Steve Morris at 10:00 a.m. on February 8, 2000, in Room 423-S of the Capitol.

All members were present except:

Committee staff present: Raney Gilliland, Legislative Research Department
 Jill Wolters, Revisor of Statutes
 Nancy Kippes, Committee Secretary

Conferees appearing before the committee:

 Greg Krissek, Assistant Secretary, Department of Agriculture
 Derek Schmidt, Legislative Liaison and Special Counsel, Governor's Office

Others attending: (See Attached)

Senator Tyson made a motion to approve the minutes for the February 7, 2000 meeting as submitted. Senator Huelskamp seconded. The motion carried.

Hearing on: **SB 531 - concerning eggs**

Greg Krissek, Assistant Secretary, Department of Agriculture, testified in support of **SB 531**, which proposes several changes to the Kansas Egg Law (Attachment 1). These proposed changes are an attempt to incorporate new federal changes in egg safety handling provisions so that Kansas will be consistent with the federal government in our regulation of the egg industry.

The hearing on **SB 531** was closed.

Continued discussion on **HB 2527**:

Senator Stephens made a motion to include institutions of the farm credit system as an eligible lending institutions in the provisions of **HB 2527**. Senator Huelskamp seconded.

Senator Corbin made a substitute motion to include farm credit system institutions with the stipulation that they must be required to collateralize these loans in the same fashion as banks would be required to do. Senator Stephens seconded. The motion carried.

Derek Schmidt, Legislative Liaison and Special Counsel, Governor's Office, appeared before the committee to deliver Governor Graves' support for **HB 2527** (Attachment 2).

Senator Umbarger made a motion to amend **HB 2527** to increase the total amount of state money available to the program under the bill to \$66 million. Senator Downey seconded. The motion failed.

Senator Huelskamp made a motion to substitute language for the language in **HB 2527**. His motion would allow a tax credit to certain institutions which make agricultural production loans to borrowers at a rate which is at least one whole percentage point less than the prime interest rate. Senator Clark seconded.

Senator Umbarger made a substitute motion to pass **HB 2527** favorably as amended. Senator Downey seconded. The motion failed.

The next meeting will be February 9, 2000.