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Hello,

This testimony regarding HB2223 is from Spike Durkin of Happy Valley Farm. I'll be brief as I know everyone is very busy. Thank you for taking the time to consider this modification to existing law. It's my belief this will be a great aid to our farm and a boost for the state.

Short growing season: Berry season is fleeting. We started with blueberries and the season is about 6 weeks. To be profitable, we are set up as Pick Your Own. For the farm to provide a livable income, we would need to scale massively to earn enough income in 6 weeks to provide for the entire year. We would need to plant many acres of blueberries, build a very large parking lot, and hire a sizeable staff to manage the crowds during this period. Other issues include getting permissions from the City (they annexed us in a few years ago), the traffic on our rural road during this time, and concerns about our neighbors. This leads us to my next point.

Diversification: In order to avoid the large obstacles I just discussed, we moved to diversify our income stream. We didn't want to be reliant on a single crop and at risk of pests, disease and weather over a single 6 week period each year. Therefore, we diversified and added other berries and fruits. We now have berries and fruits of various types available from the end of May through the end of October. We added 40 bee hives to pollinate the berry plants and now have honey available to sell year around. We teach blueberry growing classes, sell blueberry bushes, allow customers to make their own apple cider among other things. We add produce for sale when in season. It's very basic stuff- diversify your income stream to protect against catastrophic failure of a single product. This protects against natural disasters and competition.

Shelf Stable and Value Added Products: Further evolution from diversifying our portfolio of products led to a small, onsite farm stand. Adding products to the farm stand that have a very long shelf life (as opposed to berries which are stable for about 3 days) allowed again for us to extend our sales season. We have added beeswax, beeswax candles, ceramic honey pots, jams and jellies, eggs and more. The last two years November and December sales have allowed us to double our annual sales! Still, January through May is a very slow sales period. Being able to add Mead, Hard Cider and Fruit Wines would be a HUGE benefit and again help add year around sales as well as allow us to protect ourselves further with more diversification. It would also allow us to host more events on the farm. Drawing customers to the farm is our key for success as it always results in a higher 'per sale' dollar amount. Being a pick your own berry farm, we do not attend farmers markets and our success depends on customers visiting

the farm. Currently, we don't sell fruit to wineries to produce wine because the price they pay per pound is only 20% of what my customers pay for the same fruit. If I can have a winery take that fruit and honey and convert it to a more valuable product that I can then sell, it would be a completely different story. We would plant even more fruit, add more beehives and hire additional help to maintain it all.

Freedom: On a purely philosophical level, any time you have the opportunity to give the residents and farmers of Kansas more freedom, you should do it. If a winery can purchase my fruit, turn it into wine and sell it at their location, why can't I sell the wine made with my fruit at my location?

Summary

- Berry season is very short. To be profitable, you must scale to a huge size and be prepared with your infrastructure and staff for that very short season.
- Diversifying your income stream is crucial. With one income stream (one crop) you are seriously exposed to catastrophic failure due to unpredictable issues like the weather.
- Year around sales. Providing products that customers want year around spreads out the sales and allows a more predictable income - along with many more opportunities. This is accomplished by adding value to your crops and making them shelf stable.
- Giving Kansans more freedom. If you want more of something, subsidize it. If you want less of something, tax it. Allowing the sales of Mead, Hard Cider and Fruit Wines made with our honey, apples and fruit, at our location is essentially allowing us to subsidize ourselves. It's a win for the state permit fees and sales taxes are collected and it requires zero expenditures from the state to accomplish. It's a win for us additional and more diverse products for us to sell resulting in more sales for us. Classic win/win and I believe this is a very easy 'yes' vote for you with no downside.

Again - thank you very much for your time and consideration and I urge you to vote in favor of this measure.

Spike Durkin Happy Valley Farm De Soto, KS