

MINUTES OF THE SENATE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairperson Steve Morris at 10:00 a.m. on February 11, 2000, in Room 423-S of the Capitol.

All members were present except: Senator David Corbin (E)

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

Conferees appearing before the committee:
Tom Tunnell, Kansas Grain and Feed Association
Ted Schultz, Mid Kansas Coop
Joe Lieber, Executive Vice President, Kansas Cooperative Council
Jamie Clover Adams, Secretary, Kansas Department of Agriculture

Others attending: (See Attached)

Senator Umbarger made a motion to approve the minutes of the February 10, 2000 meeting as submitted. Senator Biggs seconded. The motion carried.

Hearing on: **SB 564 - concerning grain storage; relating to public warehouses**

Tom Tunnell, Kansas Grain and Feed Association, testified in support of **SB 564**, which would allow the use of an irrevocable letter of credit in lieu of a bond for a grain warehouse license. This language would mirror language in the United States Public Warehouse Act regarding the use of an irrevocable letter of credit (Attachment 1).

Ted Schultz, Mid Kansas Coop, testified in support of **SB 564**, stating that the change brought about by this bill would allow Team Marketing Alliance, LLC, which combines several coop grain divisions into one entity, to continue to support and do business with Kansas Warehouse Division (Attachment 2).

Joe Lieber, Executive Vice President, Kansas Cooperative Council, testified in support of **SB 564** inasmuch as it will allow cooperatives and other organizations an opportunity to expand their business by allowing an irrevocable letter of credit instead of the bond as is currently required (Attachment 3).

Jamie Clover Adams, Secretary, Kansas Department of Agriculture, testified in support of **SB 564** so that public grain warehouses may continue to license with the state of Kansas when they use an irrevocable letter of credit instead of a bond (Attachment 4). At the present time those warehouses using the irrevocable letter of credit would have to license with the U. S. Department of Agriculture.

Senator Huelskamp made a motion to postpone consideration of his motion to amend **HB 2527** until March 15, 2000 at which time his motion would be given first consideration. Senator Biggs seconded. The motion carried.

Senator Downey made a motion to pass favorably **SB 564** as amended by changing the effective date to the Kansas Register. Senator Umbarger seconded. The motion carried.

The next meeting will be February 14, 2000.