

MINUTES OF THE HOUSE AGRICULTURE & NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairman Larry Powell at 9:00 a.m. on January 26, 2012, in Room 783 in the Docking State Office Building.

All members were present except:

Representative Michael Peterson (Unexcused)

Committee Staff Present:

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

Conferees appearing before the committee:

Gary Harshberger, Chairman, Kansas Water Authority
Tracy Streeter, Director, Kansas Water Office
Chris Wilson, Deputy Secretary, Kansas Department of Agriculture (Proponent)
Randy Stookey, Kansas Grain and Feed Association (Proponent)
Leslie Kaufman, Kansas Cooperative Council – (Proponent) – Written Testimony
Phillip Bradley – Kansas Viticulture and Farm Winery Association (Proponent) – Written
Testimony
Aaron Popelka, Kansas Livestock Association (Opponent)

Others attending:

See Attached List.

Chairman Powell welcomed the committee.

Chairman Powell welcomed Gary Harshberger, Chairman Kansas Water Authority. Chairman Harshberger presented the Kansas Water Authority's Annual Report to the Governor. The Water Authority is governed by the Governor's initiatives in Ogallala. We were assigned the Ogallala Aquifer Committee for the rest of this year and are proud of the work we have done thus far. Mr. Harshberger reviewed the bills that have been introduced thus far. These proposals are an important key to the Governor's package.

Reservoir issues are a major priority as they continue to be a source of concern. Algae blooms have affected dozens of reservoirs in Kansas, closing some of Kansas' most popular recreational

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destinations and impact our water supply. Reservoir concerns continue as we work to recover loss of storage to be sure our surface water issues can be met. He thanked the committee for their support.

Tracy Streeter, Director, Kansas Water office reviewed the budget. He reviewed the map reflecting Kansas Water Authority Members and pointed to the roster of advisory committee membership located on the next to the last page of the report.

Mr. Streeter reported that this has been a year of extremes between the drought and major floods. The state has been many levee breaches. It is a priority to get the levees restored and repaired since the floods. The Water Department has a March 1, 2012, goal to get return our pool levels back to normal. We have asked the core of engineers to create more flood storage in the upper levels.

Mr. Streeter discussed the budget. When we are fully funded it is \$21 to \$22 million per year. State general funds have been insufficient to meet all of its obligations. A state General Fund transfer has not been made now for the second year and is going on to its third, which is a concern to the Water Authority on an annual basis. Mr. Streeter reviewed expenditures.

Representative Powell opened the floor for hearings on **HB2503 amending the membership and responsibilities for certain agricultural boards and advisory bodies.**

Chris Wilson, Deputy Secretary, Department of Agriculture presented testimony in favor of **HB2503**. The bill amends provisions related to four advisory boards related to the Department of Agriculture. (Attachment 1)

Section 1 of the bill is regarding the Kansas agricultural remediation board (KARB). This board administers the agricultural remediation fund. Pesticide, fertilizer and grain storage business licensees in the state contribute to this fund along with license fees. The funds are used to provide assistance to anyone who contributes to the fund and who is required to remediate a contaminated site. Currently, the members of the board are appointed by the governor and are subject to senate confirmation.

The proposed change is to remove the requirement for Senate confirmation of the appointees which would continue to be appointed by the governor.

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Sections 2 & 3 of the bill concern the grape and wine industry advisory council. The Council was created by the Legislature to develop and recommend a long-term plan for financing continued programs for promotion, marketing, research, and extension in support of the Kansas Grape and Wine industry. When the agricultural marketing program returned to the Department of Agriculture the program staff met with the wine and grape industry advisory council and discussed plans and needs for the future. The Wine and Grape Council recommended they would like to have council continue in existence and that it would be appropriate to modify the membership of the council. The statute was created with the idea that it would not be a permanent council but would complete its work and then perhaps transition to an independent entity. For this reason a date is provided in the bill setting June 30, 2016, for the expiration of the Council.

Randy Stookey presented testimony on behalf of Kansas Grain & Feed Association as a proponent for **HB2503**. Members of their Associations represent agricultural businesses in Kansas who both pay into the fund (as custom fertilizer blenders, retailers of pesticide and fertilizer products, grain storage, and pesticide business licenses), and are potential recipients from the fund for remediation purposes. (Attachment 2)

Section 1 of **HB 2503** seeks to amend K.S.A. 2-3709 in order to allow Board nominees to be seated by direct appointment of the Governor without Senate confirmation. The intent is to encourage qualified candidates to apply for KARB positions by making the process a simpler and quicker process that is less expensive for both the appointees to the state.

Other boards and commissions do not require Senate confirmation, such as the Kansas Board of Healing Arts and the Kansas Grain and Feed Association Kansas Agribusiness Retailers Association. The Kansas Grain and Feed Association suggest that the Kansas Agricultural Remediation Board should be treated consistently.

Aaron Popelka, Vice President of the Legal and Governmental Affairs, Kansas Live Association presented testimony on behalf of the Kansas Livestock Association and the Kansas Dairy Association in opposition to **HB2503**. (Attachment 3)

It is the opinion of the Kansas Livestock Association that the continued existence of the Dairy Marketing Advisory Board is unnecessary. Rather than amend the statutes to change the duties

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of the Board, the organizations would support a repeal of K.S.A. 74-555 in its entirety, eliminating the Dairy Marketing Advisory Board.

Additionally, members have a shared concern that should a future administration be elected, less friendly to the agriculture industry than the Brownback Administration, the seats on the Board could be filled by industry representatives outside the views of the mainstream dairy.

For the foregoing reasons, it is the recommendation of the Kansas Livestock Association and the Kansas Dairy Association that **HB 2503** be amended so that it repeals K.S.A. 74-555, dissolving the Dairy Marketing Advisory Board.

Written testimony in support of **HB2503** was submitted by:

Leslie Kaufman, Kansas Cooperative Council (Proponent) -- (Attachment 4)

Phillip Bradley, Kansas Viticulture and Farm Winery Association (Proponent) –
(Attachment 5)

There being no further testimony on **HB 2503**, Chairman Powell closed the hearings.

Bill introductions:

Representative Powell introduced a bill that concerns Colorado/Kansas the way the money is split in that in the law there is a year if we take that year out it makes the law apply to settlement money. It is sort of a technical change to take that year out.

There being no objections the bill is introduced.

Chairman Powell announced the Committee would meet on Friday for possible action on bills.

Meeting adjourned at 9:55 a.m.