

MINUTES OF THE HOUSE COMMITTEE ON ENVIRONMENT.

The meeting was called to order by Chairperson Representative Joann Freeborn at 3:30 p.m. on March 20, 2003 in Room 231-N of the Capitol.

All members were present except: Representative Ted Powers - excused
Representative Bill Light - excused
Representative Donald Betts - excused

Committee staff present: Raney Gilliland, Legislative Research
Mary Torrence, Revisor of Statutes
Mary Ann Graham, Secretary

Conferees appearing before the committee: Professor Art Barnaby, Agricultural Economics Department, Kansas State University, Manhattan, KS 66506
Rebecca Davis, Director of the Topeka Regional Office, Risk Management Agency, United States Department of Agriculture, 3401 SW Van Buren, Topeka, KS 66611
Secretary Adrian Polansky, Kansas Department of Agriculture, 109 SW 9th Street, Topeka, KS 66612-2180
Janet McPherson, Assistant Director, KFB Governmental Relations, Kansas Farm Bureau, 2627 KFB Plaza, Manhattan, KS 66503-8508
Hank Ernst, Kansas Water Office, 901 SW Kansas Avenue, Topeka, KS 66612-1249
Representative John Faber, District 120
Steve Kearney, Southwest Kansas Irrigation Association, 922 W. Oklahoma, Ulysses, KS 67880

Others attending: See attached sheet

Chairperson Joann Freeborn called the meeting to order at 3:30 p.m. She welcomed twenty members of the Kansas Environmental Leadership Program (KELP) group in attendance today. They are visiting the Capitol today and attended the committee meeting to learn more about environmental issues and the political process.

The Chairperson announced that today's committee meeting could possibly be the final one of the session. If there is further business to discuss she may schedule a meeting at the rail.

The Chairperson brought the committee's attention to minutes for meetings of February 11, 13, and 18, that had been distributed in the last committee meeting for members to review. She asked if anyone wished to make a motion to approve or disapprove.

Rep. Gary Hayzlett made a motion the minutes for February 11, 13, and 18, be approved. Rep. Tom Sloan

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seconded the motion. Motion carried.

Chairperson Freeborn opened **SB155** for discussion and possible action.

SB155: Concerning waste tire accumulations.

Mary Torrence, Revisor of Statutes, distributed a corrected balloon to the bill. She reviewed the changes that had been made. (See attachment 1)

Rep. Dan Johnson made a motion to adopt the corrected balloon. Rep. Lee Tafaelli seconded the motion. Motion carried.

Mary Torrence, Revisor of Statutes, had made technical changes to the balloon.

Rep. Tom Sloan made a motion the technical language made by the Revisor of Statutes be adopted. Rep. Joshua Svaty seconded the motion. Motion carried.

Rep. Tom Sloan made a motion **SB155** be passed as amended. Rep. Larry Powell seconded the motion. Motion carried. Rep. Larry Powell will carry the bill on the House Floor.

Chairperson Freeborn opened hearing on **HCR5019**.

HCR5019: Urging the Risk Management Agency of the United States Department of Agriculture to assure that crop insurance policies do not require irrigation after crop failure has occurred.

The Chairperson welcomed Professor Art Barnaby, Agricultural Economics Department, Kansas State University. Professor Barnaby briefed the committee on the crop insurance program relating to Kansas farmers. Farmers who use their water allotment before the crop is mature because of drought conditions are not required to continue irrigation for insurance purposes.

Rebecca Davis, Director of the Topeka Regional Office for the Risk Management Agency of the United States Department of Agriculture, was welcomed to the committee. She provided information concerning crop insurance, which is a vital part of the Kansas agricultural community. In 2002, the Risk Management Agency (RMA) provided Kansas farmers over \$1.6 billion in protection through more than 129,000 policies covering 16.0 million acres of crops. In 2002, nearly \$445 million in losses were paid to producers. This is more than any other state in the nation. (See attachment 2)

Committee discussion followed.

The Chairperson welcomed Adrian Polansky, Secretary of the Kansas Department of Agriculture. He provided testimony in support of the resolution. Last summer the Department learned that some western Kansas farmers with failed, insured crops were told to keep irrigating until an adjuster could view the field. The high volume of claims made during and after wheat harvest caused adjusters to run several weeks behind

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schedule. Many producers were near their water appropriation limits and they did not want to over pump or waste water, especially when it was clearly too late for their crops to survive. Staff from the Department's division of water resources met with Risk Management Agency staff to explain that their directives were placing producers in violation of the Kansas Water Appropriation Act and wasting a precious natural resource. This month, staff again discussed this issue with staff from the Risk Management Agency and the Kansas Water Office, and with KSU Extension agronomists. Their plan is to help keep insurance companies up to date on drought conditions so they are prepared to make more timely crop assessments. (See attachment 3)

Janet McPherson, Kansas Farm Bureau, was welcomed to the committee. She testified in support of the resolution. American Farm Bureau Federation policy regarding crop insurance is expansive, and their members value crop insurance as a risk management tool in their operations. Kansas Farm Bureau supports the language and intent of the resolution and appreciates the committee's interest in this issue. (See attachment 4)

Hank Ernst, Kansas Water Office (KWO), was welcomed to the committee. He testified in support of the resolution. The Kansas Water Office is responsible for monitoring drought conditions in the state of Kansas and keeping the Governor and the Governor's Drought Response team apprised of those conditions. In addition, it is the KWO's responsibility to promote the goals and objectives of the Kansas Water Plan related to conservation and management of water. To help prevent unwarranted watering for insurance purposes this year, the Kansas Department of Agriculture and the KWO met March 6 with the Risk Management Agency. At the meeting, it was agreed that the Water Office, working in concert with the Kansas Department of Agriculture, the Kansas State University Extension agronomists and the Risk Management Agency, will provide an update on potential drought issues. In this way, insurance companies will be alerted to circumstances that could require fielding additional adjusters. (See attachment 5)

Chairperson Freeborn recognized Rep. John Faber. Rep. Faber introduced this resolution on March 11, 2003. He thanked the committee for the opportunity to present this resolution. He believes water is a concern to the state both for conservation and beneficial use. As the irrigation industry moves towards more efficient use of water in order to conserve as much as possible for future generations, we must encourage the federal government to also help in the conservation of water. It makes no sense for an industry in Western Kansas to waste both water and fuel on a crop that for all practical purposes is lost for any economic good and at the same time has to continue to spend \$3000/month in order to collect crop insurance. It would be one thing to pre-irrigate this land and there would not be as much waste. But the plants that are there are still utilizing water with no possibility of improving the yield. (See attachment 6)

The Chairperson welcomed Steve Kearney to the committee. He presented testimony on behalf Kirk Heger, Southwest Kansas Irrigation Association, in support of the resolution. Which, they feel is a very timely and necessary resolution. Many irrigated crops experienced a very negative situation in the growing season of 2002. This growing season was very unforgiving. Much of the crop was severely stressed early and even with full irrigation it was not able to fully recover. In most cases the crops were timely appraised by representatives of insurance companies. At the time of appraisal a decision must be made either to abandon the crop and accept the appraisal or continue normal production practices and take the crop to harvest and use the harvested production as the appraisal. (See attachment 7) Committee discussion followed.

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Written only was submitted by Greg Krissek, Director of Operations, Kansas Corn Growers Association, in support of the resolution. (See attachment 8)

The Chairperson recognized Rep. Sharon Schwartz. She explained a proposed amendment to the resolution. (See attachment 9)

Rep. Sharon Schwartz made a motion to adopt the proposed amendment (See attachment 9). Rep. Gary Hayzlett seconded the motion. Motion carried.

Rep. Gary Hayzlett made a motion the resolution be passed favorably as amended. Rep. Sharon Schwartz seconded the motion. Motion carried. Rep. John Faber will carry the resolution on the House Floor.

The meeting adjourned at 4:45 p.m. No further meetings have been scheduled at this time.