Approved: March 6, 2006

Date

MINUTES OF THE HOUSE AGRICULTURE COMMITTEE

The meeting was called to order by Chairman Dan Johnson at 3:30 p.m. on February 8, 2006, in Room 423-S of the Capitol.

All members were present except: Representative John Faber- excused

Committee staff present:

Raney Gilliland, Kansas Legislative Research Department Gordon Self, Revisor of Statutes Office Kay Scarlett, Committee Secretary

Conferees appearing before the committee:

Tim Stroda, President-CEO, Kansas Pork Association Dusti Fritz, Chief Executive Officer, Kansas Wheat Dana Hoffman, Producer Policy Specialist, Kansas Association of Wheat Growers Duane Simpson, Vice President of Government Relations, Kansas Agribusiness Retailers Association Jennifer Mathes, Bartlett, Kansas Paul Johnson, Kansas Catholic Conference Brad Harrelson, State Policy Director, Governmental Relations, Kansas Farm Bureau Chris Wilson, Director of Governmental Affairs, Kansas Seed Industry Association

Others attending:

See attached list.

Hearing and action on HR 6010 - Kansas Pork Association

Chairman Johnson opened the hearing on <u>HR 6010</u>.

Tim Stroda, President-CEO, Kansas Pork Association, appeared on behalf of the Association and the pork industry reporting on their 50 years of leadership working to help their members be a successful part of Kansas agriculture. The Kansas Pork Association is celebrating its 50th anniversary and will be commended on the floor of the House on February 20, 2006. (<u>Attachment 1</u>)

Chairman Johnson closed the hearing and opened the floor for discussion.

<u>Representative Dahl moved to make a correction to **HR 6010** on page 1, line 28. The word "soybean" should be plural. Seconded by Representative Gatewood, the motion carried.</u>

Representative Svaty moved to recommend **HR 6010**, as amended, favorably for adoption. Representative Miller seconded the motion. The motion carried.

Dusti Fritz, Chief Executive Officer, Kansas Wheat, reported that she and Dana Hoffman had just returned from the North American Grain Congress and the annual meeting of the three national wheat organizations in San Antonio. She said that biotech wheat was one of the center discussions at both of these meetings. The three national wheat organizations and their functions include U.S. Wheat Associates (USW), a market development and promotion organization that promotes the sale of U.S. wheat all around the world. The National Association of Wheat Growers (NAWG) works on capitol hill in Washington, D.C., for favorable domestic policies. The Wheat Export Trade Education Committee (WETEC) works on trade policy issues, educating the administration as well as members of congress on export trade agreements for wheat.

She reported that as of today, these three national wheat organizations have formed a Joint Biotechnology Committee and now have a unified Biotechnology Position Statement and Principles for Commercialization on biotech wheat. This is the first time they have had a unified position on an issue. She explained that it has not been easy finding a balance between bringing biotech traits to the wheat industry while preserving domestic and export markets for U. S. wheat. (Attachment 2)

CONTINUATION SHEET

MINUTES OF THE House Agriculture Committee at 3:30 p.m. on February 8, 2006, in Room 423-S of the Capitol.

Dana Hoffman, Producer Policy Specialist, Kansas Association of Wheat Growers, further explained that the boards of NAWG, WETEC and USW all approved a work plan for biotechnology acceptance issues, referred to as *The Road Forward: A Strategy for Commercializing Biotech Traits in Wheat While Preserving and Expanding Markets*. Under the plan, each organization was designated the lead on different proposed projects with the goal of working affirmatively toward commercialization of biotechnology in wheat. The Joint Biotechnology Committee has the responsibility of overseeing these activities and reporting to the three constituent boards on implementation, progress, and recommended adjustments. She reviewed the reports given at the meeting from the three national organizations on the work that has been done to this point.

Duane Simpson, Vice President of Government Relations, Kansas Agribusiness Retailers Association, gave a power point presentation explaining that the United States federal biotechnology regulatory system is a coordinated framework utilizing existing regulatory structure and laws. Three federal agencies regulate the commercialization of biotechnology products: U.S. Department of Agriculture, Environmental Protection Agency, and Food & Drug Administration. The framework is flexible and changes as technologies and needs evolve in accordance with experiences of the industry and agencies–new technologies, international activities, experience and scientific findings. He explained that these agencies operate programs in an integrated and coordinated fashion, when there is overlap one agency is identified as lead agency.

Mr. Simpson stated that states already are consulted by the regulatory agencies in regard to regulated articles released in their respective states with local considerations taken into account in the regulatory process. He believes federal regulation creates a consistent regulatory system in which the public of the United States is protected from any potential risks and allows industry to conduct business in a cost effective manner. He explained that state regulation would create different rules for different parts of the country, create additional costs to industry and consumers, stifle innovation and creation of new technology, and create barriers to trade between states. He noted that local application of federal regulatory laws is executed by both federal and state regulators. (Attachment 3)

Hearing on HB 2717 - Patent holder of transgenic wheat to notify the secretary of agriculture prior to sale of transgenic wheat.

Chairman Johnson opened the hearing on <u>HB 2717.</u> Staff briefed the committee on the bill. It was noted that the bill has a fiscal note of \$60,072.

Representative Joshua Svaty testified in support of **HB 2717**, introduced at his request. He explained that this bill only asks that the Secretary of Agriculture be notified prior to sale of any new varieties of transgenic wheat in the state and that notification be printed in the Kansas Register so that it is public information. He said his concern in introducing the bill was for foreign markets of Kansas wheat. (Attachment 4)

Jennifer Mathes, Bartlett, Kansas, testified in support of <u>HB 2717</u>. She feels this bill will prevent the untimely release of GMO wheat that could cause economic problems for farmers. She believes it is good policy that protects one of Kansas' major exported products. She later submitted a written response to the hearing on <u>HB 2717</u>. (Attachment 5)

Paul Johnson, Kansas Catholic Conference, appeared in support of <u>**HB 2717**</u>. He believes the information to accompany notification to the Secretary of Agriculture should include handling protocols to ensure that the transgenic wheat variety does not enter foreign countries that have not approved transgenic wheat for use. (<u>Attachment 6</u>)

Brad Harrelson, State Policy Director, Governmental Relations, Kansas Farm Bureau, testified in opposition to <u>HB 2717</u>. Farm Bureau policy supports the responsible research, peer-review, market acceptance, and production of seed/crops enhanced through biotechnology. They believe the rigorous approval process required by EPA and FDA is appropriate, and upon successful completion of this review, market driven introduction of transgenic wheat should be allowed, provided it does not unduly disrupt the production or marketing of non-GMO wheat. KFB believes that current law provides significant protections for the integrity of, and ability to sell, seed in Kansas. (Attachment 7)

CONTINUATION SHEET

MINUTES OF THE House Agriculture Committee at 3:30 p.m. on February 8, 2006, in Room 423-S of the Capitol.

Duane Simpson, Vice President of Government Relations, Kansas Agribusiness Retailers Association, appeared in opposition to <u>HB 2717</u>. He stated that despite strong federal oversight of the biotech industry, this bill would set apart wheat seed for additional state regulation, treating genetically modified wheat seed differently than any other genetically modified seed. Much of what this bill requires is currently done under federal law. He noted that Kansas wants to be a leader in biotechnology. The Kansas Economic Growth Act and the creation of the Kansas Bioscience Authority are attempts to make Kansas more competitive in biotechnology. Kansas is well positioned to take advantage of that legislation because of Kansas State University and agriculture biotech research facilities in our state and region. Kansas cannot afford to be seen as hostile to biotechnology and wheat biotechnology in particular. (Attachment 8)

Dana Hoffman, Producer Policy Specialist, Kansas Association of Wheat Growers, testified in opposition to **HB 2717**. She urged the committee to defeat this bill in order to maintain a consistent federal system of regulation, enable Kansas wheat producers to utilize a modern production tool, and to maintain a high level of expertise in wheat research in the state. (Attachment 9)

Chris Wilson, Director of Governmental Affairs, Kansas Seed Industry Association, submitted written testimony in opposition of <u>HB 2717</u> to assure that regulation of biotechnology wheat is consistent with other biotechnology crops in Kansas and the United States. She reported that biotechnology wheat seed is being tested in Kansas pursuant to the existing regulatory system and promises to offer significant advantages to wheat growers. She noted that no transgenic wheat seed is available for sale at this time. (Attachment 10)

Chairman Johnson closed the hearing on HB 2717.

The meeting adjourned at 5:33 p.m. The next meeting of the House Agriculture Committee is scheduled for February 13, 2006.