

MINUTES OF THE SENATE COMMITTEE ON AGRICULTURE.

The meeting was called to order by Chairperson Steve Morris at 10:00 a.m. on February 7, 2000, in Room 423-S of the Capitol.

All members were present except:

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

Conferees appearing before the committee:

Senator Harry Stephens  
Ivan Wyatt, President, Kansas Farmers Union  
Mike Schultz, Chairman, Kansas Cattlemen's Association  
Representative Dennis McKinney  
Mike Callicrate, Cattlemen's Legal Fund  
Elroy Heim, Cattle Business  
Bill Fuller, Associate Director, Public Policy Division, Kansas Farm Bureau  
Mike Jensen, Executive Vice-President, Kansas Pork Producers Council  
Dee Likes, Executive Vice President, Kansas Livestock Association

Others attending:       (See Attached)

Senator Stephens made a motion to approve the minutes of the February 4, 2000 meeting as submitted. Senator Huelskamp seconded. The motion carried.

Hearing on:       **SB 494 - concerning livestock, enacting the competitive livestock markets act; prohibiting certain acts and prescribing certain penalties**

Senator Harry Stephens testified in support of **SB 494**, which is intended to prohibit any packer of 5,000 animal units or more from engaging in unfair or deceptive practices (Attachment 1).

Ivan Wyatt, President, Kansas Farmers Union, provided testimony in support of **SB 494**, stating that when Kansas producers are denied the opportunity to receive fair market value for his or her production because of non-competitive activities in the market, all of Kansas economy suffers (Attachment 2).

Mike Schultz, Chairman, Kansas Cattlemen's Association, testified in support of **SB 494**, advising that this bill is to protect producers from what is happening to them by the monopolistic powers of the packing industry that exist today (Attachment 3).

Representative Dennis McKinney appeared in support of **SB 494** (Attachment 4). Representative McKinney stated that **SB 494** takes key portions of the Packers and Stockyards Act and places them in Kansas law. Such action would allow the Kansas Attorney General to enforce the same legal principles designed to preserve competition and discourage abuse of market power. Representative McKinney recommended an amendment to strike the words on page 2 of the bill "any live poultry dealer, stockyard owner, market agency, and dealer", inasmuch as he does not believe these businesses are a source of contention at this time.

Mike Callicrate, Cattlemen's Legal Fund, provided written testimony in support of **SB 494** (Attachment 5).

Elroy Heim testified in support of **SB 494**, stating that he would encourage this legislation to allow for treble damages, fines and payment of attorney's fees (Attachment 6).

Written testimony in support of **SB 494** was provided by Herman Schumacher, Herried, South Dakota

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON AGRICULTURE, Room 423-S of the Capitol, 10:00 a.m., on February 7, 2000.

([Attachment 7](#)) and David Pfrang, a member of Kansas Livestock Association, ([Attachment 8](#)).

Bill Fuller, Associate Director, Public Policy Division, Kansas Farm Bureau, testified in opposition to **SB 494**, stating Kansas Farm Bureau members support other specific initiatives to help the farm economy ([Attachment 9](#)). Mr. Fuller advised the Farm Bureau membership has made numerous recommendations and is currently working with the U.S. Congress calling for action by the Departments of Justice and Agriculture.

Mike Jensen, Executive Vice-President, Kansas Pork Producers Council, provided testimony in opposition to **SB 494**, stating that this problem should be handled at the federal level ([Attachment 10](#)).

Dee Likes, Executive Vice President, Kansas Livestock Association, provided written testimony in opposition to **SB 494** inasmuch as charging the Kansas Attorney General with almost the exact same responsibilities as the Grain Inspection Packers and Stockyards Administration is already charged with enforcing will not provide benefit or change for the better the cattle marketing losses of recent years ([Attachment 11](#)).

Written testimony in opposition to **SB 494** was distributed from Farmland National Beef ([Attachment 12](#)) and U.S. Premium Beef ([Attachment 13](#)).

After questions from committee members, the hearing on **SB 494** was closed.

The next meeting will be February 8, 2000.