

HOUSE BILL No. 2404

By Committee on Taxation

3-18

1 AN ACT concerning agricultural corporations; amending K.S.A. 2012
2 Supp. 17-5903 and 19-101a and repealing the existing sections; also
3 repealing K.S.A. 17-5902 and K.S.A. 2012 Supp. 17-5904, 17-5907
4 and 17-5908.
5

6 *Be it enacted by the Legislature of the State of Kansas:*

7 New Section 1. (a) Any agricultural business entity, as defined in
8 K.S.A. 17-5903, and amendments thereto, may conduct agricultural
9 business and establish agricultural operations anywhere in the state.

10 (b) This section shall be part of and supplemental to article 59 of
11 chapter 17 of the Kansas Statutes Annotated, and amendments thereto.

12 Sec. 2. K.S.A. 2012 Supp. 17-5903 is hereby amended to read as
13 follows: 17-5903. As used in this ~~act~~ section:

14 (a) "Agricultural business entity" means a corporation, nonprofit
15 corporation, limited partnership, limited agricultural partnership,
16 corporate partnership, family farm corporation, authorized farm
17 corporation, trust, family trust, authorized trust, testamentary trust,
18 limited liability company, limited liability agricultural company and
19 family farm limited liability agricultural company.

20 (b) "Corporation" means a domestic or foreign corporation
21 organized for profit or nonprofit purposes.

22 (c) "Nonprofit corporation" means a corporation organized not-
23 for-profit and which qualifies under section 501(c)(3) of the federal
24 internal revenue code of 1986 as amended.

25 (d) "Limited partnership" has the meaning provided by K.S.A. 56-
26 1a01, and amendments thereto.

27 (e) "Limited agricultural partnership" means a limited partnership
28 founded for the purpose of farming and ownership of agricultural land in
29 which:

30 ~~(1) The partners do not exceed 10 in number;~~

31 ~~(2) the partners are all natural persons, persons acting in a fiduciary~~
32 ~~capacity for the benefit of natural persons or nonprofit corporations, or~~
33 ~~general partnerships other than corporate partnerships formed under the~~
34 ~~laws of the state of Kansas; and~~

35 ~~(3) at least one of the general partners is a person residing on the farm~~
36 ~~or actively engaged in the labor or management of the farming operation.~~

Except as provided
in section 2, K.S.A.
17-5907 and
17-5908, and
amendments
thereto,

New Section 2:

(a) (1) The board of county commissioners, by resolution, may permit or deny a poultry confinement facility, as defined in K.S.A. 17-5903, and amendments thereto, to be established within the county by a corporation, trust, limited liability company, limited partnership or corporate partnership. Such resolution shall be published once each week for two consecutive weeks in the official county newspaper. The resolution shall take effect 60 days after final publication unless a valid petition in opposition to the same is filed.

(2) If within 60 days of the final publication of the resolution, a valid protest petition to submit the resolution to the qualified voters of the county is signed by qualified electors of the county equal in number to not less than 5% of the electors of the county who voted for the office of secretary of state at the last preceding general election at which such office was elected and is filed with the county election officer, the county election officer shall submit the question, as established in subsection (c), of whether a poultry confinement facility shall be allowed to be established in such county at the next state, county or special election.

(b) (1) The board of county commissioners, upon a petition filed in accordance with paragraph (b)(2), shall submit to the qualified electors of the county a proposition to permit a poultry confinement facility, as defined in K.S.A. 17-5903, and amendments thereto, to be established within the county by a corporation, trust, limited liability company, limited partnership or corporate partnership.

(2) A petition to submit a proposition to the qualified voters of a county pursuant to this section shall be filed with the county election officer. The petition shall be signed by qualified electors of the county equal in number to not less than 5% of the electors of the county who voted for the office of secretary of state at the last preceding general election at which such office was elected. The following shall appear on the petition: "We request an election to determine whether a corporation, trust, limited liability company, limited partnership or corporate partnership shall be allowed to, either directly or indirectly, own, acquire or otherwise obtain or lease any agricultural land in _____ county for the purpose of establishing a poultry confinement facility."

(3) Upon the submission of a valid petition calling for an election pursuant to this subsection, the county election officer shall submit the question, as established in subsection (c), of whether a poultry confinement facility shall be allowed to be established in such county at the next countywide election which occurs more than 60 days after the petition is filed with the county election officer.

(c) In any election established pursuant to this section, the following shall appear on the ballot:

"Shall a corporation, trust, limited liability company, limited partnership or corporate partnership be allowed to, either directly or indirectly, own, acquire or otherwise obtain or lease any agricultural land in _____ county for the purpose of establishing a poultry facility?"

(d) If a majority of the votes cast and counted are in opposition to allowing poultry confinement facilities to be established in such county, the county election officer shall transmit a copy of the result to the secretary of state who shall publish in the Kansas register the result of such election and that poultry confinement facilities are not

allowed to be established in such county.

(e) If a majority of the votes cast and counted is in favor of the proposition, the county election officer shall transmit a copy of the result to the secretary of state who shall publish in the Kansas register the result of such election and that poultry confinement facilities are allowed to be established in such county.

(f) The election provided for by this section shall be conducted, and the votes counted and canvassed, in the manner provided by law for question submitted elections of the county.