



**Kansas Grain & Feed Association
Kansas Agribusiness Retailers Association
Renew Kansas Association**

April 2, 2018

To: Senate Committee on Federal and State Affairs
From: Randy Stookey, Senior Vice President & General Counsel
RE: **Testimony in Support of House Bill 2526, requiring agencies to report on the impact regulations will have on business**

Chairman Estes and members of the Senate Committee on Federal and State Affairs, thank you for the opportunity to testify in support of House Bill 2526. This testimony is being submitted jointly by the Kansas Grain and Feed Association (KGFA), the Kansas Agribusiness Retailers Association (KARA), and Renew Kansas.

KGFA is the state association of the grain receiving, storage, processing and shipping industry in Kansas. KGFA's membership represents 99% of the commercially licensed grain storage in the state. KARA is a trade association of over 700 agribusiness firms that supply fertilizers, crop protection products, seed, petroleum products, and agronomic services to Kansas farmers. Renew Kansas is the trade association of the Kansas ethanol processing industry.

Members of our associations operate in heavily-regulated industries. While we agree that most regulations serve a valid purpose, the cost of compliance for regulated industries can be very high. The economic impact of proposed regulations is something that must be analyzed carefully. Therefore, House Bill 2526 is of interest to our members.

This Bill would make positive changes to the Kansas Rules and Regulations Filing Act by requiring state agencies to perform a number of steps before proposing a rule or regulation. Modeled after Wisconsin's REINS Act, agencies must research potential costs of a proposed regulation on industry, and consult with and solicit information from regulated businesses, business associations, local governmental units, state agencies or institutions, and members of the public that may be affected by the proposed regulations.

Additionally, the state budget director would be required to approve the agency's economic impact statement. As drafted, regulations that would create a fiscal impact of \$5 million or more, over two years, would require additional process to adopt in order to ensure that industry has been consulted, and that there is not a less costly approach to satisfying the legislative intent in the act.

House Bill 2526 was passed by the House on a solid vote of 96-26. As this legislation would provide procedural protections to regulated industries from onerous regulations that are too often hurried through the regulatory process, and would promote fairness and due process, our associations stand in strong support of the bill.

We respectfully request that the committee work and pass it out favorably House Bill 2526. Thank you for allowing us to testify on the bill, and we will stand for questions at the appropriate time.