

April 2, 2018

Chairman Estes and members of the Senate Federal and Affairs Committee:

Thank you for the opportunity to submit written testimony from the Kansas Soybean Association (KSA) in support of H.B. 2526, requiring state agencies to report on the impact proposed rules and regulations will have on Kansas businesses before their approval.

Kansas was the tenth ranked state for soybean production at 189 million bushels in 2017. The Kansas Department of Agriculture (KDA) reports that oilseeds, mainly soybean, in Kansas have a direct output of more than \$1.28 billion and provide 1,079 jobs in the state. Soybean meal is a major ingredient in livestock feeds. Kansas has more than 2.2 million cattle and 1.8 million hogs, according to the KDA, and now anticipates a growing poultry industry.

Kansas soybean farmers, however, face many challenges in sustaining and increasing their profitability. Falling soybean prices and rising expenses are making for incredibly thin margins. Soybean farmers operate in heavily-regulated industries and while we agree that regulations may serve a sound purpose, the cost to comply can be high. The KSA feels that H.B. 2526 could reduce the cost of doing business which should translate into higher prices for grain or lower prices for inputs for the farmers.

H.B. 2526 would require agencies to research the potential costs of proposed rules or regulations to businesses before they are submitted to the Kansas Legislature and consult with and solicit information from regulated businesses, business associations, local government units, and members of the public that may be impacted by the proposed rules and regulations.

H.B. 2526 passed the Kansas House 96-26. The KSA strongly supports this measure and respectfully requests that you vote to recommend it for passage.

Respectfully submitted,

Lucas Heinen, President

Everest, Kansas