

MINUTES OF THE SENATE AGRICULTURE

The meeting was called to order by Chairman Mark Taddiken at 8:30 a. m. on February 8, 2006 in Room 423-S of the Capitol.

All members were present.

Committee staff present:

Raney Gilliland, Kansas Legislative Research
Lisa Montgomery, Office of Revisor of Statutes
Judy Seitz, Committee Secretary

Conferees appearing before the Committee:

Others attending:

See attached list.

Chairman Taddiken welcomed the 2006 Class of Tomorrow's Agribusiness Leaders as visitors to the meeting.

Discussion continued on **SB 388—Establishing the Kansas qualified biodiesel fuel producer incentive fund**. A copy of **SB 388** with changes was distributed (Attachment 1). There was discussion on when to put the money into the program. The Chairman has a motion pending changing the date the money is transferred from July 1, 2007 to April 1, 2007. Further discussion on the date of the transfer of funds and the amount to be transferred was held.

Chairman Taddiken withdrew the original motion. Senator Pine withdrew his second.

The Chairman then made a motion to put \$437,500 in the Fund on April 1, 2007, increasing to \$875,000 each quarter starting July 1, 2007. Motion seconded by Senator Pine. Motion passed. Further discussion followed.

Chairman Taddiken called attention to two handouts from the Kansas Department of Transportation (KDOT). One handout showed Kansas motor fuel tax receipts and distributions currently and with the enactment of **SB 388** (Attachments 2 and 3).

Senator Schmidt moved to amend the bill so that 100% of the fiscal impact of the bill would be taken from the state's share of the motor fuel tax receipts. Motion seconded by Senator Morris. Motion passed.

Chairman Taddiken made a motion to change the date on page two, line 10 from 2015 to 2016. Motion seconded by Senator Pine. Motion passed.

Senator Morris moved to pass **SB 388** with amendments. Motion seconded by Senator Bruce. Motion passed. Chairman Taddiken stated that **SB 388** is passed out of Committee favorably as amended.

Mr. Gilliland provided a handout (Attachment 4) which shows the bills referred to the Senate Committee on Agriculture from the Select Joint Committee on Energy.

The Committee then turned its attention to **SB 389—Concerning income taxation; relating to credits; biofuels mixing facility**. This bill also has been referred to the Assessment and Taxation Committee.

The Chairman said there was discussion in the Select Joint Committee on Energy on distribution of the fuel. This bill also would make terminals eligible for tax credits. The fiscal note on **SB 389** shows the state would receive \$480,000 less. Further discussion was held on definitions of various terms in the bill.

Chairman Taddiken said hearings on **SB 389** would continue at the next meeting. He asked the Committee if there is support for the concept of the bill. He asked Committee members to let him know of any bills they would like to hear.

The meeting was adjourned at 9:28 a.m. The next meeting will be probably be Monday, February 13.