

MINUTES OF THE SENATE COMMITTEE ON AGRICULTURE

The meeting was called to order by Chairman Mark Taddiken at 8:30 A.M. on January 26, 2005 in Room 423-S of the Capitol.

Committee members absent: Derek Schmidt- excused

Committee staff present: Raney Gilliland, Kansas Legislative Research
Lisa Montgomery, Office of Revisor of Statues
Jacqui Jones, Committee Secretary

Conferees appearing before the committee: Patty Clark, Director of Agriculture Marketing, Kansas
Department of Commerce
Dr. Evan Sumner, Director, Division of Food Safety, Kansas
Department of Agriculture

Others attending: See Attached List

Chairman Taddiken opened the meeting by asking for any Bill introductions. There being none, he then invited Patty Clark, Director of the Agriculture Marketing Division of the Kansas Department of Commerce (DOC) to give the Annual Report of the Division to the Committee members.

A packet of information from DOC was distributed to members of the Committee and is on file in the Legislative Research Department. A copy of her testimony is enclosed (See attachment #1)

Ms. Clark indicated that the Division has:

- 1) Collaborated with the Division of Travel and Tourism to develop and implement Kansas Agritourism;
- 2) A partnership with KSU on the Ag Innovation Center;
- 3) Works with the Kansas Department of Agriculture to foster growth in the Kansas wine and grape industry; and
- 4) Continues coordination of advancing export markets with the Trade Development Division.

The Director mentioned that the demand for loans and grants is increasing. Details of which are noted in Attachment 1.

The conferee noted that the Kansas Department of Agriculture joined forces with the Division during the Kansas State Fair to host the first Great Kansas Grape Stomp competition and a People's Choice Wine Judging & Cheese Tasting event. That created good publicity for the wine industry. With the anticipated expansion of Kansas wine industry in the next five years, some statutory changes in the Kansas Farm Winery laws are being sought.

These changes will include:

- 1) increasing the production cap from 50,000 to 250,000 gallons per winery;
- 2) allowing the sampling of wine in retail stores as well as farm wineries; and,
- 3) increasing the number of retail outlets each farm winery is allowed from three to five.

Ms. Clark mentioned the cooperation between the Division staff and financial resources with those of Travel and Tourism Division to launch the Kansas Agritourism Initiative during 2004. The best Agritourism consultant in North America, Jane Eckert, has been hired, and during 2004 she conducted two, well-attended workshops in Emporia and Hays in April. The Chairman requested that a copy of Ms. Eckert's book *Growing Agritourism in Kansas: Starter Manual* be sent to members of the Committee. The Agritourism Advisory Council was formed to help strategize the growth of this industry and serve as a precursor to an association. More regional workshops will be offered and a regional marketing, and e-mail newsletter and a new website will be available.

The Ag Innovation Center at KSU continues its work with the Division and is now in year two of a two-year project that includes market development and analysis, bridge management, business planning, engineering assistance, and product development. The Department of Commerce has introduced new and existing Commerce clients to the center and helped prioritize the Center's work.

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Funding and technical assistance has been provided in the Industrial Ag area. There have been bridge loans and feasibility studies funded by the Division for various ethanol projects in Kansas. The Agriculture Marketing Division provides additional staffing to the Kansas Energy Council. The division continues to seek out and fund small-scale and community based renewable energy projects.

An Ethanol Awareness campaign has been launched between state employees and agencies reminding them that all state-owned and rental vehicles should be using an ethanol blend when the price differential to regular gasoline is ten cents or less.

Technical assistance is provided to clients, suggesting language for marketing agreements and formal business partnerships. Coordination of interactions and inquiries between regulatory agencies (KDHE and KDA) on behalf of Division clients is provided. Assistance is provided in the creation of websites, brochures, product label designs and advertising materials.

Marketing the "From the Land of Kansas" (FLOK) trademark program continues with more than 360 members benefitting. The Division anticipates funds will be depleted from the Trade Show Assistance Grants and Business Enhancement Grants by February or March. They are working with the Kansas Sampler Festival to help underwrite the cost of FLOK companies to attend and participate in that event. Funding has been provided for the "Buy Local, Buy Fresh" campaign to increase public awareness of nutritional and economic impact of purchasing foods from farmers markets.

The Division feels that joint venturing will continue to strengthen as they bring additional resources to the table from the Community Development Division. Other programs mentioned by the Director were:

- 1) Main Street Program; and
 - 2) Rural Business Development Tax Credit Program and Kansas Center for Entrepreneurship
- that would boost agritourism in the state.

Director Clark then stood for questions. After fielding questions from the Committee members Chairman Taddiken thanked Ms. Clark for her report.

Chairman Taddiken welcomed Dr. Evan Sumner, Director of the Division of Food Safety, Kansas Department of Agriculture (KDA).

Dr. Sumner presented distributed his testimony to Committee members and other interested parties. (See Attachment 2)

Dr. Sumner explained that in January 2004, Governor Sebelius signed Executive Reorganization Order No. 32 transferring powers, duties and functions relating to licensing, inspecting and regulating mobile retail ice cream vendors, retail food stores, food service establishments in retail food stores, food vending machines, companies and dealers, and food processing plants from the Department of Health and Environment (KDHE) to KDA.

Substitute SB-296 was passed in 2004 requiring KDA to create a statistically based random selection of 1,000 retail stores to inspect and that the results be evaluated and documented as baseline compliance for this transferred program. The results of these inspections are to be reported to both House and Senate Agriculture Committees by January 31, 2006.

Details of the Program Transition and Baseline Inspection are set out in the testimony presented in Attachment 2.

The baseline included five foodborne illness risk factors identified by the *Centers for Disease Control and Prevention (CDC) Surveillance Report for 1988-92*. These five contributing foodborne illness risk factors were identified in the *FDA Report on the Occurrence of Foodborne Illness Risk Factors in Selected Institutional Foodservice, Restaurants and Retail Food Store Facility Types (2004)*.

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A listing of risk factors and the formula used was included in the attached testimony as well as a comparison chart to show the percentage of compliance by the food service and retail food establishments inspected (A total of 386 establishments) as well as an acceptable compliance rate.

After Dr. Sumner gave his report, he stood for questions.

A written report from the Kansas Department of Agriculture on the Grain Commodity Commissions Election Update was submitted to the committee (See Attachment 3).

The meeting adjourned at 9:30 a.m.

The next meeting is scheduled for February 1, 2005.