

MINUTES OF THE SENATE AGRICULTURE

The meeting was called to order by Chairman Mark Taddiken at 8:30 a.m. on February 21, 2006 in Room 423-S of the Capitol.

All members were present except:
Tim Huelskamp- excused

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

Conferees appearing before the Committee:

Others attending:
See attached list.

Chairman Taddiken noted the minutes for February 13, 14 and 15 meetings were distributed and which will be acted upon later.

Chairman Taddiken said that **SB 393--Tax exemptions and credits for production of biodiesel fuel** - has been sent to an exempt committee so that it could have continued work done on it.

Discussion on **SB 389--Concerning income taxation; relating to credits; biofuels mixing facility** was held.

A balloon for **SB 389** (Attachment 1) was distributed to Committee members. Chairman Taddiken asked Jere White, Kansas Corn Growers Association, to give a definition of biodiesel. Mr. White said the definition of ethanol is denatured fuel ethanol that meets ASTM 4806-99. Senator Bruce made a motion to adopt the definition of ethanol and make it a separate subsection in the bill. Motion seconded by Senator Pine. Motion passed.

Senator Lee moved on page 1 Sec. 1 (a) to go back to the original language, but in line 19 delete \$160,000 and add \$200,000 not to exceed \$2,000,000 in a fiscal year; add a definition for ethanol and biodiesel, make the bill apply to only new tanks and on page 2, Sec. 1 (d)(2) line 9 add after engines "prior to delivery to a retail facility." The sections would be renumbered accordingly. Senator Francisco seconded the motion. Motion passed.

Senator Schmidt moved to adopt the full balloon to **SB 389**. Senator Pine seconded the motion. Motion passed.

Senator Schmidt moved to pass **SB 389** with all amendments, seconded by Senator Pine. Motion passed.

SB 389 will be reported as be passed with amendments.

SB 542--Creation of equine industry research and promotion board was discussed.

Chairman Taddiken asked Chris Wilson, Kansas Horse Council, to review suggested amendments to the bill (Attachment 2).

Jo Turner, Kansas Horse Council, answered questions from the Committee.

Further discussion was held.

Staff said the bill would need a technical clean-up.

Senator Pine moved a change in Page 4, Sec. 7, lines 15 and 16 as follows: "The board shall report annually to their respective equine industry members, the secretary and house and senate agriculture committees of

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the Kansas legislature. Such annual report shall include details of commission projects, programs and supported research including expenditures and the results of an annual audit performed by a person or entity that is a certified public accountant.” Senator Ostmeyer seconded the motion; motion passed.

Chairman Taddiken moved that staff have authority to do a technical cleanup on the balloon and to strike the definition of qualified industry organization on page 1, lines 21 and 23. Motion seconded by Senator Schmidt. Motion passed.

Senator Schmidt made a motion to strike Sec. 6, (a) from the bill. Senator Pine seconded the motion. Motion passed.

Senator Schmidt moved to strike “the board may establish an alternative means of collecting the assessment if another means is found to be more effective and efficient” on page 4, Sec. 6 (b) lines 10 and 11; strike “shall” and replace with *may* in line 12; staff will make technical changes necessary for the remaining language in the bill to reflect the assessment not applying to manufacturers producing less than 188 tons of commercial feeding stuff. Seconded by Senator Pine. Motion passed.

Senator Morris moved the adoption of the remainder of the balloon that has not been adopted previously. Senator Bruce seconded the motion. Motion passed.

Further discussion on **SB 542** was held.

Senator Schmidt moved that “rules and regulations” be deleted and changed to “*procedures.*” Motion seconded by Senator Morris. Motion passed.

Senator Bruce made a motion to pass the bill out without recommendation. Motion was seconded by Senator Morris. Motion passed.

Senator Schmidt made a motion to approve the minutes of the February 14, 15, and 15 (at the rail.) Senator Pine seconded the motion. Motion passed.

Meeting adjourned at 9:30 a.m.

The next meeting will be held on March 1.