

Kansas Grain and Feed Association Kansas Agribusiness Retailers Association Renew Kansas Biofuels Association 785.220.5211 | <u>Randy@Kansasag.org</u>

February 15, 2023

- To: Senate Committee on Agriculture and Natural Resources
- From: Randy Stookey, Senior Vice President & General Counsel, Renew Kansas, KGFA, KARA
- Re: Joint Proponent Testimony on Senate Bill 71, requiring the secretary of agriculture to establish a division of sustainable agriculture that shall apply for federal grant funds under the greenhouse gas reduction fund to assist farmers in converting to renewable energy and sustainable agriculture practices.

Chairman Kerschen and members of the committee, thank you for the opportunity to provide testimony in support of Senate Bill 71. This testimony is submitted jointly on behalf of Kansas Grain and Feed Association (KGFA), Kansas Agribusiness Retailers Association (KARA), and Renew Kansas Biofuels Association (Renew Kansas).

KGFA is the state association of the grain receiving, storage, processing, and shipping industry in Kansas. KGFA's membership includes over 900 Kansas business locations and represents 99% of the commercially licensed grain storage in the state. KARA is an agribusiness industry trade association whose membership includes over 700 companies across Kansas. Renew Kansas is the trade association of the Kansas biofuels processing industry.

Our member grain elevators, biofuel processing plants, and agribusiness facilities contribute to the Kansas economy and provide gainful employment at livable wages for thousands of Kansans across the state. These industries function as good corporate citizens, paying millions of dollars in property taxes annually in support of schools and local government.

Senate Bill 71 would direct the Kansas Secretary of Agriculture to establish a division of sustainable agriculture to apply for grant funds and financial assistance from the federal greenhouse gas reduction fund. These funds would be available for renewable energy production, including the construction of renewable natural gas plants and sustainable ammonia or urea plants. We stand in support of this measure that would benefit agribusiness and rural Kansas, and would request the following amendment to the bill:

Section 1. (a) (1) "Renewable natural gas plant" means a facility that converts agricultural commodities, agricultural waste, and agricultural byproducts to methane.

Sec. 2. This act shall take effect and be in force from and after its publication in the Kansas register <u>and will apply to any facility commissioned after January 1, 2023.</u>

Thank you for allowing us the opportunity to testify in support of Senate Bill 71. We respectfully request that the committee amend the bill as set forth in our testimony, and pass the bill out favorably as amended.