

# Kansas Agricultural Aviation Association

## Views on HB 2050

Steve Hitchcock, KAAA Government Affairs

Senate Agriculture Committee Hearing – March 12, 2013

### Members of the Committee:

Aerial applicators are active in support of production agriculture in almost every Kansas county. Most of these aerial application businesses are Kansas-owned and Kansas-run. They provide timely, effective, and safe control of insects, fungi, disease, and weeds in all of Kansas' major crops and of unwanted brush and invasive plants in Kansas pastures. They also provide seeding and fertilizing services for especially challenging acreages or conditions. In short, they are an integral part of Kansas agriculture and the economic health of agricultural aviation is tied to the health of this key Kansas economic sector. Drought has hit aerial applicators hard this past season – we are concerned about adding any other burdens or unintended hurdles to their operations.

Aerial applicators have the unique privilege of being under the regulatory jurisdiction of the FAA, EPA, and USDA in addition to the Kansas Department of Agriculture. They understand the need for necessary regulations and burdens of unnecessary or poorly designed regulations.

We understand the need to adjust the minimums on liability insurance coverage and even recognize the applicability of increased minimums to letters of credit, surety bonds, and escrow accounts. We do not understand, however, the need to eliminate those categories of proving financial responsibility.

Most of our members utilize liability insurance to satisfy financial responsibility requirements for their licensing under the KDA, but some prefer the other methods of meeting that requirement. We see no pressing need to eliminate these options for these small Kansas businesses.

- Options other than insurance help to keep the market competitive and rates more reasonable – a benefit to all of our operators and their customers.
- The agricultural aviation industry in Kansas has proven to be financially responsible.
- The number and average size of claims don't merit a change in policy.

Eliminating these options from Sec. 2 of K.S.A. 2-2448 as provided on pages 4 and 5 of HB 2050 is not a necessary or prudent change in the law governing these applicators.

Thank you for your consideration.