

Kansas Agribusiness Retailers Association

816 SW Tyler, Topeka, Kansas 66612

Date: February 14, 2018

To: Senate Committee on Agriculture and Natural Resources

From: Randy Stookey, SVP, General Counsel, Kansas Agribusiness Retailers Association

RE: Neutral Testimony with Concerns in Part on SB 287, regarding agriculture.

Chairman Kerschen and members of the committee, thank you for the opportunity to comment today on Senate Bill 287. This neutral testimony, with qualified concerns, is submitted on the behalf of the Kansas Agribusiness Retailers Association (KARA).

KARA is a voluntary trade association whose membership includes over 700 agribusiness firms in Kansas that are primarily retail facilities supplying fertilizers, crop protection chemicals, and seed to farmers.

Many of KARA's members are agricultural pesticide application businesses that hire certified commercial pesticide applicators and technicians. Thus, this bill is of interest to our association.

As drafted, Section 2 of SB 287 would amend the Kansas pesticide law to require payment of a late fee by any pesticide application business which fails to timely renew its license annually.

KDA's stated reason for requesting the late fee is to discourage untimely renewals or failure to renew, as this creates extra work and costs on the agency. We would agree that some form of a late fee assessment for this purpose may be appropriate. However, a 40% late fee, as proposed, seems excessive given the overall base cost of the license fee.

For this reason, we would suggest lowering the proposed late fee from the proposed amount, down to 25%. A 25% late fee would be more reasonable, would serve as a deterrent to renewing late, and would not unduly burden the licensee.

Thank you for your time. I have attached a proposed amendment to this testimony, and will stand for questions at the appropriate time.

SB 287 -- Proposed amendment:

New Section 2. K.S.A. 2017 Supp. 2-2440 is hereby amended to read as follows: 2-2440.

. . .

(c) The secretary may issue a pesticide business license to apply pesticides in categories for which an applicant has applied if the applicant files the bond, insurance, letter of credit or proof of an escrow account as required under K.S.A. 2-2448, and amendments thereto, satisfies the requirements of subsection (b), and pays the required fees. Such license shall expire at the end of the calendar year for which it is issued unless it has been revoked or suspended prior thereto. Failure to renew such license prior to January 1 of each year shall result in a late fee equal to 40% 25% of the current application fee. If a license is not issued as applied for, the secretary shall inform the applicant in writing of the reasons therefor.