

**Senate Assessment and Taxation**  
**Written Only Testimony in Support of SB565**  
**March 17, 2022**  
**Dan Shipman**

I am a farmer and rancher with land in Jewell County in north central Kansas. Recently the Farm Service Agency came out with a Grassland CRP program in which gives a payment to ranchers for 10-15 years to be good stewards of the land. Some qualify for the program without changing anything while others need to be more friendly to conservation. This includes things such as wildlife enhancement, quality water facilities for livestock and the biggest thing of not tearing up pasture to plant crops, which we see way too much of when wheat goes over ten dollars a bushel.

My problem I am addressing with you today, is that since the program says CRP on it, a Kansas has a law intended for the old CRP program that everyone knows about (where farm ground is converted back to grass and the farmer receives payments), the law says it will be taxed at the farm ground rate. This law now makes the pasture taxed at farm ground rate even though it in many cases has never been farmed. This makes the Grassland CRP program intended to help ranchers a losing proposition because its tax is now higher than the payment.

We the ranchers are asking to change this so that we can have the payment as intended in helping the bottom line in our operations. As you are all aware of the drought, fires and beef prices around breakeven levels, this payment is needed now more than ever. I appreciate all time invested on this subject.