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Date: March 24, 2021
To: Senator Rick Billinger, Chairman, Senate Ways and Means Committee
From: Shahira Stafford, Kansas Cooperative Council
RE: Neutral Testimony on House Bill 2087

Mr. Chairman and Members of the Committee,

On behalf of the Kansas Cooperative Council (KCC), thank you for the opportunity to provide neutral testimony on House Bill 2087. The KCC is a statewide association that works on behalf of all types of cooperatively structured businesses in Kansas. The industries organized as cooperatives are vast, including agriculture, utility, financial and insurance.

Cooperatives differ from for-profit businesses because they are member-owned, member-controlled, democratically governed, and business profits are returned directly to their members. They are regulated under the Kansas Cooperative Marketing Act and must adhere to many other rigorous state and federal guidelines.

Our agricultural cooperatives in particular, operate in a highly regulated industry, and for good reason. Grain elevators and ag retail co-ops are integral in the Kansas production agriculture chain, which we recognize directly impacts the safety and health of the communities that we serve. Our members take that responsibility seriously every single day.

The agribusiness industry supported the intent of House Bill 2280 – that Governor Colyer signed into law in 2018 – to ensure that the regulated industries are consulted during the development of an economic impact statement of a proposed rule or regulation. And we continue to support more transparency and careful analysis of the need for proposed regulations that impact our member businesses.

We also understand that the provisions in that law have placed additional requirements on the Budget Director's time as he reviews and analyzes each proposed economic impact statement submitted. The KCC is comfortable with further amending the Rules and Regulations Filing Act to alleviate some of those burdens, while being careful to not steer away from the original intent of adding layers of transparency and accountability to the rule-making process and to the taxpayer.

On behalf of the Kansas Cooperative Council, thank you for the opportunity to comment on House Bill 2087.