

Approved: 3-22-94
Date

MINUTES OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES.

The meeting was called to order by Chairperson Don Sallee at 8:00 a.m. on March 17, 1994 in Room 423-S of the Capitol.

All members were present or excused:

Committee staff present: Raney Gilliland, Legislative Research Department
Dennis Hodgins, Legislative Research Department
Don Hayward, Revisor of Statutes
Clarene Wilms, Committee Secretary

Conferees appearing before the committee:

Secretary Theodore D. Ensley, Department of Wildlife and Parks
Darrell Montei, Legislative Liaison, Department of Wildlife and Parks
Tom Day, Kansas Corporation Commission
Donald P. Schnacke, Kansas Independent Oil and Gas Association

Others attending: See attached list

HB-2704 - Wildlife and Parks; relating to bond for certain violations of law

Darrell Montei, Legislative Liaison, Department of Wildlife and Parks, appeared in support of HB-2704 stating this was basically a "housekeeping" bill which proposed a more complete standardized list for cash bonding amounts in statutes. Attachment 1

In answer to a question from a committee member, Mr. Montei stated there would be docket fees in addition to the amounts listed in the statutes.

Another member asked if there were problems with people going from a State Park area to public land. Mr. Montei stated they were presently dealing with this issue, that in some places they essentially zone the areas.

HB-2979 - Tom Day, Kansas Corporation Commission, appeared explaining that the Commission had requested HB-2979 which would clarify the KCC's authority with regard to activities which might be undertaken jointly with other state or federal regulatory bodies. The language concerns authority to enter into cooperative agreements, receive and disburse contributions, conduct joint investigations or hearings, or issue joint orders. Attachment 2

A member asked Mr. Day whether the KCC administered the "one call" system. In certain situations a company will be situated in one state with lines running into another state and they maintain they have no responsibility for those lines across the state line. The member questioned whether identification of lines could be dealt with in an amendment.

Another member commented that the issue was pervasive along State Line Road between Kansas and Missouri. The member posed a question concerning the issue of rate cases. Mr. Day said each state would look only at their own intra-state operations, the same information might be utilized but only that which would pertain to Kansas would be used.. This would involve sharing audit and consultant time.

A member asked if Mr. Day could consider whether the issue of "one call system" might be considered in this bill. Mr. Day commented he would work with staff.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES, Room 423-S Statehouse, at 8:00 a.m. on March 17, 1994.

SCR-1628 - urging Congress to take immediate action to help alleviate a national crisis in crude oil production and price stability

Donald P. Schnacke, Kansas Independent Oil and Gas Association, appeared before the committee stating his organization felt SCR-1628 was very timely and important legislation. He stated the low prices of crude oil has caused the oil industry a great deal of concern. He further stated this resolution would be a helping hand in stimulating more effort.

Mr. Schnacke commented that there was very little the Kansas Legislature could do in dealing with this issue. The President and Secretary of Energy do have power to do something positive. He made several suggestions, one that the resolution should be directed to all members of congress, additionally copies should be sent to the President and the Secretary of Energy who need to be made aware of the scope of the problem. Mr. Schnacke suggested using the IOGCC resolution as a pattern for an amendment. He also stated his organization would pick up the cost of the postage and copies to be sent.

Senator Morris made a conceptual motion to amend SCR-1628 with comments of Mr. Schnacke and send enrolled copies to all members of Congress and the President and the Secretary of Energy. Senator Vancrum seconded the motion and the motion carried.

Senator Vancrum made a motion to put a period following interest, line 43, page 1 and to strike lines 1 and 2, page 2. Senator Emert seconded the motion and the motion carried.

Senator Vancrum moved to report SCR-1628 favorable for passage as amended. Senator Morris seconded the motion and the motion carried.

The chairman placed HB-2979 before the committee for discussion and action.

Senator Walker made a motion to pass HB-2979 out favorable for passage. Senator Wisdom seconded the motion.

Following a short discussion Senator Wisdom withdrew his second and Senator Walker withdrew his motion.

A member stated they would like to amend the "one call" issue into the bill. Staff stated the opinion this was not germane and it should go into another bill which had been in Transportation and Utilities committee, had been amended in the House and therefore would return to a conference committee.

Mr. Day told the committee that the Kansas Corporation Commission was drafting rules and regulations about the administration of "one call" to require all companies, whether interstate or intrastate, to have maps available and send them to the "one call" center of operations. The member felt this would take care of the difficulties.

Senator Walker made a motion to pass HB-2797 out favorable for passage. Senator Wisdom seconded the motion and the motion carried.

HB-2704 was placed before the committee. Senator Wisdom moved, with a second from Senator Walker, to report HB-2704 favorable for passage. The motion carried.

The Chairman told the committee he had met with the Department of Health and Environment on the issue of the disposal of tires. The letter from the department will be provided to members before the committee takes up HB-2561.

HB-2797 was placed before the committee for discussion.

A member requested clarification concerning the need for two licenses, one for public land use and one for state parks. The member felt this was confusing and would cause real problems because people would not know which area they were in.

At this point the chairman told the committee the House took a major step in passing this legislation and had been told they simply would not tolerate any changes.

Mr. Montei told members the department was aware they would have to monitor these adjoining areas closely and they would need to make judicious use of warnings.

A member questioned the cost if four people in a car wanted to enter a state park. Mr. Montei stated the annual fee would be \$80.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES, Room 423-S Statehouse, at 8:00 a.m. on March 17, 1994.

Another member commented they would rather find a way to have one license that would cover public land use or state park use, stating they did not know the effect on revenue but people would really be upset with bureaucracy when they have to buy two licenses.

A member expressed concerns of possible conflict between participating fishers and hunters and the "anti" coalition who would purchase licenses to be in a position to disrupt the hunting season.

Mr. Montei stated there are anti-harrassment statutes on the books, also the purposes of lands are stated by law and it has to be compatible usage. In some cases they will have to make some time and space separation due to conflicting uses to avoid some of the situations mentioned. Mr. Montei further stated that the people who will be using it and paying for it are the exact same people who have been using it and not paying for it, therefore the same management difficulties exist at the present time.

A member questioned whether there was some method to give people a break by providing for a combination price. Secretary Ensley told the committee this could be set by regulation but the fiscal note is the driving force, \$1,000,000 as opposed to \$2,000,000.

A member questioned the potential of the raise of a lifetime permit with Mr. Montei commenting that it appeared it would not be a significant figure.

Senator Walker, with a second from Senator Wisdom, offered an amendment which would guarantee \$4.6 million from the general fund plus the fees. Attachment 3

During discussion the fear was expressed that without this amendment the general budget funding would be withdrawn. The amendment would offer a guarantee that the money would be used exactly for the purpose intended.

Another member stated surprise this bill passed the House, noting there were several large constituencies that are opposed to the bill, and this is only one of many amendments he would like to see in this bill. Further concern was expressed with making changes and causing the bill to fail.

Another member commented that the department was in a major dilemma in the need for funds. Due to shifting of funds the department is forced to pay money back to itself and there is going to have to be some general fund money to make up the shortage.

The chairman stated this discussion would continue tomorrow morning in the special meeting called for 7 a.m.

The meeting adjourned at 9 a.m.

The next meeting is scheduled for March 18, 1994.

GUEST LIST

SENATE COMMITTEE ON ENERGY & NATURAL RESOURCES

DATE March 17, 1994(PLEASE PRINT)
NAME AND ADDRESS

ORGANIZATION

Tom Day

Topeka

KCC

Don Schnack

Topeka

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ED SCHAUB

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WESTERN RESOURCES INC.

STATE OF KANSAS



Joan Finney
Governor

DEPARTMENT OF WILDLIFE & PARKS

Theodore D. Ensley
Secretary

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H.B. 2704 TESTIMONY

Presented To: Senate Energy and Natural Resources Committee

Presented By: Department of Wildlife and Parks

March 17, 1994

H.B. 2704 amends K.S.A. 32-1050 to update and expand the cash bonding schedule for certain violations of Wildlife and Parks laws and regulations. The current listing of violations is inadequate to cover many of violations encountered. In response, many courts have established their own bonding schedule for unlisted violations which leads to inconsistency in both bonding amounts and types of violations for which bonds may be posted. H.B. 2704 would also authorized the use of personal checks for posting bond.

Bonding occurs primarily with nonresidents or those who reside at locations requiring considerable travel to return to that county for a court appearance. It would not prevent any individual from appearing at a later date to contest a citation. Court systems would continue to receive court costs out of the docket fee, thus no fiscal impact would occur. The amount of fine money involved, which is deposited to the State of Kansas, is expected to remain at the same level. Impacts on the Department would be insignificant as the Department receives no portion of the penalty or the docket fees. However, it would result in more convenient and less time consuming handling of some violations by Department officers.

The Department recommends favorable consideration of H.B. 2704.

Senate Energy & Natural Resources
March 17, 1994
Attachment 1

BEFORE THE SENATE
ENERGY AND NATURAL RESOURCES COMMITTEE

PRESENTATION OF THE
KANSAS CORPORATION COMMISSION ON
H.B. 2979

This bill was requested by the Commission to clarify the KCC's authority with regard to activities which might be undertaken jointly with other state or federal regulatory bodies. The language amending K.S.A. 66-106 was taken from Missouri statutes regarding the authority of its Public Service Commission to enter into cooperative agreements, receive and disburse contributions, conduct joint investigations or hearings, or issue joint orders.

This bill is aimed at several situations. In general, there has been national discussion of the desirability of regional regulation of electric utilities, especially with regard to transmission issues. More immediate possibilities relate to cooperative investigations or other activities with the Missouri Commission. The KCC staff has discussed the possibility of a future jointly-funded study regarding Wolf Creek decommissioning costs, which would allow for greater cost efficiencies by both Commissions. Also, if the KCC adopts Integrated Resource Planning rules, some coordination of efforts between the two state commissions with regard to the utilities regulated by both will be desirable.

Finally, the KCC has just finished a joint audit of Southwestern Bell's affiliate transactions, in cooperation with the other four Southwestern Bell state commissions and the FCC. Procedural questions about the ability of the respective commissions to share information and conduct joint audits delayed the audit for about a year. The clarifying statutory language proposed will help avoid those kind of procedural questions.

Senate Energy & Natural Resources
March 17, 1994
Attachment 2

Proposed Draft Amendment to HB 2797

New Section

In each fiscal year beginning on or after July 1, 1995, the director of accounts and reports shall transfer \$4,600,000 from the state general fund to the Wildlife Fee Fund, 1/2 of such amount to be transferred on July 15 and 1/2 to be transferred on January 15. All transfers under this section shall be considered to be demand transfers from the state general fund.

Such funds may not be used for any purpose other than for activities and projects of the department.

Senate Energy + Natural Resources
March 17, 1994
Attachment 3

Wildlife and Parks	FY 1985*	FY 1986*	FY 1987	FY 1988	FY 1989	FY 1990	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
All Funds:										Gov. Rec.	Gov. Rec.
State Operations	15,061,264	16,442,672	15,769,846	16,582,548	20,865,274	20,390,692	21,306,577	21,776,293	22,524,224	22,918,769	22,798,331
Local Aid	770,648	315,968	229,978	289,785	385,636	251,934	97,164	20,151	308,605	350,000	350,000
Other Assistance	0	1,134	3,113	0	0	0	0	0	45,541	0	0
Subtotal - Operating	15,831,912	16,759,774	16,002,937	16,872,333	21,250,910	20,642,626	21,403,741	21,796,444	22,878,370	23,268,769	23,148,331
Capital Improvements	1,029,453	1,780,800	559,983	1,772,789	2,921,425	3,774,102	4,324,100	9,636,997	3,723,542	12,518,539	7,021,250
Total	16,861,365	18,540,574	16,562,920	18,645,122	24,172,335	24,416,728	25,727,841	31,433,441	26,601,912	35,787,308	30,169,581
State General Fund:											
State Operations	2,283,784	2,581,066	2,205,943	2,407,556	3,265,574	3,837,685	3,902,034	3,639,292	3,604,353	3,562,327	3,926,979
Capital Improvements	257,508	276,093	141,340	316,666	247,033	599,954	1,628,905	372,304	715,552	1,969,524	1,000,000
Total	2,541,292	2,857,159	2,347,283	2,724,222	3,512,607	4,437,639	5,530,939	4,011,596	4,319,905	5,531,851	4,926,979
Total SGF	2,541,292	2,857,159	2,347,283	2,724,222	3,512,607	4,437,639	5,530,939	4,011,596	4,319,905	5,531,851	4,926,979
Other Revenue	14,320,073	15,683,415	14,215,637	15,920,900	20,659,728	19,979,089	20,196,902	27,421,845	22,282,007	30,255,457	25,242,602
	16,861,365	18,540,574	16,562,920	18,645,122	24,172,335	24,416,728	25,727,841	31,433,441	26,601,912	35,787,308	30,169,581
	381	391	391.5	395	403	416	417	417	410	410	408
Percentage Change											
State Operations:											
All Funds		9.2%	-4.1%	5.2%	25.8%	-2.3%	4.5%	2.2%	3.4%	1.8%	-0.5%
State General Fund		13.0%	-14.5%	9.1%	35.6%	17.5%	1.7%	-6.7%	-1.0%	-1.2%	10.2%

* Park Authority and Fish and Game Combined

TOTAL SGF, 1989-1995 = \$32,266,000
 SGF YEARLY AVERAGE = 4,609,000