Approved: 3-2/-95

Date

MINUTES OF THE SENATE COMMITTEE ON ENERGY & NATURAL RESOURCES.

The meeting was called to order by Chairperson Don Sallee at 8:00 a.m. on March 16, 1995 in Room 254-E- of the Capitol.

All members were present:

Committee staff present: Raney Gilliland, Legislative Research Department

Dennis Hodgins, Legislative Research Department

Mary Ann Torrence, Revisor of Statutes Mike Corrigan, Revisor of Statutes Clarene Wilms, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

HB 2476: An Act concerning sand and gravel pits; relating to the application of certain statutes to evaporation of water therefrom

Discussion continued on HB 2476 with David Pope stating 1) that in his opinion, in fairness to all who come under the water rights law, instituting an exemption did not seem to be in the best interest of everyone concerned, especially the small towns below the sand pits in western Kansas 2)To the extent that these people were not brought into the system earlier, the proposed alternative would try to provide a middle ground in the sense that a grandfather clause would essentially allow them to continue and expand their pits up to their current reserves already purchased or leased.

Discussion touched on the fact that the pit impounds more water than is lost in evaporation, acting in a manner similar to a reservoir. The pit only fills once and when stabilized there was more water than before.

Mr. Pope expressed the opinion that when you create a void in particular along a river channel or next to the river channel, it draws water from the channel. The point was made that users downstream, especially in western Kansas are still without water, also evaporation was still an issue. He stated the pit was capturing water that did not get downstream to people who have senior property rights. The river ends at the sandpits.

Further discussion pointed out the interrelationship between surface water and ground water. In western Kansas you have losing streams rather than gaining streams and the surface water goes into the aquifer because the water table is lower. The typical pit is located in the flood plain.

A member questioned whether there was any way to split the state on this issue since such different circumstances were involved. Another member questioned whether the Division of Water Resources would still have control over this situation with Mr. Pope stating that if the bill were passed as it came over from the House there would be very limited control if there is a major concern with the aquifer.

Mr. Pope stated that evaporation, while it was not controllable was a necessary part of water appropriations. Those water appropriations that exist for storage of water in lakes and reservoirs use, includes evaporation. The issue of who and what to assess was so all industry and users paid some share of the water solution problems.

A member questioned whether this group would be the only exemption with Mr. Pope replying yes, other than small single domestic users whose numbers are not large.

Mr. Pope pointed out he was not arguing about the value of pits, that it was an essential feature and many pits were ultimately devoted to recreation sites. He stated he had to deal with water rights and what to do with future rights.

A member stated that the question of water rights must be recognized, that going outside of water rights would be saying that another industry other than agriculture does not have to come under the same rules.

Several members expressed difficulty in understanding how such an industry could be classified as using water when in effect their production would be simplified without the presence of water.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES, ROOM 254-E-Statehouse, at 8:00 a.m. on March 16, 1995. CONTINUATION SHEET

Staff asked that if an abandoned sand pit is turned to recreational use whether a water right would be required. Mr. Pope stated the water right in place at that time, if it stayed under his administration, would be converted to recreational use. Staff questioned if a water right is not required for a sand and gravel pit whether a mechanism would be required for recreational use. Mr. Pope stated that if the bill were to be passed as it came from the House, once the sand and gravel use was over there would be no water right or permit of any kind because the dredging program would have expired and in order for it to be put to another use there would have to be a mechanism in place for a right to be issued. Mr. Pope stated this water would revert and be used as other water, buy an existing water right, transfer that equivalent use to the pit so the system is whole.

The chairman concluded discussion for the March 16 meeting and will take up **HB 2476** on March 17.

A member requested an amendment which would exempt the permit requirement the area of the state where less problem exists but retain the permit requirement.

HB 2036: An Act concerning certain solid waste tonnage fees; limiting certain full-time equivalent positions

Senator Vancrum, who presided during the original hearings on <u>HB 2036</u> assumed the chair. Senator Vancrum reminded committee members solid waste tipping fees were discussed. The bill, as amended by the House, increased the local financial match on the various grant programs, reduced the tipping fee, first to \$1.25 a ton on page 7, July 1, 1995, to \$1.00 per ton July 1, 1996 with a sunset sometime after July 1, 1998. The bill also put a cap on FTE positions paid for by KDHE from the solid waste fund, put a cap of \$150,000 per year on the household hazardous waste programs which could be funded out of this fund, expanded the eligible expenses for which the counties could request reimbursement under the grant program. One suggestion mentioned was to lower the tipping fees to \$.75 right away.

(Attachment 1) showing a breakdown by Program of Solid Waste Tipping Fee was distributed to members. After going through the various tables Senator Vancrum pointed out that reducing the tipping fee to \$.75 in fy1996 would result in a negative ending balance of about \$500,000. Going to a tipping fee of \$1.00 for fy1996 which included the grant money for the counties does provide a small surplus. Mr. Vancrum stated it appeared the fee could be dropped to \$1.00 starting July 1, 1995.

In answer to questions concerning a county tipping fee Staff stated there is statutory authority for counties to charge a tipping fee up to \$1.50 per ton but it has to be dedicated to closure, post closure costs and planning costs. Staff was not sure whether by negative implication the statute specifically authorizes others or whether it would be exclusive.

Discussion centered on the issue that reduced tipping fees would result in less money being returned to the counties in the form of grants, that receipts have run higher than originally projected due to increased tonnage. A member questioned whether the county could add an additional \$.50 tipping fee.

Senator Lawrence moved to reduce the tipping fee to \$1.00 starting July 1, 1995. Senator Hardenburger seconded the motion.

Discussion indicated various counties were in different stages of progress, if funding is decreased and there are programs that need to be expanded, this would give counties the freedom to add a tipping fee. The hope was expressed that this would be facilitated.

The motion carried.

Senator Emert moved to allow the counties to establish their own tipping fee, also allowing them to use it for the any use they wished. Senator Martin seconded the motion.

Senator Walker made a substitute motion to allow the counties to establish their own tipping fee and the use of funds collected be limited to solid waste issues. Senator Tillotson seconded the motion.

The question was called, the chair was in doubt and division was called for. The motion carried.

The meeting adjourned at 8:58 a.m.

The next meeting is scheduled for March 17., 1995.

SENATE COMMITTEE ON ENERGY & NATURAL RESOURCES GUEST LIST COMMITTEE

DATE: March 16, 1995

NAME	REPRESENTING	
Teland ? Poly	DWR-KSDA	
Soul Topl	DWDZ-KSDA	
Michael Latty	LCI/ KAPA	
Nachene Stannard	Associated Material & Supply	
DANE BARCLAY	ALSOPSAND 10,	
CLOWN S. SHELOR	VBP	
Eduard R. Mous	KAPA	
John Pedeism	Brown Ferns Industry	
Anne Spiess	to trace of Counties	
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JOHN C. BOTTENBERG	DEFFENBAUGH INDUSTRIES	
Bill Bider	KOHE	
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Solid Waste Tipping Fee -- Breakdown by Program

General Managem	ent	Actual FY 1994	Gov. Rec. FY 1995	Gov. Rec. FY 1996
Salaries OOE	Total	\$64,384 24,696 89,080	\$125,700 50,000 175,700	\$136,813 50,000 186,813
			,	100,010
Information Service Salaries	9 S	25 750	20.790	30.000
OOE		25,759 0	30,789 34,138	32,038 4,049
-	Total	25,759	64,927	36,087
Aid to Local Units		2,814,485	1,500,000	2,500,000
Director of Environ	ment			
Salaries		0	0	0
OOE		10,911		0
	Total	10,911	0	0
Office of Science a	nd Suppor	t		
Salaries	,	55,028	56,919	47,825
OOE		0	5,848	6,023
	Total	55,028	62,767	53,848
Waste Managemer	nt			
Salaries		626,575	821,757	875,415
OOE		163,520	419,150	387,259
	Total	790,095	1,240,907	1,262,674
Environmental Ren	nediation			
Salaries		197,774	305,247	367,477
OOE		56,256	360,552	362,050
	Total	254,030	665,799	729,527
Bureau of District C	Operations			
Salaries		249,511	374,030	434,167
OOE	-	39,369	30,293	39,102
	Total	288,880	404,323	473,269
Laboratory				
Salaries		0	0	
OOE	Total	9,808	10,000	10,000
	Total	9,808	10,000	10,000
Grand Total		\$4,338,076	\$4,124,423	\$5,252,218

Senate Energy+Nat'l Res. March 16,1995 Atlachment 1

	Actual	Actual	Gov. Rec.	Gov. Rec.
	FY 1993	FY 1994	FY 1995	FY 1996
Balance Forward	0	830,934	1,400,787	2,276,364
New Receipts	1,221,732	4,907,929	5(0)010(0)00	5,000,000 *
Total Available	1,221,732	5,738,863	6,400,787	7,276,364
Expenditures for State Op.	390,778	1,523,591	2,624,423	2,752,218
Expenditures for Grants	0	2,814,485	1,500,000	2,500,000
Ending Balance	\$830,954	\$1,400,787	\$2,276,364	\$2,024,146

^{*} Based on tipping fee of \$1.50

Breakdown of Expenditu	uresOperations*			
Salaries	\$288,668	\$1,219,032	\$1,714,442	\$1,893,735
Contractual	44,076	185,180	796,756	765,297
Commodities	1,905	48,907	34,127	53,137
Capital Outlay	56,129	70,472	79.098	40.049
	\$390,778	\$1,523,591	\$2,624,423	\$2,752,218

^{*} This level of detail is not provided by the Governor. Therefore, background information from the agency was used.

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	Actual FY 1993	Actual FY 1994	Gov. Rec. FY 1995	Gov. Rec.
Polonoo Forward				FY 1996
Balance Forward	0	830,934	1,400,787	2,276,364
New Receipts	1,221,732	4,907,929	5,000,000	2,500,000 *
Total Available	1,221,732	5,738,863	6,400,787	4,776,364
Expenditures for State Op.	390,778	1,523,591	2,624,423	2,752,218
Expenditures for Grants	0	2,814,485	1,500,000	2,500,000
Ending Balance	\$830,954	\$1,400,787	\$2,276,364	(\$475,854)

^{*} Based on reducing tipping fee from \$1.50 to \$0.75 in FY 1996

Breakdown of Expenditu	uresOperations*			
Salaries	\$288,668	\$1,219,032	\$1,714,442	\$1,893,735
Contractual	44,076	185,180	796,756	765.297
Commodities	1,905	48,907	34,127	53.137
Capital Outlay	56,129	70,472	79,098	40.049
	\$390,778	\$1,523,591	\$2,624,423	\$2,752,218

^{*} This level of detail is not provided by the Governor. Therefore, background information from the agency was used.

	Actual	Actual	Gov. Rec.	Gov. Rec.
	FY 1993	FY 1994	FY 1995	FY 1996
Balance Forward	0	830,934	1,400,787	2,276,364
New Receipts	1,221,732	4,907,929	5,000,000	3,335,000 *
Total Available	1,221,732	5,738,863	6,400,787	5,611,364
Expenditures for State Op.	390,778	1,523,591	2,624,423	2,752,218
Expenditures for Grants	0	2,814,485	1,500,000	2,500,000
Ending Balance .	\$830,954	\$1,400,787	\$2,276,364	\$359,146

^{*} Based on reducing tipping fee from \$1.50 to \$1.00 in FY 1996

Breakdown of Expenditu	uresOperations*			
Salaries	\$288,668	\$1,219,032	\$1,714,442	\$1,893,735
Contractual	44,076	185,180	796,756	765,297
Commodities	1,905	48,907	34,127	53.137
Capital Outlay	56,129	70,472	79,098	40.049
	\$390,778	\$1,523,591	\$2,624,423	\$2,752,218

^{*} This level of detail is not provided by the Governor. Therefore, background information from the agency was used.

	Actual	Actual	Gov. Rec.	Gov. Réc.
	FY 1993	FY 1994	FY 1995	FY 1996
Balance Forward	0	830,934	1,400,787	2,276,364
New Receipts	1,221,732	4,907,929	5,000,000	4,165,000 *
Total Available	1,221,732	5,738,863	6,400,787	6,441,364
Expenditures for State Op.	390,778	1,523,591	2,624,423	2,752,218
Expenditures for Grants	0	2,814,485	1,500,000	2,500,000
Ending Balance	\$830,954	\$1,400,787	\$2,276,364	\$1,189,146

^{*} Based on reducing tipping fee from \$1.50 to \$1.25 in FY 1996

Breakdown of Expenditu	uresOperations*			
Salaries	\$288,668	\$1,219,032	\$1,714,442	\$1,893,735
Contractual	44,076	185,180	796,756	765,297
Commodities	1,905	48,907	34,127	53,137
Capital Outlay	56,129	70,472	79,098	40,049
	\$390,778	\$1,523,591	\$2,624,423	\$2,752,218

^{*} This level of detail is not provided by the Governor. Therefore, background information from the agency was used.

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	Actual	Actual	Gov. Rec.	Gov. Rec.
	FY 1993	FY 1994	FY 1995	FY 1996
Balance Forward	0	830,934	1,400,787	1,776,364
New Receipts	1,221,732	4,907,929	4,500,000	4,250,000 *
Total Available	1,221,732	5,738,863	5,900,787	6,026,364
Expenditures for State Op.	390,778	1,523,591	2,624,423	2,752,218
Expenditures for Grants	0	2,814,485	1,500,000	2,500,000
Ending Balance	\$830,954	\$1,400,787	\$1,776,364	\$774,146
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^{*} Based on tipping fee of \$1.50

Breakdown of Expenditur	esOperations*			
Salaries	\$288,668	\$1,219,032	\$1,714,442	\$1,893,735
Contractual	44,076	185,180	796,756	765,297
Commodities	1,905	48,907	34,127	53,137
Capital Outlay	56,129	70,472	79,098	40,049
	\$390,778	\$1,523,591	\$2,624,423	\$2,752,218

^{*} This level of detail is not provided by the Governor. Therefore, background information from the agency was used.

Solid Waste Tipping Fee

	Actual	Actual	Gov. Rec.	Gov. Rec.
	FY 1993	FY 1994	FY 1995	FY 1996
Balance Forward	. 0	830,934	1,400,787	1,776,364
New Receipts	1,221,732	4,907,929	4,500,000	2,125,000 *
Total Available	1,221,732	5,738,863	5,900,787	3,901,364
Expenditures for State Op.	390,778	1,523,591	2,624,423	2,752,218
Expenditures for Grants	0	2,814,485	1,500,000	2,500,000
Ending Balance	\$830,954	\$1,400,787	\$1,776,364	(\$1,350,854)

^{*} Based on reducing the tipping fee from \$1.50 to \$0.75 beginning in FY 1996

Breakdown of Expenditur	esOperations*			
Salaries	\$288,668	\$1,219,032	\$1,714,442	\$1,893,735
Contractual	44,076	185,180	796,756	765,297
Commodities	1,905	48,907	34,127	53,137
Capital Outlay	56,129	70,472	79,098	40,049
	\$390,778	\$1,523,591	\$2,624,423	\$2,752,218

^{*} This level of detail is not provided by the Governor. Therefore, background information from the agency was used.

Solid Waste Tipping Fee

	Actual	Actual	Gov. Rec.	Gov. Rec.
	FY 1993	FY 1994	FY 1995	FY 1996
Balance Forward	0	830,934	1,400,787	1,776,364
New Receipts	1,221,732	4,907,929	4,500,000	2,834,750 *
Total Available	1,221,732	5,738,863	5,900,787	4,611,114
Expenditures for State Op.	390,778	1,523,591	2,624,423	2,752,218
Expenditures for Grants	0	2,814,485	1,500,000	2,500,000
Ending Balance	\$830,954	\$1,400,787	\$1,776,364	(\$641,104)

^{*} Based on reducing the tipping fee from \$1.50 to \$1.00 beginning in FY 1996

Breakdown of Expenditu	uresOperations*			
Salaries	\$288,668	\$1,219,032	\$1,714,442	\$1,893,735
Contractual	44,076	185,180	796,756	765,297
Commodities	1,905	48,907	34,127	53,137
Capital Outlay	56,129	70,472	79,098	40,049
	\$390,778	\$1,523,591	\$2,624,423	\$2,752,218

^{*} This level of detail is not provided by the Governor. Therefore, background information from the agency was used.

Solid Waste Tipping Fee

	Actual	Actual	Gov. Rec.	Gov. Rec.
	FY 1993	FY 1994	FY 1995	FY 1996
Balance Forward	0	830,934	1,400,787	1,776,364
New Receipts	1,221,732	4,907,929	4,500,000	3,540,250 *
Total Available	1,221,732	5,738,863	5,900,787	5,316,614
Expenditures for State Op.	390,778	1,523,591	2,624,423	2,752,218
Expenditures for Grants	0	2,814,485	1,500,000	2,500,000
Ending Balance	\$830,954	\$1,400,787	\$1,776,364	\$64,396

^{*} Based on reducing the tipping fee from \$1.50 to \$1.25 beginning in FY 1996

Breakdown of Expenditu	resOperations*			
Salaries	\$288,668	\$1,219,032	\$1,714,442	\$1,893,735
Contractual	44,076	185,180	796,756	765,297
Commodities	1,905	48,907	34,127	53,137
Capital Outlay	56,129	70,472	79,098	40,049
	\$390,778	\$1,523,591	\$2,624,423	\$2,752,218

^{*} This level of detail is not provided by the Governor. Therefore, background information from the agency was used.