

SESSION OF 2008

SUPPLEMENTAL NOTE ON SENATE BILL NO. 447

As Recommended by Senate Committee on
Natural Resources

Brief*

SB 447 would make several amendments to the Agricultural and Specialty Chemical Remediation Act which is designed to encourage remediation of pollution caused by agricultural chemical contamination. One amendment would modify the maximum total amount of reimbursement for eligible corrective action costs. Specifically, this amendment would limit the total reimbursement to \$400,000 per site within a five-year period when the property has been sold or leased and both the buyer and seller or lessee and lessor are responsible for remediation. As with the other maximum amounts of reimbursement currently set by law, the new limitation could be modified by the Kansas Agricultural Remediation Board through rules and regulations.

In addition, the bill would:

- Impose, in addition to the other assessments already established by law and credited to the Agricultural Remediation Fund, an annual assessment of \$1,000 to be paid by the party responsible for a site that has been sold or leased when the seller or lessor still retains responsibility for cleaning up the site. As with the other assessments under the Act, this assessment would be paid to the Secretary of Agriculture;
- Require that in order for a site to be eligible for reimbursement, that all applicable environmental assessments be paid for the site; and

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

- Extend the sunset of the Act from July 1, 2010 until July 1, 2020.

Background

Proponents of the bill included the administrator and a member of the Kansas Agricultural Remediation Board and representatives of the Kansas Grain and Feed Association and the Kansas Agribusiness Retailers Association; and the Kansas Cooperative Council. Written testimony in support of the bill was received from Jarold Boettcher of Boettcher Enterprises of Beloit. There were no opponents.

Proponents argued that numerous changes in ownership of agricultural business are occurring and that in many cases both the buyer and the seller are accepting responsibility for any pollution contamination and its remediation.

The fiscal note on the bill states that the Department of Agriculture and the Department of Health and Environment believe the bill would have no fiscal effect on their agencies, although the changes would allow more responsible parties to be able to obtain reimbursement for remedial actions taken at contaminated sites. The annual assessment charged by the Department of Agriculture is considered a deposit for the remedial program, so the additional assessment charged to former owners or lessors would have a negligible fiscal effect.