Approved: 3-15-2012

Date

MINUTES OF THE SENATE NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairman Ralph Ostmeyer at 8:30 a.m. on Thursday, February 16, 2012, in Room 159-S of the Capitol.

All members were present.

Committee staff present:

Tamera Lawrence, Office of the Revisor of Statutes Laura Jurgensen, Kansas Legislative Research Department Stephanie Gray, Committee Assistant

Conferees appearing before the Committee:

Gary Blackburn, Director, Bureau of Environmental Remediation,
Kansas Department of Health and Environment (KDHE)
Tom Palace, Exec. Director, Petroleum Marketers & Convenience Store Assn. (PMCA)
Leslie Kaufman, Kansas Coop Council & Kansas Ag Retailers

Others attending:

See attached list.

Chairman Ostmeyer asked the Kansas Livestock Young Leadership to introduce themselves to the committee.

The hearing was opened for **SB252-rules & regulations filing act, change in notice period.** Tamera Lawrence, assistant revisor, presented background on the bill. Chairman Ostmeyer asked for questions from the Committee. Senator Francisco asked that it be placed on the consent calendar.

<u>Senator Taddiken moved to recommend SB252 be passed out favorably and placed on the Consent Calendar, Senator Teichman seconded.</u> Motion carried.

Chairman Ostmeyer called for action on <u>SB375- concerning a solid waste permit exemption.</u> A suggested balloon amendment page 2, line 42 was prepared by Senator Abrams. (<u>Attachment #1</u>) Discussion followed. Bill Bider gave explanation to questions about the chloride levels in both the water and ground.

Senator Abrams moved to add the amendment "for any area that annually receives more than 25 inches of precipitation, as determined by the department, any solid waste disposed of by land spreading shall be incorporated into the soil" to SB375, Senator McGinn seconded. Motion carried.

Page 1

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CONTINUATION SHEET

Minutes for the Natural Resources Committee at 8:30 a.m. on Thursday, February 16, 2012, in Room 159-S of the Capitol

Discussion followed. Senator Francisco asked for another amendment to <u>SB375</u>. (<u>Attachment #2</u>) It would include "solid waste generated by drilling oil and gas wells" on page 2, line 38 and "drilling mud additives" page 3, line 4. More discussion followed.

<u>Senator Francisco made a motion to add the amendments to SB375, Senator Teichman seconded.</u>
<u>Motion passed.</u>

Discussion followed about fees needed. Bill Bider and Chesapeake Energy gave responses to the Committee.

Senator Schmidt made a motion to double the fee from \$250 to \$500 in SB375, Senator Francisco seconded. Discussion followed. Motion failed.

Discussion from the Committee followed.

Senator McGinn made a motion that SB 375 be amended to require the Kansas Corporation Commission to present a report in 2013 & 2014 on the costs associated with the regulation of land spreading to the Senate Committees on Natural Resources and Ways & Means, and the House Committees on Agriculture & Natural Resources and Appropriations, Senator Abrams seconded. Discussion followed. Motion carried.

The hearing on <u>SB406-Kansas Storage tank act</u> was opened. Tamera Lawrence, assistant revisor, explained the technical changes. (<u>Attachment #3</u>)

Gary Blackburn, Director, Bureau of Environmental Remediation, KDHE, supports **SB406**. He explained the cost of tank removal and insurance unavailability. (Attachment #4)

Tom Palace, PMCA, spoke as a proponent of <u>SB406</u>. He explained the one cent fee. He distributed a picture of some targeted areas that were cleaned up. (<u>Attachment #5</u>)

Leslie Kaufman, Kansas Coop Council & Ks. Ag Retailers, supports **SB406**. (Attachment #6)

Written testimony supporting <u>SB406</u> was submitted by Ken Peterson, Executive Director., Kansas Petroleum Council (Attachment #7).

Discussion on references to federal acts followed.

The meeting was adjourned at 9:30 a.m.

Page 2

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