

MINUTES OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES.

The meeting was called to order by Chairperson Senator David Corbin at 8:00 a.m. on February 8, 2000 in 245-N of the Capitol.

All members were present except: Senators Goodwin and Vratil who were excused.

Committee staff present:

Raney Gilliland, Legislative Research Department  
Mary Ann Torrence, Revisor of Statutes Office  
Lila McClafin, Committee Secretary

Conferees appearing before the committee:

Derek Schmidt, Legislative Liaison and Special Counsel, Office of the Governor Bill Graves  
Doug Wareham, Vice President, Kansas Grain & Feed Assn./Kansas Fertilizer & Chemical Assn.  
Jarold W. Boettcher, President/Owner Boettcher Enterprises, Beloit, KS  
David Andra, Danville Cooperative Assn., Danville, KS  
Paul Dalke, Director of Safety, St. Paul, KS  
David Murphy, Mid American Green Industry Council, Shawnee Mission, KS  
Jeffrey L. Field, Superfund Coordinator, U. S. EPA Region VII, Kansas City, KS

Others attending:

See attached list.

**SB 501 –Enacting the agricultural and specialty chemical remediation act.**

The committee was advised that the Division of the Budget is preparing a fiscal note for the bill indicated above. As soon as the necessary information is received, the fiscal note will be completed and submitted for the committees deliberation.

Derek Schmidt, Legislative Liaison, Governor's Office, supported the bill. His testimony states Governor Graves commends the industry for taking responsibility to clean up contamination of our soil and groundwater, and this proposal would result in significant environmental benefits with a minimal burden on taxpayers (Attachment 1).

Doug Wareham, Vice President, Kansas Grain & Feed Assn./Kansas Fertilizer & Chemical Assn, said it is their believe that the information presented would undeniably show the need for the program in Kansas. (Attachment 2) He said he hope his testimony would clarify the following:

- Why their organizations believe the establishment of an environmental remediation fund and low-interest loan program is needed for agricultural sites in Kansas;
- What SB 501 would establish, including:
  1. How it would be administered;
  2. How it would be funded;
  3. Whom would it benefit.

Mr. Wareham responded to questions. He introduced Tony Dyer, Kansas Farmers Services Association. Mr. Dyer would be available for question.

Jarold W. Boettcher, President, Boettcher Enterprises, Inc., Beloit, KS, said he supported SB 501 as the current operating Voluntary Remediation Program, operated by the Kansas Department of Health and Environment, is missing a funding mechanism. This legislation would spread out the cost so that no one sector bears all the burden (Attachment 3).

David Andra, Danville Cooperative Assn., Danville, KS, supported the Agricultural and Specialty

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Chemical Remediation Act, for the following reasons:

- The funding would be shared by the Agricultural and Specialty and Chemical Industry.
- Rural communities, where chemical contamination occurs, will have more financial support for the clean-up effort. Plus, these communities will avoid the potential loss of goods and services of their Agri-Business Company, would cease operation.
- Agricultural Lenders would be able to lend capital to agri-business operations, if the financial risk is reduced by financial assistance from a remediation fund.
- This would be a positive, pro-active approach, for the clean-up from contamination. (Attachment 4).

Paul Dalka, Director of Safety, Beachner Grain, Inv., St. Paul, KS, said this is a quality approach to true voluntary cleanup and will provide the much needed incentives for individuals and businesses to move forward. This bill would allow the entire agribusiness industry, specialty chemical industry, Kansas Department of Health and Environment and EPA to work for cleaner safer water for all Kansans (Attachment 5).

Dave Murphy, Mid-America Green Industry Council, said they are in general agreement with the bill. However, their members would like to suggest a few changes. The term "specialty chemical needs to be defined, and in "New Sec. 9" the language needs to be amended to include one representative of the board be a specialty chemical distributor or retailer (Attachment 6).

Jeffrey L. Field, Superfund Coordinator, U.S. EPA Region VII, Kansas City, KS, said their roll in addressing the committee was to provide information, and their position was a neutral one (Attachment 7). Mr. Field responded to several questions.

For information purposes, Tim Shallenburger, Treasurer, State of Kansas, provided written testimony (Attachment 8).

The committee time expired and the hearing was continued until the next scheduled meeting which will be February 9, 2000

The meeting adjourned at 9:00 a.m.