

Approved: March 1, 2012

(Date)

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairperson Carl Holmes at 9:00 AM on Tuesday, January 24, 2012 in 785 of the DSOB.

All members were present except:

Representative Phil Hermanson-excused
Representative Annie Kuether-excused
Representative Mike Slattery-excused

Committee staff present:

Cindy Lash, Kansas Legislative Research
Brian Turnbull, Kansas Legislative Research
Mike Sterling, Kansas Revisor of Statutes
Tamara Lawrence, Kansas Revisor of Statutes
Renaë Hansen, Committee Administrative Assistant

Conferees appearing before the Committee:

Others in attendance:

Twenty Nine including the attached list.

Cindy Lash submitted information to committee members:

- Committee Answers to yesterdays answers on Production Tax Credit (Attachment 1)
- Database of State Incentives for Renewables and Efficiency on Production Tax Credit (Attachment 2)
- Kansas Legislative Research Department briefing on Hydraulic Fracturing (Attachment 3)

Hearings on:

HB 2456-Prohibiting default proxy appointment to board

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CONTINUATION SHEET

Minutes of the HOUSE ENERGY AND UTILITIES Committee at 9:00 AM on Tuesday, January 24, in 785 of the DSOB.

Matt Sterling, Revisors office, spoke to the committee about what **HB 2456** would accomplish if enacted (Attachment 4).

Proponents

Kansas Rural Water - Gary Hanson, (Attachment 5) spoke to the committee in favor of **HB 2456**.

Tom Sloan- Rural Water District #1 in Douglas County, (Attachment 6) spoke to the committee in favor of **HB 2456**.

Written Proponents

Dennis Schwartz, Rural Water District #8, Shawnee County (Attachment 7)

Darrell Schlabach, Rural Water District #1, Washington County-(Attachment 8)

Larry Smith, Rural Water District #3, Sedgewick County (Attachment 9)

Paul Strathman, Rural Water District #3, Nemaha County (Attachment 10)

Neutral

Tom Shimon, Executive Director, Kansas One-Call, (Attachment 11) spoke to the committee on **HB 2456** as a neutral party and spent time explaining the one call issue and the current issue that is currently being looked at.

There were no questions or comments generated by the committee.

The hearing on **HB 2456** was closed

Introduction of bills

Representative Forrest Knox moved to introduce a bill dealing with rural water districts, seconded by Representative Reynaldo Mesa. Motion passed.

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Representative Forrest Knox moved to introduce a bill that deals with abandoned wells, seconded by Representative Stephen Alford. Motion carried.

Representative Stan Frownfelter moved to introduce a bill on the regulation of fracking, seconded by Representative Nile Dillmore. Motion Carried.

Hearing on:

HB 2455- Creating the electricity highway fee for electric vehicle recharge stations

Matt Sterling, revisors spoke to the committee about the intent (Attachment 12) of **HB 2455**.

A fiscal note for **HB 2455** was included for the committee (Attachment 13).

Questions were asked and comments made by Representative Forrest Knox.

Proponents:

Tom Sloan, (Attachment 14) spoke to the committee on **HB 2455**. Additionally, he included an email sent to him by the Kansas Department of Transportation, (Attachment 15) that includes a statement of fuel tax for Kansans and an equivalent charge of electricity for gallon of gas and what tax should be incurred to equal the gas tax rate.

Bob Totten, Kansas Contractors, (Attachment 16) offered testimony in support of **HB 2455**. They are in favor of any means of raising funds for the building and upkeep of roads in the state of Kansas.

Neutral:

Dept of Transportation-Lindsey Douglas, (Attachment 17), spoke to the committee from a neutral position on **HB 2455**, legislation that helps to regulate the current tax fee assessment for the maintenance of roads.

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Opponents:

Jeff Perry- General Motors, (Attachment 18) spoke to the committee in opposition to **HB 2455**. General Motors believes the tax system for raising funds for highways and road maintenance will have to be altered at some point as the kind of car we are using is changing. Miles per gallon has risen, so less gas has been used, lowering the amount of funds available for highway upkeep.

Mark Schreiber, Westar/ KCPL, (Attachment 19) presented testimony in opposition to **HB 2455**, noting that perhaps now is not the time for taxing these individuals in the infancy of this means of fuel for vehicle transportation.

Written Opponents

Whitney Damron, The Empire Electric District, (Attachment 20) offered written testimony in opposition to **HB 2455**.

Representative Elaine Bowers, (Attachment 21), presented written testimony in opposition to **HB 2455**. She noted that a tax at this time would inhibit the growth of a new innovation that would help lessen the fossil fuel emissions. The timing of the legislation is being questioned and not that the issue does not need to be addressed.

Questions were asked and comments made by Representatives: Don Hineman, Vern Swanson, Stan Frownfelter, Nile Dillmore, Tom Sloan, Forrest Knox, Carl Holmes, Don Schroeder, and Mike Burgess.

The hearing on **HB 2455** was closed.

The next meeting is scheduled for January 25, 2012 at 9:00 a.m.

The meeting was adjourned at 10:45 a.m.

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