



March 14, 2018

Memorandum:

To: The Senate Agriculture and Natural Resources Committee
From: Thomas M. Palace Executive Director PMCA of Kansas
Re: Neutral Testimony HB 2577

Mr. Chairman and Members of the Senate Agriculture and Natural Resources Committee:

My name is Tom Palace. I am the Executive Director of the Petroleum Marketers and Convenience Store Association of Kansas (PMCA of Kansas), a statewide trade association representing over 275 independent Kansas petroleum distribution companies and convenience store retailers throughout Kansas.

What is the Right-to-Know Act

The Emergency Planning and Community Right-to-Know Act (EPCRA) was passed in 1986 in response to concerns regarding the environmental and safety hazards posed by the storage and handling of toxic chemicals. These concerns were triggered by the 1984 disaster in Bhopal, India, caused by an accidental release of methylisocyanate. The release killed or severely injured more than 2000 people.

Approximately six months later, a similar incident occurred in Institute, West Virginia. These two events raised concern about local preparedness for chemical emergencies and the availability of information on hazardous chemicals. In response to these concerns, Congress passed the Emergency Planning and Community Right-to-Know Act (EPCRA) in 1986. EPCRA establishes requirements for federal, state and local governments, Indian tribes, and industry regarding emergency planning and "Community Right-to-Know" reporting on hazardous and toxic chemicals. The Community Right-to-Know provisions help increase the public's knowledge and access to information on chemicals at individual facilities, their uses, and releases into the environment. States and communities, working with facilities, can use the information to improve chemical safety and protect public health and the environment.

Fuel distributors in Kansas are required to participate in EPCRA with Tier II reporting annually. The Kansas Department of Health and Environment collects the data the Local Emergency Planning Commission can access this information if a spill or release occurs. Knowing the type of release helps with clean-up purposes.

To be honest Mr. Chairman I was surprised that the fees collected from this program (\$300,000 plus) are being deposited directly into the State General Fund rather than a dedicated fund that

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covers the cost of this program. Additionally, I have been told that the agency only receives \$86,000 from the \$300,000 collected. HB 2577 would triple the amount of funds going into the Right-to-Know program. We would like to know how the additional funds will be used? Could the fees paid by fuel retailers be lowered?

We support HB 2577 because establishing the fee fund does not create an additional fee. The bill deposits fees in a fund established to offset costs to administer the Kansas Right-to-Know Act.

However, the Kansas Right-to-Know Act has been working adequately on \$86,000 it appears that companies required to fund the program may be entitled to a reduction in fees.

Thank you