

MINUTES OF THE SENATE NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairman Carolyn McGinn at 8:30 a.m. on March 21, 2008 in Room 423-S of the Capitol.

All members were present.

Committee staff present:

Raney Gilliland, Kansas Legislative Research Department
Emalene Correll, Kansas Legislative Research Department
Jason Thompson, Revisor of Statutes
Matt Todd, Revisor of Statutes
Adrienne Halpin, Committee Assistant

Conferees appearing before the committee:

Terry Holdren, Kansas Farm Bureau
Mark Rude, Groundwater Management Districts
Constantine Cotsoradis, Department of Agriculture
Dave Starkey, Department of Agriculture

Others attending:

See attached list.

Chair McGinn opened the meeting with discussion on **HB 2892**, rules and regulations for underground crude oil storage. Amendments to the bill seek to address the possible problems that ground surface owners may encounter in circumstances in which other parties own and access pipelines below the ground surface.

Terry Holdren, Kansas Farm Bureau, stood before the Committee to state that the new language would ensure surface representation on the Oil and Gas Advisory Board to aid in resolving possible issues resulting from damages caused by entities who require access to underground equipment. Mr. Holdren stood for questions.

Senator Taddiken made a motion to accept the amendments, seconded by Senator Ostmeyer. The motion carried.

Senator Ostmeyer made a motion to move **HB 2892** out of Committee favorably as amended, seconded by Senator Francisco. The motion carried.

Chair McGinn recommenced discussion on **SB 676**, non-fuel flammable or combustible liquid above ground storage tanks; duties of state fire marshal; civil penalties; non-fuel flammable or combustible liquid aboveground storage tank system fund. Chair McGinn presented amendments to the bill.

The majority of the amendments in the bill were proposed by the State Fire Marshal and the Kansas Department of Health and Environment (KDHE) working with the Revisor's Office. The amendments include: (1.) an expanded definition for "non-fuel flammable or combustible liquid," (2.) additional guidelines for application submissions to the State Fire Marshal, and (3.) an expanded explanation of rules and regulations to be adopted.

Senator Lee made a motion to adopt the amendments, seconded by Senator Taddiken. The motion carried.

Senator Taddiken made a motion that the **SB 676** be passed out of Committee favorably as amended, seconded by Senator Ostmeyer. The motion carried.

Chair McGinn opened the continued discussion on **HB 2625**, intensive groundwater use control areas; review hearings; advisory panels.

Senator Francisco explained the proposed amendments to the bill which include: (1.) changes in the language to clarify the hearings referred to in the bill, (2.) the deletion of a reference to an "adversarial hearing," and (3.) designation of the standing committees to which the chief engineer would present annual reports.

Senator Francisco made a motion to accept the amendments, seconded by Senator Wysong. The motion

CONTINUATION SHEET

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carried.

Jason Thompson, Revisor of Statutes, explained to the Committee proposed changes to Kansas Statutes 82a-928, 2007 Supp. 82a-1038, and 82a-1040 which would clarify the range of statutes and tie the process to current law.

Senator Taddiken made a motion to approve the amendments, seconded by Senator Lee. The motion carried.

In reference to a map provided by the Kansas Department of Agriculture (KDA) (See Attachment 1), Senator Lee expressed concern that, because only part of many Intensive Groundwater Use Control Areas (IGUCAs) are part of a Groundwater Management District (GMD), individuals not involved in a GMD may not have adequate representation during the review process. Mark Rude, Director, GMD 3, and Constantine Cotsoradis, Deputy Secretary, KDA, stood before the Committee to address this issue.

Chair McGinn recognized Steve Swaffar, Kansas Farm Bureau (KFB), to present the KFB's proposed amendments which seek to separate the hearing officer's employees from being parties in the review hearing process of cross-examination.

Senator Taddiken made a motion to adopt the new language, seconded by Senator Ostmeyer.

Dave Starkey, Chief Council, KDA, expressed concern regarding the amendment including: (1.) that the burden of proof for the continuation of an IGUCA being placed on the KDA necessitate's the Department's ability to participate in the hearing, and (2.) that possible problems would arise in the appeal process if the Chief Engineer had not been allowed to be a participant in the original hearing.

Senator Taddiken removed his motion to adopt the amendments.

Chair McGinn requested that the GMDs and the KDA meet to develop language which would be mutually acceptable.

Senator Taddiken made a motion to adopt the amendments proposed by the Department of Agriculture, seconded by Senator Lee. The motion carried.

Senator Francisco made a motion to pass **HB 2625** out of Committee favorably as amended, seconded by Senator Lee. The motion carried.

The meeting adjourned at 9:30.