

MINUTES OF THE HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairman Carl Holmes at 9:00 A.M. on March 22, 2007 in Room 241-N of the Capitol.

All members were present except:
Forrest Knox, excused

Committee staff present:
Mary Galligan, Kansas Legislative Research
Rena Hansen, Committee Assistant

Conferees appearing before the committee:
Senator Terry Bruce
Duane Simpson, Kansas Association of Ethanol Processors
Dennis Hupe, KS Soybean Association
Tom Palace, Petroleum Marketers
Jere White, Kansas Corn Growers & Kansas Grain Sorghum Producers
Brad Harrelson, Farm Bureau
Leslie Kaufman, Kansas Cooperative Council
Sandy Braden, Alliance of Automobile Manufacturers

Others attending:
Twenty-eight including the attached list.

Hearing on:

SB 327 **Renewable fuels; income tax credits.**

Senator Terry Bruce, (Attachment 1) spoke in favor of **SB 327** noting some of the specifics that the bill encompasses. Additionally, he offered amendment suggestions (Attachment 2) to **SB 327**.

Questions were asked and comments made by Representatives: Carl Holmes, Peggy Mast, Annie Kuether, Tom Sloan, Richard Proehl, Tom Moxley, Terry McLachlan, and Don Myers.

Duane Simpson, Kansas Association of Ethanol Processors, (Attachment 3), offered testimony in support of **SB 327**, noting that a large percentage of ethanol produced in Kansas is produced from sorghum. Additionally, his testimony explains the amendment that Senator Terry Bruce suggested and was originally going to be offered on the Senate floor, but was retained for the House Committee to consider.

Dennis Hupe, KS Soybean Association, (Attachments 4), gave testimony in support of **SB 327**. He noted that Willie Nelson has helped spur the need for bio-diesel by the trucking industry nationally.

Tom Palace, Petroleum Marketers, (Attachment 5), spoke in favor of **SB 327** noting some of the differences between Kansas and surrounding states, suggesting that Kansas needs to move forward to make bio-fuels more available to the consumer.

Jere White, Kansas Corn Growers & Kansas Grain Sorghum Producers, (Attachment 6), offered testimony in support of **SB 327**. He spoke on the issue of the energy content of E-85 versus the traditional fossil fuels' energy content.

Written:

Brad Harrelson, Farm Bureau, (Attachment 7), presented written testimony to the committee in support of **SB 327**,

Leslie Kaufman, Kansas Cooperative Council, (Attachment 8), offered written testimony in support of **SB 327**.

CONTINUATION SHEET

MINUTES OF THE House Energy and Utilities Committee at 9:00 A.M. on March 22, 2007 in Room 241-N of the Capitol.

Questions were asked and comments made by Representatives: Tom Hawk, Carl Holmes, Tom Moxley, Oletha Faust-Goudeau, Rob Olson, and Tom Sloan.

Hearing on **SB 327** was closed.

Sub SB 20: Kansas underground utility prevention act amendments.

Representative Tom Sloan shared with the committee (Attachment 9) an amendment he will offer on the house floor when **Sub SB 20** is heard and worked on the house floor.

Sub SB 325 State corporation commission jurisdiction over gas gathering systems.

Representative Tom Sloan moved that the committee recommend Sub SB 325 favorable for passage. Seconded by Representative Annie Kuether.

Discussion ensued by Representatives: Josh Svaty, and Tom Sloan.

Motion carried.

Representative Bill Light will carry **Sub SB 325** on the floor of the house.

HB 2576 Regulation of Kansas City Board of Public Utilities by state corporation commission.

Representative Carl Holmes reported that the conference committee on **HB 2032** was leery of the removal of the amended language of the senate.

Representative Tom Sloan moved to recommend HB 2576 favorable for passage as amended March 21, 2007. Seconded by Representative Annie Kuether.

Questions were asked and comments made by Representatives: Rob Olson, Annie Kuether, Margaret Long, Josh Svaty, Don Myers, and Carl Holmes.

Representative Rob Olson moved to table the motion. Seconded by Representative Margaret Long. Motion to table the motion failed 6-10.

Discussion ensued by Representatives: Peggy Mast, Bill Light, and Terry McLachlan.

Chairman Holmes called the question.

Motion to move the HB 2576 out of committee carried.

Representative Tom Sloan will carry **HB 2576** on the floor of the House.

The next meeting is scheduled for March 23, 2007.

Meeting adjourned.