

MINUTES OF THE HOUSE COMMITTEE ON ENERGY AND NATURAL RESOURCESThe meeting was called to order by Representative Ron Fox at
Chairperson1:30 ~~am~~ p.m. on April 10, 1985 in room 519-S of the Capitol.

All members were present except:

Representative Guldner (excused)
Representative Rezac (excused)

Committee staff present:

Ramon Powers, Legislative Research
Theresa Kiernan, Revisor of Statutes' Office
Betty Ellison, Committee Secretary

Conferees appearing before the committee:

Speaker of the House, Mike Hayden
Edward A. Martinko, State Biologist,
Director, Kansas Biological Survey

The first order of business was House Bill 2588--Protection of ground-water requiring plugging of wells before abandonment. Representative Mollenkamp made a motion to propose House Bill 2588 for interim study. Representative Holmes seconded the motion. The motion passed.

The next item taken up was House Bill 2610--Establishing the natural and scientific areas advisory board and prescribing powers and duties. Speaker Mike Hayden testified in favor of this bill. He explained that this bill would reorganize the mechanism dealing with the Natural and Scientific Areas Act, which he had sponsored in 1974. He said that the purpose of the bill was to recognize and protect certain irreplaceable environmental, geological and archeological areas which otherwise might be lost. The Speaker noted that the mechanism of the act as well as the mechanism for an advisory board was placed under the jurisdiction of the Park and Resources Authority in 1974, but the legislation had not been implemented. House Bill 2610 would change that jurisdiction to the Kansas Biological Survey. Speaker Hayden noted that the Kansas Biological Survey is located at the University of Kansas and their purpose is very similar to that in the Natural and Scientific Areas Act language. He said that the Biological Survey had agreed to be the designated agency and would move to establish the advisory board and to enter into the register certain natural and scientific areas which should be preserved for future generations in Kansas. Committee discussion followed.

Edward Martinko, Director of the Kansas Biological Survey, was another proponent of House Bill 2610. It was his belief that since the Biological Survey was mandated to study the native plants and animals of Kansas, especially those of economic and educational importance, it would be a logical step to couple those activities with the preservation of the natural heritage of Kansas. (Attachment 1) Discussion followed Mr. Martinko's presentation. Representative Patrick asked if this would provide for powers of condemnation. Staff believed not, but suggested that language could be added to clarify that. Representative Heinemann made a conceptual motion relative to clarifying that this act does not give power of condemnation. The motion was seconded by Representative Patrick. Motion carried. Representatives Heinemann and Patrick accepted a suggestion of staff that for further clarification, rather than listing the positions of Director of the State Biological Survey and Director of the Geological Survey, it would be more appropriate to say the "State Biologist" and the "State Geologist." Representative Heinemann made a motion to recommend House Bill 2610 as amended favorably. Representative Acheson seconded. The motion passed.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON ENERGY AND NATURAL RESOURCES,room 519-S, Statehouse, at 1:30 ~~am~~/p.m. on April 10, 1985.

Turning to House Bill 2581--Concerning conservation fee fund of state corporation commission; relating to groundwater pollution research, Mr. Donald Schnacke spoke on behalf of the Kansas Independent Oil & Gas Association. He commented that the money for the conservation fee fund derives from his clientele, the producers of oil and gas throughout Kansas. He noted that the problems he had with the original House Bill 2581 (Attachment 2) had been stricken by the amendments in the balloon copy. (Attachment 3) With these amendments, he said it would be tied to the Kansas Corporation Commission and would have some review by the keeper of those funds. Mr. Schnacke still was not in favor of the bill, but felt that the amendments provided considerable improvement over the original bill.

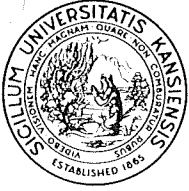
Representative Heinemann explained that House Bill 2581 was the statute creating a conservation fee fund and it was clearly under the control of the Kansas Corporation Commission. He said that through the Water Office and the Dakota study, it was clear that the relationship was so close that the posture was that the conservation fee funds could be used for the research that was going on, and the original bill did that. Representative Heinemann noted that the Kansas Corporation Commission and the Water Office had agreed to cooperate and use the fee fund, and the amendments would allow the Kansas Corporation Commission to control it. He said that the conference committee had pulled the general fund money out of the budget pending this committee's action and the omnibus bill would be adjusted appropriately. Representative Heinemann moved the adoption of the amendments. Representative Holmes seconded the motion. The motion carried.

During discussion, Representative Heinemann explained that Mr. Bryson, Director of the Oil and Field and Environmental Geology Bureau of the Kansas Department of Health and Environment, had indicated that he felt it would be appropriate that the program be coordinated and he would get information that would be useful to him. Representative Heinemann felt that it would be appropriate to use the conservation fee fund to do this. He said that \$99,000 was to be in the study but if part of that should be a general fund obligation, that adjustment would be in the omnibus bill. He noted that there was over \$2 million in the conservation fee fund at the present time. Lengthy discussion continued.

Representative Spaniol noted that the committee had recommended House Bill 2588 for interim study and felt that perhaps this bill should be studied at the same time. Representative Spaniol made a motion to table House Bill 2581 and recommend it for interim study, along with House Bill 2588. Representative Rosenau seconded the motion. The voice vote was not decisive. On division, there were 8 votes in favor and 9 votes opposed. The motion was defeated. More discussion followed, but time ran out because the House was to reconvene at 2:30 p.m.

The minutes of March 25, 26, 27, and April 1 were adopted.

The meeting was adjourned at 2:30 p.m.



KANSAS BIOLOGICAL SURVEY

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Testimony
on behalf of
HB2610

to

House Energy & Natural Resources Committee

by

Edward A. Martinko
State Biologist
Director, Kansas Biological Survey

Attachment 1 -- April 10, 1985
Energy and Natural Resources Committee

April 10, 1985

Chairman Fox, Members of the Committee, I am here to speak in support of House Bill No. 2610. As originally established in 1974, a mechanism for a system of natural and scientific areas was created under the Park and Resources Authority. The communication liaison segment, an advisory board, was also established. In 1984 the board was abolished but the system for dedicating natural and scientific areas remained intact under the Park Authority.

As you are aware over the last several years many important natural resource issues have come to the forefront. These issues have been dealt with by state agencies and legislators who are dedicated to promoting public well being and preserving the integrity of Kansas. The establishment of a board composed of the groups outlined in the bill will re-establish a functional board with broadly based representation cognizant of the needs of the people and the state. This board will facilitate in coordination of future issues related to natural and scientific areas.

The re-establishment of this advisory board in concert with the natural and scientific areas preservation act and placement of both the board and the act under jurisdiction of the Kansas Biological Survey will provide a comprehensive mechanism for a land owner to dedicate and commit land for public and scientific use. Since the Biological Survey is mandated to study the native plants and animals of Kansas, especially those of economic and educational importance, coupling the activities of this board with those of the Biological Survey will be a logical step for the responsible preservation of the natural heritage of Kansas.

The backbone of this legislation is the identification of natural and scientific areas, dedication of an area by gift or donation and management of the dedicated areas. You can see by looking through the membership of the board, the processes for dedication and the role of the Biological Survey that the intent of the act is to clarify the mechanisms for the effective utilization and preservation of these areas.

In closing I would like to quote from the Natural and Scientific Area Preserves act passed in 1974. "The purpose of this act is to secure for the people of Kansas the benefits of an enduring resource of natural and scientific areas by establishing a system of natural and scientific preserves, to provide for the protection, control and management of these areas, and to establish and maintain a registry of natural and scientific areas." I feel that passage of House Bill No. 2610 will fulfill this purpose.

HOUSE BILL No. 2581

By Committee on Ways and Means

3-26

0017 AN ACT concerning the conservation fee fund of the state
0018 corporation commission; relating to groundwater pollution
0019 research; amending K.S.A. 55-143 and repealing the existing
0020 section.

0021 *Be it enacted by the Legislature of the State of Kansas:*

0022 Section 1. K.S.A. 55-143 is hereby amended to read as fol-
0023 lows: 55-143. (a) There is hereby created in the state treasury the
0024 conservation fee fund. All deposits credited to ~~said the conser-~~
0025 *vation fee* fund shall be for the use of the state corporation
0026 commission in administering the provisions of K.S.A. ~~55-128 to~~
0027 ~~55-142~~ 55-128c, 55-128d, 55-129, 55-131, 55-139 to 55-143, in-
0028 clusive, ~~55-161~~ 55-150 to 55-164, inclusive, 55-601, 55-602, 55-
0029 603 to 55-613, inclusive, 55-701 to 55-704, inclusive, 55-705a to
0030 55-713, inclusive, 55-901 and ~~55-902~~, and K.S.A., 55-903, 55-904,
0031 55-1003 to 55-1007, inclusive, 55-1201 to ~~55-1206~~ 55-1205, in-
0032 clusive, 55-1207, 55-1301 to 55-1315, inclusive, and 66-1,185 and
0033 all acts amendatory of any of such statutes or supplemental to any
0034 of such statutes. All expenditures from the conservation fee fund
0035 shall be made in accordance with appropriation acts upon war-
0036 rants of the director of accounts and reports issued pursuant to
0037 vouchers approved by the chairperson of the state corporation
0038 commission or by a person or persons designated by the chair-
0039 person. The corporation commission, with the approval of the
0040 director of accounts and reports, shall formulate a system of
0041 accounting procedures to account for the money credited to the
0042 conservation fee fund pursuant to this act.

0043 (b) ~~On the effective date of this act the director of accounts~~
0044 ~~and reports shall transfer all moneys in the oil proration fees~~
0045 ~~fund, the oil well plugging fee fund, the abandoned well plug-~~

0046 ging fund and the natural gas conservation fee fund to the
0047 conservation fee fund created by this section. After such transfer,
0048 the oil proration fees fund, the oil well plugging fee fund, the
0049 abandoned well plugging fund and the natural gas conservation
0050 fee fund are hereby abolished. All liabilities of the funds abol-
0051 ished by this section are hereby imposed on the conservation fee
0052 fund created by this section. *In accordance with the provisions*
0053 *of appropriations acts, moneys credited to the conservation fee*
0054 *fund may be expended for research into groundwater pollution*
0055 *problems which relate to the oil and gas industry.*

0056 Sec. 2. K.S.A. 55-143 is hereby repealed.

0057 Sec. 3. This act shall take effect and be in force from and
0058 after its publication in the statute book.

HOUSE BILL No. 2581

By Committee on Ways and Means

3-26

Proposed Amendments to House Bill No. 2581

For consideration by House Energy and Natural Resources

4-10-85

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0020 section.

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0026 commission in administering the provisions of K.S.A. ~~55-128 to~~
0027 ~~55-142 55-128c, 55-128d, 55-129, 55-131, 55-139 to 55-143, in-~~
0028 ~~clusive, 55-161 55-150 to 55-164, inclusive, 55-601, 55-602, 55-~~
0029 ~~603 to 55-613, inclusive, 55-701 to 55-704, inclusive, 55-705a to~~
0030 ~~55-713, inclusive, 55-901 and 55-902, and K.S.A., 55-903, 55-904,~~
0031 ~~55-1003 to 55-1007, inclusive, 55-1201 to 55-1206 55-1205, in-~~
0032 ~~clusive, 55-1207, 55-1301 to 55-1315, inclusive, and 66-1,185 and~~
0033 all acts amendatory of any of such statutes or supplemental to any
0034 of such statutes. ~~All expenditures from the conservation fee fund~~

(1)

0035 shall be made in accordance with appropriation acts upon war-
0036 rants of the director of accounts and reports issued pursuant to
0037 vouchers approved by the chairperson of the state corporation
0038 commission or by a person or persons designated by the chair-
0039 person. The corporation commission, with the approval of the
0040 director of accounts and reports, shall formulate a system of
0041 accounting procedures to account for the money credited to the
0042 conservation fee fund pursuant to this act.

, or (2) for research into groundwater pollution problems which relate to the oil and gas industry

¶ (b)

0043 ~~[(b)] On the effective date of this act the director of accounts~~
0044 ~~and reports shall transfer all moneys in the oil proration fees~~
0045 ~~fund, the oil well plugging fee fund, the abandoned well plug-~~

Attachment 3 -- April 10, 1985
Energy and Natural Resources

0046 ging fund and the natural gas conservation fee fund to the
0047 conservation fee fund created by this section. After such transfer,
0048 the oil proration fees fund, the oil well plugging fee fund, the
0049 abandoned well plugging fund and the natural gas conservation
0050 fee fund are hereby abolished. All liabilities of the funds abol-
0051 ished by this section are hereby imposed on the conservation fee
0052 fund created by this section. ~~[In accordance with the provisions~~
0053 ~~of appropriations acts, moneys credited to the conservation fee~~
0054 ~~fund may be expended for research into groundwater pollution~~
0055 ~~problems which relate to the oil and gas industry.]~~

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