

Approved: 3-14-95
Date

MINUTES OF THE SENATE COMMITTEE ON ENERGY & NATURAL RESOURCES.

The meeting was called to order by Chairperson Don Sallee at 8:00 a.m. on March 10, 1995 in Room 254-E- of the Capitol.

All members were present except:
Senator Martin, Excused

Committee staff present: Raney Gilliland, Legislative Research Department
Dennis Hodgins, Legislative Research Department
Mary Ann Torrence, Revisor of Statutes
Mike Corrigan, Revisor of Statutes
Clarene Wilms, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

SB 337: Relating to energy; concerning purchase of energy by municipal energy agencies; relating to financing of energy sales

The chairman reminded committee members that at the time of adjournment on March 8 a motion by Senator Lawrence with a second by Senator Hardenburger to pass **SB 337** as written and without amendments had been made. A substitute motion was made by Senator Lee with a second by Senator Walker to insert the proposed new Section 7 suggested by the Department of Administration.

Discussion opened with a member expressing an interest in language which would not name certain entities and which would allow the business to go to whoever could make the best offer.

Following discussion Senator Lee agreed to withdraw her motion on the proviso that language would be retained to allow the state to use Kansas Development Finance Authority for the financing. A suggestion was made to not name anyone in the bill. Staff commented that KDFFA probably should be mentioned in order to comply with provisions of that act. Another member expressed doubt about KDFFA taking this duty directly because of concern about proper expertise "in house" to negotiate terms and conditions and issuing bonds.

Senator Lee, with consent of Senator Walker, withdrew her substitute amendment and offered a second substitute motion to remove the first sentence from the amendment provided by Kansas Development Finance Authority. The amendment would read "The Secretary of Administration is authorized to enter into agreements with the Kansas Municipal Energy Agency or the Kansas Development Finance Authority to act as an issuer of bonds or other forms of indebtedness that are issued to provide funds to pre-pay for purchases of electric power and energy requirements for State agencies. Senator Vancrum seconded the motion. The motion carried.

A member expressed the wish that the bill be worded so agencies providing power could not cross over into other public utility providers areas of service.

Senator Wisdom made a conceptual motion to provide assurance that other agencies providing power could not cross over other providers' areas of service. Senator Vancrum seconded the motion. The motion carried.

Senator Lawrence moved to report **SB 337** as amended favorable for passage. Senator Vancrum seconded the motion and the motion carried.

SB 284: Enacting the voluntary cleanup act; concerning remediation of contaminated property

Discussion noted there still appeared to be areas of disagreement with this bill, one dealing with the \$5,000 deposit fee and the issue of FTEs (full time employees) as well as what projects could be included without

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES, ROOM 254-E-Statehouse, at 8:00 a.m. on March 10, 1995.

involving the EPA. Further discussion noted that it was doubtful that any FTEs would be funded, therefore it appeared there was no point in proceeding further with the bill at this time.

HB 2036: Concerning waste management; relating to certain grants and other programs to assist cities, counties and regional solid waste management entities; concerning certain solid waste tonnage fees; limiting certain full-time equivalent positions

Discussion touched on tipping fees, (1) reducing the fee from \$1.50 to \$.75 (2) continuing collection of the \$1.50 fee and returning a portion of the fee directly to the counties which collected them, (3) letting the counties collect their own tipping fee. A member stated the belief that counties could not collect their own fees, that there is pending litigation concerning refusal to pay local tipping fees. A member stated that the only method of collecting funds from out of state trash was with the tipping fee. Concern was expressed about new programs being introduced to use funds being collected while others felt the funds were still needed for planning. Another member questioned whether it was intended to subsidize certain facilities far into the future.

Committee members were reminded that these were mandated programs and some small counties did not have the population to generate enough to sustain them. The feeling was stated that this is a good program and the department should help people proceed. A method of returning funds to the areas in which it belongs is needed. The thought was expressed that some of the smaller counties were attempting to provide this service alone when consolidation with other counties would be more feasible.

A member noted that the grant program was a method of helping those who will make it, rather than to those who won't. The suggestion of competitive grants was thought to have merits.

A member commented that they thought when HB 2801 was passed some of the funding was to go back to the counties for planning, also planning has taken much longer than anticipated. Further comments stated that in areas where the counties were failing to cooperate there was not much the state could do. Other thoughts were expressed that providing grants for counties to compete with private entities did not seem to be an answer and guidelines for grants were needed to protect the private sector.

The meeting adjourned at 8:55 a.m.

The next meeting is scheduled for March 13, 1995.

SENATE COMMITTEE ON ENERGY & NATURAL
RESOURCES GUEST LIST COMMITTEE

DATE: March 10, 1995

NAME	REPRESENTING
Bruce Graham	KEPCO
Larry Knoche	KDHE
Whitney Ogden	Pete McMillan Associates
Rich Sherman	KUPA
ED SCHAUB	WESTERN RESOURCES