

Approved: 3/24/95
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 21, 1995 in Room 254-E- of the Capitol.

All members were present except:

Senator Emert, Excused
Senator Lawrence, Excused
Senator Vancrum, 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: none

Others attending: See attached list

The minutes for March 13, 14, 15, 16 and 17 were presented for approval or correction.

Substitute for HB 2044: An Act concerning oil and gas well operators and contractors; relating to qualifications for licensure

Staff passed out an amendment to **Substitute for HB 2044** stating the amendment separates out those applicants that are registered with the federal securities and exchange commission and provides that all the applicant has to do is show compliance with Chapter 55 of Kansas Statutes Annotated, all rules and regulations adopted thereunder and all commission orders and enforcement agreements. It also adds a new section 4 which requires demonstration to the commission's satisfaction that those listed in lines 30-34 page one of the bill comply with all requirements of chapter 55 of the Kansas Statutes Annotated, all rules and regulations adopted thereunder and all commission orders and enforcement agreements, if the applicant is not registered with the federal securities and exchange commission. (Attachment 1)

Senator Hardenburger made a motion to amend **Substitute for HB 2044** as set forth in Attachment 1. Senator Morris seconded the motion and the motion carried.

Senator Hardenburger moved to pass **Substitute for HB 2044** favorably as amended. Senator Tillotson seconded the motion and the motion carried.

A member questioned whether there would be interium studies on the gas gathering issue and other issues previously mentioned. The Chair stated he intended to submit a letter to that effect.

Senator Morris made a motion to approve the minutes for March 13, 14, 15, 16 and 17. Senator Wisdom seconded the motion and the motion carried.

The meeting adjourned at 8:20 a.m.

No further meetings are scheduled.

SUBSTITUTE FOR HOUSE BILL No. 2044

By Committee on Energy and Natural Resources

9 AN ACT concerning oil and gas well operators and contractors; relating
10 to qualifications for licensure; amending K.S.A. 55-155 and repealing
11 the existing section.

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

13 Section 1. K.S.A. 55-155 is hereby amended to read as follows: 55-
14 155. (a) Operators and contractors shall be licensed by the commission
15 pursuant to this section.

16 (b) Every operator and contractor shall file an application or a re-
17 newal application with the commission. Application and renewal appli-
18 cation forms shall be prescribed, prepared and furnished by the commis-
19 sion.

20 (c) No application or renewal application shall be approved until the
21 applicant has:

22 (1) Provided sufficient information, as required by the commission,
23 for purposes of identification;

24 (2) submitted evidence that all current and prior years' taxes for prop-
25 erty associated with the drilling or servicing of wells have been paid; and

26 (3) ~~demonstrated to the commission's satisfaction [compliance of the~~
27 ~~following with all requirements of state and federal statutes and rules and~~
28 ~~regulations and all written commission directives, commission orders and~~
29 ~~enforcement agreements with the commission]; (A) The applicant; (B) any~~
30 ~~officer, director, partner or member of the applicant; (C) any stockholder~~
31 ~~owning in the aggregate more than 5% of the stock of the applicant; and~~
32 ~~(D) any spouse, parent, brother, sister, child, parent-in-law, brother-in-~~
33 ~~law or sister-in-law of the foregoing;~~

34 ~~paid an annual license fee of \$100, except that an applicant for a~~ (5)
35 ~~license who is operating one gas well used strictly for the purpose of~~
36 ~~heating a residential dwelling shall pay an annual license fee of \$25; and~~

37 ~~(4) (5) paid an annual license fee of \$25 for each rig operated by the~~ (6)
38 ~~applicant. The commission shall issue an identification tag for each such~~
39 ~~rig which shall be displayed on such rig at all times.~~

40 (d) Upon the approval of the application or renewal application, the
41 commission shall issue to such applicant a license which shall be in full
42 force and effect until one year from the date of issuance or until surren-
43

that the applicant complies with all requirements of chapter 55 of the Kansas Statutes Annotated, all rules and regulations adopted thereunder and all commission orders and enforcement agreements, if the applicant is registered with the federal securities and exchange commission;
(4) demonstrated to the commission's satisfaction that the following comply with all requirements of chapter 55 of the Kansas Statutes Annotated, all rules and regulations adopted thereunder and all commission orders and enforcement agreements, if the applicant is not registered with the federal securities and exchange commission

Senate Energy & Nat'l Res,
March 21, 1995
Attachment 1