

MINUTES OF THE SENATE COMMERCE COMMITTEE.

The meeting was called to order by Chairperson Karin Brownlee at 8:00 a.m. on March 12, 2003 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: April Holman, Legislative Research
Deb Hollon, Legislative Research
Mitch Rice, Revisor of Statutes
Jodie Anspaugh, Secretary

Conferees appearing before the committee: Bob Eye, Kansas Trial Lawyers Association
Patricia Casey, Kansas Department of Human Resources

Others attending: See attached list.

Senator Jordan moved to approve the minutes from February 4, 5, 6, 7, 11, 12, 13, and 18. Senator Steineger seconded. The motion carried.

Senator Brownlee continued the hearing on SB 237. Bob Eye, Kansas Trial Lawyers Association, testified in opposition to the bill. (Attachment 1) He read testimony from John Parisi, President of KTLA. He is concerned with potential claims of liability associated with this property. His main concern is with the payment of attorneys' fees on page 15, lines 17-21. Mr. Eye answered questions regarding the cleanup of the property and the Brownfield amendments to the federal code.

Senator Emler engaged in conversation with Mr. Eye regarding the payment of attorney's fees. Senator Emler asked him if it was his position that he could not draft legislation making the losing party responsible for the state's attorneys fees. Mr. Eye said that it is possible, but that it is probably not good public policy. Senator Emler disagreed, and stated that last year this committee decided that it was good public policy and that is why the bill was drafted the way it was.

Patricia Casey, Kansas Department of Health and Environment, testified as neutral to SB 237. (Attachments 2 and 3) She explained the FOSET system, or Finding of Suitability for Early Transfer. Under certain circumstances the Army can transfer title to a property before all of the contamination existing on the federal property has been cleaned up. The FOSET contains information about the property which is intended to provide the Governor of the state where the property is located enough information to approve the Army's FOSET and thereby defer the covenant that all remedial action necessary to protect human health and the environment has been taken on the property. KDHE estimated that it will cost between \$97,494,000 and \$138,164,000 to complete the cleanup of all contaminated areas.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMERCE COMMITTEE at 8:00 a.m. on March 12, 2003 in Room 123-S of the Capitol.

Senator Brownlee closed the hearing on SB 237.

Senator Jordan moved to amend page 2, line 29, to change “may” to “shall.” Senator Brungardt seconded. The motion carried.

Senator Barone moved to change “near” to “adjacent to” on page 2, line 37. Senator Steineger seconded. The motion carried.

Senator Barone moved to remove the italicized language on page 15, lines 15-16, regarding others having to pay legal fees for the state in the event of a lawsuit against the state. Senator Bunten seconded. Senator Kerr moved a conceptual substitute motion that exempted action by the federal government for enforcement of federal law, which Senator Emler seconded. The substitute motion carried.

Senator Barone moved to change language on page 5, line 23 and add a new section allowing the board of county commissioners to abolish the redevelopment authority should they decide it is no longer needed, in which case the board would assume the duties of the authority. Senator Jordan seconded. The motion carried.

Senator Wagle moved to clarify language on page 19, Section 14 (a) to read, “a pledge of the revenue derived from the state and countywide retailers’ sales tax is otherwise authorized by law to be pledged for the repayment of bonds issued to finance or refinance the redevelopment.” Senator Jordan seconded. The motion carried.

Senator Jordan moved to pass the bill favorably as amended. Senator Emler seconded. The motion carried.

Senator Barone moved to approve ERO 30. Senator Emler seconded. The motion carried.

The committee turned to work SB 222. Mitch Rice distributed copies of his balloon amendment, and Steve Weatherford also distributed copies of suggested amendments. (Attachments 4 and 5)

Senator Wagle moved to change the statutory reference in the title of the bill and to add “modular home” on page 3, line 16. Senator Steineger seconded. The motion carried.

Senator Barone moved to change the language on page 4 to clarify that KDFA will not be in the business of originating loans themselves. Senator Jordan seconded. The motion carried.

Senator Emler moved to change the language on page 10 per Mitch Rice’s balloon amendment. (Attachment 4) Senator Barone seconded. The motion carried.

Senator Kerr moved to strike new section 5 and section 6 and renumber accordingly. This creates a statewide authority but still allows local authorities to exist. Senator Brungardt seconded. The motion carried.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMERCE COMMITTEE at 8:00 a.m. on March 12, 2003 in Room 123-S of the Capitol.

Senator Brownlee announced that the committee meeting will begin at 8:15 a.m. tomorrow morning to finish working this bill.

The meeting was adjourned at 9:30 a.m.

The next meeting is scheduled for March 13, 2003 at 8:15 a.m. in Room 123-S.