

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Steve Morris at 10:40 a.m. on February 28, 2001 in Room 123-S of the Capitol.

All members were present except: All Present

Committee staff present:

Alan Conroy, Chief Fiscal Analyst, Kansas Legislative Research Department
Debra Hollon, Kansas Legislative Research Department
Amory Lovin, Kansas Legislative Research Department
Rae Anne Davis, Kansas Legislative Research Department
Tom Severn, Kansas Legislative Research Department
Audrey Nogle, Kansas Legislative Research Department
Norman Furse, Revisor of Statutes
Michael Corrigan, Assistant Revisor, Revisor of Statutes Office
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Tom Day, Public Service Executive, Kansas Corporation Commission

Others attending: See attached guest list

Chairman Morris referred the following bill to the KPERS Issues subcommittee:

SB 340 – Contribution rates for local police or fire pension plans

Subcommittee budget reports on:

Kansas Department of Health and Environment (Attachment 1)

Senator Adkins reported that the Subcommittee concurs with the recommendations of the Governor for FY 2001 with modifications as listed in the subcommittee budget report.

Senator Adkins reported that the Subcommittee concurs with the recommendations of the Governor for FY 2002 with exceptions as listed in the subcommittee budget report.

Senator Downey moved, with a second by Senator Adkins, to amend the Subcommittee budget report for FY 2002, regarding Item Number 6, Paragraph 1, to change “teenagers” to “youth”. Motion carried by a voice vote.

Senator Adkins moved, with a second by Senator Downey, to adopt the Subcommittee budget report on the Kansas Department of Health and Environment as amended. Motion carried by a voice vote.

Homestead Property Tax (Attachment 2)

Senator Salmans reported that the Subcommittee concurs with the Governor’s recommendation for FY 2001.

Senator Salmans reported that the Subcommittee concurs with the Governor’s recommendation for FY 2002 with observations as listed in the subcommittee report.

Senator Salmans moved, with a second by Senator Feleciano, to adopt the Subcommittee budget report on Homestead Property Tax. Motion carried by a voice vote.

Kansas Department of Human Resources (Attachment 3)

Senator Jordan reported that the Subcommittee concurs with the Governor's recommendation for FY 2001 with adjustments and observations as listed in the subcommittee budget report.

Senator Jordan reported that the Subcommittee concurs with the Governor's recommendation for FY 2002 with adjustments and observations as listed in the subcommittee budget report.

Senator Jordan moved, with a second by Senator Barone, to adopt the Subcommittee budget report on the Department of Human Resources. Motion carried by a voice vote.

Kansas Commission on Veterans Affairs (Attachment 4)

Senator Salmans reported that the Subcommittee concurs with the Governor's recommendations for FY 2001 with adjustments and comments as listed in the subcommittee budget report.

Senator Salmans moved, with a second by Senator Feleciano, to amend the Subcommittee budget report for FY 2001 to change the wording in Item Number 4 to reflect referring it to the Capital Improvement Subcommittee. Motion carried by a voice vote.

Senator Salmans reported that the Subcommittee concurs with the Governor's recommendations for FY 2002 with adjustments and observations as listed in the subcommittee budget report.

Senator Feleciano moved, with a second by Senator Salmans, to adopt the Subcommittee budget report on the Kansas Commission on Veterans Affairs as amended. Motion carried by a voice vote.

Chairman Morris opened the public hearing on:

SB 321 – Abandoned oil and gas well fund, extending certain transfers

Staff briefed the Committee on the bill.

Chairman Morris welcomed Tom Day, Public Service Executive, Kansas Corporation Commission, who spoke in support of **SB 321 (Attachment 5)**. Mr. Day mentioned that the Abandoned Oil and Gas Well/Site Remediation program has been successful in plugging more than 2,100 wells from FY 1997 through FY 2000. The Division is on track to plug or schedule plugging operations on approximately 600 abandoned oil and gas wells in FY 2001. Authorization for continuation of this program beyond the current sunset date of July 1, 2002, will allow the Conservation Division to continue to address the ongoing and potential threats to the water and natural resources of the State of Kansas from these types of abandoned wells.

Chairman Morris welcomed Ken Peterson, Executive Director, Kansas Petroleum Council, who spoke in support of **SB 321 (Attachment 6)**. Mr. Peterson mentioned that **SB 321** ensures that the Conservation Division of the Kansas Corporation Commission can continue to address abandoned wells that threaten groundwater. Many of these wells were drilled in the pre-regulatory days of the oil and gas industry. The state did not get into the situation overnight and it will take some time to adequately address the problem. Mr. Peterson mentioned that Jim Allen, Kansas Independent Oil and Gas Association, and Robert Krehbiel, Eastern Kansas Oil and Gas Association, also support his testimony and **SB 321**.

The Chairman thanked the conferees for their appearance before the Committee. There being no further conferees to appear before the Committee, the Chairman closed the public hearing on **SB 321**.

Senator Salmons moved, with a second by Senator Barone, to move **SB 321** favorable for passage. Motion carried by a roll call vote.

The meeting was adjourned at 11:50 a.m. The next meeting is scheduled for March 1, 2001.