

TESTIMONY for House Bill 2192-Kansas Storage Tank Act
House Standing Committee on Energy and Environment
Charles Brewer, President GSI Engineering
February 16, 2015

Chair Hedke and Committee Members:

Good morning, my name is Charles Brewer. I am president and principle geologist of GSI Engineering, LLC. GSI Engineering is a Wichita based firm that specializes in geotechnical engineering, environmental consulting, and material testing in Kansas and surrounding states. We have provided our consulting services to private industry and governmental agencies since 1973. Over the years our professional geologists, engineers and environmental technicians have worked on all facets of underground storage tank remediation for many clients. Our clients range from single-site owners to large, international integrated companies. In addition, I actively participated as a member of the KDHE bureau of remediation's stakeholder group that was given the opportunity to thoroughly discuss the creation of the environmental stewardship fund.

Thank you for this opportunity today to offer testimony in support of the changes proposed in HB 2192 to K.S.A. 65-34,119, K.S.A 2014 Supp. 65-34,117 and 65-34,131.

House Bill 2192 creates the environmental stewardship fund and its associated funding mechanism which would give authority to the secretary of the department of health and environment to provide reimbursement to eligible underground storage tank owners who replace single-wall storage tank system with an approved secondary containment system. The replacement must have occurred after August 8, 2005, and before June 30, 2020. Eligibility for re-imbursement is specifically detailed in subparts 1 through 6 of New Section 2, K.S.A 65-34,117. The maximum reimbursement amount is \$50,000 per facility.

In my opinion, shared by the majority of other stakeholder group members, the reimbursement would encourage underground storage tank owners to upgrade to a modern, safer containment system. In addition, the requirement found in New Sec. 2, subsection 5 B would require the owner to apply to the underground fund and perform corrective action if petroleum contamination is found during replacement. Therefore, contamination that might not have been detected is addressed.

Another very important benefit of this bill is that it allows the secretary to expend funds in response to an environmental threat to public health or safety, and expend funds to investigate, monitor, remediate and perform long-term care actions. Examples of sites that could be funded are sites that are in state programs like orphan sites, drycleaner sites, sites in the Site Assessment Program and Superfund sites. In effect, this fund would be used when other funds are not available to meet critical environmental needs.

The proposed funding mechanism allows the environmental stewardship fund to grow to meaningful level to have a significant impact, but preserve the funding priority of the underground fund, above ground fund, and UST redevelopment fund. This bill proposes funding levels that must be met before



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funds flow ultimately into the environmental stewardship fund. Furthermore, the new fund is capped at \$5 million, at this level excess funds will flow back into the other petroleum funds.

In conclusion, by creating the environmental stewardship fund an economic incentive will be provided that encourages underground storage tank owners to improve tank systems and uncover contamination that might have otherwise only been found if it had moved to an adjacent property. The proposed funding mechanism does not monetarily sacrifice another fund, or disrupts the priority of long established funds, but does provide funds for orphan sites at a meaningful level. This fund may also be used as a safeguard to address critical environmental sites when other funds are not available.

I will gladly answer questions the Committee might have.