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MEMORANDUM

To: House Committee on Agriculture
From: Kyle Hamilton, Assistant Revisor of Statutes
Date: January 23, 2019
Subject: Bill Brief on HB 2001

In the year 2000, the Kansas Legislature enacted the Agricultural and Specialty Chemical Remediation Act (K.S.A. 2-3701 et seq.). The Act established a remediation board to approve low-interest loans and reimbursements for eligible people to pay the costs of environmental corrective actions that have been approved by the Kansas Department of Health and Environment. The remediation portion of the Act is funded through assessments paid by the entities listed in Section 2 of the bill. These assessments are collected and deposited into the Agricultural Remediation Fund.

Under current law, if the unobligated principal balance of the Kansas Agricultural Remediation Fund equals or exceeds \$5,000,000 on April 1st of any year, assessments will stop being levied under the Remediation Reimbursement Program by July 1st of that same year. But once the unobligated principal balance has fallen to \$1,500,000 or less on April 1st of any following year, the assessments resume after July 1st of that same year. Section 1 would reduce the upper limit of the fund's unobligated principal balance down to \$3,000,000 and would reduce the lower limit to \$1,000,000.

Section 2 would amend some of the annual assessments required by the Remediation Reimbursement Program. Subsection (a), paragraph (2) would raise the assessment for each commercial fertilizer required by state law to be registered from \$20 to \$40. Paragraph (3) would lower the assessment for each agricultural chemical required by state law to be registered from \$60 to \$30. In paragraphs (5) and (6), the assessments for warehouses applying for licensure or that are currently licensed under state or federal law would be reduced from \$.0005 to \$.00025.

Section 3 would push back the sunset date for the Agricultural and Specialty Chemical Remediation Act from July 1, 2020, to July 1, 2030.

HB 2001 would become effective upon publication in the statute book on July 1, 2019.