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Date: February 11, 2021
To: Representative Ken Rahjes, Chairman, House Agriculture Committee
From: Shahira Stafford, Kansas Cooperative Council
RE: Proponent Testimony on Senate Bill 27

Mr. Chairman and Members of the Committee,

On behalf of the Kansas Cooperative Council (KCC), thank you for the opportunity to support Senate Bill 27. The KCC is a statewide association that works on behalf of all types of cooperatively structured businesses in Kansas. The industries organized as cooperatives are vast, including agriculture, utility, financial and insurance.

Agricultural cooperatives often have grain, agronomy, precision ag, seed, feed, and fuel operations. Some of our members have underground storage tanks (USTs) at their facilities that need to be upgraded from single-wall to double-wall systems, as mandated by the Federal Energy Act of 2005. However, the estimated cost to upgrade tanks at one site is between \$300,000 to \$400,000. This is a tremendous financial impact on our members, especially those with multiple facilities.

SB 27 would allow reimbursement of \$100,000 to eligible tank owners that want to replace their old tanks with newer and safer secondary containment. The average age of USTs in Kansas is over 25 years, which is higher than the national average. SB 27 is needed to serve as an incentive for upgrades that many tank owners have seen as cost prohibitive in the past.

This bill also extends the sunset of the abandoned tank redevelopment fund through year 2032. This program ensures the removal of abandoned tanks, which leads to quicker identification of potential contamination and decreases blighted facilities in our communities.

It is our understanding that Kansas has one of the best-run UST programs in the country, and the KCC supports its continuation and improvement through the provisions set forth in SB 27.

Thank you so much for the opportunity to comment, and we respectfully ask for your support.