Approved: February 21,2008

Date

MINUTES OF THE SENATE NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairman Carolyn McGinn at 8:30 a.m. on February 7, 2008 in Room 423-S of the Capitol.

All members were present.

Committee staff present: Raney Gilliland, Kansas Legislative Research Department Emalene Correll, Kansas Legislative Research Department Jason Thompson, Revisor of Statutes Matt Todd, Revisor of Statutes Adrienne Halpin, Committee Assistant

Conferees appearing before the committee:

Ron Hein, Kansas Beverage Association Kansas Food Association Kansas Pharmacy Coalition Kansas Pharmacy Coalition Kansas Restaurant and Hospitality Association
Bob Alderson, Casey's General Stores
Bill Bider, Kansas Department of Health and Environment
Philip Bradley, Licenced Beverage Association
Mike Beam, Kansas Livestock Association
Roxanne Miller, Kansas Land Trust
Dave Webb, Stillwell, Kansas Livestock Association Ranch Land Trust
Alan Pollom, Nature Conservancy of Kansas
Mark Salley, Army Central Regional Environmental Office
Scott Carlson, State Conservation Commission

Others attending:

See attached list.

Chair McGinn announced the continuation of testimony from February 1^{st} for <u>SB 258</u> which deals with the redemption of certain beverage containers.

Ron Hein testified on behalf of the Kansas Beverage Association, the Kansas Food Association, the Kansas Pharmacy Coalition, and the Kansas Restaurant and Hospitality Association against <u>SB 258</u> (<u>Attachments 1,2, and 3</u>). Mr. Hein stated these organizations do not have the adequate space or staffing to maintain redemption centers in their commercial centers. Mr. Hein echoed Kevin Dietly's testimony from February 1^{st} , stating that Kansas needs to look into a more comprehensive means of recycling. Mr. Hein stood for questions.

Next, Bob Alderson testified on behalf of Casey's General Stores (<u>Attachment 4</u>). The chain, which is based in Iowa, has 104 stores in Kansas. Because Casey's operates in Iowa-- which has a beverage container redemption program-- Mr. Alderson stated the chain has been directly impacted by this type of legislation. In rural Iowa communities, Casey's often becomes the primary collector of bottles, presenting space, sanitation, and staffing problems. In stores near bordering states, consumers redeem bottles which were not purchased in-state, causing the stores to collect more bottles than they sell. Mr. Alderson stood for questions.

Bill Bider, Director, KDHE Bureau of Waste Management, stated KDHE took a neutral position on the issue and highlighted both potentially positive and negative consequences of the legislation (<u>Attachment 5</u>). KDHE considers the bill to have environmentally positive outcomes, among which would be reduced litter, especially if water bottles were included. Among the possible negative consequences of the legislation are: the potential energy costs in transportation, the climate controlled areas which would be necessary to store containers, and an increase in water consumption and chemical cleaning agents to sanitize the bottles. KDHE believes a redemption program would have an overall positive environmental impact. As to potential costs, Director Bider stated the bill would refer most of the responsibilities of carrying out the redemption program to KDHE. Such responsibilities would include: public awareness training, data collection, analysis, investigation, inspection, auditing, and reporting. Director Bider estimated the up-front contracting cost

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would be \$300,000. Afterward, there would be an approximate \$600,000 cost per year to provide for staff and administration. At this moment, a funding source has not been identified in the bill. KDHE encourages several additions to the bill including: (1.) the requirement to report to KDHE so the program could be monitored for effectiveness, (2.) specification of an adequate number of redemption centers, (3.) the necessity to phase-in such a program because of the need to train personnel and develop forms, and (4.) a designation for unredeemed deposits. Director Bider reiterated that, if returned containers exceed 72%, wholesalers will experiences losses which the two cent handling fee will not cover. KDHE believes the bill needs to be revised before it can be moved forward and would be happy to help in that process. Director Bider stood for questions.

Lastly, Philip Bradley of the Licenced Beverage Association, stated that, under Kansas statute, licenced facilities serving alcohol are not permitted to allow alcohol beverage bottles to leave the premises (<u>Attachment 6</u>). As such, <u>SB 258</u> does not designate these facilities as either a consumer who could redeem bottles to its supplier, or a supplier who needs to collect them. Mr. Bradley stood for questions.

Chair McGinn closed the hearing on $\underline{SB 258}$ and opened the hearing for $\underline{SB 538}$ which addresses farm and ranch land protection.

Mike Beam of the Kansas Livestock Association spoke in favor of the bill (<u>Attachment 7</u>) stating <u>SB 538</u> would amend the purpose statement of the State Conservation Commission so that the Commission could administer conservation easements. This program would mirror the USDA program called the Farm and Ranch Land Protection Program which requires a 25% non-federal match. Mr. Beam stated that conservation easements have been recognized by Kansas statutes since 1992 and provide a way to leverage the development value of land without actually developing it, preserving historical farm and ranching traditions and providing a tool for generational succession for a farm or ranch. Mr. Beam stood for questions.

Roxanne Miller of the Kansas Land Trust spoke in favor of the bill (<u>Attachment 8</u>). While the Trust participates in federal programs, these programs require support matches. Ms. Miller stated that, although the Trust receives funds from the State Conservation Commission and has used these funds efficiently, the Commission is responsible for the support of many agencies and the funding will not be adequate for future needs, such as the partnership with Fort Riley to preserve land surrounding the military base. She further stated that, in order to continue their past successes, the Land Trust is in need of regular and predictable funding. Ms. Miller stood for questions.

Dave Webb of Stillwell, Kansas testified in support of the bill (<u>Attachment 9</u>). Mr. Webb formally served on the Conservation Committee and is Chairman of the Kansas Livestock Association Ranch Land Trust. Mr. Stillwell stated that if previous generations had emphasized conservation, there would be greater awareness of the historic geography now. In the view that we are responsible caretakers of the land, <u>SB</u> <u>258</u> would, he said, preserve farmlands and vistas for future generations. Mr. Webb stood for questions.

Alan Pollom of the Nature Conservancy of Kansas testified in favor of the bill (<u>Attachment 10</u>). Mr. Pollom stated that among the recently named "Eight Wonders of Kansas," two separate preserves were recognized. Mr. Pollom stated that although the concept of conservation easements is relatively new to Kansas, it has gained interest in the last three years. The Nature Conservancy has used easements to preserve 20,000 acres of land to date. Mr. Pollom further stated that enactment of the bill would be an important step toward allowing the state to capture matching resources. Mr. Pollom stood for questions.

Mark Salley of the Army Central Regional Environmental Office spoke in favor of the bill (<u>Attachment 11</u>). Mr. Salley stated that the Army is in favor of conservation easements on land surrounding army installations in that it provides a buffer area around the installation. Easements are also, he stated, a proven means of preserving wildlife habitats. Mr. Salley stood for questions.

Lastly, Scott Carlson of the State Conservation Commission spoke in favor of the bill (<u>Attachment 12</u>). Mr. Carlson stated that <u>SB 538</u> would amend statute 2-1904. Mr. Carlson stated that the Conservation Commission has past experience with conservation easements, the first of which were funded in 2006 with more funded in 2007 and 2008. Because these easements rely heavily on federal appropriations,

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those involved must also find the necessary non-federal match. In the past, this has meant missed opportunities to fund easements. Mr. Carlson further stated that the additional staff made possible through the proposed funding would allow them to work with new programs, unlike the Farm and Ranch Land Protection Program which must prioritize all incoming requests. Mr. Carlson stood for questions.

Written testimony was provided by:

Luke Bell, Kansas Association of Realtors (Attachment 13)

Chair McGinn closed the hearing on SB 538.

Senator Bruce motioned to approve the minutes from January 24th with corrections. Senator Ostmeyer seconded the motion. The motion carried.

The meeting adjourned at 9:30.