



Kansas Grain and Feed Association
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February 11, 2021

To: House Committee on Agriculture
From: Randy Stookey, Senior Vice President of Government Affairs, KGFA
Re: **Proponent Written Testimony on SB 27, amending the Kansas storage tank act to extend sunsets of underground and aboveground funds, UST redevelopment fund, and increase certain liability and reimbursement amounts.**

Chairman Rahjes and members of the committee, thank you for the opportunity to provide testimony in support of Senate Bill 27. This testimony is submitted on behalf of Kansas Grain and Feed Association (KGFA).

KGFA is the state association of the grain receiving, storage, processing, and shipping industry in Kansas. KGFA's membership includes over 950 Kansas business locations and represents 99% of the commercially licensed grain storage in the state. Many of our member facilities sale fuel at retail, and own underground storage tanks to store their fuel. For this reason, this bill is relevant to our members.

As we understand the bill, Sections 2 and 4 increase the state's liability for remediation of releases from petroleum storage tanks – from \$1 million, currently, to \$2 million, when the tank owner is working under a consent agreement with Kansas Dept. of Health and Environment. As remediation costs continue to increase, we would support this change to help offset those increased costs.

Section 3 of the bill extends the existence of the underground petroleum storage tank fund for an additional 10 years, to June 30, 2030. This fund reimburses eligible property owners for expenses to replace single-walled tanks with a secondary containment system. Section 5 extends the existence of the aboveground and underground storage tank funds until July 1, 2034. Section 7 extends the existence of the UST redevelopment fund until July 1, 2032. We would support the extension of these funds.

Section 8 of the bill increases the amount a tank owner may receive from the UST redevelopment fund for the replacement of a single-walled underground storage tank. The amount is increased from \$50,000 to \$100,000 for replacement work after July 1, 2030. We would support this change.

Finally, the bill directs registration and permit fees for petroleum storage tank fee funds, paid under the act, to go directly to the storage tank fee fund rather than the state general fund. To ensure industry fees are used specifically for the purpose they are collected, we would support this change.

The property redevelopment program has been successful. Removal of abandoned tanks leads to quicker identification of potential contamination. The UST fund has helped decrease the number of blighted properties, and invigorated redevelopment and economic growth.

Senate Bill 27 is a reasonable measure, and preservation of these funds is sound public policy. Thank you for allowing us the opportunity to testify in support of this bill. We respectfully request that the committee pass the bill out favorably, without amendment.