

## MINUTES OF THE HOUSE AGRICULTURE AND NATURAL RESOURCES BUDGET

The meeting was called to order by Chairman Larry Powell at 1:30 P.M. on March 12, 2007 in Room 235-N of the Capitol.

All members were present except:

Carl Holmes- excused  
Jason Watkins- excused  
John Grange- excused  
Sydney Carlin- excused  
Vaughn Flora- excused

Committee staff present:

Julian Efrid, Kansas Legislative Research Department  
Mark Griggs, Office of Revisor of Statutes  
Lura Attig, Committee Assistant

Conferees appearing before the committee:

Mark W. Taddiken, Senator, 21<sup>st</sup> District  
Duane Simpson, Kansas Association of Ethanol Processors

Others attending:

See attached list.

**Hearing on: SB 262 - Motor vehicle purchases by state agencies; E85 fuels.**

Mark W. Taddiken, Senator, 21<sup>st</sup> District addressed the Committee as a proponent of **SB 262** (Attachment 1). This bill deals with requiring the State of Kansas to lease or purchase vehicles with flex-fuel engines when those engines are available in the model type the purchasing agency is shopping for. It was amended in the Senate Agriculture Committee to clarify the bill speaks only to gasoline engines and will not include diesel power vehicles.

The purchase of vehicles with flex-fuel engines by the state may signal the E-85 fuel market that Kansas is serious about promoting the use of these fuels and could cause an increase in production of those fuels. This could potentially lower the cost of fuel for our fleets.

It is unclear whether the public will buy E-85 vehicles before Kansas retailers actually have the fuel available.

Duane Simpson, Vice President of Government Affairs for the Kansas Association of Ethanol Processors (Attachment 2). Speaking as a proponent of this bill, Mr. Simpson stated that **SB 262** requires the state to purchase Flex Fuel Vehicles (FFV) if the model of vehicle the state is purchasing is available as an FFV and is not more than \$250 above the standard vehicle price. It also allows the state to purchase an FFV if the cost is more than \$250 above the standard vehicle price. Currently, consumers see little benefit in purchasing an FFV because of the limited number of places to purchase E-85. Low demand for E-85 has limited the number of gas stations willing to install the pumps.

There were no further proponents and no opponents.

Chairman Powell adjourned the meeting at 1:45 PM.