



**House Vision 2020 Committee
Testimony of
Dennis Schwartz, Kansas Water Authority
February 18, 2015**

Chairman Sloan and members of the Committee; thank you for the opportunity to appear before you today to discuss the Kansas Water Authority and our recommendations regarding the State Water Plan Fund.

First I would like to provide you with a little background about the Kansas Water Authority and my involvement. The Kansas Water Authority was created in 1981 by act of the legislature to advise the Governor and legislature on policy issues and funding recommendations regarding water resources within the state of Kansas. Statutorily, the Water Authority is within and part of the Kansas Water Office. The 13 voting members, however, are citizens who represent various water interest groups and use categories, the Governor and legislative leadership. I have had the opportunity to serve on the Kansas Water Authority twice over a 30 plus year time period representing small public water suppliers. Currently I am the chair of the Public Water Supply Committee of the Authority. Prior to my recent retirement, I was the general manager of a rural water district, have served as president of the Kansas Rural Water Association and the National Rural Water Association.

During the 1980s, the Kansas Water Authority's primary work focused on updating a number of policy issues facing Kansas including development of the Water Assurance Program, Multipurpose Small Lakes Program, purchase of storage in federal reservoirs, development of minimum desirable streamflows, and local water quality programs to name a few. There was a growing recognition that implementation of the State Water Plan would take a dedicated funding source, which led to passage of the State Water Plan Fund in 1989. You have heard from previous conferees on this issue and the source of revenue and expenditures into the fund.

Over the last 10 years, the Kansas Water Authority has recognized that the need for water project funding exceeds the current available revenue. We have proposed options to increase funding from various sources, without much success. Much as we face today, the statutorily required State General Fund transfers were not being made to the Water Plan Fund at that time. Our first effort, which we were successful with for a time, was to get the demand transfers reinstated. This lasted for a few years before budgetary demands for other governmental functions again eliminated the demand transfers since FY 2009. Currently fee revenue goes into the State Water Plan Fund generating between \$12-13 million per year. The fees have not increased since being implemented in 1989.

In 2009, the Kansas Water Authority proposed increasing the fees by 50 percent to help offset the lack of demand transfer and the increased cost of completing projects since the fund was created. The effort, and legislative bill, received little support and significant opposition. In subsequent years, the Water Authority recommended use of 10 percent of the Expanded Lottery Act Revenue Fund for water related projects, but this did not receive favor with either the Governor or legislature.

We in the water business continually hear the need for additional funding for water related projects. During the recent vision process, this was a consistent theme with many asking where funding to implement the vision would come from. We have also heard the need for a balanced and fair approach to raising additional revenue. What is balanced and fair is different for each individual.

To start the discussion of projects that need additional funding, and can be moved forward now, the Water Authority made recommendations within our annual report, which you should have a copy of already. Below is the table contained within the report that summarized these initial recommendations. They are focused on reservoir issues and the Ogallala Aquifer. The recommendations are also tied to our suggestion that the yearly demand transfers totaling \$8 million should be reinstated as the first step in funding water resource needs. We do not think this is the full extent of water funding needs in Kansas. It does not begin to address the unfunded liability to secure all of the storage available in our federal reservoirs for example. But we believe these recommendations represent the most immediate and highest priority issues that we can address in Kansas.

Streambank Stabilization #1	\$ 1,200,000
Irrigation Technology and Crop Variety Advancement #1	\$ 800,000
Sediment and Nutrient CREP #1	\$ 1,300,000
LEMA Support	\$ 100,000
Irrigation Technology and Crop Variety Advancement #2	\$ 700,000
Equus Beds Modeling	\$ 250,000
WRAPs	\$ 650,000
Index Wells	\$ 200,000
Streambank Stabilization #2	\$ 800,000
Sediment and Nutrient CREP #2	\$ 700,000
Drought Simulation/Exercise	\$ 150,000
Watershed Dams and Mitigation	\$ 1,000,000
Education/Outreach	\$ 100,000
Economic Work	\$ 50,000

Thank you again for the opportunity to appear before you today. I will be happy to answer questions at the appropriate time.