Approved: February 10, 2016

MINUTES OF THE SENATE NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairperson Larry Powell at 8:30am on Wednesday, January 27, 2016, 159-S of the Capitol.

All members were present except:

Senator Michael O'Donnell – Excused Senator Greg Smith – Excused

Committee staff present:

Tamera Lawrence, Office of Revisor of Statutes Heather O'Hara, Legislative Research Department Toni Beck, Kansas Legislative Committee Assistant Raney Gilliland, Legislative Research Department

Conferees appearing before the Committee:

Gary Harshberger, KS Water Authority Susan Metzger, Department of Agriculture Mark Rude, KS Groundwater Management District 3

Others in attendance:

See Attached List

Possible bill introductions

No bills were introduced.

Introductions were made for the Agribusiness Leadership attending the committee meeting; Samantha Tenpenny, Kristin Williams, Valerie LaPean, Tatum Couture, Blake Connelly, Christopher Stevens, Barbara Padgett, Derrick Tice and Matt Case.

The committee approved meeting minutes from January 14, 20, and 21. They will be available on-line today.

Chairman Powell has appointed a sub-committee with Senator Arpke, Chairman; Senator Ostmeyer and Senator Hawk to work through details on **SB330-An act concerning conservation-establishing conservation reserve enhancement.**

Presentation on:

Gary Harshberger presented a long term water vision for the future of water supply in Kansas, completed at the request of Governor Sam Brownback. The regions are well served by their goals, and many of them are focused on the issues that the Governor has indicated are top priority. The issue of impairment was introduced last year. A sub-committee has been formed, and working with the

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Department of Agriculture in hopes of a reasonable proposal by the legislature. The two issues to address are:

- *changing the way Kansans perceive water value
- *extending the life of the resources in the aquifers (Attachment 1) (Attachment 2)

Discussion:

It has been suggested the Senate Natural Resources Committee have a representative attend the annual board meeting of the Kansas Water Authority. Mandating water usage could be a problem for the agency. Users many times do not recognize the shortage issue before them. Taking action on this issue is urgent, as opposed to additional conversations. Senate Leadership could be an integral part of moving forward with Revisors and Researchers in attendance on behalf of water conservation. Funds for plugging abandoned water wells does not come from the water funds account.

<u>Hearing on: SB337 — Creating a penalty for failure to report annual water use.</u>

Chairman Powell opened the hearing on the bill.

Susan Metzger presented testimony in favor of the bill stating better management of the Kansas groundwater resources and extending the useful life of the Ogallala High Plains Aquifer depends on accurate data to the annual use of water in the state. An average of 60 water users fail to submit their reports by June 1. The department sends out 11,000 water use reports that represent about 32,000 water rights. (Attachment 3)

Greg Graff provided written testimony in favor of the bill commenting there are two separate groups of violators addressed in this penalty structure:

- *Those that never file a water use report
- *Those that fail to file reports in a timely manner

The increase of fines from \$50 to \$250 was presented by state staff at recent meetings.(Attachment 4)

Mark Rude presented testimony in support of the bill commenting this grants the authority to the chief engineer to collect increased fines into the agency water appreciation certification fund when water right owners fail to submit timely annual water use report documentation and information as required by the chief engineer. (Attachment 5)

Written testimony was provided by Kent Askren in support of the bill. The information stated a proposed increase in penalties from \$250 to \$1,000 for each water right that the owner fails to report water usage in a timely manner for the previous year. (Attachment 6)

Written testimony was provided by Leslie Kaufman in support of the bill. The information stated water reports are an important tracking tool to monitor water right holders in using water within the permitted allocation.

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(Attachment 7)

Written testimony was provided by Greg Krissek in support of the bill. The information stated the minimal penalty is low enough there is not an incentive to file the report in a timely manner. (Attachment 8)

Discussion:

The annual water report bill would be statewide and not contained by area. Some users are still delinquent after the \$250 fine has been levied instead of revealing usage. A suspension of water usage could be awarded for lack of the water report. This is only a ten minute report and should not be a hardship for water right users.

\$1,000 would be the maximum penalty in line with other violations. On-line reporting is possible, plus an email alert would be very helpful. Clarification by the chief engineer, with approval by the Attorney General would determine when a fine is to enforced. Statutes may be addressed for flexible changes. Consideration should be given to first, second and third offenders regarding water report failure. Suspension of water rights could be the answer. There are concerns over fines being a 500% increase, with a refund being possible after the report has been submitted.

Chairman Powell closed the hearing on the bill.

The meeting was adjourned at 9:30 am.

The next scheduled meeting will be Thursday, January 28.