

Approved January 31, 1989  
Date

MINUTES OF THE HOUSE COMMITTEE ON ENERGY AND NATURAL RESOURCES

The meeting was called to order by Representative Dennis Spaniol at  
Chairperson

3:30 ~~xxx~~/p.m. on January 23, 1989 in room 526-S of the Capitol.

All members were present except:

Representative Webb (excused)  
Representative Roenbaugh (excused)

Committee staff present:

Raney Gilliland, Legislative Research  
Laura Howard, Legislative Research  
Lynne Holt, Legislative Research  
Mary Torrence, Revisor of Statutes' Office  
Betty Ellison, Committee Secretary

Conferees appearing before the committee:

Connie McGinness, Rural Electric Cooperatives  
Clark Duffy, Assistant Director, Kansas Water Office  
John Strickler, Special Assistant for Environment and Natural  
Resources (To Governor Hayden)  
Joe Harkins, Director, Kansas Water Office  
Lowell Abeltd, Legislative Liaison, State Association  
of Kansas Watersheds  
Shelley Sutton, Kansas Engineering Society  
Mary Ann Bradford, Natural Resources Coordinator, League  
of Women Voters  
Richard Jones, Executive Director, Kansas Association  
of Conservation Districts  
Bud Grant, Vice President, Kansas Chamber of Commerce  
and Industry  
Margaret Ahrens, Legislative Representative, Kansas Chapter  
of Sierra Club  
Charlene Stinard, Kansas Natural Resource Council  
Joyce Wolf, Kansas Audubon Council

Chairman Dennis Spaniol called the meeting to order, noting that the minutes of January 17, 1989 had been distributed.

Connie McGinness, representing the Rural Electric Cooperatives, presented a request for a committee bill introduction. A balloon copy of the bill with changes was distributed to committee members. Attachment 1. A motion was made by Representative Grotewiel, seconded by Representative Guldner, to introduce this bill for referral back to the committee. The motion passed.

House Bill 2008 - Financing of state water plan. Re Propossal No. 16.

Clark Duffy of the Kansas Water Office gave a slide presentation which included a broad overview of current drought conditions in Kansas. He noted that the information shown on the slides was obtained from a report of the Governor's Drought Response Team. The Drought Response Team, chaired by John Strickler, was appointed by Governor Hayden to help coordinate and monitor drought conditions.

During committee discussion, Carl Molitor of the Kansas Department of Health and Environment reported that less than twelve cities in the state have had a real water source problem so far.

Responding to a question of the Chairman, Mr. Duffy said that the average cost per family based on 3 percent of sales under House Bill 2008 would be an additional 36¢ per month on a bill of \$12.00; this would amount to \$4.32 per year. In terms of the average cost for a farm of 694 acres under the fertilizer and pesticide provision, the average is \$93 per farm, or 13½¢ per acre.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON ENERGY AND NATURAL RESOURCES,  
room 526-S, Statehouse, at 3:30 ~~xxx~~/p.m. on January 23, 19 89

John Strickler of the Governor's Office gave a brief review of the activities of the Governor's Drought Response Team. He presented written copies of his testimony on behalf of Governor Hayden which supported House Bill 2008. Attachment 2. Included with Mr. Strickler's testimony was a section dealing with agriculture and natural resources from the Governor's budget. Attachment 3.

During discussion of methods of funding, the Chairman noted that Economic Development Initiative Funding (EDIF) of approximately \$4 million is dedicated funding, while just over \$6 million is recommended within the budget.

Joe Harkins represented the Kansas Water Office with testimony in support of House Bill 2008. He presented a chart of water-related agencies, including names and addresses. Attachment 4. Also submitted was a list of members of House and Senate subcommittees assigned to water agencies. Attachment 5. Mr. Harkins commented that the process of coming to the legislature with recommendations every year for the various agencies to do different things is part of the continuous management process. He felt it was essential that a financial framework be established within which this work could be done and to establish a source of revenue to support its continuous implementation.

Lowell Abeltd testified in favor of House Bill 2008 on behalf of the Kansas Watersheds. He noted the importance of watersheds and small lakes as watersheds develop new sources of water. A resolution by the Association of Watersheds was attached to Mr. Abeltd's written testimony. Attachments 6 and 7.

Shelley Sutton represented the Kansas Engineering Society with favorable testimony. Her organization felt that the State Water Plan was most important and should be funded on a year to year basis from the general fund. Attachment 8.

Mary Ann Bradford presented favorable testimony on behalf of the League of Women Voters. She mentioned her organization's views on several funding methods. Attachment 9.

Richard Jones, representing the Kansas Association of Conservation Districts, spoke in support of House Bill 2008, but felt that the agricultural sector was being billed for more than their fair share. His written testimony was accompanied by a resolution of his organization. Attachments 10 and 11.

During discussion, the Chairman noted that he had done some research on industrial use of water, which would include the meat packers as well as a number of other industries in the state. He had found that a tax of 2¢ per 1,000 gallons would raise about \$1 million per year statewide. Some additional data in that area had been requested.

Bud Grant testified in favor of House Bill 2008 on behalf of the Kansas Chamber of Commerce and Industry. He commented that the general fund would be the first source of funding for the State Water Plan. However, since that money would not likely be available, his organization approved of the options provided in this bill because they were broadly based, equitably applied and continuous. Attachment 12.

Margaret Ahrens, representing the Sierra Club, testified in support of House Bill 2008. Her organization had some specific recommendations regarding the bill; these are listed in her written testimony. Attachment 13.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON ENERGY AND NATURAL RESOURCES,  
room 526-S, Statehouse, at 3:30 ~~xxx~~ p.m. on January 23, 19 89

Charlene Stinard, testifying on behalf of the Kansas Natural Resource Council, commended the work of the interim committee in addressing a critical issue. Her testimony included recommendations relative to several of the funding options, as well as suggestions for additional sources. Attachment 14.

Joyce Wolf represented the Kansas Audubon Council with favorable testimony on House Bill 2008. Her organization endorsed the concept of establishing a user-fee/general funds combination of monies to finance the State Water Plan. Attachment 15.

Vic Studer of the Kansas Rural Center explained that she had been unable to prepare her testimony and would present it in written form at a later time.

The meeting was adjourned at 4:15 p.m.

The next meeting of the House Energy and Natural Resources Committee will be held at 3:30 p.m. on January 24, 1989 in Room 526-S.

Date: Jan. 23, 1989

GUEST REGISTER

HOUSE

COMMITTEE ON ENERGY AND NATURAL RESOURCES

NAME	ORGANIZATION	ADDRESS	PHONE
Lowell Abeldt	SAKW	Abilene	263-2334
Shelley Sutton	KES	Topeka	233-1867
Mary Ann Bradford	League of Women Voters	Topeka	354-1646
Vic Stuber	Kansas Rural Center	Whiting	873-3431
Margaret Ahrens	Ks Chapter Sierra Club	Topeka	273-7346
Richard Jones	Ks Assoc. Coun. Dist.	Salina	837-2547
J. H. Cameron	Ks ass. coun. Dist.	Sumnerfield	244-6590
Dennis Schwan	Kansas Assoc. of Coun. Dist.	Blaine, Ks	396-4428
Robert Edwards	State Conservation Commission	Olsburg	468-3365
Terry Leatherman	Ks Chamber of Commerce & Industry	Topeka	357-6321
Yinton Bartlett	City of Kansas City	Kansas City, KS	573-5017
Tony Potter	Intern for Susan Pombayh	Topeka	235-2155
Kenneth F. Keen	State Cons. Commission	Topeka	3600
Anne Smith	Helm at Abert - Mesa	Topeka	273-1441
Eileen Koutelas	Water Dist. No. 19 To Co.	Mission	722-3002
Ch Duffy	KS Water Office	Topeka	296-3185
E. Kerber	League of Women Voters	Topeka	354-9505
Don Corlies	"	"	"
Ron Hammerschmitt	Ks. Dept. Health & Env.	Topeka	296-1662
John Strickler	Gov. Office	Topeka	296-6240
Stan Grant	Ks Dept. Health & Env.	"	296-1522
Karl Muldener	"	"	"



**17-4617. - Consolidation.** Any two or more cooperatives (~~each of which is herein after designated a "consolidating cooperative"~~) may consolidate into a new cooperative (~~hereinafter designated the "new cooperative"~~), by complying with the following requirements:

(a) The proposition for the consolidation of the consolidating cooperatives into the new cooperative and proposed articles of consolidation to give effect thereto shall be submitted to a meeting of the members of each consolidating cooperative, the notice of which shall have attached thereto a copy of the proposed articles of consolidation;

(b) if the proposed consolidation and the proposed articles of consolidation, with any amendments, are approved by the affirmative vote of not less than two-thirds of the members of each consolidating cooperative \_\_\_\_\_ voting at each such meeting, articles of consolidation in the form approved shall be executed and acknowledged on behalf of each consolidating cooperative by its president or vice-president and its seal shall be affixed thereto and attested by its secretary. \_\_\_\_\_

Voting shall be in compliance with K.S.A. 17-4610(e)

The articles of consolidation shall recite that they are executed pursuant to this act and shall state:

(or)

(1) The name of each consolidating cooperative and the address of its principal office;

(2) the name of the new cooperative and the address of its principal office;

(3) a statement that each consolidating cooperative agrees to the consolidation;

(4) the names and addresses of the trustees of the new cooperative; and

(5) the terms and conditions of the consolidation and the mode of carrying the same into effect, including the manner in which the members of the consolidating cooperatives may or shall become members of the new cooperative; and may contain any provisions not inconsistent with this act deemed necessary or advisable for the conduct of the business of the new cooperative.

The president or vice-president of each consolidating cooperative executing such articles of consolidation shall make and annex thereto an affidavit stating that the provisions of this section in respect of such articles were duly complied with by such cooperative.

History: L. 1941, ch. 185, § 17; June 30.

*Voting shall be in person, except that if the bylaws provide, may also be by proxy or by mail, or both. If the bylaws provide for voting by proxy or by mail, the bylaws shall also prescribe the conditions under which such voting shall be permitted. No person shall vote as proxy for more than three members.*

This act shall take effect and be in force from and after its publication in the Kansas Register.

H E + NR  
1-23-80  
Attachment 1

**17-4618. Merger.** Any one or more cooperatives (each of which is hereinafter designated a "merging cooperative") may merge into another cooperative (hereinafter designated the "surviving cooperative"), by complying with the following requirements:

(a) The proposition for the merger of the merging cooperative into the surviving cooperative and proposed articles of merger to give effect thereto shall be submitted to a meeting of the members of each merging cooperative ~~and of the surviving cooperative~~, the notice of which shall have attached thereto a copy of the proposed articles of merger;

(b) if the proposed merger and the proposed articles of merger, with any amendments, are approved by the affirmative vote of not less than two-thirds of the members of each cooperative ~~at each such meeting~~, articles of merger in the form approved shall be executed and acknowledged on behalf of each such cooperative by its president or vice-president and its seal shall be affixed thereto and attested by its secretary. ~~\_\_\_\_\_~~ voting

~~\_\_\_\_\_~~ voting shall be in compliance with K.S.A. 17-4610(e)

The articles of merger shall recite that they are executed pursuant to this act and shall state:

- (1) The name of each merging cooperative and the address of its principal office;
- (2) the name of the surviving cooperative and the address of its principal office;
- (3) a statement that each merging cooperative and the surviving cooperative agree to the merger;

(4) the names and addresses of the trustees of the surviving cooperative; and

(5) the terms and conditions of the merger and the mode of carrying the same into effect, including the manner in which members of the merging cooperatives may or shall become members of the surviving cooperative; and may contain any provisions not inconsistent with this act deemed necessary or advisable for the conduct of the business of the surviving cooperative.

The president or vice-president of each cooperative executing such articles of merger shall make and annex thereto an affidavit stating that the provisions of this section in respect of such articles were duly complied with by such cooperative.

History: L. 1941, ch. 185, § 18; June 30.

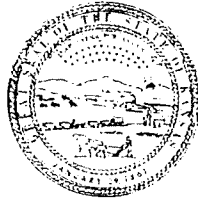
(or)

*Voting*

*shall be in person, except that if the bylaws provide, may also be by proxy or by mail, or both. If the bylaws provide for voting by proxy or by mail, the bylaws shall also prescribe the conditions under which such voting shall be permitted. No person shall vote as proxy for more than three members.*

This act shall take effect and be in force from and after its publication in the Kansas Register.

STATE OF KANSAS



OFFICE OF THE GOVERNOR

State Capitol  
Topeka 66612-1590  
(913) 296-3232

Mike Hayden Governor

TO: House Committee on Energy and Natural Resources  
Dennis Spaniol, Chairperson

FROM: John K. Strickler *John K. Strickler*  
Special Assistant for Environment and Natural Resources

DATE: January 23, 1989

RE: HB 2008 - Financing of State Water Plan

I appreciate the opportunity to appear before you today on behalf of Governor Hayden regarding the State's investments in its water resources.

The Governor commends the Interim Committee for its in-depth look at the water resource needs of Kansas, and for its efforts in exploring the various funding alternatives for implementing the State Water Plan. As you know, the Kansas Water Plan is a continuing process initiated by the Legislature in 1981. We would estimate the annual funding needed to implement the plan to be in the range of \$15.0 million to \$19 million per year.

The Governor also supports the concept embodied in HB 2008 of a permanent, dedicated source of funding to implement the Water Plan. Last year for the first time, the Governor recommended and the Legislature approved with minor adjustments over \$4 million in new initiatives for water-related programs plus another \$3 million in continuing initiatives.

Using the FY 1989 budget as the first major step forward in addressing our water resource needs, the Governor has built on that and has recommended approximately \$10.5 million for the Water Plan in his FY 1990 budget. For your convenience, I have attached the section on Agriculture and Natural Resources from Volume I of the Governor's Report on the FY 1990 Budget. The bar graph on page 8-2 and the tables on pages 8-3, 12-17 and 12-18 outline the scope of the Governor's recommendations in the area of natural resources including State Water Plan implementation.

H E+NR  
1-23-89  
Attachment 2



Among the Water Plan efforts recommended in his budget are the following initiatives:

- \* \$1,640,000 for renovation work on the internationally recognized Cheyenne Bottoms wetlands.
- \* \$1,000,000 for continuation of the recreational enhancements and construction at Hillsdale Reservoir.
- \* \$1,500,000 for cleanup of contamination sites.
- \* \$100,000 to provide the state match for the Arkansas City Superfund cleanup.
- \* \$2,720,000 for the Water Resources Conservation Cost Share Program which constitutes a doubling over the current year's level.
- \* \$1,301,250 for the Jetmore Multipurpose Small Lake Project for water supply, flood control and recreation.

In addition to the \$10.5 million in the Governor's recommendations for the Water Plan, he has identified \$6.2 million of additional projects he would like to see implemented if a permanent, stable source of funding can be agreed on. I would refer you to the top of page 8-4 which outlines those projects which he did not include in his budget, but would like to see implemented. I would point out that these projects primarily are directed at prevention of water problems before they occur.

The Governor is aware that there is probably no single source of revenue that will meet all the funding needs for implementing the Water Plan on a continuing basis. Some will say that the State General Fund should be used for all our water needs, but history does not support that contention. When natural resource issues compete with the needs of education (both higher education and K-12), social services and the myriad other programs traditionally funded from the State General Fund, they have not fared well. Until last year, when the lottery and some other special funding sources were used, implementation of the Water Plan had been deferred.

In December, the Governor met with a number of individuals representing a cross-section of the diverse groups concerned about the State Water Plan. He listened to their concerns and ideas, and while there was not a consensus, he urged the various groups to work together in a spirit of compromise to arrive at an equitable, stable source of funding. In that spirit he has recommended over \$6 million from SGF for Water Plan projects in his 1990 budget. Continuing to believe that proper management of our water resources is intimately linked with our long-term economic vitality, he has included \$3 million of Water Plan projects from the Economic Development Initiatives Fund. These combined with several other sources provides the total of \$10.5 million for Water Plan implementation in his 1990 budget recommendations.

From the Interim Committee deliberations, general agreement was reached that a dedicated source of revenue was desirable and necessary to ensure stable, long-term financing for the Water Plan and other water-related activities. The Governor agrees with the Committee and commends it for putting forth a bill that can be a starting point for discussions and deliberations to achieve that goal. He would suggest the following as a framework for exploring the alternatives:

- \* The fiscal integrity of the state and the State General Fund balances must be maintained.
- \* Stability for long-term funding should be the goal.
- \* Whatever funding mechanisms are selected should be equitable and assure that no single sector bears an unfair burden.

The Governor wants me to assure you that he is eager to work with the Legislature in a spirit of compromise and nonpartisanship to achieve the necessary funding to properly protect and manage our water resources. We owe nothing less to the generations of Kansans who will follow us.

Again, thank you for the opportunity to visit with you on this most important matter.

## SUMMARY

The Agriculture and Natural Resources function includes six agencies and the Division of Environment of the Department of Health and Environment. These agencies are responsible for agricultural promotion and regulation; soil and water conservation; water resource planning, marketing and regulation; management of fishing lakes, reservoirs and wildlife areas; and protection of the environment.

The Governor recommends expenditures for FY 1989 of \$77,914,010, an increase of 33.5 percent above actual FY 1988 expenditures. The Governor's recommendations for FY 1990 total \$84,032,794, an 8.4 percent increase above the revised FY 1989 estimates. State General Fund expenditures for this function total \$24,019,821 for FY 1989 an increase of 6.6 percent above actual FY 1988 expenditures. The FY 1990 recommendation of \$30,504,242 of State General Fund monies reflects a 29.6 percent increase in the agricultural and natural resources function.

The salaries and wages recommendations, totaling \$38,484,616 in FY 1989 and \$42,086,097 in FY 1990, reflect annual increases of 16.4 percent and 9.4 percent, respectively. The amount recommended in FY 1989 provides, in addition to expenditures approved by the 1988 Legislature, funding to finance additional costs related to employee health insurance and family health insurance. The FY 1990 amount provides funding for a four percent cost of living increase, classified employee step movement, employee health insurance and family health insurance costs, and classified salary range adjustments of Phase III of the Comprehensive Classification and Job Rate Study for security personnel.

Other operating expenditures - which include contractual services, commodities, capital outlay and non-expense items - are recommended at \$28,353,161 for FY 1989 and \$28,698,479 for FY 1990. These amounts represent increases of 44.8 percent and 1.2 percent respectively from expenditures in FY 1988 and FY 1989. The FY 1989 total reflects the transfer of the Mined Land Reclamation and Surface Mining Program from the Corporation Commission to the Division of Environment of the Department of Health and Environment and the first year of a commitment by the Division of Environment to the clean-up of hazardous waste.

The aid to local units recommendation totals \$3,241,664 in FY 1989 and \$3,114,488 in FY 1990. The FY 1989 recommendation is 54.8 percent higher than actual FY 1988 expenditures, while the FY 1990 recommendation reflects a 3.9 percent decrease below the FY 1989 estimate. The majority of the aid to local unit expenditures are for the State Conservation Commission. The FY 1989 increase occurs mainly in the level of expenditures recommended for the Multi-Purpose Small Lakes program. The modest decline in FY 1990 reflects the loss of federal funds, which in previous years have been passed through to local units of government by the Department of Wildlife and Parks.

All of the function's expenditures for other assistance grants and benefits are made by the State Conservation Commission. Other assistance grants and benefits total \$1,960,747 in FY 1989 and \$3,220,000 in FY 1990. These amounts represent increases of 23.9 percent and 64.2 percent above FY 1988 and FY 1989, respectively. The FY 1990 expenditures include a major effort in water conservation construction in cooperation with the federal government and local units of government through the Water Resources Cost Share program.

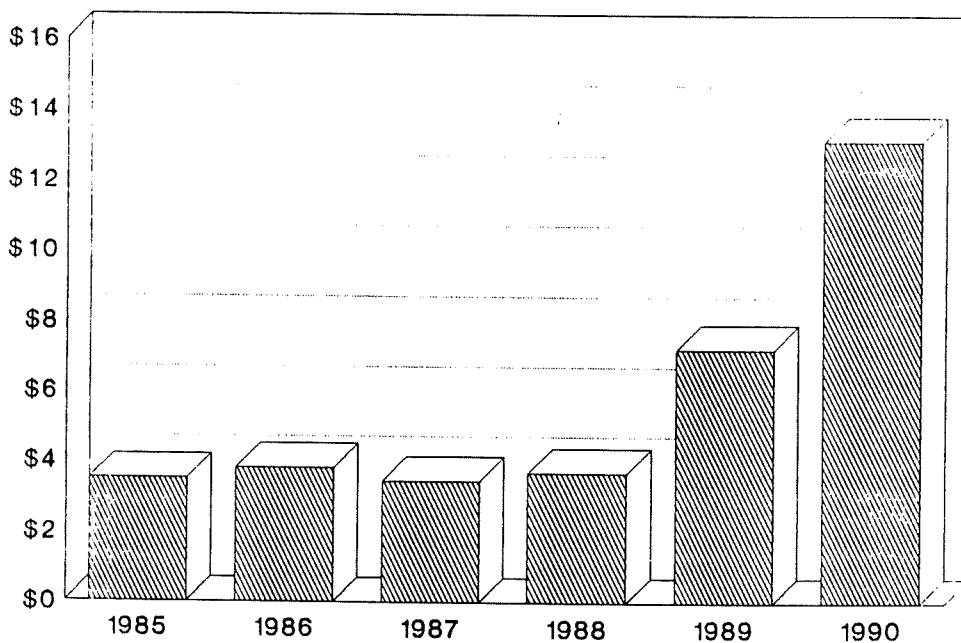
Capital improvement expenditures for this function total \$5,873,822 for FY 1989. This amount consists primarily of major expenditures by the Department of Wildlife and Parks for park improvements, construction of the Hillsdale State Park and major park road renovation. The FY 1990 expenditures for capital improvements total \$6,913,730, including funds for a major renovation of Cheyenne Bottoms and continuation of the program of park improvements. Also included in the FY 1990 amount are the expenditures for the new Cooperative Wildlife Habitat Districts program and the Recreational Access program. These programs will allow the state through lease arrangements with private land owners to make available quality wildlife areas for recreational purposes.

H E + NR 8-1  
1-23-89  
Attachment 3

## NATURAL RESOURCES

Protection of the environment and wise management of natural resources will continue to be emphasized in the current administration. As the graph below shows, there is a significant increase in natural resource funding, beginning in FY 1989 with the Governor's recommendation of \$4,170,000 from economic development initiatives funds and oil overcharge funds for natural resource initiatives. These funds were in addition to \$3,042,462 recommended from traditional funding sources.

**Natural Resources**  
Annual Expenditures (Millions)



The Governor's budget recommendations include \$7,212,462 for major investments in the state's natural resources in FY 1989 and \$13,118,281 for FY 1990, an increase of 81.9 percent. The table below lists these projects and includes initiatives begun in FY 1989 and proposed for FY 1990. By and large, these initiatives are consistent with the water plan. The complete breakdown of projects for FY 1989 and FY 1990 by fund and agency is contained in Appendix I 1 and 2.

	FY 1989	FY 1990
<b>Wildlife and Parks</b>		
Cedar Bluff Reservoir	\$365,418	—
Cheyenne Bottoms	—	1,640,000
Cooperative Habitat Districts	—	1,000,000
Recreational Access Program	—	1,200,000
Fishing Lakes Improvements	112,468	164,858
Ford County Lake	—	210,000
Hillsdale Reservoir	700,000	1,000,000
Wetlands Purchase	27,094	27,173
Wildlife and Parks Land Acquisition	—	485,000
<b>Health and Environment</b>		
Hazardous Waste Cleanup	\$300,000	\$300,000
Superfund Site Cleanup	—	—
Arkansas City	—	100,000
Galena	500,000	—
Contamination Cleanup	1,250,000	1,500,000
<b>Conservation Commission</b>		
Conservation Cost Share Programs		
High Priority	\$500,000	\$500,000
Water Resources	1,360,000	2,720,000
Multipurpose Small Lakes Program		
Centralia	240,000	—
Jetmore	—	1,301,250
Wellington	917,482	—
Watershed Dam Construction	770,000	770,000
Dakota Aquifer Investigation	170,000	200,000
<b>Total</b>	<b>\$7,212,462</b>	<b>\$13,118,281</b>

Approximately 54 percent of the funding in FY 1990 for these initiatives is from the State General Fund. This contrasts with approximately 41 percent in FY 1989 and reflects the Governor's strong commitment to natural resources. Approximately 32 percent is from the Economic Development Initiatives Fund. The Governor again recommends this as a source of funding. The Governor believes strongly that preservation of the state's natural resources; enhancement of local water supplies; flood control; restoration of contaminated groundwater supplies; and development of regional recreational opportunities are vital components of economic development. Further, these projects assist and ensure compliance with current statutes that mandate that 50 percent of the Economic Development Initiatives Fund be distributed evenly among the five congressional districts.

#### Funding

State General Fund	\$2,930,000	\$7,075,000
Economic Development Initiatives Fund	2,842,512	4,251,250
State Conservation Water Storage Fund	1,157,482	850,000
Wildlife and Parks Fee Funds	112,468	742,031
Oil Overcharge Funds	170,000	200,000
<b>Total</b>	<b>\$7,212,462</b>	<b>\$13,118,281</b>

The Governor recommends that the Legislature give serious consideration to passage of legislation to provide stable and permanent funding of approximately \$6.0 million to add to the natural resource initiatives. The funds should be used exclusively to implement Kansas water plan projects, particularly for initiatives aimed at prevention of contamination and management of wastes. The Governor further recommends that any finance plan be broad based and equitable and be built upon the funding base recommended by the Governor. A listing of the projects the Governor would recommend under additional funding is listed below. These are not included in his budget recommendations consistent with current law, which states that he may not include funds from legislation not yet passed.

Public Water Supply Protection and Technical .....	\$1,700,000
Assistance (Local communities waste and environmental management)	
Non-point Source Pollution Control .....	1,500,000
Land Treatment Cost Share and Watershed Projects .....	2,000,000
Environmental Remediation .....	1,000,000
Total .....	\$6,200,000

#### Department of Wildlife and Parks

For FY 1989, the Governor recommends a State General Fund supplemental appropriation of \$200,000 to complete the interior of the Milford Education Center. The exterior of the Center was completed in the summer of 1988, and in order to expedite the completion of the Center for use by the public, a FY 1989 expenditure is recommended. In addition, an amount of \$200,000 is recommended by the Governor to acquire a new minicomputer for the Department. The current equipment is antiquated and needs immediate replacement in order to allow the establishment of a statewide information network in FY 1990. The Governor also recommends the creation of an unclassified attorney position for the Department. This position would act as legal counsel to the Secretary and would work in conjunction with contract legal services.

The Governor recommends the creation of two new programs in FY 1990 which will increase the accessibility of private land for wildlife recreational users. An amount of \$1.2 million is recommended from the Economic Development Initiatives Fund to establish a Recreational Access Program. This program will authorize the Department to lease land from private land owners for use by hunters and other authorized recreational users. The Governor includes in his FY 1990 recommendation for the Recreational Access Program an amount of \$240,000 and 4.5 FTE positions to implement the program.

The second major initiative that the Governor recommends is to increase accessibility to private land is the Cooperative Wildlife Habitat District Program. This program would establish two demonstration projects in the state to obtain land leases for use by hunters in conjunction with a local community organization. The intent is to establish a state/community effort to increase recreational use in specified locations within the state and to provide economic benefits to those locations from the increased recreational useage. The Governor recommends an expenditure of \$1.0 million from the State General Fund for this purpose. Of the amount recommended by the Governor, \$174,470 will be used to finance the administrative cost of the program, including 2.5 FTE positions.

The Governor recommends an amount of \$36,642 in FY 1990 to conduct a study of the recreation potential of the Mined Land Wildlife Area. The Governor also recommends \$36,210 to fund the El Dorado Habitat Center. The Department will contract with the Kansas State Extension Service and the Department of Corrections to operate the Center.

The Governor recommends one additional office assistant position for the Chanute regional office to assist in the additional duties which have been acquired since the reorganization of the Department. A wildlife biologist is included in the recommendation for permanent assignment to the Cheyenne Bottoms Waterfowl Area. This position will assist in the major renovation program recommended for the Bottoms and will be responsible for the orderly development of an overall marsh and habitat maintenance and enhancement plan.

The creation of a Department of Wildlife and Parks in FY 1989 and the Governor's recommendation in FY 1990 for the reorganization of the Department into area offices to provide year around services to the public requires that the office assistant positions at the state parks be increased to full-time positions. The Governor recommends that for FY 1990, the office assistant positions at the nine state parks with the highest amounts of receipts be increased to full-time positions. This increase will require the equivalent of four positions. In addition, the Governor recommends two new maintenance conservation workers for Norton and Crawford State Parks. These two positions will work with inmate work crews in conjunction with the Department of Corrections.

The Governor has included in the FY 1990 recommendations an amount of \$150,000 to continue the Conservation Reserve Program for management of agricultural land. An amount of \$5,000 is included to create a Fish Restitution Fund for restocking fish in locations where environmental damage has occurred. In order to promote the recreational opportunities within the state, an amount of \$1,500 is provided to allow the Secretary the opportunity to provide complimentary licenses to organizations or individuals which will assist in the promotion. In addition, an amount of \$20,000 is included to provide alcohol and drug education materials for safe boating.

The Governor recommends an amount of \$28,700 to purchase micro-computers for nine of the area offices. This recommendation will allow for the creation of a statewide information network to link with the mini-computer recommended in FY 1989. The Governor recommends funds to continue the equipment replacement program initiated in FY 1989.

For FY 1989, the Governor recommends an amount of \$5,308,426 for capital improvements. This amount includes \$1,092,512 approved by the 1988 Legislature from the Economic Development Initiatives Fund for projects at Hillsdale State Park, Cedar Bluffs Reservoir water storage, and wetlands acquisition. The amount also includes the \$200,000 recommended by the Governor for completion of the Milford Education Center.

For FY 1990, the Governor recommends a total of \$6,678,834 for capital improvements. This amount includes \$1,960,000 from the Economic Development Initiatives Fund for continuation of the construction of Hillsdale State Park (\$1,000,000) and the lease purchases associated with the Recreational Access Program (\$960,000). Other major projects recommended by the Governor for FY 1990 include \$1,500,000 for renovation work at Cheyenne Bottoms; \$825,540 for lease purchases associated with the Cooperative Wildlife Improvement Districts Program; \$485,000 for land acquisition; and \$210,000 for renovation of Ford County Lake.

#### Department of Health and Environment - Environment

The Governor's recommendation for FY 1989 includes an expenditure limitation increase of \$210,000 for a total of \$220,000 in federal Highway Safety funds for the purchase of breath alcohol testing equipment for local governments. The purpose of this grant is to standardize the equipment used by local law enforcement officials.

The FY 1989 recommendation includes \$300,000 to be placed in a Low-level Radioactive Waste Fund from which payments can be made in FY 1989, FY 1990 and FY 1991 for purposes of Compact membership. A total of \$100,000 per year, \$25,000 for compact membership and \$75,000 to support the Nebraska sites which may be chosen as the waste repository, will be expended from the fund.

The Governor recommends that \$175,600 in additional federal funds be expended in FY 1990 and FY 1991 for the pre-National Priority List (potential Superfund) site investigation program. These funds are used to investigate the seriousness of suspected pollution sites and determine whether they qualify for Superfund remediation assistance. Sites which do not qualify may be eligible for state assistance if the parties responsible for the contamination cannot be found or are unable to pay for the required clean-up.

Three new positions, an attorney, legal assistant and secretary, are recommended to staff a new Environmental Clean-up Cost Recovery Unit. This unit will be a dedicated legal team whose purpose is to improve the Department's ability to recover clean-up costs from parties responsible for contamination problems. In several years, recovered costs could more than pay for the operations of the new unit.

The FY 1990 recommendation includes funds to increase the office space of the Chanute District Office so that it can be co-located with other state water agencies.

The Governor's recommendation for FY 1990 includes \$69,255 to establish a statewide data base network for the Community Right to Know program. This includes \$46,000 to purchase a license to distribute a comprehensive Title III emergency planning and emergency response network system. The license will allow the state to provide access and support to all local emergency planning committees in the state. Each has compiled an inventory of toxic substances located in its geographic area. If an environmental emergency occurs, the network will allow better coordination of the state and local response.

The recommendation for FY 1990 includes \$100,000 to be funded from the Economic Development Initiatives Fund (EDIF) to provide the state match for the Arkansas City Superfund clean-up. Total clean up cost will be approximately \$6.0 million and the total state share will be \$600,000. This amount will allow work to begin on the project. The FY 1989 approved budget includes \$500,000 in state matching funds, again from the EDIF, for work on the Galena Superfund site. Total cost for that project is \$5.0 million, with a \$500,000 state match.

A total of \$1.5 million is recommended to continue funding the clean-up of sites in the state that are contaminated with saltwater or other pollutants. These sites are not eligible for federal Superfund monies, but do pose environmental hazards. This initiative will be funded from the Economic Development Initiatives Fund.

Finally, a total of \$150,000 is recommended to continue the replacement and augmentation of laboratory equipment in FY 1990.

### State Conservation Commission

The Governor's FY 1990 recommendation increases funding for the Commission to a total of \$6,363,829. It includes \$765,338 in Aid to Conservation Districts; \$770,000 in state aid for Watershed Dam Construction; \$500,000 for the High Priority Cost-Share Program; a major increase to \$2,720,000 for the Water Resources Cost-Share Program; and \$1,301,250 in funding for a multipurpose small lake in Jetmore.

The Governor recommends \$500,000 in state general funds for the High Priority Cost Share Program. These funds are targeted for river basin improvements to address the conservation of highly erodible land as mandated by the federal Food Security Act and recommended in the State Water Plan.

The Governor recommends a 100 percent increase in the Water Resources Cost-Share Program to a total of \$2,720,000 in state general funds. These funds are expended in each of the 105 conservation districts in the state for projects which establish enduring water conservation practices to develop and improve the quality and quantity of Kansas water. These projects reduce the discharge of toxic pollutants, minimize pollution caused by animal waste from agricultural production, increase agricultural water supplies and reduce soil erosion to an acceptable level on highly erodible land. In addition, the projects provide land treatment assistance to landowners in meeting the conservation compliance provisions of the 1985 Food Security Act.

The recommendation includes \$765,338 for ongoing Aid to Conservation Districts. These funds are provided on a matching basis up to \$7,500 to each of the 105 conservation districts and are to be used in the administration of their programs. The Conservation Commission receives and reviews the minutes of each district's board meetings, monthly treasurer's reports and CPA annual audit. The Commission assists the districts in the budgeting process and provides training, as needed, on district programs and operations.



The Governor recommends that Watershed Dam Construction be funded at \$770,000. The program provides funds on a matching basis to assist the 86 watershed districts in the state with the construction of detention dams and grade stabilization structures in order to benefit communities. The districts submit detailed applications to the Division of Water Resources of the State Board of Agriculture for approval. A Watershed Application Evaluation Committee of state and federal water-related agencies reviews each application for construction assistance and puts it in a priority ranking for use of funds. The Conservation Commission makes final decisions on funding.

Finally, a Multipurpose Small Lake near the city of Jetmore is recommended in FY 1990, with funding of \$451,250 from the Economic Development Initiatives Fund, and \$850,000 from the Water Conservation Storage Water Supply (Development) Fund. This project is in an area where a stable water supply is needed, as well as flood control and increased water recreation. The Pawnee Watershed District, City of Jetmore, and the state will work cooperatively on the project.

The Governor has endorsed a multipurpose small lake project at Holton for FY 1991. This project will also provide water supply, recreation, and flood control.

#### Kansas Water Office

The Governor recommends funding for FY 1990 for a Public Information Officer, who will coordinate the public education activities of the various agencies and private organizations which deal with water conservation issues. The duties of this position will include the development of new public education programs; preparation of press releases, videos and newsletters; and conducting of seminars and workshops.

The Governor also recommends \$35,000 to research the implications of interbasin water transfers between the twelve water basins in the state. An interbasin water transfer might involve building a pipeline to transfer water from one basin to another, and the Water Transfer Act, KSA 82a-1501 et seq., requires a study of the "social, economic, environmental and political implications" of any such transfer.

## AGRICULTURE

### Board of Agriculture

For FY 1990, the Governor recommends an increase of 8.5 FTE positions to the Board of Agriculture's current position limitation, from 311.0 to 319.5 FTE positions. The Governor's recommendation eliminates 8.0 FTE vacant positions and adds 16.5 FTE new positions.

Of the 8.0 FTE positions to be eliminated, two are in the Meat and Poultry subprogram of the Inspections Program. The positions are deleted in response to a reduction in the number of plants subject to inspection and a greater reliance on part-time temporary inspectors. There will be no reduction in the level of enforcement. The other 6.0 FTE positions recommended for elimination are in the Water Resource Program. One position is eliminated due to internal restructuring of the Board. Five positions in the Water Structures subprogram are recommended for elimination. The positions were added in FY 1988 with the expectation that federal money would fund the positions. No funds, however, were received and the positions were never filled.

The Governor recommends 5.5 FTE new positions for the Water Resources program. For the Water Appropriation subprogram, the Governor recommends 2.5 FTE positions to improve the monitoring of water use in Kansas. The Governor recommends these positions be financed by fines collected for use of water in variance with the water permit. The Governor also recommends 2.0 FTE Civil Engineer and 1.0 FTE Environmental Engineer positions for the Water Structures subprogram. The Governor recommends assigning one of the new Civil Engineer positions to the Topeka field office and one to the Chanute field office. The Governor will consider adding more Civil Engineers in the future as the water-related agencies consolidate offices.

The Governor recommends that the responsibility for ensuring the proper calibration of retail and wholesale petroleum measuring devices be transferred to the Board of Agriculture, Division of Inspections, from the Department of Revenue. The function would be a new subprogram known as the Petroleum Measurement Enforcement subprogram. The Governor recommends the current 11.0 employees performing the duties at the Department of Revenue be transferred to the Board. In recent years, the Board's Inspections Program has undergone major reorganizations. Subprograms have been consolidated and many activities are now being done by the private sector, changes which have produced greater efficiency for the program. The Governor recommends that the Board phase-in a program of private sector involvement in Petroleum Measurement Enforcement, which will reduce the cost to the state, while maintaining the current level of enforcement.

The Governor recommends the Board of Agriculture continue its work in analysis, promotion, and development of domestic market opportunities for Kansas agricultural products. The Bloomingdale's promotions have been a major success in this area. The Board exhibited Kansas products at Bloomingdale's New York store in FY 1988 and at the Bloomingdale's Chicago store in FY 1989. The promotion generated positive publicity for the State of Kansas and new sales for the Kansas companies which exhibited products at the promotions. These promotions will serve as pilot programs for similar projects. In FY 1990, the Governor recommends expenditures from the Economic Development Initiatives Fund to enable the program to continue promoting Kansas agricultural products.

The Governor recommends several capital outlay items in FY 1989 and FY 1990 to assist the Board's laboratory in the performance of its duties. For FY 1989, the Governor recommends an increase in the Pesticide Enforcement Fund for purchase of a new gas chromatograph. The device, which will replace an inoperable unit, will be used for pesticide enforcement. For FY 1990, the Governor recommends additional funds for several items, including funds for a new gas chromatograph for dairy inspection.

### Animal Health Department

For FY 1989, the Governor recommends a supplemental appropriation of \$50,000 for a pseudorabies eradication program. Pseudorabies is a herpes virus carried by swine. Although swine are not adversely affected by the disease, the disease is fatal to most all other sub-human mammals. The virus, if transferred to the cattle population, could cause serious economic losses to the State of Kansas. It is anticipated that the United States Department of Agriculture will match state funds for the control of pseudorabies in Kansas. For FY 1990, the Governor recommends continuation of the pseudorabies eradication program.

The Governor also recommends the annualization of Companion Animal Act Enforcement Program. As directed by Chapter 189 of the 1988 Session Laws of Kansas, the Department of Animal Health will license and inspect pounds and animal shelters, animal research facilities, and all pet shops which sell more than 30 dogs or cats each year. In addition, those pet breeding and selling operations which sell less than 30 animals a year, known as hobby kennels, will be required to obtain certificates of registration. The program begins in January, 1989.

### State Fair

The State Fair received a transfer of \$575,000 from the State General Fund for FY 1988. The transfer was made to the State Fair Capital Improvements Fund to enable the Fair to fund capital improvement and special maintenance projects. The Fair will contribute five percent of its annual receipts to this fund and receive a match from the State General Fund beginning in FY 1989 and successive fiscal years.

The Governor's FY 1990 recommendation adds one new position to assist in the coordination of special events and concession activities. Funding in the amount of \$35,000 for a revenue enhancement study has also been recommended by the Governor. These recommendations will assist the State Fair in maximizing its revenue potential as it meets the challenge of increasing operational costs.

### Grain Inspection Department

The Governor recommends continuation of the agency's activities at current levels in FY 1990. To assist the agency in fulfillment of its duties, the Governor recommends a number of capital outlay items. In the Administration program, the Governor recommends new computer equipment, including a personal computer, laser printer, and high speed line printer. This equipment will assist the agency in preparation of personnel records and other agency documents. In the Inspections program, the Governor recommends four protein analyzers and eight UDY grinders. These items are used in grain examination and will replace used equipment.

### Kansas Wheat Commission

The Governor recommends the Kansas Wheat Commission continue its work in the promotion and development of foreign and domestic market opportunities for Kansas wheat in FY 1990. Of major concern, however, is the Commission's contract with U.S. Wheat Associates, Inc.

U.S. Wheat Associates is a non-profit organization, funded by wheat producing states, which promotes foreign sales of U.S. wheat. Among other activities, U.S. Wheat Associates sponsor tours of Kansas by foreign trade delegations.

The Wheat Commission anticipates that U.S. Wheat Associates will change its funding formula to place a greater burden on states that are high in wheat production. This would mean a considerable increase in the membership fee for the Kansas Wheat Commission. The membership fee, however, will not be determined until the U.S. Wheat Associates' annual meeting in January.

Because the actual membership fee was not known when the Governor's budget was prepared, the recommendation for the contract is \$450,000. This is the approved FY 1989 contract amount. The Governor expects the Legislature to address the issue when U.S. Wheat Associates, Inc. determines membership fees for each state. The Governor recommends that Kansas, the Wheat State, fully participate in the U.S. Wheat Associates activities.

NATURAL RESOURCES

FY 1989	STATE GENERAL FUND	ECONOMIC DEVELOPMENT INITIATIVES FUND	STATE CONSERVA- TION WATER STORAGE FUND	FEE FUNDS	OIL OVERCHARGE	TOTAL
Cedar Bluff Reservoir.....		365,418				365,418
Fishing Lakes Improvements.....				112,468		112,468
Hillsdale Reservoir.....		700,000				700,000
Wetlands Purchase.....		27,094				27,094
<b>Wildlife and Parks.....</b>	<b>\$0</b>	<b>\$1,092,512</b>	<b>\$0</b>	<b>\$112,468</b>	<b>\$0</b>	<b>\$1,204,980</b>
Galena Superfund Match.....		500,000				500,000
Hazardous Waste Cleanup.....	300,000					300,000
Contamination Cleanup.....		1,250,000				1,250,000
<b>Health and Environment.....</b>	<b>\$300,000</b>	<b>\$1,750,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,050,000</b>
<b>Kansas Geological Survey— Dakota Aquifer Investigation.....</b>					<b>\$170,000</b>	<b>\$170,000</b>
Centralia Multipurpose Small Lake.....			240,000			240,000
High Priority Cost Share.....	500,000					500,000
Water Resources Cost Share.....	1,360,000					1,360,000
Watershed Dam Construction.....	770,000					770,000
Wellington Multipurpose Small Lake.....			917,482			917,482
<b>Conservation Commission.....</b>	<b>\$2,630,000</b>	<b>\$0</b>	<b>\$1,157,482</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,787,482</b>
<b>Total.....</b>	<b>\$2,930,000</b>	<b>\$2,842,512</b>	<b>\$1,157,482</b>	<b>\$112,468</b>	<b>\$170,000</b>	<b>\$7,212,462</b>

## NATURAL RESOURCES

FY 1990	STATE GENERAL FUND	ECONOMIC DEVELOPMENT INITIATIVES FUND	STATE CONSERVA- TION WATER STORAGE FUND	FEE FUNDS	OIL OVERCHARGE	TOTAL
Cheyenne Bottoms Renovation .....	1,500,000					1,500,000
Cheyenne Bottoms Study .....	70,000			70,000		140,000
Recreational Access Program .....		1,200,000				1,200,000
Fishing Lakes Improvements.....				164,858		164,858
Ford County Lake .....				210,000		210,000
Hillsdale Reservoir .....		1,000,000				1,000,000
Cooperative Habitat Districts .....	1,000,000					1,000,000
Land Acquisition .....	215,000			270,000		485,000
Wetlands Purchase .....				27,173		27,173
<b>Wildlife and Parks .....</b>	<b>\$2,785,000</b>	<b>\$2,200,000</b>	<b>\$0</b>	<b>\$742,031</b>	<b>\$0</b>	<b>\$5,727,031</b>
Arkansas City Superfund Match .....		100,000				100,000
Hazardous Waste Cleanup .....	300,000					300,000
Contamination Cleanup .....		1,500,000				1,500,000
<b>Health and Environment .....</b>	<b>\$300,000</b>	<b>\$1,600,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,900,000</b>
<b>Kansas Geological Survey— Dakota Aquifer Investigation.....</b>					<b>\$200,000</b>	<b>\$200,000</b>
High Priority Cost Share.....	500,000					500,000
Jetmore Multipurpose Small Lake .....		451,250	850,000			1,301,250
Water Resources Cost Share.....	2,720,000					2,720,000
Watershed Dam Construction .....	770,000					770,000
<b>Conservation Commission .....</b>	<b>\$3,990,000</b>	<b>\$451,250</b>	<b>\$850,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,291,250</b>
<b>Total .....</b>	<b>\$7,075,000</b>	<b>\$4,251,250</b>	<b>\$850,000</b>	<b>\$742,031</b>	<b>\$200,000</b>	<b>\$13,118,281</b>



# WATER-RELATED AGENCIES

Fact Sheet No. 2

July 1988

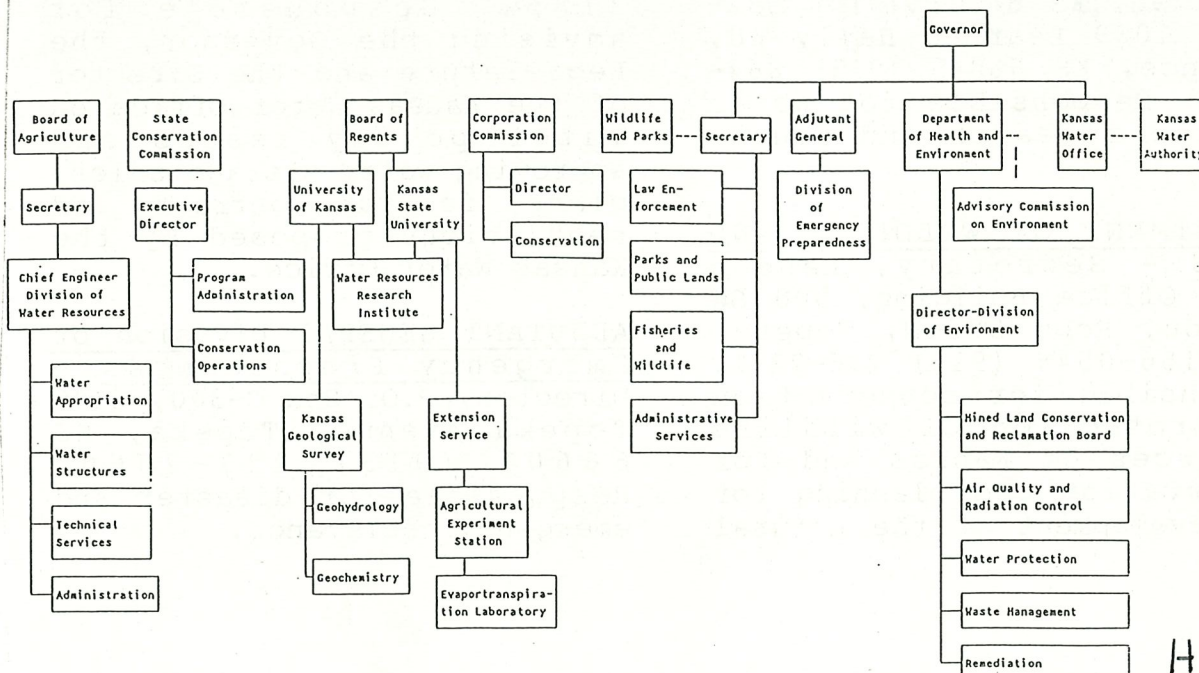
Kansas Water Office

Kansas has eight state agencies with a major interest in the water resources of the state. Those agencies are depicted in the following organizational chart. The names and addresses of each agency as well as the nature of business of each agency is listed on the back of this fact sheet.

In addition to the state agencies, there are over 500

special water districts in Kansas and over 2200 traditional local units of government (counties, cities, townships) all concerned in some way with water resource management. There are also a number of federal agencies involved with Kansas water resources. Further, Kansas is represented on several interstate or multistate water organizations.

ORGANIZATION OF WATER-RELATED STATE AGENCIES IN KANSAS



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Attachment 4

BOARD OF AGRICULTURE Division of Water Resources - Chief Engineer-Director, 109 S.W. 9th, Topeka, KS 66612 (913) 296-3717. Administers laws related to problems with the conservation and utilization of water resources in Kansas including laws regarding appropriation of water and water structures.

STATE CONSERVATION COMMISSION - Executive Director, 109 S.W. 9th, Room 300, Topeka, KS 66612 (913) 296-3600. Responsible for three major state assistance programs: State Aid to Conservation Districts, Water Resources Cost-Share Program and State Assistance in Construction of Watershed Dams.

BOARD OF REGENTS Agricultural Experiment Station - Director, 113 Waters Hall, KSU, Manhattan, KS 66506 (913) 532-6147; Kansas Geological Survey - Director, 1930 Constant Ave., KU, Lawrence, KS 66045 (913) 864-3965; Extension Service - Director, Umberger Hall, KSU, Manhattan, KS 66506 (913) 562-5820; Kansas Water Resources Research Institute - Director, 14 Waters Hall, KSU, Manhattan, KS 66506 (913) 532-5729; 1039 Learned Hall, KU, Lawrence, KS 66045 (913) 864-3807. Responsible for water related research and education.

DEPARTMENT OF WILDLIFE AND PARKS - Secretary, Landon State Office Building, 900 SW Jackson, Room 502-N, Topeka, KS 67156-0548 (913) 296-2281. Responsible for conservation and protection of wildlife resources of Kansas and for conservation and planning for the development of the natural

resources of the state and to provide for their use and enjoyment.

KANSAS CORPORATION COMMISSION Conservation Division - Director, 202 W. 1st St., Wichita, KS 67202 (316) 263-3238. Regulates oil and gas drilling and production in Kansas.

DEPARTMENT OF HEALTH AND ENVIRONMENT Division of Environment - Director, Building 740, Forbes Field, Topeka, KS 66620 (913) 862-9360. Regulatory body which deals with water, air and land pollution. Mined Land Conservation and Reclamation Board - Director, 107 W. 11th, Pittsburg, KS 66762 (316) 231-8540. Regulatory authority over Kansas coal mining and reclamation operations.

KANSAS WATER OFFICE - Director, 109 S.W. 9th, Suite 200, Topeka, KS 66612 (913) 296-3185. The water planning, policy and coordination agency for the state.

KANSAS WATER AUTHORITY - Chairman, 109 S.W. 9th, Topeka, KS 66612 (913) 296-3185. Responsible for advising the Governor, the Legislature and the Director of the Kansas Water Office on water policy issues and approving water storage sales, plans, federal contracts and regulations proposed by the Kansas Water Office.

ADJUTANT GENERAL Division of Emergency Preparedness - Director, P.O. Box C-300, 2800 Topeka Avenue, Topeka, KS 66601 (913) 233-7560. Responsible for disaster and emergency assistance.

**HOUSE APPROPRIATIONS AND SENATE WAYS AND MEANS  
SUBCOMMITTEES ASSIGNED TO WATER AGENCIES**

<u>Agency</u>	<u>House Appropriations</u>	<u>Senate Ways and Means</u>
S.B. 29:		
<b>Conservation Commission</b>	Rep. Vancrum, Chairman Rep. Solbach Rep. Turnquist	Sen. Salisbury, Chairman Sen. Feleciano
<b>Water Office</b>	Rep. Moomaw, Chairman Rep. Gatlin Rep. Brady	Sen. Salisbury, Chairman Sen. Feleciano
<b>Board of Agriculture</b>	Rep. Vancrum, Chairman Rep. Solbach Rep. Turnquist	Sen. Harder, Chairman Sen. Parrish
<b>Wildlife and Parks</b>	Rep. Fuller, Chairman Rep. Kline Rep. Francisco	Sen. Winter, Chairman Sen. D. Kerr Sen. Hayden
H.B. 2029:		
<b>Health and Environment</b>	Rep. Lowther, Chairman Rep. Mead Rep. Wisdom	Sen. Winter, Chairman Sen. Rock
S.B. ____:		
<b>University of Kansas</b>	Rep. Goossen, Chairman Rep. Shriver Rep. Pottorff	Sen. Harder, Chairman Sen. Feleciano

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Attachment 5



Thank you Chairman Spaniol and all members of the House Energy and Natural Resources Committee for the privilege of bringing testimony in favor of Funding the Kansas Water Plan and HB 2008.

I am Lowell Abeltd from Abilene. I am the Legislative Liason for the State Association of Kansas Watersheds (SAKW). I have been a director of SAKW since 1970. Past President 1978-1986. I started watershed work in 1958 and I am a charter member of the Turkey Creek Watershed, serving as director till 1980. I am a member of the Kansas Water Authority term to 1990.

We have just finished our SAKW 38th Annual Meeting and Kansas has the only state association of Watershed in the United States. It is a good time to express SAKW's membership's feelings in regard to the funding and implementation of the Kansas Water plan. We are at the point of a historical event in Kansas history as we decide on this major issue. The importance of this decision is reflected in the future economic growth and well being of Kansas and its citizens, now and its future generations. I will not detail everything about conservation and the benefits derived from watershed and small lakes - you know the benefits and they are significant as watersheds develop new sources of water and provide public uses and drinking water through multi-purpose structures. We are amenable to the prevention of pollution in our water and seek to work toward achieving a standard of quality water in our state. We are in favor of fully funding the Kansas Water plan - some from the general fund, with additional funding from a permanent dedicated source or sources.

In the Governor's recommendation of approximately 6.2 million of funding from a dedicated source or sources, watersheds benefit some from this funding. The Kansas cost share program in watershed construction started in 1977 with the help of the legislature. The program is vital as federal funding decreases, state and local funding is necessary to meet the needs of new construction. However, the state cost share program developed a back log of applications for construction almost immediately. This back log is increasing by large numbers and new construction is being delayed. This backlog will be helped, in that, part of the 6.2 million would be directed to this program through the Kansas Conservation Commission.

The Watersheds and SAKW are willing to cooperate in a spirit of compromise, supporting this concept of a permanent dedicated funding source or sources. We are not submitting any formula but looking toward working together with the Governor - the legislature and the people. Noting the Kansas motto "Ad astra per astra" - to the stars through difficulty. I trust that there will be no difficulty or struggle as together we pass this landmark legislation of fully funding and implementation of the Kansas Water Plan. Attached find the resolution from the SAKW annual meeting.

Thank you.

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Attachment 6

STATE ASSOCIATION OF KANSAS WATERSHEDS

RESOLUTION NO. 1

WHEREAS, the Kansas Water Plan has been developed and meets the approval of the citizens of Kansas.

WHEREAS, it was the intent of the Legislature and the Governor, when the Water Authority was established and instructed to develop a State Water Plan, that in fact it also be implemented.

WHEREAS, to implement the State Water Plan will require about \$15 million annually,

WHEREAS, the State Water Plan is beneficial to all citizens of Kansas, funding of the State Water Plan must be fair and equable to the citizens of Kansas,

THEREFORE, BE IT RESOLVED that the Governor of the State of Kansas and the Kansas Legislature through necessary action establish a special fund of \$15 million to initiate the implementation of the State Water Plan. This fund will be appropriated annually from the General Fund.

FURTHER BE IT RESOLVED that if in the wisdom of the Legislature and the Governor, it deems necessary to generate additional revenue for the General Fund to off set the cost of implementing the State Water Plan; that taxation of public water supply, or other viable sources be considered.

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Attachment 7



## Kansas Engineering Society, Inc.

627 S. Topeka, P.O. Box 477  
Topeka, Kansas 66601 (913) 233-1867

### BOARD OF DIRECTORS

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T. Michael Garrison, P.E.  
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Wichita  
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Overland Park  
Golden Belt Chapter  
Marion E. Shelor, P.E.  
Great Bend  
Hutchinson Chapter  
Don Nistler, P.E.  
Hutchinson  
Northwest Chapter  
Donald Drickey, P.E.  
Norton  
Smoky Valley Chapter  
Larry Miles, P.E.  
Salina  
Southeast Chapter  
Gary Plumb, P.E.  
Humboldt  
Southwest Chapter  
Neil Norman, P.E.  
Scott City  
Topeka Chapter  
Mike Dunneway, P.E.  
Topeka  
Tri Valley Chapter  
Ed Kittner, P.E.  
Blue Rapids  
Wichita Chapter  
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Kansas City  
Government  
Norman Lister, P.E.  
Salina  
Education  
Richard Hayter, P.E.  
Manhattan

#### NATIONAL DIRECTOR

William M. Lackey, P.E.  
Topeka

William M. Henry, J.D.  
Executive Vice President

### Testimony for the House Energy & Natural Resources Committee January 23, 1989

Mr. Chairman, members of the Energy & Natural Resources Committee, I am Bill Henry, Executive Vice President of the Kansas Engineering Society, and I appear before you today in support of H.B. 2008.

The members of the Kansas Engineering Society, both those working in government and private practice, have been vitally interested in the use of our natural resources including water for several years. Members of our organization working in industry also realize the importance of water as the necessary ingredient of any economic development discussion.

In addition, member engineers throughout the state work daily in making decisions on water quality, water supply and solving pollution problems. Based upon this expertise and discussion by our own Environmental Resources Committee, we would make the following recommendations to the committee.

First, the Kansas Engineering Society applauds the work of the interim committee and the consensus building it accomplished in arriving at an agreement among all parties concerned with the necessity of funding the state water plan.

Secondly as the members of this committee who have served for a period of years already realize, the discussion of water planning and policy making in Kansas is a difficult one. Part of this difficulty is with the diversity of state agencies that must deal with water planning, quality and supply. As you know all too well, to get an accurate picture of what is going on in water activities it takes special endurance because in funding alone one must look to what the Kansas Water Office is doing, as well as the Kansas Division of Water Resources, the Kansas Department of Health & Environment and the Kansas Corporation Commission. With the reorganization adopted by the Legislature, the new Department of Natural Resources is still another player in this important work area. While a long range goal of the Kansas Engineering Society has been to seek the combination of all the variety of tasks performed by these state agencies into a single unitary function we realize that goal is a long term one and will not occur overnight. However all the agencies involved in this process would be aided by one feature of H.B. 2008. That feature is that there is the recognition that the State Water Plan must be funded on a regular and continued

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Attachment 8

basis year to year. To accomplish this consistency in financing our state water plan, the society believes the funding for the plan should come from the general fund.

The arguments for special use fees as recommended by this committee are rooted in good analysis and philosophy. However, because of the diversity of these fees as provided we feel this committee will have tremendous difficulty in reaching a consensus on these so-called special user fees. The Kansas Engineering Society believes we cannot afford to wait any longer to come up with the "perfect" mix of such fees but should act immediately to fund this program out of general fund revenues.

This funding out of the general revenue fund has its risks. The funding of the state water plan on a continued basis would have to compete with other valuable interests in the future. However, if we believe good planning in the area of water quality and supply is as important as most of us publicly say, then we feel fair treatment will come in the future to the continued and regular funding of the state water plan.

Should the committee wish further information or more complete analysis of the Society's viewpoint, we will be happy to respond at the committee's direction.

Respectfully submitted,  
KANSAS ENGINEERING SOCIETY

William M. Henry  
Executive Vice President

MWH/mg



league of women voters of kansas

919 ½ So. Kansas Ave.  
Topeka, KS 66612  
913/234-5152

A Statement Presented to the House  
Energy and Natural Resources  
Committee

HB 2008, Financing the State Water Plan

January 23, 1989

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I am Mary Ann Bradford, Natural Resources Coordinator for the League of Women Voters of Kansas. The League is a non-partisan, non-profit organization whose members are interested in many national, state and local governmental issues. One area of interest to League members is natural resources and the environment. Through study and member consensus, the League has been addressing water resources management since the 1940's.

The League has supported the use of general funds for water programs and projects as one way by which Kansans can equitably fund these activities. We are heartened that the Legislature is directing its attention to on-going, multi-source funding of the State Water Plan (SWP) through dedication of moneys to a State Water Plan Fund. I would like to present some of our thoughts on funding sources.

In long advocating that water users and beneficiaries have a role in financing water management projects, the League can support the fee on sale of finished water by public water supply systems. However, this approach omits many users of raw water and individual wells and does not include all water users even some with metered water.

The League supported the establishment of the mineral severance tax and believes that it is appropriate for a portion of the tax receipts to be placed in the SWP Fund. Also we agree that moneys from penalties should be included.

Not only agribusiness uses fertilizers and pesticides. As individuals and certain businesses use fertilizers and pesticides in lawn care, it appears prudent to have a percentage of gross receipts from any sale of these potential contaminants diverted to the SWP Fund. It has been stated in a report by the Conservation Foundation that approximately 25% of all pesticides used in

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1985 were applied to non-agricultural purposes such as lawn care and wood preservatives.<sup>1</sup>

The provision for a tonnage fee from solid waste disposal areas poses a philosophical problem. Do we put money to work to prevent pollution or do we put money on cleanup of contamination? Many of the landfills in Kansas must be upgraded to meet stricter federal regulations. Others must spend money to close and monitor their disposal area, while still others must develop and construct a new and environmentally safer facility. An increase in tipping fees as well as collection fees will be required to fund these activities. In present circumstances, it would seem appropriate to have solid waste fees dedicated to local solid waste management rather than state water funding. The League proposes that tonnage fees not be included at this time.

A source of funding not included in HB 2008 is revenues from the Economic Development Initiatives Fund (EDIF). The League supported and continues to support Governor Hayden's proposal to have a percentage of the EDIF dedicated to natural resources. Implementation of the SWP concerns one of our most valuable resources, water. We suggest consideration of the EDIF as a funding source.

The League recognizes that establishment of permanent sources of funding for the State Water Plan can affect Kansas citizens in one or more ways. We understand that compromise will be necessary to develop a fund that is equitable and fair. We stand ready to make that compromise. Thank you.

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<sup>1</sup> "Reducing Pesticide Contamination", The State of the States 1988, Fund for Renewable Energy and the Environment, Washington, D.C., page 13.  
State of the Environment: A View Toward the Nineties. Conservation Foundation, 1987, page 145.

HOUSE COMMITTEE ON ENERGY AND NATURAL RESOURCES

JANUARY 23, 1989

Testimony on House Bill No. 2008 - AN ACT concerning financing of the state water plan; imposing fees on certain retail sales and certain solid waste disposal; amending K.S.A. 65-170F, K.S.A. 1988 Supp. 79-4227 and K.S.A. 1988 Supp. 65-3419, as amended by chapter 356 of the 1988 Session Laws of Kansas, and repealing the existing sections.

I am Richard Jones, Executive Director of the Kansas Association of Conservation Districts (KACD).

The Association represents the 105 county conservation districts in Kansas. Conservation districts provide assistance to landowners and operators for the protection and improvement of their soil, water, plant, and animal resources. Conservation districts are governed by a five member board of supervisors made up of local landowners who serve without compensation.

On November 22, 1988, at our 44th annual convention the conservation districts of Kansas adopted a resolution calling for the funding of the state water plan. A copy of that resolution is attached. The resolution requests that the Governor and the Kansas Legislature establish a special fund to initiate the implementation of the state water plan. This fund will be appropriated annually from the state general fund. It also requests that the Governor and the Legislature establish a dedicated source of funds to be used to fund the state water plan each year. It also states that the state water

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plan is beneficial to all the citizens of Kansas and the funds appropriated for the state water plan must be fair and equitable to the citizens of Kansas. No one sector of the Kansas economy should not have to pay a disproportionate share to fund a plan that benefits all the citizens of the state. Each sector of the economy should pay it's appropriate and fair share.

KACD and the 105 conservation districts of Kansas commend your committee for its actions in implementing funding for the state water plan. We support the concepts of House Bill No. 2008, but feel strongly that the agricultural sector of our economy is being billed for far more than its fair share while other sectors are not paying at all. We believe that all citizens will benefit by having more and cleaner water and all should share in the cost of achieving it.



KANSAS ASSOCIATION OF CONSERVATION DISTRICTS  
WATER RESOURCES COMMITTEE  
RESOLUTION NO. 1.

WHEREAS, the Kansas Water Plan has been developed and meets the approval of the citizens of Kansas,

WHEREAS, it was the intent of the Legislature and the Governor, when the Water Authority was established and instructed to develop a State Water Plan,

WHEREAS, to implement the State Water Plan will require about \$15 million annually,

WHEREAS, the State Water Plan is beneficial to all citizens of Kansas, funding of the State Water Plan must be fair and equitable to the citizens of Kansas,

THEREFORE, BE IT RESOLVED that the Governor of the State of Kansas and the Kansas Legislature through necessary action establish a special fund of \$15 million to initiate the implementation of the State Water Plan. This fund will be appropriated annually from the General Fund.

FURTHER BE IT RESOLVED that if in the wisdom of the Legislature and the Governor, it deems necessary to generate additional revenue for the General Fund to off set the cost of implementing the State Water Plan; that taxation of public water supply and the use of Lottery or Gaming funds be considered a viable source.

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# LEGISLATIVE TESTIMONY

## Kansas Chamber of Commerce and Industry



500 First National Tower One Townsite Plaza Topeka, KS 66603-3460 (913) 357-6321

A consolidation of the  
Kansas State Chamber  
of Commerce,  
Associated Industries  
of Kansas,  
Kansas Retail Council

HB 2008

January 23, 1989

### KANSAS CHAMBER OF COMMERCE AND INDUSTRY

Testimony Before the

House Committee on Energy and Natural Resources

by

Bud Grant  
Vice President

Mr. Chairman, members of the committee, I am Bud Grant, with the Kansas Chamber of Commerce and Industry. I appreciate the opportunity today to present the Chamber's views on the proposals contained in HB 2008.

The Kansas Chamber of Commerce and Industry (KCCI) is a statewide organization dedicated to the promotion of economic growth and job creation within Kansas, and to the protection and support of the private competitive enterprise system.

KCCI is comprised of more than 3,000 businesses which includes 200 local and regional chambers of commerce and trade organizations which represent over 161,000 business men and women. The organization represents both large and small employers in Kansas, with 55% of KCCI's members having less than 25 employees, and 86% having less than 100 employees. KCCI receives no government funding.

The KCCI Board of Directors establishes policies through the work of hundreds of the organization's members who make up its various committees. These policies are the guiding principles of the organization and translate into views such as those expressed here.

At its November 1988 meeting, the KCCI Energy and Natural Resources Committee approved a policy position regarding funding for the State Water Plan. That policy was approved in

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December 1988 by the KCCI Board of Directors. In brief terms, that policy endorses funding of the Plan from revenue sources which are continuous in nature, broadly based, and equitably applied. The first source which comes to mind that fits all the criteria is the state General Fund, but if money was available from the General Fund, I doubt if we would be holding hearings on this bill today.

In reality, the General Fund has not and probably will not contain sufficient balances to take on another expensive program of a continuous nature. For that reason, new revenue must be generated to fund the State Water Plan. It appears to the Chamber that the proposals contained in HB 2008 are a good starting point for meeting the criteria of our policy position.

We would caution, however, that dependence on "tipping fees" for solid waste disposal as a source of Water Plan funding may not be advisable. Without extensive technical knowledge of what U.S. EPA will be requiring for our state's solid waste landfills in the way of cleanup and maintenance, it is our recommendation that "tipping fees" be avoided at this time to permit their usage at the local level at the appropriate time to meet federal requirements. If the future should prove that "tipping fees" are not necessary as a source of funding for local units' needs in meeting solid waste disposal mandates, the legislature can impose them for water plan funding at a later date.

KCCI's membership is not looking forward to paying increased fees on water usage to fund the water plan; no business looks forward to increased costs. But the legislature has determined that there should be a state water plan and that it should be funded. With those decisions already made, HB 2008 appears to meet the Chamber's criteria for a funding mechanism: broad based, equitable, and continuous.

Thank you for considering our input in this matter.



# SIERRA CLUB

## Kansas Chapter

HB2008

Financing of the State Water Plan  
Testimony Before House Committee on Energy and Natural Resources  
Margaret Post Ahrens  
January 23, 1989

I am Margaret Ahrens, representative in the Kansas Legislature for the 2200 members of the Kansas Chapter of the Sierra Club. We work to protect our irreplaceable natural resources from depletion and contamination. Our organization represents values that project over time: we look to preservation for the future, if need be, against the pressures of the moment.

It is our position that the use of our natural resources should reflect the TRUE costs of those resources. That means that we pay up front for investments in our natural resources that promote their conservation, prevent contamination and clean it up where it exists.

We see your attempt to equitably assess those investments among the citizens of Kansas as an effort to notify us all that the natural resources we have taken for granted, for "free", are not "free". This fact will not change in the future. The establishment of a stable funding source for the Water Plan is essential. It is the Sierra Club's first legislative priority in this legislative session.

We support HB2008 in that it combines special fees and fines with some general revenue funding. The following are specific recommendations regarding HB2008:

New Section 1 (a),

- (1). We want to be assured that the definition includes water used by industrial water users. We note that irrigation, which uses 87% of the water used in Kansas, is not included in this user fee.
- (2). We recommend that the fertilizer fee extend to fertilizers sold at wholesale for commercial application and household use, and the fee rate be reduced accordingly.
- (3). We recommend that the pesticide fee extend to all pesticides for purchase in homes, institutions and industries, and the tax rate be reduced accordingly.

There are several reasons for the recommendations on (2) and (3). While agricultural uses of certain products are somewhat controlled, other users have few or no restrictions. Concentrations of pesticides are found in surface water below population/industrial centers. These are not necessarily restricted use pesticides. We think the price of a product should encourage careful use and reflect the price of potential natural resource damage.

New Section 2: We recommend deletion of this section. In the coming years, solid waste management in itself will require regulations and investments which local governments will have to bear. Again, it is more appropriate that the cost of natural resource funding be attached to the price of what we use, encouraging prevention rather than charging at disposal.

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Section 3: We recommend a stable funding source such as the severance tax that is related to oil and gas operations in Kansas. A proposal in this session to exempt certain producers from that tax would reduce the amount of available monies from that source in the General Fund.

Finally, because of the close relationships between our economic survival and the preservation of our natural resources, we recommend the designation of a portion of the Economic Development Initiatives Fund monies for our state's Water Plan funding.

In our considerations of equitable ways for the funding of our natural resources, we looked at information on water users and water polluters. We do not envy your job as our representatives in determining what is fair. At an impasse, we might think about this issue this way: when we are asked to pay, we are not admitting guilt for violations. Rather, we are admitting shared responsibility for the preservation of life in Kansas over time.

# Kansas Natural Resource Council

Testimony presented before the House Energy and Natural Resources Committee

HB 208: Funding the State Water Plan

Charlene A. Stinard, Kansas Natural Resource Council

January 23, 1989

I am Charlene Stinard, and I represent the Kansas Natural Resource Council, a non-profit organization whose 700 members promote sustainable natural resource policies for the state of Kansas.

We commend the work of the Interim Study Committee in addressing a long-delayed and critical issue for Kansans -- implementation of the State Water Plan. I would like to comment today on the committee's proposal.

Water is the most precious resource in Kansas -- the success of agriculture, industry, and municipalities all depend on adequate water supplies. Kansas is not blessed with bountiful quantities of water. And, as drought conditions continue, it is estimated that we may lose 4000 shallow wells this summer. In addition, much of our water is contaminated or threatened with contamination -- the KDE list of identified contaminated sites grew from 332 in 1988, to 489 this year.

The need for the State Water Plan is clear. Water plan priorities include cleanup of identified contaminated sites, building conservation projects to protect streams and rivers from agricultural runoff, and new arrangements with local governments to protect public water supplies. So far, however, the state has failed to appropriate adequate funds for meaningful implementation.

Part of the difficulty in the past arose in establishing a source of funding dollars for the water plan. This year, we attempt to construct a long-term, stable, dedicated source for present and future water projects. The interim study committee proposed a package of funding sources to implement water plan projects. We support this initiative by the Legislature to protect and preserve our water resources, with the following reservations.

## I. General Revenues

KNRC supports using general revenues to fund portions of the State Water Plan. The protection, management, and conservation of our water resources is a fundamental fiscal responsibility of the state -- not special interest spending.



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## II. Groundwater Protection Fees - water supplies

The groundwater protection fees proposed in HB 2008 are a beginning, but fall the interim committee's own standard of equity. Sales of water at retail by public water supply systems imposes an appropriate fee on most residential and commercial interests for their water use, but fail to tax water used by major industrial and agricultural interests. The following information, from USGS sources, indicates the amounts of water used from various sources, and indicates the inequity of the present water tax proposal.

### Surface water uses

1. Public water supply withdrawals	150.0 million gal/day
2. Rural-supply withdrawals	
domestic	4.3 million gal/day
livestock	46.0 million gal/day
3. Industrial, self-supplied withdrawals	340.0 million gal/day
4. Irrigation withdrawals	440.0 million gal/day

### Groundwater uses

1. Public water supply withdrawals	140.0 million gal/day
2. Rural-water supply withdrawals	
domestic	25.0 million gal/day
livestock	35.0 million gal/day
3. Industrial, self-supplied withdrawals	190.0 million gal/day
4. Irrigation withdrawals	5,200.0 million gal/day

A more equitable distribution of the groundwater protection fee would include all water users, including the enormous withdrawals for self-supplied industrial use and irrigation.

## III. Groundwater Protection Fees - fertilizers/pesticides

A sales tax on farm fertilizers and restricted use pesticides is appropriate, especially to draw attention to the groundwater contamination implications of their use. We would like to see the list of pesticides expanded beyond "restricted use pesticides" to include, e.g., Atrazine and 2,4-D, which has been discovered in water supplies across the state. We would also support a broader use of the fee to include urban domestic and commercial users.

## IV. Solid Waste Tipping Fee

The tipping fee on solid waste may be more appropriately used by/for local governments which have the responsibility for management of landfills. New federal regulations will require enormous expenditures in some areas to bring landfills into compliance.

## V. Additional Sources

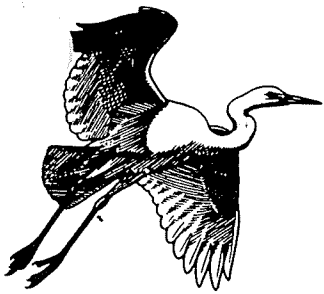
Some other appropriate options for funding groundwater protection the committee might consider include:

- a state-wide sales tax dedicated to groundwater protection
- a portion of the state pesticide certification and registration fees
- a portion of the lottery fund, appropriately directed to projects with economic development implications
- a tonnage fee on hazardous waste disposal

There is still much work to be done to establish a dedicated source of funding for the long-term implementation of the State Water Plan. HB 2008 provides us with an excellent beginning, a point of departure. We urge your consideration of these additional comments, as well.

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# Kansas Audubon Council

JANUARY 23, 1989  
HOUSE ENERGY AND NATURAL RESOURCES COMMITTEE  
TESTIMONY ON HB 2008

My name is Joyce Wolf and I want to thank the committee for making it possible to present testimony today on behalf of the Kansas Audubon Council which represents the 5000 Kansas members of the National Audubon Society. In general we support the concept of HB 2008. We would like to offer the following comments. We believe the characteristics of the formula to fund the state water plan should incorporate two essential principles:

1) There should be a stable source of funds to finance the various projects which are considered part of the water plan. We believe that guaranteeing a certain level of funding will enable the various departments and agencies involved in water-related projects to better plan on a long-term basis.

2) The funding plan should be fair and equitable to all water users in Kansas. For that reason we support the use of some general fund monies for water plan projects; however, the Kansas Audubon Council realizes that, historically, significant amounts have not been appropriated for water-related projects. Therefore we believe that the incorporation of user fees in the water plan funding formula complements the use of EDIF and general funds and is crucial to the establishment of a pool of money that will consistently and adequately fund the state water plan.

We definitely believe that all of us have an interest in guaranteeing the availability of adequate supplies of clean water for our homes, farms, businesses, or recreational interests. There are important and complex questions which must be asked and answered in order to reach a solution to the problem of finding a stable, equitable source of revenues to fund the water plan. Because of our shared dependence on the need for clean water, the Kansas Audubon Council endorses the concept of establishing a user-fee/general funds combination of monies to finance the state water plan.

Thank you again for this opportunity to share our thoughts with you.

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