

Approved: 3-17-98  
Date

MINUTES OF THE HOUSE COMMITTEE ON ENVIRONMENT.

The meeting was called to order by Vice-Chairperson Joann Freeborn at 3:30 p.m. on February 17, 1998 in Room 526-S of the Capitol.

All members were present except: Rep. Steve Lloyd - excused

Committee staff present: Raney Gilliland, Legislative Research Department  
Mary Ann Graham, Committee Secretary

Conferees appearing before the committee: Steve Williams, Secretary, KS Dept. Wildlife & Parks, 900 SW Jackson, Suite 502, Topeka, KS 66612-1233  
Mike Beam, Executive Secretary, Cow-Calf/Stocker Division, KS Livestock Association, 6031 SW 37th Street, Topeka, KS 66614-5129  
Mark Uhlik, President, KS Outfitters Association, 1548 17th Road, Washington, KS 66968  
Spencer Tomb, Vice President and Chair, KS Wildlife Federation, 5321 Thompson Road, Manhattan, KS 66503  
Bill Fuller, Associate Director, Public Affairs Division, KS Farm Bureau, 2627 KFB Plaza, Manhattan, KS 66503  
Shawn Harding, KS Bowhunters Association, 2237 SE Shawnee Dr., Tecumseh, KS 66542  
Dick Carter Jr., Travel Industry Association of KS, 700 SW Jackson, Suite 702, Topeka, KS 66603  
John Doty, P.O. Box 37, Sedan, KS 67361  
Representative Carl Holmes, Capitol Building, Room 115-S, Topeka, KS 66612  
Michael T. Dealy, Manager, Equus Beds Groundwater Management District #2, 313 Spruce Street, Halstead, KS 67056-1925  
Sharon Falk, Manager, Big Bend Groundwater Management District #5, 125 South Main, P.O. Box 7, Stafford, KS 67578  
Keith Lebbin, Manager, Western Kansas Groundwater Management District #1, P.O. Box 604, Scott City, KS 67871

Others attending: See attached list

Chairperson Joann Freeborn called the meeting to order at 3:30 p.m. She announced that **HB2925**, concerning the Kansas river; designating certain reaches to be used for certain purposes, will have a hearing Wednesday, February 18. Thursday, February 19, **SB476**, relating to acquisition of certain water supply storage capacity and **SB477**, concerning officers and employees of the Kansas water office, will be heard and possible action on previously heard bills. She opened public hearing on **HB2868**.

**HB2868:** An act concerning wildlife; relating to certain big game permits and tags; amending K.S.A. 1997 Supp. 32-937 and repealing the existing section.

Raney Gilliland, Legislative Research Department, explained the bill.

The Chairperson welcomed Secretary Steve Williams, KS Department of Wildlife and Parks, to the committee. He provided testimony in support of the bill. The Department believes **HB2868** would amend current statute to provide increased opportunity and flexibility in the issuance of nonresident deer permits. They are not opposed to these changes, and do not believe that they will negatively affect resident hunting opportunity in Kansas. The proposed amendments would have three primary effects. (See attachment 1)

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON ENVIRONMENT, Room 526-S Statehouse, at 3:30 p.m. on February 17, 1998.

Mike Beam, Kansas Livestock Association, was welcomed to the committee. He provided testimony supporting the bill. The Kansas Livestock Association believes the bill has broader support and acceptance than the concept they pushed for in 1997. They believe it is a work of compromise between groups wishing to increase nonresident deer hunting and the state agency charged with managing the deer herd and providing deer hunting opportunities for Kansas residents. (See attachment 2)

Chairperson Freeborn welcomed Mark Uhlik, President, KS Outfitters Association. K.O.A. feels the bill addresses the changes needed to more effectively manage the deer herd problem. They believe it would be beneficial in reducing the growing deer herd; reduce the deer/automobile accident rate and possibly saving lives; bringing economic opportunity to rural Kansas; relieving pressure on the Department of Wildlife and Parks brought about by deer causing crop damage; and would give Wildlife and Parks the flexibility to manage this out of control natural resource. (See attachment 3)

Spencer Tomb, Vice President and Chair, KS Wildlife Federation, addressed the committee in support of the bill. He feels the current deer permitting system is reasonable and fair to resident deer hunters but is very restrictive to nonresidents as it does not let them apply in units that do not have left over deer permits. This system prevents nonresidents who wish to come to hunt deer with friends and family in Kansas from hunting except in limited areas of the state. The relaxation of this constraining factor and putting the actual mechanism for adjusting the percentage of nonresident permits in the deer management units in the hands of the agency professionals and the Wildlife and Parks Commission is an important step that should be taken. (See attachment 4)

Bill Fuller, KS Farm Bureau was welcomed to the committee. He provided testimony in favor of the bill and believes this bill allows the secretary of KS Wildlife and Parks to issue up to 5 percent of the resident firearm permits to nonresidents in the management units. Also the bill covers game tags. If unlimited game tags are offered in a management unit, KS Wildlife and Parks may issue an unlimited number of deer tags for that unit to nonresidents. (See attachment 5)

The Chairperson welcomed Dick Carter Jr., Travel Industry Association of KS. He provided testimony in support of the bill. (See attachment 6) According to an economic impact study of hunting by Southwick Associates of Alexandria, Virginia, deer hunting in Kansas provided 2,867 jobs, and generated \$139,093,751 in retail sales; \$6,578,953 in sales tax; and, \$1,186,593 in state income tax in 1996. The study did not break down out-of-state income versus in-state income, but TIAK has always supported increasing the opportunity to import more out-of-state dollars through hunting revenue and believes this bill will give an opportunity to do this.

John Coty, Sedan, KS, offered brief comments in support of HB2868. (no written testimony)

Shawn Harding, KS Bowhunters Association was welcomed to the committee and provided testimony in opposition to the bill. The Bowhunters Association expressed three main points of concern and questions on the bill's viability. One, due to an increase in tag numbers last season, believes that KS Wildlife and Parks is achieving its goals on curtailment of the herd's growth. Two, KS Wildlife and Parks is entertaining the thought of extending the firearms season to include 3 weekends, which would allow a greater number of firearm hunters to increase their number of days in the field. And third, the past two seasons has seen an expansion in the total number of permits increase 30 to 35%, this has increased the total number of nonresident hunting participants as well. The increase has been controlled by KS Wildlife and Parks unitization system that only allows hunting in areas where high deer populations exist. The proposed bill will change this controlled process and the KBA has concerns about this. (See attachment 7) Questions followed. The hearing on HB2868 was closed.

Chairperson Freeborn opened public hearing on HB2881.

**HB2881:** **An act concerning groundwater management districts; relating to assessments to finance district operations; amending K.S.A. 82a-1030 and repealing the existing section.**

Representative Carl Holmes was welcomed to the committee. He provided testimony in support of the bill and believes this bill concerns a tax equity problem of assessments of the "water tax" by Groundwater Management Districts. Rep. Holmes discussed what the bill does and referred to a chart that shows current law and the changes made by HB2881. (See attachment 8)

Chairperson Freeborn welcomed Michael T. Dealy, Groundwater Management District #2. He provided testimony in opposition to the bill and feels the bill will require the district board of directors to prorate the

## CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON ENVIRONMENT, Room 526-S Statehouse, at 3:30 p.m. on February 17, 1998.

annual groundwater assessment charge for irrigation use to each water permit owner based on land ownership of the authorized place of use as described on a water permit and extend the period to file a verified water use claim an additional 60 days, from April 1 to June 1. (See attachment 9)

Sharon Falk, Groundwater Management District #5, was welcomed to the committee. She opposes the bill and provided testimony to that effect. She believes the proposed amendments to K.S.A. 82a-1030, if adopted, will increase the costs associated with administration of this statute. It could also be a burden to many landowners and water users in their maintenance of water rights. The Division of Water Resources, KS Department of Agriculture, might also be affected in that office's administration of water rights. (See attachment 10)

Keith Lebbin, Western Groundwater Management District #1, was welcomed to the committee. He testified in opposition to the bill and requests that since the current method of assessment is working, that it remain unchanged, or at the most, allow water users to request proration of their water right assessment. The cost to comply with the proposed change is something the District cannot afford. (See attachment 11)

Steve Frost, Groundwater Management District #3, was unable to attend but provided written testimony. (See attachment 12) Questions followed.

The Chairperson closed the hearing on HB2881. She thanked the conferees for appearing today and the committee and guests for their attention.

The meeting adjourned at 5:00 p.m.

The next meeting is scheduled for February 18, 1998.





STATE OF KANSAS  
DEPARTMENT OF WILDLIFE & PARKS

Office of the Secretary  
900 SW Jackson, Suite 502  
Topeka, KS 66612-1233  
785/296-2281 FAX 785/296-6953



Testimony on House Bill No. 2868

Presented to: House Committee on Environment  
Provided by: Kansas Department of Wildlife and Parks  
Date: February 17, 1998

HB 2868 would amend current statute to provide increased opportunity and flexibility in the issuance of nonresident deer permits. The department is not opposed to these changes, and does not believe that they will negatively affect resident hunting opportunity in Kansas. The proposed amendments would have three primary effects:

1. The department would be given authority to issue nonresident firearm deer permits, the total for each type of permit not to exceed 5% of the number of that type of permit available to residents in that hunting unit. Currently, the department may issue nonresident permits only if leftover resident permits of that type and in that unit existed in the previous hunting season. The amendments would eliminate this restriction, allowing the department to issue from 0% to 5% in any given unit, at its discretion.

2. The department also would be given authority to issue nonresident archery deer permits without the restriction concerning the previous season's resident firearm leftovers (but with the same 5% restriction). Consequently, the department would be able to issue statewide archery permits to nonresidents. Because resident statewide archery permits are available on an unlimited basis, the number of nonresident permits could be up to 5% of the total statewide archery permits purchased by residents in the previous hunting season.

3. Currently, the department issues game tags, valid only for antlerless deer, on an unlimited basis for the 12A Subunit in southeastern Kansas. The bill would allow these game tags, or similar game tags if other subunits are designated, to be purchased over-the-counter by nonresidents.

HB 2868 should not negatively affect resident deer hunters or the number of deer permits they may receive; the bill's language preserves the department's authority and ability to protect resident hunting opportunity. However, HB 2868 would also provide the department flexibility to enhance nonresident hunting opportunity where and when appropriate, including the possible increase of desired nonresident buck-type permits in some units. Consequently, the department feels the bill will allow us to strike a reasonable point of balance among potentially affected interests, including resident deer hunters, agricultural producers, Kansas guides and outfitters, and others interested in promoting nonresident hunting in Kansas.

*House Environment  
2-17-98  
Attachment 1*



*Since 1894*

February 17, 1998

To: House Environment Committee  
Representative Joann Freeborn, Acting Chairperson

Fr: Mike Beam, Executive Secretary, Cow-Calf/Stocker Division

Re: KLA Support for House Bill 2868

First, I want to thank the House Environment Committee for introducing this legislation. Several groups, including the Kansas Livestock Association (KLA), have met on several occasions since last fall trying to develop a bill that would stimulate additional nonresident deer hunting permits. This bill, HB 2868, accomplishes that mission by altering the statutory restrictions for nonresident permits. Furthermore, the bill increases the Kansas Department of Wildlife and Parks (KDWP) flexibility in issuing permits. This flexibility should enhance the availability of nonresident permits in management units with large deer numbers and offer protection to resident deer hunters who apply in management units with a more limited deer population.

The bill before you today includes the following provisions:

- Strikes existing law (page 4, lines 1-6) that has limited nonresident permits to management units where resident firearm permits were unused the previous year.
- Amends existing law (page 3, lines 26, 27, 29, 31, 32 and 34) to clarify KDWP may promulgate rules and regulations to prorate the nonresident firearm and archery permits by type (i.e. buck only, any deer, or antlerless only).
- New authority to restrict nonresident archery permits by species of deer (page 3, lines 36-38).
- New authority to issue "game tags" to residents (page 4, lines 6-9).

*House Environment  
2-17-98  
Attachment 2*

Farmers and ranchers are more than food producers. They are actually resource managers who manage land, water, and sunshine to produce forages, crops, and livestock. An additional resource of farming and ranching is wildlife. While these stewards of the land have produced raw food material for people all over the world, they have also provided habitat for wildlife.

As total resource managers, farmers and ranchers are looking to capitalize on nontraditional economic opportunities that exist on their farms and ranches. One method is to diversify their farm and ranch income with outdoor recreation ventures such as fee or lease hunting.

Fee hunting offers many opportunities for Kansas landowners. Many farmers and ranchers are realizing a financial gain from upland, waterfowl, and turkey hunting leases. A few are able to lease land or provide guide service for deer hunters. **The existing law, however, inhibits and limits our members' ability to market fee or lease hunting of deer, especially since the largest and most lucrative market is for out-of-state hunters.**

Last year, KDWP issued 96,000 deer hunting permits. Only 1,000 of these permits were obtained by nonresidents. This legislation is needed to unlock the over protective law that shuts out thousands of nonresident hunters and denies Kansas the economic benefit nonresident hunters would provide to rural communities. In addition, additional nonresident permits create a positive fiscal note to KDWP.

This bill is not the first attempt by KLA to seek changes in the deer permitting system. We pushed legislation last year that would have authorized landowners to sell special "hunt-on-your-own-land" permits. This would have allowed farmers and ranchers to obtain an "any deer" permit and sell it to others for financial gain. Although this legislation would have allowed our members to more easily market fee hunting ventures, the proposal was strongly opposed by sportsmen and sportswomen who were fearful of a large loss in the availability of general resident permits. Furthermore, this plan would have undermined KDWP's ability to manage the deer herd.

This bill, HB 2868, has broader support and acceptance than the concept we pushed for in 1997. We believe it is a work of compromise between groups wishing to increase nonresident deer hunting and the state agency charged with managing the deer herd and providing deer hunting opportunities for Kansas residents.

KLA supports HB 2868 and encourages this committee to refer the legislation favorably. Thank you.

To: House Environment Committee\  
Rep. Joann Freeborn, Acting Chairperson

Fr: Mark Uhlik, President  
Kansas Outfitters Association

Date: February, 17, 1998

I've operated a guide service based in Washington County for the past twelve years. I'm here today representing the Kansas Outfitters Association. The K.O.A. was organized in 1995 for the purpose of working with the Dept. of Wildlife and Parks and for the purpose of making changes for the improvement and development of our natural resources. Today the natural resource which needs development and change is the Kansas deer herd.

The K.O.A. feels that House Bill 2868 addresses the changes needed to more effectively manage this growing problem. The K.O.A. believes this bill would be beneficial in :

- 1) Reducing the growing deer herd;
- 2) Reducing the deer/automobile accident rate and possibly saving lives;
- 3) Bringing economic opportunity to rural Kansas;
- 4) Relieving pressure on Wildlife & Parks brought about by deer causing crop damage; and
- 5) Lastly, the K.O.A. believes this bill would give the Wildlife & Parks the flexibility to more aggressively manage this out of control natural resource.

Thank you for your time.

*House Environment  
2-17-98  
Attachment 3*





# KANSAS WILDLIFE FEDERATION

*The voice of outdoor Kansas*

February 17, 1998

## Testimony in Favor of House Bill 2868

By

Spencer Tomb

Vice President and Chair

KWF Issues and Actions Committee

The Kansas Wildlife Federation is a broad based conservation education organization dedicated to the sustained use of natural resources. We consist of 14 affiliate clubs and individual members with a total membership of about 2,000. We are the Kansas affiliate of the National Wildlife Federation.

We support H. B. 2868. This bill will let the Wildlife and Parks Commission increase the availability of non resident deer hunting in Kansas. We supported this same level of non resident deer hunting when it was first proposed in the Legislature over eight years ago.

Deer hunting regulations in Kansas consist of a series of compromises among those who are interested in deer. Deer management in Kansas is complex in that we have very unequal distribution of deer and deer hunters. We have a deer herd that has exceeded acceptable limits in some areas and is in need of monitoring and very carefully regulated hunting in others.

Recently Lee Queal of Pratt, Kansas, a retired wildlife professional who is on our board of directors, wrote a excellent article on Kansas deer that traced their history in Kansas and provides an overview of deer problems, the causes of these problems and what should be done to manage Kansas deer. It is a scholarly yet readable piece. We are having copies of this article made with some additional explanations and will provide them to all members of the Legislature before this bill will be considered on the floor of the house.

The current deer permitting system is reasonable and fair to resident deer hunters regardless of the means that they use to hunt, but it is very restrictive to non residents as it does not let them apply in units that do not have left over deer permits. This system prevents non residents who wish to come to hunt deer with friends and family in Kansas from hunting except in limited areas of the state. The relaxation of this constraining factor and putting the actual mechanism for adjusting the percentage of non resident permits in the deer management units in the hands of the agency professionals and the Wildlife and Parks Commission is an important step that we think should be taken.

We think that H. B. 2867 is a much preferred way to improve access to deer hunting rather than the bills that would have privatized deer hunting by making landowners outfitters who could buy and sell deer permits. Those bills would have further reduced the taking of does and reduced the access of resident deer hunters and caused increases in the deer population. We ask that you recommend this bill to the Kansas House and that it be passed without modification.

*House Environment  
2-17-98  
Attachment 4*



# PUBLIC POLICY STATEMENT

## HOUSE COMMITTEE ON ENVIRONMENT

**RE: HB 2868 – Authorizes increases in nonresident deer permits and game tags.**

**February 17, 1998  
Topeka, Kansas**

**Presented by:  
Bill Fuller, Associate Director  
Public Affairs Division  
Kansas Farm Bureau**

Representative Freeborn and members of the House Committee on Environment, my name is Bill Fuller. I am the Associate Director of the Public Affairs Division for Kansas Farm Bureau.

HB 2868 allows the Secretary of the Kansas Department of Wildlife and Parks to issue up to 5 percent of the resident firearm permits to nonresidents in the management units. Additionally, the bill covers game tags. If unlimited game tags are offered in a management unit, KDWP may issue an unlimited number of deer tags for that unit to nonresidents.

We appreciate this opportunity for Kansas Farm Bureau to express support for HB 2868. We believe passage of this bill will result in the harvest of more Kansas deer. Additionally, the proposal will bring more out-of-state dollars to Kansas. These nonresidents will eat in restaurants, stay in motels, buy gasoline and make purchases in sporting goods stores.

*House Environment  
2-17-98  
Attachment 5*

We do not expect HB 2868 to have a detrimental impact on Kansas deer hunters, nor on the ability of the KDWP to manage the deer herd.

Kansas has an exploding deer population. While no official statistics are kept in Kansas, estimates of crop damage could be as much as \$16 million dollars and vehicle damage may be near \$30 million each year. This damage caused by deer in Kansas is unacceptable!

We certainly acknowledge the positive impact of HB 2303 advanced by this Committee and approved by the 1997 Legislature which expanded hunt-on-your-own-land permits. The order by the Secretary of KDWP to increase deer hunting permits for 1997 by 10,494 over 1966 was another appropriate action. We appreciate the positive actions by both the Legislature and the KDWP.

Recognizing that a significant reduction in the deer herd will take some time, we suggest even more must be done this year. HB 2868 is another step in the right direction.

The 435 Voting Delegates representing the 105 county Farm Bureaus at the 79<sup>th</sup> Annual Meeting of Kansas Farm Bureau developed and adopted policy that includes this statement: *"In management districts where permits are available and not requested by Kansas residents, those permits should be made available to non-residents."* (See attachment for complete "Hunting and Fishing Regulations" resolution.)

We appreciate this opportunity to outline KFB Policy on this important issue. We respectfully encourage the Committee to approve and advance HB 2868 to the full House. We welcome any questions you may have. Thank You!

## Hunting and Fishing Regulations

CNR-5

We believe those who hunt and fish should possess written permission, signed by the landowner or operator, stating the days hunting or fishing is permitted and giving a description and the location of land on which permission is granted.

We believe each farmer, whether landowner or tenant, who requests a big game permit for hunting on his own land or that on which he is tenant or operator, should be guaranteed the permit and it should be granted at no cost.

Owners of Kansas land who live in another state should be able to receive a permit to hunt all big game on their Kansas land. Non-Kansas residents should not be prohibited from applying for a big game permit on consecutive years. Any person receiving a deer permit in Kansas may harvest an additional deer (antlerless) in management districts identified by the Secretary of Kansas Wildlife and Parks where excessive deer damage occurs. In management districts where permits are available and not requested by Kansas residents, those permits should be made available to non-residents.



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## STATEMENT

**DATE: February 18, 1998**

**TO: House Committee on Environment**

**FROM: Dick Carter, Jr.  
Legislative Liaison**

**RE: Non-resident deer permits (HB-2868)**

Madam Chairperson and members of the committee, I am Dick Carter, representing the Travel Industry Association of Kansas (TIAK).

TIAK supports HB-2868. We were pleased to be a part of the coalition of Kansas Livestock Association, Farm Bureau and Kansas Guides and Outfitters who worked with Secretary Williams to come up with this concept to increase the number out of state hunting permits.

According to an economic impact study of hunting by \*Southwick Associates of Alexandria, Virginia, deer hunting in Kansas provided 2,867 jobs, and generated \$139,093,751 in retail sales; \$6,578,953 in sales tax; and, \$1,186,593 in state income tax in 1996. The study did not break down out-of-state income versus in-state income, but we have always supported increasing the opportunity to import more out-of-state dollars through hunting revenue. We believe HB-2868 will give us an opportunity to do this.

\* Southwick Associates, Fish & Wildlife Economics & Business Consulting,  
P. O. Box 1706, Alexandria, VA 22313

*House Environment  
2-17-98  
Attachment 6*



For 25 years, the KBA has been at the forefront of defining quality hunting of our state's big game and the consensus of the current KBA executive council and chairpersons has been negative towards HB2868.

The following 3 points summarize the executive council's concerns and questions on the bill's viability.

1. We have yet to receive complete 1997 harvest data from the KDWP, but so far, based on the information processed, the success rates have again surpassed national averages. Due to an increase in tag numbers last season, we believe that the KDWP is achieving its goals on curtailment of the herds' growth.
2. The KDWP is currently entertaining the thought of extending the firearms season to include 3 weekends, which would allow a greater number of firearm hunters to increase their number of days in the field. Therefore, improving their chances and increasing our already high firearms success ratio. This is another tool that would eliminate this need for an "across the board" increase in Non-Resident tag sales.
3. The past two seasons has seen an expansion in the total number of permits increase 30 to 35%. By doing so, we have increased the total number of non-resident hunting participants as well. The increase has been controlled by our KDWP unitization system that only allows hunting in areas where high deer populations exist. The proposed bill will change this controlled process and the KBA has concerns about this.

During the past session, the legislators opened some doors for the KLA and the outfitters in the state who wanted to loosen restrictions in the application process for non-resident hunters and the transfer of HOYOL tags. As more tags are issued and more pressure is put on KDWP to immediately reduce a deer population that has taken 35 years to achieve its ranking (as one of the best in the nation) as well as its negative attributes (crop damage and auto accidents). Where will we draw the line and treat this issue as a resource and not a commodity?

*House Environment  
2-17-98  
Attachment 7*

Finally, if a choice between HB2868 and an increase in the length of the firearm season becomes imminent, the KBA will fight against the further privatization of hunting and leasing of land that HB2868 promotes. We will, in fact, work with the KDWP on a solution that will benefit the state resident hunters in both archery and firearm seasons.



TOPEKA

HOUSE OF  
REPRESENTATIVES

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COMMITTEE ASSIGNMENTS

CHAIRMAN: FISCAL OVERSIGHT COMMITTEE  
CHAIRMAN: APPROPRIATIONS SUBCOMMITTEE,  
AGRICULTURE & NATURAL RESOURCES  
CHAIRMAN: RETAIL WHEELING TASK FORCE  
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RULES AND REGULATIONS  
MEMBER: NATIONAL CONFERENCE OF STATE  
LEGISLATURES—ENVIRONMENT  
COMMITTEE

LEGISLATIVE HOTLINE  
1-800-432-3924

E-MAIL: [repcarl@aol.com](mailto:repcarl@aol.com)

Subject: HB 2881

Chairperson Freeborn and committee members, I am here to address a tax problem as it relates to water usage in Groundwater Management Districts.

HB 2881 concerns a **tax equity problem** of assessments of the "water tax" by GMD's (Groundwater Management Districts).

- GMD's are allowed to charge land tax and water usage tax
- Originally, GMD's used land based tax assessed against acreage under irrigation
- Cost of operation for GMD's has increased
- Change from land assessed tax to water usage and land assessed tax to meet budget needs
- Water usage tax is only assessed to location of water well
- If there is more than one landowner-water user, still only the well location is taxed. **This is not tax equity!**
- HB 2881 will assess water allocation to authorized place of use unless landowners have other agreement
- This only applies within GMD's as only GMD's have this tax
- Maximum tax allowed by current statute is \$.05 per acre and \$.60 per acre foot of water right allocation

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Attachment 8*



- Changes date of claim for lesser water usage from April 1 to June 1 to allow water users more time to notify GMD of actual water usage
- Other changes are revisors cleanup of language in current law
- GMD #3 has indicated to me they would oppose this legislation as they "don't want to take the time to allocate the water usage of a water right". Currently, the GMD's certify to the county assessor the amount of tax to levy against each parcel of land in each GMD.
- Please refer to the chart on the next page
- **I request your support for tax equity in the application of the water usage tax. I urge your support of HB 2881.**

Thank you for the opportunity to discuss HB 2881 today.

HB 2881  
Chart

CURRENT LAW				HB 2881	
LAND TAX	WATER TAX	LAND	OWNER	LAND TAX	WATER TAX
\$16.00	\$0.00	A	A	\$16.00	\$384.00
\$16.00	\$1536.00	B •	B •	\$16.00	\$384.00
\$16.00	\$0.00	C	C	\$16.00	\$384.00
\$16.00	\$0.00	D	D	\$16.00	\$384.00

Assumes all land is irrigated (ABCD), each parcel of land equals 160 acres and 2 acre foot per acre water allocation. Also assumes maximum land tax per acre and maximum water assessment provided by current law. Irrigation wells are assumed to be located in parcel "B" marked with two dots.

## **EQUUS BEDS GROUNDWATER MANAGEMENT DISTRICT NO. 2**

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Halstead, Kansas 67056-1925  
Voice - 316 835-2224 Fax - 316 830-2210  
Email - equusbed@ink.org

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**Testimony before the  
House Environment Committee  
concerning  
House Bill 2881 - Groundwater Assessment to Finance Groundwater Management  
District Operations  
by  
Michael T. Dealy, Manager  
February 17, 1998**

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On behalf of the Equus Beds Groundwater Management District No. 2, I wish to thank Chairman Freeborn and members of the Committee for the opportunity to provide testimony opposing HB-2881.

**ISSUE** - The bill will require the district board of directors: 1) to prorate the annual groundwater assessment charge for irrigation use to each water permit owner based on land ownership of the authorized place of use as described on a water permit; and 2) extend the period to file a verified water use claim an additional 60 days, from April 1 to June 1.

**BACKGROUND** - The Equus Beds aquifer is the sole-source of fresh and usable groundwater for industrial, municipal, and irrigation uses throughout south-central Kansas. Over 1,600 permitted water wells withdraw an average of 51.2 billion gallons from the aquifer annually.

To manage and protect this valuable water resource from depletion and contamination, the groundwater management district was created in 1975 by local people representing municipal, agricultural, industrial and domestic water users. An aquifer management program was developed and adopted by the District Board of Directors. The program limits groundwater withdrawals to natural recharge and seeks to maintain the ambient water quality of the aquifer through protection and remediation.

To implement the aquifer management program, the Kansas Groundwater Management District Act authorizes the board of directors of a groundwater management district to levy water user charges and land assessments within the limitations prescribed by the Act. The current groundwater assessment rate is 55 cents per acre-foot. The annual assessment for a city using 1,000 acre-feet is \$550, an industry using 600 acre-feet is \$330 and its \$82.50 for an irrigator using 150 acre-feet.

Since 1975, the board of directors, pursuant to the assessment and budget statutes, have adopted budgets and levied water and land assessments to finance District operations. The special assessments fund essential aquifer management programs developed locally to protect and manage the Equus Beds aquifer. Fig 1. illustrates the Board of Directors budget process.

*House Environment  
2-17-98  
Attachment 9*

**PRORATE ISSUE** - The Water Appropriation Act, does not limit ownership of a water permit to an individual, therefore ownership can include: a) trusts, b) estates, c) joint or common, d) public and private corporations and e) local, state or federal governments. Under the present law, all water permits are assessed uniformly by the Board of Directors, without regard to the use made of the groundwater. HB 2881 would require the Board of Directors to discriminate irrigation use from other beneficial uses, thus raising fairness and equality issues among water users and permit owners.

To certify the groundwater assessment charges to the County Clerks Offices in Reno, Harvey, McPherson and Sedgwick Counties, as required by law, an assessment payer is designated for each of the 1,600 water permits in the District.

In cases of multiple owners having undivided interest in a water permit, one assessment payer is chosen by the permit owners. This method is very similar to the method used by property owners having an undivided interest in a tract of land. The property owner's decide who will receive the tax statement and inform the county as to their selection. The Counties do not determine ownership or prorate property tax among multiple property owners having an undetermined interest in real estate. The proration effect of HB 2881 could very well have serious repercussions on the way counties levy and collect special assessments and property tax, as well as infringe on an individual's property rights.

For over 20 years, permit owners have had a variety of opinions to choose from when selecting an assessment payer, including: a) one of the owners, b) a tenant, c) a trustee, d) a property manager, e) a government official, or f) a legally designated person.

If passed into law HB 2881 would:

- 1) require the Board of Directors to determine ownership interest of a water permit based on the percent of land owned by each party,
- 2) create multiple assessment payers for a single water permit,
- 3) materially increase the District's and County Clerk and Treasurer offices' administrative costs to levy and collect the water assessment charge,
- 4) force the District and County Clerk and Treasurer offices to pass the administration costs on to District water users and County tax payers through the water assessment charge and county mill levy,
- 5) require the Board of Directors to initially notify an estimated 2,000 water permit owners to re-determine the water assessment payer and assessment charge, and
- 6) require the District to employ additional staff to: a) notify permit owners of the change in assessment method, b) update the assessment and land ownership data bases, and c) assign a county parcel identification number to each new assessment payer.

**EXTENSION OF VERIFIED CLAIM PERIOD** - As shown in Fig. 1 the budget process is sequential in nature and requires coordination with four county clerk offices.

District records show that of 217 verified claims received for 1996 water use, 92 percent were submitted to the District by March 31, the remaining eight percent were submitted on April 1. Additionally, the present filing date of April 1 is 30 days after the mandatory March 1 filing date for a water permit owner to report the prior year's water use to the Division of Water Resources. Thus, insuring the water use information is readily and conveniently available to the permit owner if they choose to submit a verified claim for groundwater assessment purposes.

Special assessments must be submitted to the Reno, Harvey, McPherson and Sedgwick Counties Clerks by August 25. Extending the time to file a verified water use claim will delay the Board of Directors' budget process and the submission of the certified water and land assessment lists to the county by two months, as shown in Fig. 1. Hence, infringing on the County's collection procedures and putting the District Board of Directors in jeopardy of violating state assessment laws.

**SUMMATION OF HB 2881 IMPACTS-** The Equus Beds Groundwater Management District appreciates the Committee's consideration of the following:

- 1) HB 2881 will hamstring the Board of Directors efforts to minimize administrative costs so as to provide funds for water protection programs and projects,
- 2) Last year, 92 percent of verified claims for water use were submitted to the Board of Directors by March 31 HB 2881 will delay filing for up to 60 days,
- 3) The Board of Directors does not have nor does it desire the authority to determine undivided interest of a water permit, HB 2881 will force such authority on the Board,
- 4) That the proposed change under HB 2881, will require additional staff time and increase the cost to levy and collect the assessment for the District and County Clerk offices for Reno, Harvey, McPherson and Sedgwick Counties,
- 5) That additional staff time and administrative costs can not be absorbed and will either require the elimination or cutback in water protection programs or an increase in the water assessment rate,
- 6) Selecting a water assessment payer is very similar to the method used to select one tax payer for real estate with undivided interests, HB 2881 will create problems for assessment payers, the Board of Directors and the County Clerk's offices, and
- 7) Since 1975, the assessment and budget laws have worked very well for water permit owners, the District and the County Clerk's offices, HB 2881 is not necessary and the current assessment laws should not be changed.

Thank you Chairman Freeborn and Committee members for the opportunity to testify on this important matter.

**EQUUS BEDS GROUNDWATER MANAGEMENT DISTRICT NO. 2**

**Figure 1.-- Fiscal Year Budget Process**

Prepared for the  
House Environment Committee

PROCESS DESCRIPTION	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
1) Manager prepares draft budget	←→										
2) Initial Board review draft budget		↔									
3) Proposed budget adopted at the Annual meeting (1)			↔								
4) Deadline for land exclusion requests(1)			↔								
5) Request land ownership update from county clerks and update land owner records				←→							
6) Annual audit (1)			←→								
7) Deadline for verified water use claims (1)						↔					
8) Process verified water use claims						←→					
9) Finalize budget							↔				
10) Final Board review of budget							↔				
11) Legal notices published in principal newspaper in each county (1)							↔				
12) Public hearing on budget and regular board meeting to adopt budget and set assessment rates (1)								↔			
13) Board certifies water and land assessments to county clerks (1)									↔		
14) Deadline to submit special assessments to county clerk offices (1)										↔	

**HB-2881**

(1) Required by statute

7-6



account of water use may be required by the various landowners to determine where and how much water was used on the different parcels.

The proposed change of when a verified claim may be filed in the District office will also place an administrative burden on the District. GMD #5 maintains data bases on over 2.5 million acres. The existing date of April 1 allows the District the necessary time needed to certify accurate assessments to the county clerks by the deadline of August 15th of each year.

I believe a solution could be developed that would accommodate landowners and their associated water rights in situations where it might be necessary without the major changes introduced by House Bill 2881.

Please take the time to consider these comments when reviewing House Bill 2881. If you have any questions or comments, please do not hesitate to contact me.





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WESTERN KANSAS GROUNDWATER MANAGEMENT DISTRICT NO.1

**HOUSE OF REPRESENTATIVES**

**ENVIRONMENT COMMITTEE**

**February 17, 1998**

**Keith Lebbin, Manager  
Western Kansas Groundwater Management District No.1**

Subject: House Bill No. 2881

It is a pleasure to be here today to discuss House Bill No. 2881 and the impact this proposed change would have on our District. We have been operating since 1975 under the existing statute without any problem. The proposed change would require a tremendous amount of staff time to make the determinations of land ownership's under each water right. I would estimate that additional staff would have to be hired to prorate our water assessments based on the land irrigated under each water right in lieu of placing the assessment on each well. It would also be a fair statement that the Division of Water Resources does not have up to date ownership records on the tracts of land covered under each water right. This proposal would basically be an administrative nightmare to accomplish. I am sure we would have far more complaints from individuals who's land is no longer being irrigated and yet is covered under an existing water right. One solution might be to allow the landowners to request , on an individual basis, that their water assessment be prorated to each land owner. This would alleviate a tremendous work load on each District. Another solution is to recommend that land owners bring their water rights up to date by correcting them to cover only the land that is being irrigated.

The last point is the proposed change in accepting verified claims until June 1st. As you know, the existing act provides that verified claims may be filed until April 1st. This is one month later than the water use reports deadline for the State, which is March 1st. Under this proposal, we would be required to accept these claims for two additional months, or until June 1st. This would make it difficult to have our annual assessments to the counties by August 15th.

In closing, I would like to request that since this method of assessment is currently working, that it remain unchanged, or at the most, allow water users to request proration of their water right assessment. During the past 23 years, we have only had one situation, which was very minor, in regard to our water assessment. The cost to comply with the proposed change is something that we cannot afford. Thank you.

## Groundwater:

"The Resource  
of the  
Future"

## Southwest Kansas Groundwater Management District

\* \* \* \* \*

(316) 275-7147

409 Campus Drive, Suite 106  
Garden City, Kansas 67846

February 16, 1998

Joann Freeborn, Acting Chair  
House Environment Committee  
State Capitol, Room 180-W  
Topeka, Kansas 66612-1504

RE: House Bill No. 2881

Dear Representative Freeborn and Associate Committee Members,

The Southwest Kansas Groundwater Management District appreciates the opportunity to testify regarding HB2881 and provide comments. The Board of Directors is absolutely opposed to amendments of the Groundwater Management District Act as proposed in this legislation.

1. There is no practical method nor even sufficient information for any of the Districts to implement the revisions which would be required. The cost to the Districts (which are financed by the assessments) would far exceed the benefit and utility of inventing a method to implement the proposal, which is not even possible.
2. The Districts have been using the legally prescribed method to assess water user charges for over 20 years. During that time, the occasions for requests to split out the water user charge among multiple owners in a common water right is extremely rare. The most practical, expeditious and common sense solution to such a request is for the landowners of interest to distribute the charges by agreement. The Districts generally have no knowledge of how much water is applied to any individual parcels of land.
3. There are literally thousands of water users and landowners in the Districts which would not want the present assessment procedures to change. They are satisfied with the current method of assessing charges according to the well owners.

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4. April 1 has already been identified as a statutory date for submitting verified claims because it gives the Boards of Directors time to formulate their budgets in accordance with other aspects of the Groundwater Management District Act in conjunction with other actions required by County Clerks. A June 1 date will not allow sufficient time for this very lengthy process to occur. All water users have the information necessary to submit a verified claim immediately following the end of the previous water year on December 31.

In summary, the District does not feel the legislation is justified in light of the unnecessary confusion, expense, and hardship which will be created.

Thank you for your consideration! As always, please write or call if you have any questions or if we can be of any assistance.

Sincerely,



Steven K. Frost  
Executive Director

pc: Board of Directors  
Senator Stephen R. Morris, 39<sup>th</sup> District  
Senator Tim Huelskamp, 38<sup>th</sup> District  
Representative Melvin J. Neufeld, 115<sup>th</sup> District  
Representative Ethel M. Peterson, 116<sup>th</sup> District  
Representative Robin Jennison, 117<sup>th</sup> District  
Representative Gary K. Hayzlett, 122<sup>nd</sup> District  
Representative Terry Presta, 123<sup>rd</sup> District  
Representative Carl Dean Holmes, 125<sup>th</sup> District  
Representative Eugene L. Shore, 124<sup>th</sup> District

