

MINUTES OF THE SENATE AGRICULTURE COMMITTEE

The meeting was called to order by Chairman Mark Taddiken at 8:30 a.m. on March 25, 2008 in Room 423-S of the Capitol.

All members were present except:

Derek Schmidt- excused

Committee staff present:

Raney Gilliland, Kansas Legislative Research Department

Emalene Correll, Kansas Legislative Research Department

Jason Thompson, Office of Revisor of Statutes

Matt Todd, Office of Revisor of Statutes

Judy Seitz, Committee Assistant

Conferees appearing before the Committee:

Wayne Bossert, General Manager, Groundwater Management Water District #4

Steve Swaffar, Director of Natural resources, Kansas Farm Bureau

Others attending:

See attached list.

The Committee started discussions on **HB 2897-Commodity Commission; assessment rates; voting process**.

Senator Pine made a motion to amend **HB 2897** by adding a separate paragraph 4 as follows: "Each commission, by majority approval of the commissions, may appoint one additional at-large commissioner to represent a first purchaser." seconded by Senator Francisco. Motion carried. Amendment adopted.

Senator Pine made a motion to amend **HB 2897** by striking the language beginning on page 6, line 17 with the sentence "On and after..." and to line 26 "effect.", seconded by Senator Lee.

Senator Pine amended the motion to reinstate the stricken sentence on page 6, line 15, 16 and part of 17 beginning with, "Any commission shall not change...".. Senator Lee agreed to the change in the motion." Motion carried and the amendment to **HB 2897** is adopted.

Dana Peterson, Producer Policy Specialist, Kansas Association of Wheat Growers and Jere White, Executive Director, Kansas Corn Growers Association answered questions from the Committee.

Senator Huelskamp moved to amend **HB 2897** so that funds should not be used for lobbying purposes; seconded by Senator Ostmeier. Motion passed.

Senator Pine moved to pass **HB 2897** out favorably as amended; seconded by Senator Bruce. Motion carried. **HB 2897** will be reported passed out favorably as amended.

Chairman Taddiken gave a background of **SB 690-Republican river and Arkansas river, disposition of litigation moneys**. This Committee heard **SB 89-Republican river disposition of litigation** and it is now in the governor's office to be signed. The Conference Committee on **SB 89** proposed a trailer bill which is **SB 690** to deal with some of the issues with the disposition of litigation funds.

Raney Gilliland, Kansas Legislative Research Department, reviewed **SB 690**. He said this is a reformulation of how the funds would be spent from litigation moneys received from Colorado or Nebraska. The entire amount of any damage award would be credited to the Interstate Water Litigation Fund in the Attorney General's office. After the amount of the litigation expenses, the remaining money would be credited to either the Republican River Water Conservation Projects-Nebraska Monies Fund or the Republican River Water Conservation Projects - Colorado Moneys Funds. These funds would be established in the Kansas Water Office (KWO). The bill also specifies how the remaining funds are to be spent.

The hearing on **SB 690** was opened.

CONTINUATION SHEET

MINUTES OF THE Senate Agriculture Committee at 8:30 a.m. on March 25, 2008 in Room 423-S of the Capitol.

Wayne Bossert, General Manager, Groundwater Management Water District #4, spoke in support of **SB 690**. He said it is very difficult to take a position on this bill because there are two other bills addressing the division of the award moneys from Colorado and Nebraska on the Republican River Compact--**SB 89**--and **HB 2984--Republican river litigation moneys**. He said it is difficult to take a position on **SB 690** because it is unknown how these three bills relate to each other. **SB 690** removes a fairly substantial portion of the total award from the affected area. Mr. Bossert also said that **SB 690** does not direct how much of the funds are to come from which awarding state. He said that he could support **HB 2984** over **SB 690** because it is simpler to administer, insures the maintenance of the Interstate Litigation Fund at the \$20M, level and provides the highest percentage of the total award moneys back to the affected area.

Mr. Bossert offered to stand for questions.

Chairman Taddiken said that the intent of **SB 690** is that each basin would pay for their litigation expenses and the remaining moneys would be used for projects as outlined in **SB 89**.

Steve Swaffar, Director of Natural Resources, Kansas Farm Bureau, testified in support of **SB 690** (Attachment 1). He said this bill would allow for any person or entity to apply for water conservation project money while at the same time providing the water office director and chief engineer the authority to prioritize certain projects. Mr. Swaffar suggested adding language that these projects would be proposed by water right holders directly impacted by upstream non-compliance with the compact terms.

Discussion was held on **SB 690**.

David Barfield, Chief Engineer, Division of Water Resources, Kansas Department of Agriculture, answered questions from the Committee.

A spread sheet on the three related bills will be available for the Committee tomorrow.

Meeting was adjourned.

Kansas Farm Bureau
POLICY STATEMENT

Senate Agriculture Committee

Senate Bill 690; an act concerning water relating to the
Republican and Arkansas rivers

March 24, 2008

Submitted by Steve M. Swaffar
Director of Natural Resources

Chairman Taddiken, and members of the committee, thank you for the opportunity to appear before you today. I am Steve Swaffar Director of Natural Resources for Kansas Farm Bureau. KFB is the state's largest general farm organization representing more than 40,000 farm and ranch families through our 105 county Farm Bureau Associations.

We support the proposed plan for damage monies presented in SB 690 of establishing specific accounts and types of projects that any recovered damage money would be utilized for. Additionally, the current bill allows for any person or entity to apply for water conservation project money while at the same time providing the water office director and chief engineer the authority to prioritize certain projects.

Seemingly missing from the project priority list though is the recognition of projects that would benefit those directly impacted by our upstream neighbor's non-compliance. Kansas has asked Nebraska for monetary compensation for past shortages in an amount equal to Nebraska's gain or Kansas' losses, whichever is greater. This clearly demonstrates that we recognize there have been individual Kansas water users negatively impacted and that these damages can be quantified.

You have the chance to provide some restitution to those who have been directly harmed by amending SB 690 to give priority to projects that would help water users directly impacted by interstate compact non-compliance. By adding this to the project priority list you'll not only be doing the right thing but it is the least that can be done to help those Kansans most severely impacted by our non-compliant neighbors. I have provided you with some suggested language for an amendment that would accomplish this. This would ensure that those water rights holders damaged by upstream non-compliance have an opportunity to gain some relief for the losses they have suffered.

Thank you, once again, for the opportunity to appear before you and share the policy of our members. KFB stands ready to assist you as you consider this important measure.

Kansas Farm Bureau represents grassroots agriculture. Established in 1919, this non-profit advocacy organization supports farm families who earn their living in a changing industry.

Senate Agriculture Committee
3-24-08
Attachment 1