

February 14, 2023

The Honorable Dan Kerschen, Chairperson
Senate Committee on Agriculture and Natural Resources
300 SW 10th Avenue, Room 144-S
Topeka, Kansas 66612

Dear Senator Kerschen:

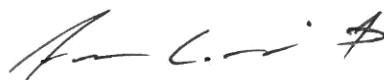
SUBJECT: Fiscal Note for SB 205 by Senate Committee on Agriculture and Natural Resources

In accordance with KSA 75-3715a, the following fiscal note concerning SB 205 is respectfully submitted to your committee.

SB 205 would authorize certain water rights in a water bank to participate in a multi-year flex account (MYFA) if such applications were submitted to the Chief Engineer on or before December 31, 2022. The bill would prohibit any water right that has been deposited, enrolled, or placed in a safe deposit account associated with a water bank from being enrolled in a MYFA that begins during a calendar year in which water from such right was withdrawn from the safe deposit account. SB 205 would also stipulate that a water right is only bankable if it is not currently enrolled in a MYFA.

The Kansas Department of Agriculture indicates that enactment of SB 205 could decrease agency revenues due to a potential reduction of MYFA applications and the reimbursement of fees for certain MYFA applications filed after December 31, 2022. The Kansas Water Office indicates that SB 205 would not have a fiscal effect on agency operations. Any fiscal effect associated with SB 205 is not reflected in *The FY 2024 Governor's Budget Report*.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Debra Jones, Kansas Water Office
Kellen Liebsch, Department of Agriculture