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Laura Kelly, Governor

February 4, 2025

The Honorable Ken Rahjes, Chairperson House Committee on Agriculture and Natural Resources 300 SW 10th Avenue, Room 112-N Topeka, Kansas 66612

Dear Representative Rahjes:

SUBJECT: Fiscal Note for HB 2111 by House Committee on Water

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2111 is respectfully submitted to your committee.

HB 2111 would increase the number of aggregate total acres enrolled in Kansas in all Conservation Reserve Enhancement Programs (CREPs) from 40,000 to 60,000 acres, except that the last eligible offer for enrollment that would exceed the 60,000-acre cap may be approved. The bill would limit enrollment for any one Kansas county to 25.0 percent of the statewide acreage cap.

The bill would establish a CREP for the purpose of meeting water quantity goals and, if approved by the United State Department of Agriculture, it would allow for the establishment of native grasses, routine grazing, dryland farming or limited irrigation practices for the purpose of meeting water quantity goals with the following additional criteria: (1) the acreage is an authorized place of an irrigation water right and irrigated at a rate of not less than one-half acre-foot per year for three out of the five years immediately preceding the year offered for enrollment, as determined by the Division of Conservation of the Department of Agriculture, (2) the acreage is not subject to any sanctions or penalties by the Division of Water Resources of the Department of Agriculture that are in effect or pending determination at the time offered for enrollment, and (3) the owner of the water right or water rights is an authorized place of use or the owners have submitted the annual water use report according to statute for each of the most recent 10 years. The Secretary of Agriculture, in consultation with the State Conservation Commission and the Kansas Farm Service Agency, may grant exceptions to the eligibility criteria if: (1) the area is designated as a high-priority area for water conservation according to statute, (2) is an authorized place of use of a high flow capacity water well, (3) is an authorized place of use of a water right that was not utilized

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within the time frame due to circumstances involving bankruptcy, probate or other legal matters, excluding those related to sanction or penalties by the water resources in effect at the time of enrollment in CREP, or (4) is an authorized place of a water right that is or has been enrolled in a water conservation program according to statute.

The Department of Agriculture and the Kansas Water Office indicate that the enactment of the bill would not have a fiscal effect on the agencies.

Sincerely,

Adam C. Proffitt

Director of the Budget

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cc: Lita Biggs, Department of Agriculture Debra Jones, Kansas Water Office