

February 10, 2025

The Honorable Jim Minnix, Chairperson  
House Committee on Water  
300 SW 10th Avenue, Room 218-N  
Topeka, Kansas 66612

Dear Representative Minnix:

**SUBJECT:** Fiscal Note for HB 2113 by House Committee on Water

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2113 is respectfully submitted to your committee.

HB 2113 would establish the State Conservation Fund in the Department of Agriculture. The bill would transfer \$5.0 million from the State General Fund to the Department of Agriculture each July 1 beginning in FY 2026, or as soon as moneys are available, to match federal funding for conservation districts. The bill would provide matching funds for domestic water quality sampling. Participation would require conservation districts to provide water quality sampling and the resulting aggregate data to the state geological survey.

The bill would also increase the annual transfer from the State General Fund to the State Water Plan Fund to \$55.0 million for FY 2026, FY 2027, and FY 2028 for the purpose of funding additional water infrastructure projects. Of this amount, \$7.0 million per year would be transferred to the Water Technical Assistance Fund and \$18.0 million per year would be transferred to the Water Projects Grants Fund. Current law requires a transfer of \$35.0 million from the State General Fund to the State Water Plan Fund, of which \$5.0 million per year is transferred to the Water Technical Assistance Fund and \$12.0 million per year is transferred to the Water Projects Grants Fund. This transfer would not replace the existing statutory transfers of \$6.0 million from the State General Fund and \$2.0 million from the Economic Development Initiatives Fund to the State Water Plan Fund.

The Kansas Department of Health and Environment indicates enactment of the bill would increase expenditures from the State Water Plan Fund by \$20.0 million, with \$8.0 million for the grant programs of the Kansas Water Office and the remaining \$12.0 million for overall state water

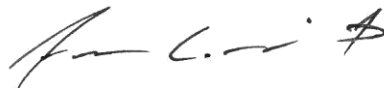
plan funding going to various agencies based on programs, projects and initiatives. This \$20.0 million would be in addition to the existing \$35.0 million from State General Fund. The Department indicates that a portion of the transferred funds would be allocated to and expended by KDHE for water projects tied to the implementation of principles and goals of the Kansas Water Plan, but that a precise fiscal effect on the agency cannot be estimated.

The Kansas Department of Agriculture indicates enactment of the bill would increase expenditures by \$5,095,452 beginning in FY 2026. Of this amount, \$5.0 million would be for the transfer to the State Conservation Fund to be used for matching funds for domestic water quality sampling. In addition, the Department indicates it would require 1.00 position to manage the program at an estimated cost of \$95,452 including \$55,000 for salary, \$25,452 for fringe benefits, \$10,000 for supplies, and \$5,000 for travel.

The Kansas Water Office indicates that enactment of the bill would result in additional grant administration needs and would require an additional staff member which could be funded within existing resources. The Office indicates that a portion of the additional funding transferred to the State Water Plan Fund would be allocated to the Office, which could be administered within existing resources.

*The FY 2026 Governor's Budget Report* includes a transfer from the State General Fund to the State Water Plan Fund for FY 2026 totaling \$35.0 million and transfers from the State Water Plan Fund to the Water Technical Assistance Fund and the Water Projects Grants Fund totaling \$7.0 million and \$19.0 million, respectively. *The FY 2026 Governor's Budget Report* also includes a transfer of \$30.0 million from the accrued interest in the Budget Stabilization Fund to the State Water Plan Fund.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", followed by a stylized flourish.

Adam C. Proffitt  
Director of the Budget

cc: Lita Biggs, Department of Agriculture  
Debra Jones, Kansas Water Office  
Amy Penrod, Department of Health & Environment