

February 7, 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 2114 by House Committee on Water

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2114 is respectfully submitted to your committee.

HB 2114 would amend current laws relating to dams, levees, and other water obstructions. The bill would specify that certain structures would be considered a water obstruction and not a dam if the primary purpose is to serve as a dry detention road fill for state, county, or municipal government or a low head dam that has a maximum height below the lowest stream bank. The bill would remove dam inspection fees and authorize the Chief Engineer in the Department of Agriculture to collect annual permit fees to construct, modify, or add to a hazard Class C, Class B, or Class A dam. The application fee for a permit to construct a hazard dam that does not qualify for the exemption would be \$5,000 for Class C, \$3,000 for Class B, and \$1,500 for Class A. The application fee for a permit to modify or add to a hazard dam that does not qualify for the exemption would be \$3,000 for Class C, \$2,000 for Class B, and \$1,000 for Class A hazard dam. The bill would additionally require the Chief Engineer, or authorized representative, to conduct a safety inspection of hazard Class C dams every three years, Class B dams every five years, and Class A dams that do not qualify for the exception at least every 10 years. Current statute requires a licensed professional engineer qualified in design, construction, maintenance, and operation of dams to conduct inspections.

The bill would additionally establish a post-construction permit fee to construct, modify, or add to a water obstruction or to change or diminish the course, current, or cross section of a stream if an entity fails to obtain a permit pre-construction. The fee would be based on the watershed area, with less than five square miles set at \$200, between five and 50 square miles set at \$400, and more than 50 square miles set at \$1,000. The bill would additionally establish civil penalties not less than \$100 and not more than \$1,000 per violation of laws, rules, and regulations of dams and other water obstruction safety. Penalties assessed under the bill would be deposited into the Water Structures Fund of the Department of Agriculture.

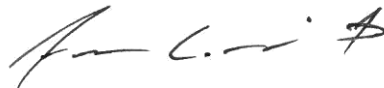
Estimated State Fiscal Effect			
	FY 2025	FY 2026	FY 2027
Expenditures			
State General Fund	--	--	--
Fee Fund(s)	--	\$249,528	\$249,528
Federal Fund	--	--	--
Total Expenditures	--	\$249,528	\$249,528
Revenues			
State General Fund	--	--	--
Fee Fund(s)	--	\$255,000	\$255,000
Federal Fund	--	--	--
Total Revenues	--	\$255,000	\$255,000
FTE Positions	--	2.00	2.00

The Department of Agriculture indicates the bill would expand the responsibilities of the Division of Water Resources, which would require additional staff to perform inspections and enforcement relating to dam and water obstruction safety. The agency estimates that an additional 2.00 Licensed Engineer positions would be required for annual total expenditures of \$249,528 (\$90,000 base salary plus benefits of \$34,764 per position). The agency estimates that the revised fee structure would generate approximately \$255,000 in new revenue, which would provide sufficient funding for inspections and enforcement of the rules and regulations under the Obstructions in Streams Act. The Department anticipates similar expenditures in FY 2027.

The Office of Judicial Administration indicates enactment of the bill could increase the number of cases filed in district courts because it allows for appeals of Chief Engineer orders to be filed. This would increase the time spent by district court judicial and nonjudicial personnel in processing, researching, and hearing cases. The Office also states enactment of the bill could result in the collection of docket fees in cases filed under the provisions of the bill, which would be deposited in the State General Fund. However, the Office states that until the Judicial Branch has had an opportunity to operate under the bill’s provisions, a fiscal effect cannot be determined.

The Kansas Water Office indicates the enactment of HB 2114 would not have a fiscal effect on agency operations. Any fiscal effect associated with HB 2114 is not reflected in *The FY 2026 Governor’s Budget Report*.

Sincerely,



Adam C. Proffitt
Director of the Budget

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