

SESSION OF 2012

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2516**

As Amended by Senate Committee on  
Agriculture

**Brief\***

HB 2516 would amend the statutes relating to the establishment of water banking, which is an optional program to allow irrigators an opportunity to bank water for future use.

Specifically, the bill would delete language which limited the number of banks. In addition, the bill would clarify that when a water bank is subject to review after its initial charter, there is a determination made by a review team as to whether the bank's initial charter would lapse or whether the water bank would be chartered.

The water bank review team, already created by law, submits to committees of the Legislature and others a report which contains certain information that would be expanded under provisions of the bill. Under the bill, the report also would include an evaluation as to whether the charter of the bank should lapse, or the bank should become or remain chartered. If a bank is chartered, it would be subject to review not less frequently than every five years by the review team.

Finally, the bill would change the date by which a water bank is to submit its annual report to the Chief Engineer and provide information including water rights or portions of water rights on deposit and the quantity of water in each safe deposit account. The date would change from February 10 to April 15.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

## **Background**

The bill was proposed by a spokesperson from the Kansas Department of Agriculture. At the hearing on the bill proponents included representatives of the Kansas Farm Bureau, the Kansas Water Office, and Groundwater Management District No. 5 (Great Bend). In addition, the Chief Engineer of the Division of Water Resources spoke in favor of the bill. Written testimony in favor of the bill was provided by the Kansas Livestock Association and the Kansas Water Authority.

The House Committee on Agriculture and Natural Resources amended the bill to clarify that initial water bank charters could be lapsed or chartered, that the review team is to make a recommendation as to whether the charter should be lapsed or the water bank should become or remain chartered, that charters would be subject to review not less frequently than every five years by a review team, and by changing the date of annual reports to the Chief Engineer from February 10 to April 15.

The Senate Committee on Agriculture amended the bill to remove the provision authorizing the Chief Engineer to require various owners of water rights and persons leasing water from a water bank to file annual water use reports at a date earlier than provided by KSA 82a-732.

The fiscal note on the original bill indicates the Kansas Water Office does not anticipate additional expenditures resulting from the passage of the bill. The note indicates current staff dedicates time to water banking issues so the bill's requirements could be absorbed within existing resources. The Department of Agriculture indicates that the cost of the Chief Engineer to consider one review per year would be approximately \$20,000. The Department is not requesting additional funding; however, this consideration by the Chief Engineer would be outside the normal work performed by the Department, and could defer or delay other work of the Department.