

Approved: February 10, 2005
Date

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:30 A.M. on January 26, 2005 in Room 123-S of the Capitol.

All members were present.

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes
Amy Deckard, Kansas Legislative Research Department
Susan Kannarr, Kansas Legislative Research Department
Matt Spurgin, Kansas Legislative Research Department
Amy VanHouse, Kansas Legislative Research Department
Judy Bromich, Administrative Analyst
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Steve Irsik, Chairman, Kansas Water Authority
Tracy Streeter, Acting Director, Kansas Water Office

Others attending: See attached list

The Chairman opened the public hearing on:

SB 46--Canceled state warrants, reissuance fee

Staff briefed the committee on the bill.

Chairman Umbarger welcomed Senator Jay Emler who spoke in favor of the bill. Senator Emler explained that the bill came about is that a decedent's heirs found that she had concealed the checks from them until after her death. The checks amounted to several thousand dollars and there was one check was approximately \$3,400 and it had been five years since it was issued. It meant that the Joint Committee on Special Claims Against the State could do nothing and the Accounts and Reports could do nothing and the heirs had to pay about \$340.00 just to have the one check re-issued. They felt it appropriate to issue a check in that it probably would not cost the State more than \$30.00 to do so. (No written testimony was submitted.)

There being no further conferees to come before the committee, the Chairman closed the public hearing on **SB 46**.

Chairman Umbarger welcomed Steve Irsik, Chairman of the Kansas Water Authority, who presented an overview of water issues (Attachment 1). Mr. Irsik mentioned that everything is not fine with the Water Authority because their budget has been sliding and they have been trying to get it back to what it was a number of years ago. He noted that while mining the Ogallala Acquifer that resource is decreasing which is a serious concern due that area being one of the major economic drivers of the economy for the State of Kansas. Mr. Irsik called the committee's attention to a serious problem of premature silting-in of reservoirs and noted that Tuttle Creek is approximately 40 percent silted-in. He mentioned that 750,000 people rely 100 percent on their water needs from the reservoirs.

Mr. Irsik explained that Kansas faces payments of more than \$100 million for water that will be needed in the future. In the 1980's the State of Kansas contracted to buy storage in federal reservoirs, including Milford, Perry, Big Hill and Hillsdale. Balloon payments on these contracts will come due between now and 2041. The Kansas Water Authority recommends that the state invest money throughout the term of the contract to pay the liability at term (see page 6 of the written testimony).

The Chairman welcomed Tracy Streeter, Acting Director, Kansas Water Office, who presented additional information regarding water issues. Mr. Streeter addressed watershed restoration and protection to protect the drinking water supply in Kansas, their Capital Development Plans for unfunded liability, Restoration of

CONTINUATION SHEET

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the State Water Plan Fund and recommendations for 2006, and their legislative proposals. Committee questions and discussion followed regarding buying water rights in the future. Senator Morris requested information on the history of water purchases in the 1980's and 1990's including the condition of the water, where it is located and how much water is left. Senator McGinn suggested looking at recycling water by taking water through wetlands and re-using it.

The meeting adjourned at 11:45 a.m. The next meeting is scheduled for January 27, 2005.