

CORRECTED
SESSION OF 2013

**SUPPLEMENTAL NOTE ON SENATE SUBSTITUTE FOR
SUBSTITUTE FOR HOUSE BILL NO. 2051**

As Recommended by Senate Committee on
Natural Resources

Brief*

Senate Sub. for Sub. for HB 2051 would allow the Chief Engineer of the Division of Water Resources (DWR) to grant limited transfer permits authorizing the use of up to 4,000,000 gallons from an existing water right. The permit would be limited to a single calendar year and would require an application fee of \$200. If the base water right is groundwater, the bill would allow its use to be transferred to another well from the same source of supply within two miles. If the base water right is for surface water, the use could be transferred to another surface water use within the same surface water system. The Chief Engineer would be authorized to adopt rules and regulations to administer these provisions and to ensure there is no increase in consumptive use. These provisions would be supplemental to the Kansas Water Appropriations Act.

In addition, Local Enhancement Management Area (LEMA) orders would be added to the list of orders made by the Chief Engineer that are subject to review in accordance with the Kansas Administrative Procedures Act.

Background

The bill was introduced at the request of a spokesperson of the Kansas Department of Agriculture (KDA). At the House

*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>

Committee hearing on the bill, a spokesperson from the KDA appeared in support of the bill. Also appearing in support of the bill was a representative of the Kansas Water Authority. Other proponents included representatives of the Kansas Farm Bureau, the Kansas Livestock Association, and Groundwater Management District No. 3, all of whom proposed amendments to the bill. Those appearing in opposition to the bill included a representative of the Kansas Association of Counties and a member of the Sedgwick County Commission.

The Chairperson of the House Committee on Agriculture and Natural Resources, after the hearings on **HB 2073** (dealing with cleaning and maintaining banks and channels, eliminating discretion of Chief Engineer and modifying the definition of a “water development project” subject to state agency review) and **HB 2051**, appointed a subcommittee to consider the contents of both bills. Appointed to the subcommittee were Representatives Schroeder, Johnson, Carpenter, and Lane. The substitute bill was the product of the subcommittee.

At the Senate Committee hearing on the bill, a representative from the KDA appeared in support of the bill. Other proponents included representatives from the Kansas Water Authority, the Kansas Livestock Association, the Kansas Farm Bureau, the State Association of Kansas Watersheds, and the Southwest Kansas Groundwater Management District No. 3. No opponent or neutral testimony was provided at the hearing.

The Senate Committee removed sections two through six relating to the KDA inspection of dams from Sub. for HB 2051 and placed those sections into HB 2363, as amended by the Senate Committee. The Senate Committee then adopted the remaining sections of Sub. for HB 2051 as a Senate substitute bill.

The fiscal note from the Division of the Budget on the portions of the original bill retained in the Senate substitute,

based on information from the KDA, indicates passage of HB 2051 would affect the agency as follows:

- Obtaining a limited transfer permit would make water available for a temporary appropriation. The Department estimates there would be 200 applications in FY 2014 with a fee of \$200 for each permit. This would result in a \$40,000 revenue increase and a corresponding \$40,000 expenditure increase for providing the service. The expenditure increase would include \$35,000 for the half-time work of an existing FTE position and \$5,000 for operating expenditures.
- Local Enhanced Management Area orders would be subject to administrative review and would have no fiscal effect.

Any fiscal effect associated with the bill is not reflected in *The FY 2014 Governor's Budget Report*.