

REPORTS OF STANDING COMMITTEES

MADAM PRESIDENT:

The Committee on **Natural Resources** recommends **SB 330** be amended on page 1, in line 5, by striking the colon and inserting a comma; in line 6, by striking "(1)"; in line 7, by striking "; and"; by striking all in line 8; in line 9, by striking all before the period; in line 10, before "program" by inserting "conservation reserve enhancement"; also in line 10, after "program" by inserting "(CREP)"; in line 14, by striking all before the period and inserting "CREP"; in line 19, by striking "the program" and inserting "CREP"; in line 20, after the period by inserting "All expenditures from such fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of agriculture or by the secretary's designee."; in line 23, by striking "the program" and inserting "CREP";

On page 2, in line 1, by striking all after "(g)"; by striking all in lines 2 through 5; in line 6, by striking all before the period and inserting:

"The division shall administer all CREPs in Kansas subject to the following criteria:

(1) The aggregate total number of acres enrolled in Kansas in all CREPs shall not exceed 40,000 acres;

(2) the number of acres eligible for enrollment in CREP in Kansas shall be limited to $\frac{1}{2}$ of the number of acres represented by federal contracts in the federal conservation reserve program that have expired in the prior year in counties within the particular CREP area, except that if federal law permits the lands enrolled in the CREP program to be used for agricultural purposes, such as planting agricultural commodities, including, but not limited to, grains,

cellulosic or biomass materials, alfalfa, grasses or legumes, but not including cover crops, then the number of acres eligible for enrollment shall be limited to the number of acres represented by contracts in the federal conservation reserve program that have expired in the prior year in counties within the specific CREP area;

(3) no more than 25% of the acreage in CREP may be in any one county, except that the last eligible offer to exceed the number of acres constituting a 25% acreage cap in any one county shall be approved;

(4) no whole-field enrollments shall be accepted into a CREP established for water quality purposes; and

(5) lands enrolled in the federal conservation reserve program as of January 1, 2008, shall not be eligible for enrollment in CREP.

(h) (1) For a CREP established with the purpose of meeting water quantity goals, the division shall administer such CREP in accordance with the following additional criteria:

(A) No water right that is owned by a governmental entity shall be purchased or retired by the state or federal government pursuant to CREP; and

(B) only water rights in good standing are eligible for inclusion under CREP.

(2) To be a water right in good standing:

(A) At least 50% of the maximum annual quantity authorized to be diverted under the water right that has been used in any three years within the most recent five-year period preceding the submission for which irrigation water use reports are approved and made available by the division of water resources of the Kansas department of agriculture;

(B) the water rights used for the acreage in CREP during the most recent five-year period preceding the submission for which irrigation water use reports are approved and made available by the division of water resources, shall not have: (i) Exceeded the maximum annual quantity authorized to be

diverted; and (ii) been the subject of enforcement sanctions by the division of water resources; and

(C) the water right holder has submitted the required annual water use report required under K.S.A. 82a-732, and amendments thereto, for each of the most recent 10 years.

(i) (1) The Kansas department of agriculture shall submit a CREP report to the senate committee on natural resources and the house committee on agriculture and natural resources at the beginning of each annual regular session of the legislature which shall contain a description of program activities for each CREP administered in the state and shall include:

(A) The acreage enrolled in CREP during fiscal year 2008 through the most current fiscal year to date;

(B) the dollar amounts received and expended for CREP during fiscal year 2008 through the most current fiscal year to date;

(C) an assessment of meeting each of the program objectives identified in the agreement with the farm services agency; and

(D) such other information specified by the Kansas department of agriculture.

(2) For a CREP established with the purpose of meeting water quantity goals, the following information shall be included in such annual report:

(A) The total water rights, measured in acre-feet, retired in CREP from fiscal year 2008 through the current fiscal year to date;

(B) the change in groundwater water levels in the CREP area during fiscal year 2008 through the most current fiscal year to date;

(C) the annual amount of water usage in the CREP area from fiscal year 2008 through the most current fiscal year to date; and

(D) the average water use, measured in acre-feet, for each of the five years preceding enrollment for each water right enrolled.

(j) The Kansas department of agriculture shall submit a report on the economic impact of each specific CREP to the senate committee on natural resources and the house committee on agriculture and natural resources every five years, beginning in 2017. The report shall include economic impacts to businesses located within each specific CREP region";

And the bill be passed as amended.

Chairperson