

SESSION OF 2015

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2069

As Amended by House Committee on
Agriculture and Natural Resources

Brief*

HB 2069 would make two changes to the law that establishes multi-year flex accounts (MYFAs) for water appropriations for irrigation.

[Note: MYFAs are a voluntary, five-year term permit that temporarily replaces an existing (base) water right. The term permit allows the water right holder to exceed their annual authorized quantity in any year, but restricts total pumping over the five-year period. MYFAs do not change the underlying base water right. At the end of the five-year period, the water right holder can choose whether to re-enroll their water right into another MYFA.]

First, the bill would allow a MYFA term permit holder to make a change to the permit's authorized place of use by up to 10 acres, or 10 percent, of the authorized place of use, whichever is less. If the place of use is changed, the amount of water authorized by the term permit would be reduced by 10 percent. Current law does not allow any changes to a MYFA term permit's authorized place of use.

Second, the bill would allow MYFA term permit holders, who re-enroll in a MYFA, to roll-over their unused quantity of water available at the end of the MYFA to the new MYFA. The amount of unused water that could be rolled-over would be capped at an amount that is less than or equal to 75 percent of the base average use (a calculated average amount of water diverted for beneficial use during the period of calendar

*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>.

years 2000 through 2009). The total amount of water in any MYFA could not exceed five times the authorized quantity of the base water right.

Background

The bill was introduced by the House Committee on Agriculture and Natural Resources. At the hearing on the bill, representatives from the Kansas Department of Agriculture (KDA), Kansas Farm Bureau, Kansas Livestock Association, Kansas Corn Growers Association, and the Kansas Cooperative Council provided testimony in favor of the bill. The proponents stated the bill provides flexibility and incentive for conservation by water right holders. In addition, allowing those enrolled in MYFA to slightly modify the place of use could improve irrigation system efficiency (for example, moving away from flood irrigation to a center pivot system). There was no neutral or opponent testimony.

The House Committee on Agriculture and Natural Resources amended the bill to provide that a change in place of use term permit would be required to authorize 10 percent less water. In addition, the Committee amended the bill to limit the amount of water permitted to be carried forward to a new multi-year flex account to 75 percent rather than 100 percent of the base average usage.

The fiscal note prepared by the Division of the Budget on the original bill indicates it could result in additional enrollees because of the increased flexibility of the program; however, the agency is unable to estimate revenue or expenditures increases at this time.