

MINUTES OF THE SENATE NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairman Carolyn McGinn at 8:30 a.m. on March 10, 2006, in Room 423-S of the Capitol.

All members were present.

Committee staff present:

Raney Gilliland, Kansas Legislative Research Department
Emalene Correll, Kansas Legislative Research Department
Lisa Montgomery, Revisor of Statutes Office
Judy Holliday, Committee Secretary

Conferees appearing before the committee:

Edward "Woody" Moses, Managing Director, Kansas Aggregate Producer's Association
Richard Wenstrom, Water Protection Association of Central Kansas
Steve Swaffar, Director of Natural Resources, Kansas Farm Bureau
Mike Beam, Senior Vice President, Kansas Livestock Association
Ken Frahm, Kansas Water Congress

Others attending:

See attached list.

Chairperson McGinn brought the Committee's attention to **HB 2875, Concerning inspection fees for works constructed for appropriations of water for beneficial use**, and stated the need for some cleanup language to solve some problems with the bill for the sand industry. She asked Edward "Woody" Moses about language changes in the bill. Mr. Moses stated that by taking out the metering language and substituting "operation" for "project," he could support the bill and urged the Committee to adopt the bill. Senator Ostmeyer made a motion, seconded by Senator Teichman, to adopt Senate Substitute for HB 2875. The motion carried.

Chairperson McGinn asked if there would be more discussion on **HB 2757, Requiring notification of oil and gas spills to landowners**. Senator Ostmeyer made a motion to move the bill out of Committee, seconded by Senator Teichman. The motion carried.

Chairperson McGinn opened the hearing on **HB 2710, Creates the water right transition assistance program**. Richard Wenstrom, owner-operator of an irrigated farming operation near Kinsley, Kansas, testified in support of **HB 2710** as a member and on behalf of the Water Protection Association of Central Kansas (Attachment 1). He expressed support of the current version of **HB 2710** with two exceptions: 1) page 2, line 9, strike the words "not more than two" to allow this statute to be used in more basins in the near future; and 2) page 3, lines 27-31, delete the language in [brackets]. He stated that passage of **HB 2710** would provide the tool needed to significantly reduce water usage by permanently retiring water rights in the area.

Senator Taddiken asked about partial water rights, and Mr. Wenstrom responded that he was not in favor of partial retirement of water rights.

Kenneth Frahm, Kansas Water Congress, gave brief summary testimony in favor of **HB 2710** as introduced (Attachment 2). He told the Committee that the bill represents all water users and urged Committee support of the bill.

Copies of written testimony by Steve Swaffar, Director of Natural Resources for Kansas Farm Bureau (Attachment 3); Mike Beam, Senior Vice President of the Kansas Livestock Association (Attachment 4); Mark Rude, Executive Director, SW Kansas Groundwater Management District #3, Garden City (Attachment 5); and Wayne Bossert, Manager, NW Kansas Groundwater Management District #4 (Attachment 6) were distributed to the Committee.

With no further testimony on **HB 2710**, Chairperson McGinn declared the hearing closed. She asked the Committee to offer suggestions on the bill. Senator Taddiken expressed concern about the language in the bill regarding the ability of the Conservation Commission to retire water rights, and he asked the Department

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of Agriculture to help draw up an amendment, page 1, line 29, to strike the words “retire permanently” and insert the phrase “enter into contracts” so that only the Department of Water Resources had the ability to retire the water rights. Senator Taddiken made a motion that the Committee amend **HB 2710**, seconded by Senator Lee. The motion carried.

Senator Lee moved to delete lines 27-31 in [brackets] dealing with the tax study, seconded by Senator Taddiken. The motion carried.

Senator Bruce stated that if this is a pilot project limited in the bill, shouldn't we know the economic impact? Senator Taddiken asked Senator Bruce if the economic impact study was of the progress of the study rather than the results of the study. Senator Lee made a motion to amend her motion by changing the word “results” to “progress” in line 34 and to leave the wording to the Revisors, seconded by Senator Taddiken. The motion carried.

Senator Teichman made a motion to take out “not more than two” and restore lines 12-14, adjust wording in lines 15-18 to indicate that high priority areas would be first. Raney Gilliland cautioned the Committee about the change because not all of the Prairie Dog is in the GMD. Senator Taddiken seconded the motion. The motion carried.

Senator Francisco made a motion to change the reference to paragraphs (g) and (h) on line 23, page 2, and make other necessary technical amendments to the bill, subject to the Revisor's language. Senator Teichman seconded the motion, and the motion carried.

Senator Bruce expressed his concern about a statewide program to retire water rights, and stated that he was content with the pilot project and that money should not be derived from the Colorado water lawsuit. Chairperson McGinn told the Committee that there had been discussions in Ways and Means about a hearing on the Colorado funds and the best use for this money.

Senator Huelskamp made a motion to offer an amendment requiring approval through the policy committee before any water rights were purchased (Attachment 7). Senator Ostmeyer seconded the motion. The motion carried.

Senator Huelskamp expressed concern about taking 100,000 acres of land out of production for dryland farming, and the economic impact this would have. He felt the Policy Committee should review and approve or disapprove.

Senator Lee told the Committee she is not comfortable with this amendment and that she needed to know a lot more about CREP and whether it only applied to Western Kansas or to the rest of the state. Senator Huelskamp stated that was his purpose of offering the amendment, as it could impact his area as well.

Chairperson McGinn told the Committee the bill could not be finished today but would probably be continued at the Committee meeting on Friday. She told the Committee there was a motion and a second on the amendment to the bill and asked for consensus of the Committee to leave the discussion open. The motion carried by voice vote.

The meeting adjourned at 9:35 a.m.