KANSAS FARM BUREAU®
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To: House Committee on Water, Representative Ron Highland, Chairman

From: Kent Askren, Public Policy Director for Kansas Farm Bureau

Date: February 16 and 17, 2022

Re: Testimony in opposition to HB 2686

Chairman Highland and members of the Committee, on behalf of Kansas Farm Bureau (KFB) I want to thank you for the opportunity to provide testimony in opposition to HB 2686. KFB is the state's largest general farm organization representing more than 30,000 farm and ranch families through our 105 county Farm Bureau associations.

HB 2686 will be ***costly*** to implement and likely to ***grow government***. It will ***consolidate enormous power*** to regulate water under the control of a ***single agency and political appointee***. It will ***raise taxes***. It undermines the ability of local water users to ***determine their destiny*** while mandating ***top-down remedies***. The bill also proposes giving ***civil penalty authority*** to build up a state fund balance and last it ***increases current fees***.

I will open my comments addressing Sections 3,4 & 5 of the bill by stating KFB grassroots policy supports the ***healthy division of authority among agencies managing our natural resources***, we cannot support a single natural resources agency. KFB policy supports the enormous responsibility of appropriating water remaining with the ***chief engineer while residing within the Kansas Department of Agriculture***, Division of Water Resources. We have great concern for politicizing our state water laws.

As you have heard, funding for our natural resources agencies comes from a variety of state and federal revenue streams. KFB policy views ***natural resources as being vital to all Kansans and should be supported by dedicated statewide revenue source***s, expanding cost-share programs, creating tax incentives, and establishing a state-revolving-loan fund for agricultural conservation and resource protection.

In the last decade or so, the failure to consistently meet the statewide revenue obligation to help fund the State Water Plan has raised discussion on increasing the already burdensome contribution by those paying fees to sustain the plan. ***Fully committing (not just one year) to consistently providing State General Fund (SGF) and Economic Development Initiatives Fund (EDIF) revenue and even increasing statewide revenue to adjust with inflation***, would go a long way towards resolving the issue. In the meantime, ***Agriculture and Municipalities continue to provide revenue through fees proportional to the use of agricultural inputs and water use***. We cannot support taxing agricultural use even more and ***a tax should not be used as a threat against exercising a private property right in the use of water***. The Kansas Water Appropriation Act (KWAA) and Groundwater Management District (GMD) Act were designed to manage the appropriation of water at both the state and local level.

Sections 10-19 of the bill pertain to GMDs, ***KFB has policy supporting the GMD Act***, established in 1972. The bill proposes to ***enhance taxes on irrigation*** water right holders. That is right, ***enhance***, not just impose taxes. Irrigation water right holders currently pay ***more in property taxes*** than non-irrigation landowners, those within a GMD also pay a yearly assessment based in part upon ***how much water they use***. Additionally, a fee for inputs on fertilizer and agricultural chemicals has been ***paid every year*** since 1989 to support the State Water Plan Fund.

The GMD Act ***currently requires each GMD to submit a management program*** to address groundwater supply problems for approval by the chief engineer if found to be compatible with the KWAA. The changes proposed in Section 14 of the bill would go as far as to ***mandate minimum reduction amounts time certain*** and threatens the initiation of intensive groundwater use control area proceedings. ***Not exactly locals determining their own destiny***.

KFB policy addresses aquifer overdraft and as we have testified to this committee before, we implore you to use ***your oversight authority to help coordinate the implementation of the KWAA and the GMD Act***. We are open to exploring opportunities to make this happen, but ***HB 2686 as proposed dismisses local water users determining their own destiny*** and replaces it with ***top-down regulatory authorities***.

Section 182 of the bill proposes civil penalties for obstruction in stream violations with penalties ranging up to $1,000 per day with each day being a separate violation. A fee fund is conveniently created to store up to $300,000. ***The laws governing stream obstructions have been on the books and successfully implemented for many decades without civil penalty authority***. We ***oppose the expansion of civil penalty authority*** and would offer that greater use of ***technology and awareness*** should be implemented first to help keep water structures owners alert and aware of developing issues without expanding government authority to penalize.

During the 2021 session, we watched and listened as conferee's testified before this committee in rapid fire. Volumes of documents, graphs and organizational charts were presented. The complexities of our water laws, both quantity and quality were explained, the challenges in managing our water resources are numerous and paramount. I am certain it must have been overwhelming and easy to conclude that something needed to be done. But HB 2686 is not the answer.

We cannot support the proposed agencies consolidation, increases in taxes, loss of local control and promotion of more civil penalty authority proposed in HB 2686 which creates a water agency monopoly administered by a political appointee that changes with each administration. Instead, ***we need consistency, both in funding and enforcement of our water laws*** so that all Kansans can indefinitely utilize the natural resources of our state for the greatest profitability, enjoyment, and sustenance of life.

We appreciate the opportunity to testify in opposition to HB 2686 and would be happy to address any questions at the appropriate time.