



Since 1894

Date: February 14, 2023

To: House Committee on Water
Rep. Jim Minnix, Chair

From: Aaron M. Popelka, V.P. of Legal and Governmental Affairs, Kansas Livestock Association

Re: **HB 2302 AN ACT concerning water; relating to funding for the state water plan and water infrastructure projects; creating the water technical assistance fund and water projects grant fund; authorizing the Kansas water office to provide grants from such funds and adopt rules and regulations to establish the criteria for grants from such funds; distributing a portion of the revenue from the sales and compensating use tax to the state water plan fund.**

Position: Proponent, In-Person

The Kansas Livestock Association (KLA), formed in 1894, is a trade association representing more than 5,700 members on legislative and regulatory issues. KLA members are involved in many aspects of the livestock industry, including seed stock, cow-calf, and stocker cattle production; cattle feeding; dairy production; swine production; grazing land management; and diversified farming operations.

Thank you, Chairman Minnix, and members of the Committee, for allowing the Kansas Livestock Association (KLA) the opportunity to share our views on HB 2302. KLA supports HB 2302 to fully fund the state water plan.

KLA policy supports the Blue Ribbon Funding Task Force for Water Resource Management 2017 recommendation for funding the state water plan by setting aside a percentage of the existing statewide sales tax revenues. KLA has maintained this view since it signed the Task Force report six years ago. HB 2302 would accomplish that goal by setting aside 0.08 percentage points of every taxable sale to fund water policy in Kansas.

For many years, funding for the state water plan relied upon water protection fees, of which agriculture sources comprise approximately fifty percent of all fees. Until last year, the state rarely met its State General Fund obligation to fund the state water plan. HB 2302 would be a positive step to ensuring everyone in the state shares in financing a plan to protect water quantity and quality for future generations.

One suggestion KLA would make in regard to HB 2302 is to set aside stockwater fees for stockwater conservation programs. In Fiscal Year 2022, stockwater users paid \$557,940 in water protection fees. Unlike other agricultural water users, stockwater pays \$0.03 per 1,000 gallons of water used. While stockwater makes this contribution to the state water plan, rarely have the

funds been reinvested in the livestock industry. Much like funding is set aside for municipalities in HB 2302, KLA would like to see stockwater fees returned to the industry through cost share projects for stockwater conservation activities.

KLA appreciates the opportunity to submit testimony as a proponent of HB 2302. We ask that the Committee recommend the bill favorable for passage.