

SESSION OF 2002

**SUPPLEMENTAL NOTE ON HOUSE
SUBSTITUTE FOR SENATE BILL NO. 264**

As Recommended by House Committee on
Environment

Brief*

House Sub. for SB 264 would amend the law dealing with groundwater management districts by requiring certain districts to adopt a schedule of annual water user charges which establishes classes of water users. Only groundwater management districts which have an annual water user charge of \$.60 or more for each acre-foot withdrawn would establish such a schedule. The bill would require any district which charges more than the \$.60 per acre-foot withdrawn to establish the schedule by July 1, 2003. The bill would permit any district which has a \$.65 per acre-foot withdrawal charge to continue to have that charge until the new schedule is adopted by July 1, 2003.

The bill would require that at least two classes of water users be established based upon place of use for the groundwater withdrawn within the district. One class would be for groundwater for which 50 percent or more of the authorized place of use is outside the groundwater management district. The other class would be for where 50 percent of the authorized place of use for groundwater is inside the district. The bill would require that the charge be higher for groundwater where the authorized use is 50 percent or more outside the groundwater management district. The bill also would establish a maximum charge for the class for which more than 50 percent of the authorized place of use for groundwater is within the district. The charge for this class of water user could not exceed \$.90 per acre-foot.

Further, the bill would require that before the schedule takes effect, the groundwater management district submit the proposed schedule and classes of water users to the Chief Engineer for review and approval. Upon the review, the schedule and classes would be

*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/cgi-bin/fulltext/bills.cgi>

approved if the Chief Engineer determines that they promote the policies of and do not conflict with the provisions of the Kansas Water Appropriation Act.

Background

This bill was introduced and considered by the Senate during the 2001 Legislative Session. The bill and the issues it dealt with were considered by the 2001 Special Committee on Energy, Natural Resources and the Environment. A hearing was held on the bill on February 5 of this year in House Environment Committee.

Proponents of the bill as it came to the House Environment Committee included representatives of the Equus Beds Groundwater Management District, the Kansas Chapter of the Sierra Club, the Kansas Water Authority, and the Regional Economic Area Partnership (REAP). Also appearing in support were the mayors of Andover and Sedgwick and the city attorney for Newton. Written support was distributed from Senator Jean Schodorf and from a representative of the City of Wichita. Opponents to this version of the bill included representatives of the Kansas Farm Bureau, the Kansas Building Industry Association, and the Kansas Dairy Association. Also appearing in opposition to the bill was a dairy producer from Valley Center. The Chairperson of the Committee formed a subcommittee to work on the bill. Except for a few modifications made by the full Committee, the substitute bill reflects the work of the subcommittee on this issue.

The fiscal note on the original bill states that the Department of Revenue indicates passage of the bill would have no effect on state revenues. The Kansas Water Office indicates passage of the original bill would have no effect on its agency expenditures.