

To: Senate Agriculture and Natural Resources

From: Wendi Stark, Research Associate

Date: March 15, 2023

RE: Proponent Testimony on HB 2302 – Oral In-Person Testimony

We want to thank Chairman Kerschen and the members of the Committee for affording the League of Kansas Municipalities the opportunity to provide testimony in support of HB 2302.

One of the biggest concerns we hear from our member cities concerns water. Across the entire state, access to water is a consideration that factors into growth and economic development in our cities. As such, our members have directed us, through our Statement of Municipal Policy, to support programs that encourage access to water. One of our top legislative priority's states,

Access to water is paramount for the continued growth and viability of our communities. Government at all levels should aggressively pursue the conservation, protection, and development of current and future water supplies to ensure access to clean, safe, and affordable water for all Kansas residents. We support state action, in consultation with municipal providers, to address surface and groundwater resources.

HB 2302 aligns with this statement and provides additional funding streams for water infrastructure across the state.

First, HB 2302 establishes the water technical assistance fund by allocating \$5 million per year for five years. The technical assistance fund would provide grants to municipalities for engineering, grant applications and management, and other technical assistance. This fund would now allow all cities an opportunity to address their specific water infrastructure needs in their communities.

Second, HB 2302 established the water projects grant fund by allocating \$15 million per year for five years. This program would allow for the construction, repair, maintenance, or replacement of water related infrastructure. In addition, these funds could be used for matching funds for loan or grant applications.

Third, the water projects grant funds may be applied to an outstanding balance with the state revolving loan fund (SLRF). Specifically, the 506 cities with less than 2,000 residents could be eligible for up to 90% of any remaining SLRF balance, the 56 cities with 2,000 or more and less than 5,000 residents could be eligible for up to 75% of any remaining SLRF balance, the 28 cities with 5,000 or more and less than 10,000 residents could be eligible for up to 50% of any remaining SLRF balance, and the 35 cities with more than 10,000 could be eligible for up to 25% of any remaining SLRF balance.

Quality and quantity of drinking water is a concern for cities across the state. Our members support a clean and safe public water supply and the protection of public health and aquatic life. In addition, our members support broad-based revenue sources and distribution for the state Water Plan Fund. The establishment of the water technical assistance fund and the water projects grant fund would be tools available to any city willing and able to utilize it. These tools could be extremely valuable for those cities who need the most assistance to access safe and clean drinking water.

The League supports HB 2302 and asks this Committee to recommend it favorably for passage.