

Approved: 4-27-94
Date

MINUTES OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES.

The meeting was called to order by Chairperson Don Sallee at 8:00 a.m. on April 8, 1994 in Room 423-S of the Capitol.

All members were present or excused:

Committee staff present: Raney Gilliland, Legislative Research Department
Dennis Hodgins, Legislative Research Department
Clarene Wilms, Committee Secretary

Conferees appearing before the committee:
David Pope, Division of Water Resources, Board of Agriculture

Others attending: See attached list

SB-844 - division of water resources; relating to fees

David Pope, Division of Water Resources, Board of Agriculture, appeared before the committee stating that SB-844 was a revenue bill to deal with a very serious backlog problem which has developed, the inability to work water applications in a timely fashion, and changes in water rights.

Mr. Pope stated the bill was introduced as part of the budget process at the request of the Committee on Ways and Means to provide an alternative source of revenue given the fact that the amount of funding from the General Fund is diminished.

Mr. Pope told the committee that the backlog has developed for a number of reasons, new projects, various options for water use, permits where water is still available for appropriation and also, modifying existing water rights. The complexities in the process have grown in past years, a limited amount of water is available, a long term view for the future is necessary, attempting to avoid difficulties in other areas of the state, more stringent criteria, and a more in depth review of the application, all take time.

Mr. Pope reviewed the bill for committee members noting the fees were raised in some categories, other categories were added and a sunset provision provided for reinstatement of the original fees July 1, 1999.

Mr. Pope stated that most of the fee changes included an increase of one-half the present fee. He explained to the committee the numerous facets encountered when dealing with water rights, some of which involve use changes, estate divisions, the status of the water rights, conservation of water rights without loss of water rights, and other processing, all of which consume staff time.

Mr. Pope told the committee his department would have preferred not to raise fees but the Committee on Ways and Means had suggested this method to fund positions which could deal with backlog problems. The bill would raise approximately \$193,000 in new money, over and above present fees, and would provide funds necessary to establish two regular positions and one project worker. One full time employee would work as an ombudsman providing a central point of contact for people trying to obtain applications. This would allow other office people to continue their work without constant interruptions.

Mr. Pope stated a portion of the funding would be used to pay overtime for regular employees and expressed the opinion that those familiar with the issues were more effective in dealing with them. Presently they are non-exempt people who cannot work overtime, even on their own time without pay.

A member stated the opinion that while the overall proposal seemed a good approach, the fee increases were considerable, though some would be non-controversial. It was suggested that some decrease in fees be made and the loss of funds be made up in some other manner.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES, Room 423-S Statehouse, at 8:00 a.m. on April 8, 1994.

Further discussion touched on concern about charges on the smaller items with the explanation being made that there were base costs for any application, regardless of size as well as the cumulative and long range effects which must be considered. Assessment of peripheral activity is necessary and takes a great deal of time.

Another member suggested that fee increases seemed the best alternative in an unpopular situation with permits being processed in a more timely manner and a more immediate return would be realized by those submitting applications.

Discussion touched on cutting the fees in order that the House would not reject the bill immediately. Another suggestion was made to submit higher fees and ultimately expect them to be cut.

A member questioned who would benefit from the cuts being made with Mr. Pope replying that cities, irrigators, feed lots and other regular operators applying for new permits would benefit.

Senator Morris made a motion to amend SB-844 as follows: Change Page 1, line 29, \$125, line 30, \$175, line 31, \$175 + \$15, Page 6, line 28, \$75. Senator Vancrum seconded the motion for purposes of discussion.

The motion carried.

Senator Morris made the motion to report SB-844 favorable for passage as amended. Senator Vancrum seconded the motion and the motion carried.

The meeting adjourned at 8:50 a.m.

No further meetings are scheduled.

SENATE COMMITTEE ON ENERGY & NATURAL RESOURCES

DATE April 8, 1994

(PLEASE PRINT)

NAME AND ADDRESS

ORGANIZATION

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