

January 21, 2026

The Honorable Jim Minnix, Chairperson
House Committee on Water
300 SW 10th Avenue, Room 218-N
Topeka, Kansas 66612

Dear Representative Minnix:

SUBJECT: Fiscal Note for HB 2424 by Representative White

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2424 is respectfully submitted to your committee.

HB 2424 would amend the Kansas Groundwater Exploration and Protection Act to add pump installation contractors to those requiring licensure and regulation by the Kansas Department of Health and Environment (KDHE). The bill would also specify application and licensure requirements. The bill would add a definition for "pump installation contractor" and would also list what the definition does not include. Pump installation contractors would be required to keep a careful and accurate record of each pump installed and provide such records to the Secretary of Health and Environment within 30 days after installation as specified in the bill.

The Secretary would be required to adopt rules and regulations on a biennial basis as specified in the bill, including those related to setting license fees for the new license. All fees related to applications and licensure would be directed to the Water Program Fund. These types of fees are currently deposited to the Water Program Management Fund. The bill would allow for examinations for water well contractors and pump installation contractors to be administered online. HB 2424 would also add new requirements for water-well contractors, which are already regulated under the Act, including new reporting requirements. The bill would direct any civil penalty fines for violation of the Act to be deposited to the Water Program Fund under KDHE. These fines are currently deposited in the State General Fund.

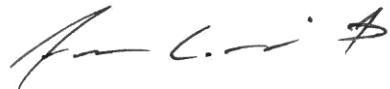
KDHE estimates that enactment of HB 2424 would increase agency fee revenues by approximately \$41,000 in FY 2028 for new applications and licensures, examination fees, pump form fees, and potential civil penalties. The agency estimates revenues of \$28,000 in future fiscal

years, noting that while there would be renewal fees, there would not be as many initial applications and examinations. The estimate assumes that rules and regulations would be revised for implementation by FY 2028. KDHE reports that any additional workload related to the new license would be handled within existing resources. The revenue would be utilized to administer the provisions of the Kansas Groundwater Exploration and Protection Act.

The Office of Judicial Administration states enactment of HB 2424 could increase the number of cases filed in district courts because it would create a new crime. This could result in more time spent by judicial and nonjudicial personnel processing, researching, and hearing these cases. Since violations carry a class B misdemeanor penalty, there could also be more supervision of offenders required by Court Services Officers. The Office estimates enactment of the bill could result in the collection of docket fees and supervision fees in cases filed under provisions of the bill. The agency notes all fees and penalties collected would be deposited in the Water Program Fund. The agency was unable to determine a total fiscal effect.

The Office of Administrative Hearings could not estimate a total fiscal effect but anticipates that any additional workload related to passage of the bill could be handled within existing resources. Any fiscal effect associated with HB 2424 is not reflected in *The FY 2027 Governor's Budget Report*.

Sincerely,



Adam C. Proffitt
Director of the Budget

cc: Amy Penrod, Department of Health & Environment
Loren Snell, Office of Administrative Hearings