

February 17, 2011

The Honorable Larry Powell, Chairperson
House Committee on Agriculture and Natural Resources
Statehouse, Room 149-S
Topeka, Kansas 66612

Dear Representative Powell:

SUBJECT: Fiscal Note for HB 2272 by House Committee on Agriculture and Natural Resources

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2272 is respectfully submitted to your committee.

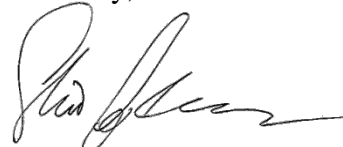
HB 2272 would exempt from regulation under the Obstructions in Streams law of the Kansas Department of Agriculture certain minor construction projects such as the construction of farm ponds and farm road stream crossings on lands used for farming, ranching, or silviculture (the care and cultivation of forest trees).

Estimated State Fiscal Effect				
	FY 2011 SGF	FY 2011 All Funds	FY 2012 SGF	FY 2012 All Funds
Revenue	--	--	--	(\$10,000)
Expenditure	--	--	(\$20,900)	(\$30,900)
FTE Pos.	--	--	--	(0.50)

The Department of Agriculture estimates that the bill would reduce the number of permit applications under the Obstructions in Streams law by 50 per year, for a total of 624 instead of the current level of 675 applications. This would reduce revenue to the Water Structures Fee Fund by 7.0 percent, or \$10,000. HB 2272 would also reduce the workload for the Department's permit processing section by 0.50 FTE position resulting in salary and wages expenditure savings of \$30,900, including \$20,900 from the State General Fund. The Department indicates that instead of reducing the Department's FTE positions by 0.50, it would utilize those staff hours for other program activities in the Department. The fiscal effect of HB 2272 is not reflected in *The FY 2012 Governor's Budget Report*.

The bill would have no fiscal effect on the Kansas Water Office; however, the Office has concerns about how the bill would affect the U. S. Corps of Engineers 404 permitting process.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Mark Heim, Agriculture

Dawn Palmberg, Water Office