SESSION OF 2016

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2491

As Amended by House Committee on Agriculture and Natural Resources

Brief*

HB 2491 would amend the section of law dealing with the requirement that owners of water rights or permits to appropriate water for beneficial use must file annual water use permits with the Chief Engineer of the Division of Water Resources in the Kansas Department of Agriculture (KDA). Language would be added to make it clear that a water right owner could "cause" the water use report to be filed, in addition to the owner filing the report individually.

In addition, the bill would subject an owner of a water right or permit to appropriate water for beneficial use who fails to file a water use report to a civil penalty in an amount not to exceed \$1,000 per water right (current law is a civil penalty not to exceed \$250).

Further, the bill would add a provision which would permit the Chief Engineer to issue an order indefinitely suspending water rights of water right holders or those holding permits to appropriate water for beneficial use if the water use report has not been filed by June 1 of the calendar year in which it is due, in addition to incurring the civil penalty for failing to submit a water use permit outlined above. In addition to the civil penalty and the authority to issue an order of indefinite suspension of a water right, the Chief Engineer also could require the use of telemetry in order to ascertain information on water use.

^{*}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

Finally, the bill would make the provisions of the section of law being amended (KSA 2015 Supp. 82a-732) a part of and supplemental to the Water Appropriations Act.

Background

HB 2491 was introduced at the request of the KDA. At the hearing on the bill before the House Committee on Agriculture and Natural Resources, a spokesperson from the KDA indicated the agency supported the bill because it allowed for better management of groundwater resources and would extend the useful life of the Ogallala High Plains Aquifer. The spokesperson also stated the information gathered from water use reports was critical to proper management. Also appearing in support of the bill were spokespersons representing Western Kansas Groundwater Management District (GMD) No. 1 and Southwest Kansas GMD No. 3.

Other proponents submitting written testimony included representatives of the Kansas Farm Bureau and the Kansas Grain and Feed Association, the Kansas Cooperative Council, and the Kansas Agribusiness Retailers Association.

The House Committee amended the bill to:

- Clarify the civil penalty amount per water right;
- Clarify that the Chief Engineer could mandate the use of telemetry in addition to the authority to impose a civil penalty and impose an indefinite suspension of the water right; and
- Make this section of law supplemental to and a part of the Kansas Water Appropriation Act.

The fiscal note on the original bill prepared by the Division of the Budget states, according to the KDA, there are approximately ten cases each year of owners who do not file their annual water use reports and do pay the current \$250 penalty. The note states the enactment of the bill, which

would increase the penalty to \$1,000, would initially result in additional revenues to the agency of \$7,500. The agency expects the number of cases of failure to file to decrease over time, because of the increased fine amount. Any fiscal effect associated with the bill is not reflected in *The FY 2017 Governor's Budget Report*.