

January 19, 2021

The Honorable Troy Waymaster, Chairperson
House Committee on Appropriations
Statehouse, Room 111-N
Topeka, Kansas 66612

Dear Representative Waymaster:

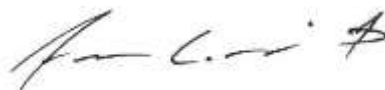
SUBJECT: Fiscal Note for HB 2022 by Representative Waymaster

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2022 is respectfully submitted to your committee.

HB 2022 would amend existing law concerning responsibility for abandoned well plugging. The bill would include an exclusive listing of parties that could be considered responsible for plugging abandoned wells, as well as grant authority to the Kansas Corporation Commission (KCC) to adopt regulations to establish a program to reimburse non-responsible parties for plugging abandoned wells. Any well that had been abandoned and had not been plugged according to the rules and regulations in effect at the time of plugging would be deemed likely to cause pollution of any usable water strata or supply. The bill would also amend existing law concerning funds used by the KCC to plug abandoned wells and would transfer all monies in and liabilities of the Well Plugging Assurance Fund to the Abandoned Oil and Gas Well Fund and abolish the Well Plugging Assurance Fund. In addition, the bill would repeal KSA 55-163 which requires a joint management plan for oil and gas regulation between the Kansas Department of Health and Environment and the KCC. The bill would also make a number of technical corrections.

According to the KCC, enactment of HB 2022 would have no fiscal effect on agency operations.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Jake Fisher, KCC