

January 31, 2023

The Honorable Ken Rahjes, Chairperson
House Committee on Agriculture and Natural Resources
300 SW 10th Avenue, Room 112-N
Topeka, Kansas 66612

Dear Representative Rahjes:

SUBJECT: Fiscal Note for HB 2159 by House Committee on Agriculture and Natural Resources

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2159 is respectfully submitted to your committee.

HB 2159 would require the Secretary of Health and Environment to create rules and regulations to establish fees for underground injection control class I and V wells. Collection of fees would be deposited to the Subsurface Hydrocarbon Storage Fund.

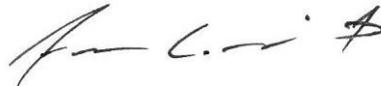
The bill would also redirect current fees for operators of water supply system and wastewater treatment facility certification and water well contractor fees from the State General Fund to the Water Program Management Fund. The fund would be used for program expenditures.

Estimated State Fiscal Effect				
	FY 2023 SGF	FY 2023 All Funds	FY 2024 SGF	FY 2024 All Funds
Revenue	--	--	(102,000)	205,000
Expenditure	--	--	--	--
FTE Pos.	--	--	--	--

According to the Kansas Department of Health and Environment, enactment of HB 2159 would reduce State General Fund revenues by approximately \$102,000 due to the rerouting of fees to the Water Program Management Fund. In addition, the new fees for underground injection control class I and V wells are estimated to generate \$205,000 in new revenues. The agency does

not anticipate any increase to expenditures as all associated regulatory programs are currently operating and the bill does not change any program operations. Any fiscal effect associated with HB 2159 is not reflected in *The FY 2024 Governor's Budget Report*. The Kansas Association of Counties and the Kansas League of Municipalities do not estimate any fiscal effect for local governments.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt
Director of the Budget

cc: Amy Penrod, Department of Health & Environment
Wendi Stark, League of Kansas Municipalities
Jay Hall, Kansas Association of Counties