

February 20, 2019

The Honorable Dan Kerschen, Chairperson
Senate Committee on Agriculture and Natural Resources
Statehouse, Room 225-E
Topeka, Kansas 66612

Dear Senator Kerschen:

SUBJECT: Fiscal Note for SB 182 by Senate Committee on Agriculture and Natural Resources

In accordance with KSA 75-3715a, the following fiscal note concerning SB 182 is respectfully submitted to your committee.

SB 182 would amend existing law relating to water measuring devices to shift the responsibility of meter compliance from the water right owner to another person, if the water right owner meets the requirements of the bill with regard to the device and claims no knowledge of their meter being tampered with such that it does not report the actual amount of water used.

Estimated State Fiscal Effect				
	FY 2019 SGF	FY 2019 All Funds	FY 2020 SGF	FY 2020 All Funds
Revenue	--	--	--	--
Expenditure	--	--	\$378,000	\$378,000
FTE Pos.	--	--	--	4.60

According to the Kansas Department of Agriculture, enactment of SB 182 would result in expenditures of \$378,000 in FY 2020 and approximately \$253,000 in the out years, all from the State General Fund. The agency indicates that the bill would require it to determine if a meter reading is slow by conducting a flow rate test on every new meter installation, repair, or replacement. The current water rights database shows approximately 8,400 meter installations, repairs or replacements over the past five years, which would average out to 1,680 meter tests each year. Each test requires a total of 4.5 hours to complete: two hours to conduct the test, two hours on average of drive time, and 30 minutes to process and enter the data into the database. Conducting tests on 1,680 meters would require 1,560 hours of work and 3.60 FTE positions. To

provide the necessary level of service to minimize the delay to the water user, the agency would need another employee to work concurrently for a total of 4.60 FTE positions. The persons conducting the tests make approximately \$55,000 per year and each of the meter testers would need a vehicle able to access the meters. Assuming that five trucks would be needed at \$25,000 per truck brings the total cost for FY 2020 to \$378,000 (4.60 FTE X \$55,000 + 5 trucks X \$25,000 = \$378,000). The cost of the FTE positions would be ongoing. Any fiscal effect associated with SB 182 is not reflected in *The FY 2020 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink that reads "L. L. Campbell". The signature is written in a cursive style with a large, sweeping initial "L".

Larry L. Campbell
Division of the Budget

cc: Kellen Liebsch, Agriculture