

## To: Chairman Kerschen Members of the Senate Committee on Agriculture and Natural Resources

From: Ellen Parker, Associate Attorney WaterOne (Water District No. 1 Johnson County, Kansas)

**Date:** March 15<sup>th</sup>, 2023

**RE:** Proponent Testimony HB 2302

Chairman and Committee, thank you for the opportunity to provide WaterOne's support for House Bill 2302. WaterOne was created as a regional public water utility, through a state statute, back in 1957. We provide clean drinking water to 475,000 Kansans in 17 Cities in Johnson County. Our service area is 272 square miles.

House Bill 2302 is a natural extension of the work done by the Blue-Ribbon Task Force in 2017. That Task Force was convened because it was determined the funding provided to the State Water Plan Fund was woefully inadequate to preserve and sustain our water resources. This Task Force was made up of a diverse group of stakeholders including legislators, state agencies, industry groups, non-profits, and members of the public. The Task Force developed a list of needed projects and concluded that funding of \$55M per year was required to fully fund the Water Plan and take care of the state's water resources. The Task Force also suggested a sales tax carve off like HB 2302. More recently, the Kansas Water Authority submitted the 2023 Annual Report to the Governor and Legislature, which included an updated list of projects and initiatives and found that funding of \$69M per year was needed to support the state's water resources. These projects and initiatives are supported by the Kansas Water Plan.

The Kansas Water Plan was created in accordance with K.S.A. § 82a-903. It incorporates the input of citizens, Regional Advisory Committees (RACs), stakeholder groups and state agencies to create a long-range plan for the management, conservation and development of the water resources of the state. The RACs, agencies and partners provide guidance for the Kansas Water Authority, whose duty it is to reflect program priorities in its recommendations to the Governor and Legislature on how to spend State Water Plan Funds. The Kansas State Water Plan Fund was created in accordance with K.S.A. § 82a-951 to implement the Kansas Water Plan. It is to be used for the establishment and implementation of water-related projects or programs and related technical assistance.

HB 2302 is a great first step in securing a sustainable funding source to support the state's water resources. WaterOne truly appreciates this Committee's commitment to take that step. However, we do have one question.

New Section 3 of the bill establishes a new water related infrastructure projects grant fund. Why doesn't the bill require these projects to support the Kansas Water Plan? The Kansas Water Plan is established by statute to be our comprehensive road map for the management, conservation and development of the water resources of the state. If the Committee wants to address this issue to clarify that these water related infrastructure projects should support the implementation of the Kansas Water Plan you could modify New Section 3(b) by adding the italicized language below:

(b) The Kansas water office may provide full or partial funding in the form of grants to any municipality or special district related to water established pursuant to the laws of the state of Kansas for the following: (1) Construction, repair, maintenance or replacement of water-related



infrastructures and any related construction costs; (2) matching moneys for grant or loan applications for water-related infrastructure projects; (3) grants that may be applied to an outstanding loan balance from the public water supply loan fund established in K.S.A. 65-163e, and amendments thereto, or the Kansas pollution control revolving fund established in K.S.A. 65-3322, and amendments thereto, subject to the provisions of subsection (c); and (4) water-related infrastructure projects that support the implementation of the Kansas Water Plan shall be prioritized for the awarding of grants under this section.

Thank you again to the Committee for your work on this bill. WaterOne supports House Bill 2302, but we would also like our comments considered prior to approving the bill.

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