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MEMORANDUM

To: Senate Committee on Agriculture and Natural Resources

From: Office of Revisor of Statutes

Date: March 6, 2024

Subject: HB 2525—Underground Injection Control Wells and the Water Program

Management Fund

House Bill 2525 would provide additional sources of revenue for the water program management fund and create additional fees for the regulation of underground injection control wells.

<u>Underground Injection Control Wells</u>

HB 2525 would require the secretary of health and environment to adopt rules and regulations to establish fees for permitting, monitoring, testing, inspecting and regulating underground injection control class I wells. Such fees could not exceed the following amounts:

- \$6,500 per active, hazardous waste injection well;
- \$4,500 per active non-hazardous waste injection well; and
- \$1,000 for any hazardous or non-hazardous waste injection well in monitoring or inactive status.

Additionally, the secretary would be required to reduce such fees for facilities already subject to fees in current law for salt solution mining, underground storage of natural gas in bedded salt, and liquid petroleum gas and hydrocarbons.

HB 2525 would also require the secretary to adopt rules and regulations to establish fees for permitting, monitoring, testing, inspecting and regulating underground injection control class V wells that could not exceed \$2,000 per well, except that no fee could be established for small-capacity, sanitary septic systems, including single family residential septic systems and non-residential septic systems used solely for sanitary waste.

Moneys collected from these fees would be credited to the subsurface hydrocarbon storage fund, which is used to cover the cost of regulating underground injection control wells.



Water Program Management Fund

Currently, fees collected from water well contractors, the certification of operators of water supply systems, and wastewater treatment facilities are credited to the state general fund. HB 2525 would credit such fees to the water program management fund instead of the state general fund. Moneys in the fund are used for monitoring and investigating water quality; payment of the state's share of the clean water act matching costs, payment for emergency action to assure public health or safety is not threatened by release from a wastewater treatment facility; payment of costs incurred in carrying out statutory responsibilities and development of educational materials for the public on water issues.

General Bill Information

HB 2525 also includes technical amendments and would take effect on July 1, 2024, upon publication in the Kansas statute book.