

CORRECTED
SESSION OF 2014

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2548

As Recommended by House Committee on
Agriculture and Natural Resources

Brief*

HB 2548 would establish the Water Program Management Fund. Moneys deposited into the fund would come from permit fees for confined animal feeding facilities and permit fees for truck washing facilities for animal wastes established by the Secretary of Health and Environment. In addition, moneys would be deposited into the fund from interest attributable to investment of moneys in the fund; gifts, grants, or appropriations to be used for the purposes of the fund; and any other moneys provided by law. Moneys in the fund would be used for monitoring and investigating the quality of water of the state; payment of the state's share of U.S. Clean Water Act matching costs; payment for emergency action to assure public health or safety; payment of certain administrative and legal costs; and development of educational materials and programs for informing the public about water issues. The bill would require that an annual report be prepared and delivered to the Legislature regarding expenditures, fund revenues, and recommendations regarding the adequacy of the fund on or before the first day of each regular session of the Legislature.

In addition, the bill would require moneys from annual emission fees and approval fees which are fixed, charged, collected, or renewed to pay for the administration of the Kansas Air Quality Act by the Secretary of Health and Environment to be deposited in the Air Quality Fee Fund rather than the State General Fund.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Background

This bill was introduced at the request of a spokesperson from the Kansas Department of Health and Environment (KDHE). At the hearing on the bill, a spokesperson from KDHE explained that two of the core missions of KDHE's Division of Environment are to administer the Clean Water Act and the Clean Air Act programs which are delegated by the U.S. Environmental Protection Agency (EPA) to the State of Kansas. The conferee said the state often acts in a manner that balances environmental protection with predictable and consistent application to regulated parties in Kansas. The conferee noted that it is becoming increasingly difficult to provide the kind of effective buffer between EPA and regulated parties as funding is reduced at both the state and federal levels. The conferee noted the decreased funding equates to lower staffing which hampers effective program administration, and could ultimately result in the loss of state authority to implement the Clean Water Act and the Clean Air Act programs in Kansas. It was stated that, if state authority were withdrawn, EPA would become the direct regulatory authority for these programs in the state.

Besides the proponent conferees from KDHE, the Committee heard from proponents of the bill representing Johnson County Wastewater, Westar, and the League of Kansas Municipalities. In addition, the Committee received written comments in support of the bill from the Kansas Society of Professional Engineers and Sunflower Electric Power Corporation. No persons provided either neutral or opponent testimony.

The fiscal note on the bill indicates passage of the bill would reduce revenue to the State General Fund with a corresponding increase in fee fund revenue for FY 2015. The note states that this, in turn, would shift expenditures from the State General Fund to agency fee funds. According to the fiscal note, KDHE estimates expenditures of \$380,000 from the Water Program Fee Fund and \$200,000 in expenditures from the Air Quality Fee Fund. Any fiscal effect associated

with HB 2548 is not reflected in *The FY 2015 Governor's Budget Report*.