Approved: February 9, 2005

Date

## MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 A.M. on January 26, 2005 in Room 514-S of the Capitol.

All members were present.

Committee staff present:

Alan Conroy, Legislative Research Department Amy VanHouse, Legislative Research Department Jim Wilson, Revisor of Statutes Mike Corrigan, Revisor of Statutes Nikki Feuerborn, Administrative Analyst Shirley Jepson, Committee Secretary

Conferees appearing before the committee: Steve Irsik, Chair, Kansas Water Authority Tracy Streeter, Acting Director, Kansas Water Office

Others Attending:

See Attached List.

 Attachment 1 Presentation by Amy VanHouse, Legislative Research Department on the Statutory Responsibilities of the Kansas Water Office and Kansas Water Authority
Attachment 2 Presentation by Steve Irsik, Chair, Kansas Water Authority

Representative Hutchins moved to introduce legislation concerning reauthorization of capital improvement projects at Fort Hays State University. The motion was seconded by Representative McLeland. Motion carried.

Representative Pottorff moved to introduce legislation concerning a revision to the Kansas state use law. The motion was seconded by Representative Feuerborn. Motion carried.

Representative Powell moved to introduce legislation prescribing certain procedures for acquisition of land by state agencies. The motion was seconded by Representative Schwartz. Motion carried.

<u>Representative Light moved to introduce legislation concerning the reorganization of the State Fire Marshal's</u> office. The motion was seconded by Representative Pottorff. Motion carried.

Representative Landwehr moved to introduce legislation relating to an act concerning children in need of care and informal supervision as recommended by the judges across the state. The motion was seconded by Representative Ballard. Motion carried.

Representative Landwehr moved to introduce legislation converting a pilot program, which allowed two advocates for the parents of a child in need of care case into the courtroom, to a permanent program across the state. The motion was seconded by Representative Henry. Motion carried.

Representative Gatewood moved to introduce legislation regarding the manufacture, storage and distribution of Class C fireworks. The motion was seconded by Representative Feuerborn. Motion carried.

Representative Gatewood moved to introduce legislation regarding the manufacture, storage and distribution of explosives. The motion was seconded by Representative Lane. Motion carried.

Representative Bethell moved to introduce legislation concerning the integrity of prescription drugs. The motion was seconded by Representative Henry. Motion carried.

Representative Bethell moved to introduce legislation concerning the insurance pool for nursing home

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## facilities. The motion was seconded by Representative Henry. Motion carried.

HB 2107 was referred to Social Services Budget Committee

HB 2105 and HB 2106 were referred to Revenue, Judicial, Transportation and Retirement Budget Committee. HB 2108 and HB 2116 were referred to the Agriculture and Natural Resources Budget Committee.

Amy VanHouse, Legislative Research Department, presented a staff briefing on the statutory responsibilities and make-up of the Kansas Water Office and the Kansas Water Authority (Attachment 1).

Steve Irsik, Chairman, Kansas Water Authority, presented an overview of the Kansas Water Authority (Attachment 2). Mr. Irsik introduced other members of the Kansas Water Authority who were present: Don Paxton, Penokee Conservation District; Betty Criss, El Dorado; and Dennis Schwartz, Topeka Rural Water Association.

Some highlights of Mr. Irsik's testimony include:

- The Kansas Water Authority is working to educate and communicate with the citizens of Kansas about the declining supply of water in the Ogallala aquifer in the western part of the state.
- Water drives the economy of the state of Kansas.
- Reservoirs in the eastern part of the state are the sole supplier of water for 750,000 citizens.
- Siltation rate in the state's reservoirs is of great concern.
- The unfunded liability of approximately \$100 million for Kansas reservoirs is another concern and needs to be addressed in the near future. This liability is owed to the federal government for the water storage in Big Hill, Hillsdale, Milford and Perry reservoirs.

Responding to a question from the Committee, Mr. Irsik indicated that there is no agenda or specific coordination between the Governor's Sub-cabinet on Natural Resources and the Kansas Water Authority; however, new leadership is working to coordinate efforts. In response to a question concerning the unfunded liability of Kansas reservoirs, Mr. Irsik noted that there are no specific dollars proposed to be expended in the Governor's budget at the present time to cover the state's liability. The Water Authority's position is that funding should be set aside in escrow to fund this liability when it becomes due. The Water Authority is requesting \$800,000 to fund long-range projects for watershed restoration and protection. This funding will be matched by federal environmental protection agency dollars. A Committee member noted that they felt it would be important for the Water Authority to review state statutes concerning where landfills can be built in relationship to a water supply.

Chair Neufeld thanked Mr. Irsik for his testimony and recognized Tracy Streeter, Acting Director of the Kansas Water Office.

Some highlights of Mr. Streeter's testimony include:

- The largest budget issue is the irrigation transition project which converts irrigated land to dry land.
- The Water Office is working on demonstration projects, particularly in the southwest part of the state, to control salt cedars, Russian olives and other plants that are large consumers of water and seeing good success from these projects.
- Quality of water, as well as quantity, is of concern, such as irrigation water that is being returned to the rivers.
- The construction of new reservoirs is not feasible.
- A study is being conducted concerning the water supply at Wilson Reservoir to determine if this water can be treated to be re-allocated for use by industrial and municipal units.
- The Water Office is working with Missouri and Oklahoma on tri-state issues, such as the movement of fresh water east from Kansas into Missouri.
- The Water Office is advocating the restoration of the Water Plan Fund. The Governor has recommended that the statutory transfer of \$6 million be restored.

Responding to questions from the Committee, Mr. Streeter noted that an irrigation transition project was adopted to extend the life of the Ogallala with original funding from federal grants; however, this money has not materialized and they are now looking at state funds. The amount of the unfunded liability is stable until the expiration date. The Water Office is not advocating the payment of the unfunded liability; however, the

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office is requesting funds be put in escrow so that the funds will be available when due. With regard to the degradation of the Kansas River, Mr. Streeter stated that studies show that what occurs at the reservoirs, as well as the Missouri River, have an impact on the Kansas River. At the present time, the U.S. Corp of Engineers controls the activity in the Kansas River, particularly the sand dredging operation. Mr. Streeter stated that the proposed \$2 million proposed to be expended in the budget, is for dredging in lakes as well as the Kansas River. Responding to another question concerning the dredging operation, Mr. Streeter noted that the Water Office believes that the U.S. Corp of Engineers has a responsibility to clean up the reservoirs, indicating also that the agency felt that the amount of state funds spent on dredging operations should be deducted from the unfunded liability. Mr. Streeter indicated that no negotiations have taken place at this time on the proposed purchase of the Circle K Ranch sale.

Mr. Streeter noted that he did not believe there is any strong influence from canoeists concerning dredging and other operations in the Kansas River. With reference to the irrigation transition project concerning the Colorado water rights settlement, Mr. Streeter stated that the Water Office is working closely with the Arkansas River Steering Committee for their recommendations. The Committee suggested that one-third of the Colorado water rights settlement should be used to address the upper Ark area issue.

In response to a question from the Committee, Earl Lewis, Kansas Water Office, stated that most of the reservoirs in Kansas are on schedule as pertains to the siltation rate; however, Perry Reservoir is ahead of schedule. At the present time, Big Hill, Hillsdale, Milford and Perry reservoirs are still within their settlement storage areas as determined at the time of construction.

The Chair thanked Mr. Streeter for his testimony.

Representative Light reported on the Public Safety Budget Committee's recent tours to observe the Kansas Juvenile Correctional Complex and the Lansing Correctional Facility.

The meeting was adjourned at 10:30 a.m. The next meeting will be on call of the Chair.