Date

MINUTES OF THE HOUSE AGRICULTURE AND NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairman Larry Powell at 3:30 p.m. on March 3, 2009, in Room 783 of the Docking State Office Building.

All members were present.

Committee staff present:

Mike Corrigan, Office of the Revisor of Statutes Corey Carnahan, Kansas Legislative Research Department Raney Gilliland, Kansas Legislative Research Department Pat Matzek, Committee Assistant

Conferees appearing before the Committee:

Terry Holden, National Director-Government Relations, Kansas Farm Bureau John Donley, Assistant General Counsel, Kansas Livestock Association Elmer Ronnebaum, General Manager, Kansas Rural Water Association Robert Krehbiel, on behalf of the Kansas Independent Oil & Gas Association

Others attending:

See attached list.

Chairman Powell opened the meeting with introduction of Terry Holden, National Director-Government Relations, Kansas Farm Bureau.

Hearing on:

SB 64 - Water appropriation act amendments.

Proponents:

Terry Holden, National Director-Government Relations, Kansas Farm Bureau, (KFB) (<u>Attachment 1</u>) spoke in favor of <u>SB 64</u>, stating its membership across the state regularly encounters the Division of Water Resources in matters relative to the application process for and maintenance of water rights. Mr. Holden further documented that the applications that cause KFB great concern have been held by the division at times when the record clearly indicates that no landowner consent had been given, and even approved, again without any showing of legal access to the property in question. KFB believes Section 4 of the bill provides the simple procedural fix to resolve the situation by requiring a showing of legal access or control of the point of diversion and place of use.

John Donley, Assistant General Counsel, Kansas Livestock Association, (KLA) (<u>Attachment 2</u>) spoke in favor of <u>SB 64</u>, documenting it is KLA's belief that the Division of Water Resource's existing regulation with the time limitations imposed in K.S.A. 82a-710 does not allow for the application for a water right to be halted indefinitely while a water district or other entity goes to court to force their way onto the land. Mr. Donley further documented that an entity should not have the ability to file for an application for appropriation before having legal access to the land. Section 4 of this bill ensures that parties applying for a water appropriation permit must, at the very least, be up front about the fact that they plan to acquire water from the landowner's property.

Opponent:

Elmer Ronnebaum, General Manager, Kansas Rural Water Association, (<u>Attachment 3</u>) presented testimony in opposition of <u>SB 64</u>, stating for the same reasons that the right to use eminent domain is necessary for road, bridge and sewer projects, it is equally important that water systems have access to this inherent governmental power. Mr. Ronnebaum further commented that recently, agencies and Kansas Rural Association met with a public wholesale district from southeastern Kansas that presently does not have access to a point of diversion to develop a surface water treatment source, which is one example where <u>SB 64</u> could present some unintended consequences.

Neutral:

CONTINUATION SHEET

Minutes of the House Agriculture And Natural Resources Committee at 3:30 p.m. on March 3, 2009, in Room 783 of the Docking State Office Building.

Robert Krehbiel, presented neutral testimony on behalf of the Kansas Independent Oil & Gas Association (KIOGA) (<u>Attachment 4</u>), explaining that the KIOGA represents over 1,400 members who engage in the exploration, production, and servicing of oil and natural gas wells throughout the State of Kansas. Mr. Krehbiel further documented that when the bill was amended to include subsection (g) of Section 4, it created some question as to the impact it would have on KIOGA; therefore, they are requesting to develop clarifying language with the Kansas Livestock Association and the Water Division to address this issue.

Questions were asked and comments were made.

Lane Letourneau, Program Manager, Department of Agriculture, also answered questions from member of the Committee.

The hearing was closed on **SB 64**.

The next meeting is scheduled for March 4, 2009.

The meeting was adjourned at 4:05 p.m.