

SESSION OF 2015

SUPPLEMENTAL NOTE ON SENATE BILL NO. 156

As Amended by Senate Committee on Natural Resources

Brief*

SB 156, as amended, would add the operation and maintenance of stateline groundwater gage sites in the Arkansas River basin as a priority expenditure from the Arkansas River Gaging Fund (Fund).

The bill would increase the cap on the amount of funding received from oil and gas lease royalties in five counties from \$75,000 to \$95,000.

Background

The bill was introduced by the Senate Committee on Natural Resources.

At the Senate Committee hearing on the bill, proponents included a representative of the Kansas Department of Agriculture (KDA) and the Executive Director of Groundwater Management District (GMD) No. 3. A representative of the Kansas Livestock Association (KLA) provided testimony in opposition to the bill.

The Executive Director of GMD No. 3 stated there are gages already in the Arkansas River basin that measure Kansas water supply, but the addition of stateline groundwater gages would provide further data regarding water quality and quantity. The Executive Director stated the GMD has a strong interest in monitoring the water coming

*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>

from Colorado because of recent groundwater developments in the Southeast part of the state that may impact the water that Kansas is due from the Arkansas River Compact.

The KLA representative stated the KLA was not opposed to adding additional gages in the Arkansas River basin, but the KLA opposed the possibility of losing funding for livestock auction market reports, which would have a lower funding priority from the Fund as a result of the passage of the bill. The KLA representative stated the livestock auction market reports costs approximately \$20,000, all from the Fund, per year.

The Senate Committee amended the bill to increase the cap on the Fund from \$75,000 to \$95,000.

The fiscal note prepared by the Division of the Budget states the KDA indicates the passage of the bill, as introduced, could increase expenditures from the Fund by \$22,896 in FY 2016. This estimate is based on the current cost-share funding agreement between the U.S. Geological Survey (USGS) and GMD No. 3 for operating three existing gages at \$7,632. The KDA could take over the responsibility for funding these gages from GMD No. 3; however, it is unclear whether or not USGS would continue the cost-share agreement with the KDA. If the KDA did assume responsibility for funding the gages and the USGS discontinued the cost-share agreement, the cost to the Fund would total \$35,001, based on a cost of \$11,667 per gage. Any fiscal effect associated with the bill is not reflected in *The FY 2016 Governor's Budget Report*.