

To: Chairman Hoffman

Members of the House Committee on Agriculture

From: Darci Meese, Manager Legal/Government Relations

WaterOne (Water District No. 1 Johnson County)

Date: March 7, 2017

RE: Neutral Testimony—Senate Bill 60

On behalf of WaterOne, I am submitting neutral testimony with regards to Senate Bill 60 related to fees on fertilizer and agricultural chemicals. There is only one particular portion of the bill I would like to address and that is the decrease of the amount of the fertilizer registration fee that is dedicated to the State Water Plan Fund.

As many of you are aware, the House Water & Environment Committee was created to address the current anemic state of the Kansas Water Plan Fund. Stakeholders and members of the Committee have worked together since the beginning of the Legislative session to develop possible solutions to infuse more money into the Water Plan. Today the fund stands at around \$13 million and comes solely from a combination of user fees. There is also a statutorily required \$6 million General Fund Transfer and the \$2 million EDIF transfer into the Plan, but these transfers have not been made in several years. The Kansas Water Authority previously identified \$55 million in necessary work to meet the goals and objectives of the Governor's Water Vision to address the future of water resources in our State.

While a solution has yet to be found to make up that large gap, the bills that have been put forward in the Water & Environment Committee have all been aimed at sources to increase funding. The stakeholders and committee members have not yet agreed on the solution, but there is complete agreement that there is a problem in lack of funding. To adopt a provision in Senate Bill 60 that will actually take away a portion of the existing Water Plan Fund is going the wrong direction.

As such, I would respectfully request this Committee remove the provision that would reduce the amount of fertilizer registration fee dedicated to the State Water Plan Fund.

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