

SESSION OF 2022

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2560

As Recommended by House Committee on
Agriculture

Brief*

HB 2560 would extend the sunset for the Water Right Transition Assistance Program (WTAP) from July 1, 2022, to July 1, 2030, (Section 2) and extend the sunset for various existing fees of the Pesticide and Fertilizer Program within the Kansas Department of Agriculture (KDA) from July 1, 2023, to July 1, 2028.

[*Note*: WTAP is a KDA program that seeks to reduce the consumptive use of water from areas with declining supply, *i.e.*, the Ogallala/High Plains Aquifer in west-central Kansas.]

The bill would extend the sunset of the following existing fees:

- Penalty fee for not paying an inspection fee within a 30-day period of registering any commercial fertilizer (Section 1);
- Application fee for a pesticide business license or renewal and additional fee for each uncertified individual employed by the applicant to apply pesticides (Section 3);
- Application fee for government agency registration for pesticide (Section 3);
- Registration fee for pest control technicians (Section 4);

*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>

- Examination fee and re-examination fee for an applicant for a commercial applicator's certificate (Section 5);
- Certificate fee for a certified private applicator (Section 6);
- Application fee for a chemigation user's permit (Section 7);
- Certification or certification renewal fee for a chemigation equipment operator (Section 8);
- Permit fee to appropriate water and to appropriate water for storage (Section 9);
- Application fee to change the place of use, the point of diversion, or the use made of the appropriated water; for a term permit to appropriate water; or for a term permit to appropriate water for storage (Sections 10-11);
- Field inspection fee (Section 12);
- Application fee to request an extension of time to complete the diversion works or perfect the water right or to reinstate a water right or a permit to appropriate water that has been dismissed (Sections 12); and
- Permit fee for temporary water use and extensions (Section 13).

Background

The bill was introduced by the House Committee on Agriculture at the request of a representative of KDA.

House Committee on Agriculture

In the House Committee hearing, representatives of KDA and Kansas Farm Bureau provided **proponent** testimony. The proponents stated the bill would extend the sunset of WTAP, which to-date has had 25 enrollments and through which \$3.6 million of state funds have been expended to permanently retire 7,089 acre-feet of annual water appropriation rights and 2,549 acre-feet of historic consumptive use. In addition, a total of 30 irrigation wells and 5,182 irrigated acres have been voluntarily dismissed. The proponents also noted that while the sunsets for the various Pesticide and Fertilizer Program fees would be extended, the fees themselves would not increase, but remain the same amounts.

Written-only proponent testimony was provided by representatives of the Kansas Cooperative Council and Western Kansas Groundwater Management District #1.

A representative for the Kansas Agribusiness Retailers Association and Kansas Grain and Feed Association provided neutral testimony, stating some Kansas fees are already higher than surrounding states' fees, but acknowledging that fees are not increased in the bill.

There was no other testimony.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, the bill would have no measured effect on expenditures or revenues of the KDA; however, if the bill is not enacted, there would be a significant fiscal impact to the agency. Any fiscal effect associated with the bill is not reflected in *The FY 2023 Governor's Budget Report*.

Kansas Department of Agriculture; Water Right Transition Assistance program; Pesticide and Fertilizer program; sunset; fees