

Senate Subcommittee Report

Agency: Kansas Department of Health and Environment – Division of Environment **Bill No.** HB 2273

Bill Sec. 53

Analyst: Leopold

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Budget Page No. 264

Expenditure Summary	Agency Request FY 2024	Governor Recommendation FY 2024	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 34,364,972	\$ 4,364,972	\$ 0
Federal Funds	61,565,354	61,565,354	0
Other Funds	50,614,161	50,614,161	0
<i>Subtotal</i>	<i>\$ 146,544,487</i>	<i>\$ 116,544,487</i>	<i>\$ 0</i>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	30,875,000	30,875,000	0
Other Funds	0	0	0
<i>Subtotal</i>	<i>\$ 30,875,000</i>	<i>\$ 30,875,000</i>	<i>\$ 0</i>
TOTAL	<u>\$ 177,419,487</u>	<u>\$ 147,419,487</u>	<u>\$ 0</u>
FTE positions	488.0	488.0	0.0

Agency Request

The agency requests Division of Environment FY 2024 expenditures of \$177.4 million, including \$34.4 million SGF. This is an all funds increase of \$24.0 million, or 15.6 percent, including an SGF decrease of \$2.4 million, or 6.6 percent, from the Division's FY 2023 revised estimate. The agency's request includes the following adjustments.

- **ENHANCEMENT REQUEST – LOCAL ENVIRONMENTAL PROTECTION PROGRAM (LEPP).** The agency is requesting \$250,000, all from the State Water Plan Fund, to increase available funding and technical assistance to enable local authorities to develop water protection plans.
- **ENHANCEMENT REQUEST – STREAM TRASH REMOVAL.** The Bureau of Water is requesting \$50,000, all from the State Water Plan Fund, for FY 2024 for a pilot effort to remove and keep trash out of Kansas rivers. These funds will support clean-up efforts such as grants to conduct stream cleanup efforts and capture trash before it discharges into the stream.
- **ENHANCEMENT REQUEST – SMALL TOWN INFRASTRUCTURE ASSISTANCE.** The Bureau of Water is requesting \$30.0 million in FY 2024 to support technical assistance and drinking water and sewer system upgrades for towns with less than 500 population. The funding will be used to initiate a grant program to provide small

towns with technical and financial assistance in improving their drinking water and sewer infrastructure and returning them to compliance.

- **ENHANCEMENT REQUEST – LABORATORY EQUIPMENT.** The KDHE laboratory is requesting \$280,000 SGF for FY 2024 to fund the ongoing retirement and replacement of aging laboratory equipment. The laboratory plans to replace instruments used to perform drinking water testing.
- **LABORATORY CONSTRUCTION.** The agency's revised request has a decrease of \$32.5 million SGF for one-time expenditures that were included in the FY 2023 revised estimate and not included in the FY 2024 request. The FY 2024 request includes an increase of \$30.9 million in federal funds for laboratory construction in FY 2024.

Governor's Recommendation

The **Governor** recommends FY 2024 Division of Environment expenditures totaling \$147.4 million, including \$4.4 million SGF. This is a decrease of \$30.0 million, all SGF, below the agency's FY 2024 request. This decrease is due to the Governor not recommending the agency's enhancement request for small town infrastructure assistance.

The Governor did recommend funding the agency's enhancement requests for Stream trash removal, local environment protection program, and replacement laboratory equipment.

The Senate Agriculture and Natural Resources Committee Recommendation

The **Committee** concurs with the Governor's recommendation for FY 2024.

Senate Committee Recommendation

The **Senate Committee** concurs with the Committee's recommendation for FY 2024.

House Budget Committee Report

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Expenditure Summary	Agency Request FY 2024	Governor Recommendation FY 2024	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 34,364,972	\$ 4,364,972	\$ 400,000
Federal Funds	61,565,354	61,565,354	0
Other Funds	50,614,161	50,614,161	0
<i>Subtotal</i>	<i>\$ 146,544,487</i>	<i>\$ 116,544,487</i>	<i>\$ 400,000</i>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	30,875,000	30,875,000	0
Other Funds	0	0	0
<i>Subtotal</i>	<i>\$ 30,875,000</i>	<i>\$ 30,875,000</i>	<i>\$ 0</i>
TOTAL	\$ 177,419,487	\$ 147,419,487	\$ 400,000
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- **ENHANCEMENT REQUEST – LOCAL ENVIRONMENTAL PROTECTION PROGRAM (LEPP).** The agency is requesting \$250,000, all from the State Water Plan Fund, to increase available funding and technical assistance to enable local authorities to develop water protection plans.
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replacement of aging laboratory equipment. The laboratory plans to replace instruments used to perform drinking water testing.

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Governor's Recommendation

The **Governor** recommends FY 2024 Division of Environment expenditures totaling \$147.4 million, including \$4.4 million SGF. This is a decrease of \$30.0 million, all SGF, below the agency's FY 2024 request. This decrease is due to the Governor not recommending the agency's enhancement request for small town infrastructure assistance.

The Governor did recommend funding the agency's enhancement requests for Stream trash removal, local environment protection program, and replacement laboratory equipment.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation for FY 2024 with the following adjustment:

1. Add \$400,000 SGF and add language requiring KDHE to submit a preliminary report on the effects of commercial or industrial transmission lines, wind turbines, solar arrays and hydrogen hubs study in FY 2024 and a final report in FY 2025. In addition, add language prohibiting KDHE from issuing permits/certifications for commercial or industrial transmission lines, wind turbines, solar arrays and hydrogen hubs in FY 2024 and FY 2025.

House Committee Recommendation

The **Committee** concurs with the Budget Committee's recommendation for FY 2024 with the following adjustment:

1. Delete the Budget committee recommendation that requires KDHE to submit reports on an environmental study and prohibits KDHE from issuing permits/certifications for new projects.