



Since 1894

To: The Senate Agriculture Committee
Senator Mark Taddiken, Chair

From: Mike Beam, Kansas Livestock Association

Re: **Testimony in support of House Bill No. 2516, a bill making the water banking act permanent.**

Date: March 6, 2012

The Kansas Livestock Association (KLA), formed in 1894, is a trade association representing over 5,300 members on legislative and regulatory issues. KLA members are involved in many aspects of the livestock industry, including seed stock, cow-calf and stocker production, cattle feeding, dairy production, grazing land management and diversified farming operations.

The Kansas Livestock Association (KLA) was a proponent of legislation in 2000 to authorize water banks in Kansas. KLA continues to support this program and encourages the 2012 legislature to amend the statute (by passing HB 2516) and repeal subsection (c), which limits the number of water banks to one groundwater bank and one surface water bank.

The water banking concept originated from the Water Protection Association of Central Kansas (Water PAC) members' efforts to reduce water use in the Middle Arkansas Sub basin. The water banking concept was also recommended by the Kansas Water Authority as a potential strategy to use a market base approach to reducing and conserving water. Despite the support for this concept, the 2000 Kansas Legislature chose to limit the number of banks until the state could assess its use and gauge the level of demand for additional water banks.

We believe it's time to repeal these restrictions and allow additional water banks to submit proposals to the Division of Water Resources.

Please note there are several safe guards in the water banking statute. Most notably, the act requires (a) the bank's charter to be approved by the chief engineer; (b) the charter is to ensure the bank will not result in an impairment of existing water rights; (c) the charter must ensure the total amount of groundwater leased each year does not exceed 90% of the historic average annual amount pumped; and (d) any amendment to the water bank's charter must be approved by the chief engineer.

In summary, KLA supports the passage of HB 2516 and encourages the committee to recommend the bill favorably for passage.