

MINUTES OF THE HOUSE AGRICULTURE AND NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairman John Faber at 3:30 P.M. on January 31, 2008, in Room 783 of the DSOB.

All members were present except:

Representative Vaughn Flora - excused

Committee staff present:

Raney Gilliland, Kansas Legislative Research Department

Hank Avila, Kansas Legislative Research

Gordon Self, Revisor of Statutes

Kristen Kellems, Revisor of Statutes

Florence Deeter, Committee Assistant

Conferees appearing before the committee:

David Barfield, Chief Engineer, Division of Water Resources, Kansas Department of Agriculture

Senator Mark Taddington, District #21, Chairman of the Senate Agriculture Committee

Tracy Streeter, Director, Kansas Water Office

Pat Lehman, Northwest Kansas Groundwater Management District #4

Leslie Kaufman, Executive Director, Kansas Cooperative Council

Brad Harrelson, State Policy Director, Kansas Farm Bureau

Mary Jane Stankiewicz, Vice President and Chief Legal Counsel, Kansas Grain and Feed

Association, and Kansas Agribusiness Retailers Association

Others attending:

See attached list.

Hearing on Sub for SB 89 - Republican River, disposition of litigation moneys

The Chair opened the hearing for **Sub SB 89** and welcomed David Barfield, Chief Engineer, Division of Water Resources, Kansas Department of Agriculture (KDA), who commented that the bill is similar to legislation passed in 1996 to address the receipt and expenditure of moneys from Colorado for their violations of the Arkansas River Compact (Attachment 1). He said the bill would establish two new funds in the state treasury and direct where moneys would be credited if damages are recovered in a settlement from the Republican River Compact litigation; the funds: the existing interstate Water Litigation Fund; a new Republican River Compact Compliance and Enforcement Fund; and a new Republican River Water Conservation Projects Fund. He noted the importance of maintaining the Interstate Water Litigation Fund to demonstrate that Kansas is prepared to defend its water rights agreements, the latter of the two new funds administered by the Kansas Water Office, the former by the KDA.

Mr. Barfield commented that 2006 was the first year of measuring Nebraska's compliance with the settlement, a measurement which determined that Nebraska used 82,240 acre-feet more water than they were entitled to in 2005 and 2006. He stated that passing the bill sends a clear message that Kansas is serious about enforcing its water compacts. Observing that the U.S. Supreme Court upheld Kansas water rights, he stated that in the short term Kansas will receive monetary compensation, and he hopes that long-term the Republican River will receive more water. Mr. Barfield referred to a fact sheet from the Kansas Department of Agriculture (KDOA) providing some pertinent information of the Republican River Compact Enforcement (Attachment 2).

Senator Taddington, District 21, and Chairman of Senate Agriculture Committee, requested the members to consider for discussion, not putting any moneys into the State litigation fund if monitoring funds are set aside for use.

Tracy Streeter, Director, Kansas Water Office, testified in support of the bill (Attachment 3). Noting that Kansas' first priority is the delivery of water according to the terms of the Final Settlement Stipulation, he approved the proposed framework for funding to conserve and wisely utilize water; he recommended an amendment to the bill, including a provision to credit additional monies to the Litigation Fund and to strike Section 1 of the bill.

CONTINUATION SHEET

MINUTES OF THE House Agriculture and Natural Resources Committee at 3:30 P.M. on January 31, 2008, in Room DSOB 783 of the Capitol.

Pat Lehman, Northwest Kansas Groundwater Management District #4 (GMD4), spoke as a proponent of the bill, listing details of the bill that provide funding for initiatives supported by GMD4 (Attachment 4). He noted that a grass-roots group called the Upper Republican River Basin Conservation Projects Alliance also supports the bill.

Leslie Kaufman, Executive Director, Kansas Cooperative Council, said the Council has been involved with water issues during the past few years and supports the what the bill intends to accomplish (Attachment 5). She commended implementing a basic framework for distribution and utilization of monetary damages. Noting the Council's programs to transition farmland from irrigation to dryland farming, she recommended the following wording be added to page 3, line 4: "*(9) purchase, lease or other acquisition of a water right under a program that does not prohibit continued agricultural production, and . . .*"

Brad Harrelson, State Policy Director, Kansas Farm Bureau, also spoke in support of the bill, commending the foresight of the legislature to have a plan in place in dealing with the Republican River Compact (Attachment 6). He suggested that the Director of the Water Office and the Chief Engineer review projects and assign priorities in relation to those directly affected by Colorado and Nebraska's failure to fulfill the terms of the compact agreement.

Mary Jane Stankiewicz, Vice President and Chief Legal Counsel, Kansas Grain and Feed Association, and Kansas Agribusiness Retailers Association, provided written testimony revealing the associations have been active participants in discussing water rights (Attachment 7). Commenting on her support for future litigation costs, she noted that Nebraska has been willing to enter negotiations because of Kansas' monetary preparations. Her testimony commends the Committee for proposing the bill.

The Chairman closed the hearing on **Sub SB 89**. The meeting was adjourned at 4:25 p.m. The next meeting is scheduled for February 4, 2008.