

February 29, 2012

The Honorable Carl Holmes, Chairperson  
House Committee on Energy and Utilities  
Statehouse, Room 174-W  
Topeka, Kansas 66612

Dear Representative Carl Holmes:

**SUBJECT:** Fiscal Note for HB 2750 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2750 is respectfully submitted to your committee.

HB 2750 would amend current law regarding the responsibility for maintenance of abandoned wells. The bill would remove the operator of the lease upon which an abandoned well is located as a category of responsible parties to plug abandoned wells and replaces it with the person responsible for the physical control of a well. The program responsible for the plugging of abandoned gas and oil wells is the Conservation Program of the Kansas Corporation Commission (KCC).

The passage of HB 2750 could have a fiscal effect for the Kansas Corporation Commission because the bill would require the KCC to seek a broader scope of responsible parties for the physical control of a well when determining responsible parties. For FY 2013, the KCC would not require additional resources; however, in subsequent years, it is possible that an increase in expenditure authority may be needed to manage the expanded role involved in determining responsible parties.

Sincerely,



Steven J. Anderson, CPA, MBA  
Director of the Budget

cc: Tom Day, KCC