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Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

January 31, 2012

The Honorable Larry Powell, Chairperson House Committee on Agriculture and Natural Resources Statehouse, Room 149-S Topeka, Kansas 66612

Dear Representative Powell:

SUBJECT: Fiscal Note for HB 2517 by House Committee on Agriculture and Natural Resources

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2517 is respectfully submitted to your committee.

HB 2517 would make the Water Transition Assistance Program, a five-year pilot program that was administered by the former State Conservation Commission, a permanent program to be administered by the Department of Agriculture, Division of Conservation. The bill would allow for more "partial" water right retirements, and state funding for the program could be matched with federal funds and local groundwater conservation program funds.

The Department of Agriculture indicates that the Kansas Water Authority would establish a plan to fund the program from the State Water Plan Fund. The bill, however, simply makes the pilot project permanent so the fiscal effect would be subject to appropriations by the Legislature. Any fiscal effect associated with HB 2517 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,

Steven J. Anderson, CPA, MBA

Director of the Budget