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Shawn Sullivan, Director of the Budget

Sam Brownback, Governor

January 23, 2015

The Honorable Larry Powell, Chairperson Senate Committee on Natural Resources Statehouse, Room 237-E Topeka, Kansas 66612

Dear Senator Powell:

SUBJECT: Fiscal Note for SB 36 by Senate Committee on Natural Resources

In accordance with KSA 75-3715a, the following fiscal note concerning SB 36 is respectfully submitted to your committee.

SB 36 would make two changes to current law regarding multi-year flex accounts (MYFA) administered through the Kansas Department of Agriculture. The MYFA is authorized by a five-year term permit. First, the bill would allow the holder of a MYFA to make a small adjustment in the place of use. Current law excludes any change to a term permit. Second, the bill would allow the user to roll any unused water that is less than or equal to the one-year calculation of a MYFA quantity into the next MYFA if the owner would choose to re-enroll. This one-year quantity would be capped, and not allowed to exceed five times the authorized quantity of the base water right.

The Department of Agriculture indicates that the passage of SB 36 could result in additional enrollees because of the increased flexibility of the program; however, the Department is unable to estimate any increase in revenue or expenditures at this time.

Sincerely,

Shawn Sullivan,

Director of the Budget

cc: Justin Law, Agriculture