

SESSION OF 2019

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 152**

As Amended by Senate Committee on  
Agriculture and Natural Resources

**Brief\***

SB 152, as amended, would direct the Secretary of Health and Environment (Secretary) to deposit the following fees in the Water Program Management Fund (Fund):

- Water well contractor applications and licenses;
- Class 1 underground injection control well permitting, monitoring, testing, inspection, and regulation (new fee); and
- Water supply system and wastewater treatment facilities.

The bill would also establish the application and license fees for water well contractors at a maximum of \$100.

The bill would authorize the Secretary to remit revenue from the established fees (as well as continuing fees in law) to the State Treasurer who, upon receipt of the funds, shall deposit the entirety of the funds to the credit of the Fund. [Note: Current law requires remittance to the State General Fund (SGF).]

The bill would require the Secretary to adopt rules and regulations to establish fees for:

- The permitting, monitoring, testing, inspecting, and regulating of class 1 underground injection control

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

wells not to exceed \$400, except for the per facility fee which could not exceed \$4,000; and

- Applications for licenses for individual well operators in Kansas not to exceed \$125.

## **Background**

The bill was introduced by the Senate Committee on Agriculture and Natural Resources at the request of Senator Taylor on behalf of the Kansas Department of Health and Environment (KDHE) on February 11, 2019.

In the Senate Committee hearing on February 19, 2019, a representative of the KDHE testified as a proponent. The representative testified that the bill does not establish fees, but gives KDHE the authority to establish fees and redirects fees from the SGF to KDHE fee funds. A representative of ONEOK, Inc. provided neutral testimony. No opponent testimony was provided.

The Senate Committee amended the bill to permit KDHE to establish fees for the permitting, monitoring, testing, inspecting, and regulating of class 1 underground injection control wells not to exceed \$400, except for the per facility fee which could not exceed \$4,000. In addition, the Committee amended the bill to authorize KDHE to establish fees for individual well operators at a maximum of \$125 per year. The Committee also amended the bill to establish a cap of the water well contractor license fee at a maximum of \$100.

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the KDHE indicates the bill would have a net fiscal effect of increasing fee revenue by \$11,500 (the bill would redirect revenue from the SGF to the Fund and therefore the KDHE would no longer deposit \$47,000 of revenue into the SGF and would no longer receive an appropriation of \$35,500). Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2020 Governor's Budget Report*.