

## MINUTES OF THE SENATE NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairman Carolyn McGinn at 7:30 a.m. on March 13, 2007, in Room 231-N of the Capitol.

All members were present.

Committee staff present:

Raney Gilliland, Kansas Legislative Research Department

Art Griggs, Revisor of Statutes Office

Judy Holliday, Committee Assistant

Conferees appearing before the committee:

Others attending:

See attached list.

Chairman McGinn opened the hearing on **SB 123, Establishment of upper Arkansas river conservation reserve enhancement program (CREP)**. Chairman McGinn told the Committee that the Subcommittee on CREP had met on Monday, March 12 to discuss and combine the many amendments into one balloon amendment, copies of which were passed to each Committee member (Attachment 1).

Chairman McGinn read the provisions of the balloon amendment. The criteria of this amendment to the CREP program includes: a provision that the total number of acres enrolled in CREP shall not exceed 100,000; that no CREP acre can go in unless a CRP acre has gone out, so there's no net gain of idle acres; lands enrolled in CRP as of January 1, 2007, are not eligible to be enrolled in CREP; no more than 25% of the acreage in CREP can be in any one county; only water rights in good standing are eligible for CREP; and various oversight provisions under the authority of the State Conservation Commission.

The Revisors Office advised Chairman McGinn that there was a motion passed last week to accept the balloon as amended, so the Committee would need to adopt a substitute for that balloon amendment before this one could be adopted.

After discussion, Senator Lee made a motion to adopt the substitute balloon on SB 123, seconded by Senator Francisco. The motion carried.

There was discussion on the water rights and violations by persons who overpump the amount allowed, but are not penalized. There was consensus that there is no way for the Committee to know the percentage of those pumping water in the area who actually overpump and thus would not be eligible to enroll in the CREP program. Chairman McGinn told the Committee that she would be willing to work with members on a bill stiffening the penalties for overpumping and use the money to start checking people who are overpumping.

Some Committee members expressed concern about the lack of language in the bill dealing with production agriculture and that without the specific language they could not support the bill. It was noted that some farmland was put into the CRP program that should never have been taken out of production, and putting that land back into production would offset any acreage put into the CREP program. There was discussion about leaving the business decisions to the individual farmers who voluntarily put their land into CREP, and not have the Legislature make that decision. With the current prices as incentive to produce more grain, fewer acres will be left out of production. There was discussion on the biomass plant and the ethanol plant being proposed for construction in two of the CREP areas, taking prime farm land out of production.

Senator Huelskamp offered another amendment to the balloon and made a motion, seconded by Senator Ostmeyer, to amend the balloon. There was more discussion on working the current bill as amended, or on waiting another year and coming back with a bill giving stronger support for the provision allowing dryland production. Some Committee members expressed the opinion that the amendment killed the program for this year.

Mike Beam, Director, Kansas Livestock Association, passed copies to the Committee of the current CRP enrollment in the proposed Arkansas River CREP corridor (Attachment 3).

CONTINUATION SHEET

MINUTES OF THE Senate Natural Resources Committee at 7:30 a.m. on March 13, 2007, in Room 231-N of the Capitol.

Senator Bruce made a motion to adopt a conceptual amendment to **SB 123** to require that only one acre of CREP can be enrolled after two acres are unenrolled in CRP unless the federal government allows dryland farming on CREP acres, at which time one acre of CREP may be enrolled after one acre of CRP is unenrolled. Senator Lee seconded the motion. The question was called. A voice vote was taken, followed by a show of hands. The motion passed. Senator Ostmeyer asked that he be recorded as voting against the amendment.

Senator Huelskamp offered another amendment (Attachment 4), and after discussion by the Committee, withdrew the amendment.

Senator Wysong made a motion to move **SB 123** as amended out of Committee, seconded by Senator Francisco. The motion carried.

The meeting adjourned at 8:40 a.m.