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Connie Owen, Director

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**Before the
Senate Agriculture and Natural Resources Committee
Kansas Water Office Budget
Connie Owen, Director
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Chairman Kerschen and members of the committee, thank you for the opportunity to appear before you today to discuss the FY 2022 budget of the Kansas Water Office. I am Connie Owen, Director of the Kansas Water Office.

Overview

First I would like to thank you for the action you took during the 2020 legislative session to increase State Water Plan funding. The 2020 Kansas Legislature's action to partially restore the statutory \$6 million State General Fund and \$2 million Economic Development Initiatives Fund (EDIF) demand transfers to the State Water Plan Fund demonstrates your commitment to protecting the state's water resources. Due to the impacts of COVID-19, budget allotments reduced the State Water Plan Fund appropriation in FY 2021. As we are all aware, the term "essential" has taken on new meaning over the past year. Access to a reliable, safe water supply is essential to all Kansans. The priority projects and initiatives funded by the State Water Plan Fund are aimed at ensuring the water supply needs of the state are met now and into the future.

The Kansas Water Office budget is comprised of primarily three sources: the State General Fund (SGF), user fees from our Water Marketing and Water Assurance programs, and the State Water Plan Fund. Today I will talk about a proposed supplement to the State Water Plan Fund (SWPF) as recommended by the Kansas Water Authority to implement the Vision and State Water Plan. I will also discuss the agency's FY 2022 reduced budget to implement a 10% reduction in SGF. This reduction will result in the agency leaving 1.5 vacant positions open in FY 2022.

A detailed Agency Budget Overview is provided to outline the primary three sources of funds within the Kansas Water Office agency.

State General Fund

The SGF supports 9.5 positions and associated overhead, travel, and expenses. The expenses for the 13 members of the Kansas Water Authority are also funded through the SGF. For FY 2021 the Kansas Water Office SGF appropriation is \$1,017,121. The Governor's recommendation for FY 2022 is \$922,239.

Public Water Supply Program

The Water Marketing, Water Assurance and Access District programs are contained within the Public Water Supply Program within the Kansas Water Office budget. Revenue from these programs fund 10.5 positions and associated overhead, travel, and expenses. Administration and Enforcement accounts for roughly \$1 million of program expenditures. The balance of the revenue and expenditures are passed through to the U.S. Army Corps of Engineers for debt service and operation and maintenance expenses. These represent approximately \$5.2 million in FY 2021 and \$5.6 million in FY 2022.

State Water Plan Fund

The Governor's recommendations for the current year make proposed changes to the Kansas Water Office SWPF appropriations. These changes, as included in the table on the following page, reflect the FY 2021 appropriations, FY 2020 reappropriated funds (Carry Forward) where applicable, and the July 2020 Governor's allotments. The Governor's SWPF budget recommendations for FY 2022 include \$4.5 million in demand transfers from the SGF and EDIF which is level from FY 2020 and FY 2021.

Page	KWO State Water Plan Fund Program/Project	FY 2020 Actuals	FY 2021 Approp. (SB66)	FY 2021 (SB66) w/ Carryforward	FY 2021 Adjusted*	FY 2022 Gov. Recs
9	Assessment and Evaluation	\$751,100	\$829,900	\$836,039	\$599,177	\$858,919
23	Flood Response Study			\$100,000	\$100,000	\$0
10	MOU - Storage Operation & Maintenance	\$448,893	\$480,100	\$480,490	\$586,452	\$526,081
11	Stream Gaging	\$413,580	\$423,130	\$432,680	\$413,580	\$423,130
12	Technical Assistance to Water Users	\$331,828	\$325,000	\$341,391	\$341,391	\$325,000
17	Vision Education Strategy	\$100,000	\$100,000	\$100,000	\$100,000	\$125,000
13	Reservoir and Water Quality Research	\$247,696	\$350,000	\$452,304	\$402,304	\$350,000
18	Water Technology Farms	\$70,875	\$75,000	\$79,125	\$79,125	\$200,000
19	Watershed Conservation Practice Imp	\$479,823	\$1,000,000	\$1,220,177	\$0	\$860,000
20	Equus Beds Chloride Plume Project	\$40,859	\$50,000	\$59,141	\$9,141	\$0
15	Milford Lake Watershed RCPP		\$200,000	\$400,000	\$400,000	\$200,000
21	Water Injection Dredging (WID)		\$660,000	\$660,000	\$150,000	\$125,000
22	Arbuckle Study			\$68,000	\$68,000	\$0
	<i>Subtotal--KWO</i>	<i>\$2,884,654</i>	<i>\$4,493,130</i>	<i>\$5,229,347</i>	<i>\$3,249,170</i>	<i>\$3,993,130</i>
	John Redmond Reservoirs Bonds	\$1,260,426	\$1,260,426	\$1,260,426	\$1,260,426	\$1,260,426
	Total--Kansas Water Office	\$4,145,080	\$5,753,556	\$6,489,773	\$4,509,596	\$5,253,556

*The "FY 2021 Adjusted" reflects the FY 2021 appropriations (per SB66), FY 2020 reappropriated funds (Carry Forward) where applicable, and the July 2020 Governor's allotments.

The SWPF FY 2022 recommendations for the Kansas Water Office include a portion of the agency's enhancement request totaling \$660,000 as follows: Assessment and Evaluation funding increase of \$200,000 to advance implementation of items discussed during the 2019 Special Committee on Natural Resources, including the Haysville Dewatering Project, basin-by-basin flood evaluation studies and other flood-related work; Water Technology Farms funding increase of \$100,000 to support continued development and enhancement of the program; and Watershed Conservation Practice Implementation funding increase of \$360,000 to expand financial assistance available to producers to implement conversation practices which reduce sediment runoff entering downstream reservoirs..

Additional details regarding the projects listed in the table are provided in the Agency Budget Overview on the indicated page.

Thank you again for the opportunity to appear today and I will be happy to stand for questions at the appropriate time.