

As Amended by House Committee

Session of 2005

HOUSE BILL No. 2017

By Representative Sloan

12-27

10 AN ACT concerning public water supply systems; relating to disposition
11 of certain fees; amending K.S.A. 2004 Supp. 82a-2101 and repealing
12 the existing section.
13

14 *Be it enacted by the Legislature of the State of Kansas:*

15 Section 1. K.S.A. 2004 Supp. 82a-2101 is hereby amended to read
16 as follows: 82a-2101. (a) On and after January 1, 2002, there is hereby
17 imposed a clean drinking water fee at the rate of \$.03 per 1,000 gallons
18 of water sold at retail by a public water supply system and delivered
19 through mains, lines or pipes. Such fee shall be paid, administered, en-
20 forced and collected in the manner provided for the fee imposed by sub-
21 section (a)(1) of K.S.A. 82a-954, and amendments thereto. The price to
22 the consumer of water sold at retail by any such system shall not include
23 the amount of such fee.

24 (b) (1) A public water supply system may elect to opt out of the fee
25 imposed by this section by notifying, before October 1, 2001, the Kansas
26 water office and the department of revenue of the election to opt out.
27 Except as provided by subsection (b)(2), such election shall be irrevoca-
28 ble. Such public water supply system shall continue to pay all applicable
29 sales tax on direct and indirect purchases of tangible personal property
30 and services purchased by such system.

31 (2) On and after January 1, 2005, any public water supply system
32 which elected to opt out of the fee imposed by subsection (a) may elect
33 to collect such fee as provided by subsection (a) and direct and indirect
34 purchases of tangible personal property and services by such system shall
35 be exempt from sales tax as provided by K.S.A. 79-3606, and amendments
36 thereto. Such election shall be irrevocable.

37 (c) The director of taxation shall remit to the state treasurer in ac-
38 cordance with the provisions of K.S.A. 75-4215, and amendments thereto,
39 all moneys received or collected from the fee imposed pursuant to this
40 section. Upon receipt thereof, the state treasurer shall deposit the entire
41 amount in the state treasury and credit ~~5/106~~ it as follows:

42 (1) ~~Before January 1, 2006,~~ ^{5/106} of such amount shall be credited to
43 the state highway fund and the remainder to the state general fund; and

1 (2) ~~on and after January 1, 2006, July 1, 2006,~~ ^{5/106} **of such amount**
2 **shall be credited to the state highway fund and the ~~entire~~ remaining**
3 *amount shall be credited to the state water plan fund created by K.S.A.*
4 *82a-951, and amendments thereto, for use as follows: (A) Not less than*
5 *15% shall be used to provide on-site technical assistance for public water*
6 *supply systems, as defined in K.S.A. 65-162a, and amendments thereto,*
7 *to aid such systems in conforming to responsible management practices*
8 *and complying with regulations of the United States environmental pro-*
9 *tection agency and rules and regulations of the department of health and*
10 *environment; and (B) the remainder shall be used to renovate and protect*
11 *lakes which are used, directly ~~or indirectly~~, as a source of water for such*
12 *public water supply systems, so long as where appropriate, watershed*
13 **restoration and protection practices are planned or in place.**
14 **(d) The state conservation commission shall promulgate rules**
15 **and regulations in coordination with the Kansas water office es-**
16 **tablishing the project application evaluation criteria for the use of**
17 **such moneys under subsection (c)(2)(B).**
18 Sec. 2. K.S.A. 2004 Supp. 82a-2101 is hereby repealed.
19 Sec. 3. This act shall take effect and be in force from and after its
20 publication in the statute book.