Session of 2008

## **SENATE Substitute for HOUSE BILL No. 2210**

By Committee on Agriculture

9 AN ACT concerning the Republican river; disposition of moneys recov-10 ered from certain litigation; establishing the Republican river water conservation projects - Nebraska moneys fund and the Republican 11 12 river water conservation projects — Colorado moneys fund. 13 14Be it enacted by the Legislature of the State of Kansas: 15Section 1. (a) Moneys recovered by the state of Kansas from the state 16of Nebraska to resolve disputes arising under the Republican river com-17pact shall be deposited in the state treasury and credited as follows: 100% of moneys from Nebraska shall be credited to the interstate 18 (1)19water litigation fund created by K.S.A. 82a-1802, and amendments 20thereto. The attorney general shall certify to the director of accounts and 21reports any expenses incurred by the state in any litigation brought by 22 the state of Kansas against the state of Nebraska to resolve disputes arising 23 under the Republican river compact and in preparation for such litigation. 24 On the effective date that such recovered moneys are credited to the 25interstate water litigation fund pursuant to this subsection (a)(1); 26First, the director of accounts and reports shall determine, after con-27 sulting with the attorney general, (A) the aggregate amount of such liti-28gation expenses that have been certified by the attorney general, and (B) 29 the amount that would be required to be transferred from the interstate 30 water litigation fund to the interstate water litigation reserve account of 31the state general fund so that the amount credited to the interstate water 32 litigation reserve account of the state general fund is equal to \$20,000,000; 33 Second, the director of accounts and reports shall determine the lesser 34 of the amount determined under clause (A) or the amount determined 35 under clause (B): 36 *Third*, if the amount determined under clause (A) is less than the 37 amount determined under clause (B), then the director of accounts and 38 reports shall transfer the amount equal to the amount determined under 39 clause (A) from the moneys credited to the interstate water litigation fund 40 pursuant to this subsection (a)(1) to the interstate water litigation reserve 41account of the state general fund; 42*Fourth*, if the amount determined under clause (B) is less than the 43 amount determined under clause (A), then the director of accounts and

1 reports shall transfer the amount equal to the amount determined under clause (B) from the moneys credited to the interstate water litigation fund 2 3 pursuant to this subsection (a)(1) to the interstate water litigation reserve account of the state general fund; and after the director of accounts and 4 reports has made such transfer, the director of accounts and reports shall  $\mathbf{5}$ determine the difference between the amount determined under clause 6 7 (B) and the amount determined under clause (A) and then, the director 8 of accounts and reports shall transfer the amount equal to such difference 9 from the remaining moneys credited to the interstate water litigation fund pursuant to this subsection (a)(1) to the state water plan fund created by 10K.S.A. 82a-951, and amendments thereto. 11 12(2) Once the director of accounts and reports has made the deter-13 minations prescribed by subsection (a)(1) and has made all transfers prescribed by subsection (a)(1), all moneys remaining recovered from Ne-1415braska shall be credited to the Republican river water conservation projects - Nebraska moneys fund as directed by subsection (c). 1617(b) Moneys recovered by the state of Kansas from the state of Col-18orado to resolve disputes arising under the Republican river compact shall be deposited in the state treasury and credited as follows: 1920(1) 100% of moneys from Colorado shall be credited to the interstate

(1) 100% of moneys from Colorado shall be credited to the interstate
water litigation fund created by K.S.A. 82a-1802, and amendments
thereto. The attorney general shall certify to the director of accounts and
reports any expenses incurred by the state in any litigation brought by
the state of Kansas against the state of Colorado to resolve disputes arising
under the Republican river compact and in preparation for such litigation.
On the effective date that such recovered moneys are credited to the
interstate water litigation fund pursuant to this subsection (b)(1);

28First, the director of accounts and reports shall determine, after con-29 sulting with the attorney general, (A) the aggregate amount of such liti-30 gation expenses that have been certified by the attorney general, and (B) 31 the amount that would be required to be transferred from the interstate 32 water litigation fund to the interstate water litigation reserve account of 33 the state general fund so that the amount credited to the interstate water 34 litigation reserve account of the state general fund is equal to \$20,000,000; 35 Second, the director of accounts and reports shall determine the lesser

of the amount determined under clause (A) or the amount determined under clause (B);

Third, if the amount determined under clause (A) is less than the amount determined under clause (B), then the director of accounts and reports shall transfer the amount equal to the amount determined under clause (A) from the moneys credited to the interstate water litigation fund pursuant to this subsection (b)(1) to the interstate water litigation reserve

43 account of the state general fund;

1 *Fourth*, if the amount determined under clause (B) is less than the 2 amount determined under clause (A), then the director of accounts and 3 reports shall transfer the amount equal to the amount determined under 4 clause (B) from the moneys credited to the interstate water litigation fund  $\mathbf{5}$ pursuant to this subsection (b)(1) to the interstate water litigation reserve account of the state general fund; and after the director of accounts and 6 7 reports has made such transfer, the director of accounts and reports shall 8 determine the difference between the amount determined under clause 9 (B) and the amount determined under clause (A) and then, the director of accounts and reports shall transfer the amount equal to such difference 10 from the remaining moneys credited to the interstate water litigation fund 11 12pursuant to this subsection (b)(1) to the state water plan fund created by 13 K.S.A. 82a-951, and amendments thereto.

(2) Once the director of accounts and reports has made the determinations prescribed by subsection (b)(1) and has made all transfers prescribed by subsection (b)(1), all moneys remaining recovered from Colorado shall be credited to the Republican river water conservation
projects — Colorado moneys fund as directed by subsection (d).

(c) There is hereby established in the state treasury the Republican
river water conservation projects - Nebraska moneys fund to be administered by the director of the Kansas water office.

(1) One-third of the money deposited to this fund shall be credited to the state water plan fund for use for water conservation projects, with priority given to conservation projects that directly enhance the ability of the state of Kansas to remain in compliance with the Republican river compact; and

(2) two-thirds of the money deposited in this fund shall be expended
only for conservation projects, utilization efficiency, administrative
requirements and delivery projects, and similar types of projects set forth
in subsection (e), in those areas of the state lying in the lower Republican
river basin between the Kansas/Nebraska border and Milford dam in all
or parts of Clay, Cloud, Dickinson, Geary, Jewell, Mitchell, Republic,
Riley, Smith and Washington counties.

(d) There is hereby established in the state treasury the Republican
river water conservation projects - Colorado moneys fund to be administered by the director of the Kansas water office.

(1) One-third of the money deposited to this fund shall be creditedto the state water plan fund for use for water conservation projects; and

(2) two-thirds of the money deposited in this fund shall be expended
only for conservation projects, utilization efficiency, administrative
requirements and delivery projects, and similar types of projects set forth
in subsection (e), in those areas of the state lying in the upper Republican
river basin in northwest Kansas in all or parts of Cheyenne, Decatur,

1 Norton, Phillips, Rawlins, Sheridan, Sherman and Thomas counties.

(e) The types of projects that may be funded under subsections (c) 2 3 and (d) include: (1) Efficiency improvements to canals or laterals managed and paid for by an irrigation district or projects to improve the 4 operational efficiency or management of such canals or laterals;  $\mathbf{5}$ 

water use efficiency upgrades; (2)

7 (3)implementation of water conservation of irrigation and other 8 types of water uses;

9 (4) implementation of water management plans or actions by water rights holders; 10

(5) water measurement flumes, meters, gauges, data collection plat-11 12forms or related monitoring equipment and upgrades;

13 artificial recharge, funding a water transition assistance program; (6)the purchase of water rights for stream recovery or aquifer restoration 1415and cost share for state or federal conservation programs that save water; 16maintenance of the channel and the tributaries of the Republican (7)17river;

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18(8)reservoir maintenance or the purchase, lease, construction or 19other acquisition of existing or new storage space in reservoirs;

(9)purchase, lease or other acquisition of a water right; and

expenses incurred to construct and operate off-stream storage. (10)

22Sec. 2. (a) Any person or entity may apply to the director of the 23 Kansas water office for expenditure of moneys in the Republican river water conservation projects - Nebraska moneys fund and the Republi-24 can river water conservation projects - Colorado moneys fund for the 2526purposes set forth in subsection (c) and (d) of section 1, and amendments 27 thereto. The director of the Kansas water office and the chief engineer 28of the Kansas department of agriculture, division of water resources shall 29 review and approve each proposed project for which moneys in either 30 fund will be expended. In reviewing and approving proposed projects the director and the chief engineer shall give priority to: (1) Projects needed 3132 to achieve or maintain compliance with the Republican river compact; (2) 33 projects that achieve greatest water conservation efficiency for the general 34 good; and (3) projects that have been required by the division of water 35 resources. Upon such review and approval, the director of the Kansas 36 water office shall request the legislature to appropriate, as a line item, 37 moneys from either fund to pay all or a portion of the costs for a specific 38 project, except that any project which an aggregate of less than \$10,000 39 will be expended from either fund shall not require a line item 40 appropriation.

(b) Interest attributable to moneys in the Republican river water con-4142servation projects - Nebraska moneys fund and the Republican river water 43

conservation projects - Colorado moneys fund shall be credited to the

state general fund as provided by K.S.A. 75-4210a, and amendments
 thereto.

3 (c) All expenditures from the Republican river water conservation 4 projects - Nebraska moneys fund and the Republican river water conser-

5 vation projects - Colorado moneys fund shall be made in accordance with6 appropriation acts upon warrants of the director of accounts and reports

7 issued pursuant to vouchers approved by the director of the Kansas water

8 office or a designee of the director of the Kansas water office.

9 Sec. 3. This act shall take effect and be in force from and after its 10 publication in the statute book.