

**SENATE SUBSTITUTE FOR HOUSE BILL No. 2133**

By Committee on Ways and Means

3-22

1 AN ACT concerning state funds; relating to moneys recovered from water  
2 litigation; relating to funding for local health departments; amending  
3 K.S.A. 65-242, 82a-1801 and 82a-1802 and K.S.A. 2010 Supp. 82a-  
4 1803, 82a-1804 and 82a-1805 and repealing the existing sections.

5  
6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. K.S.A. 65-242 is hereby amended to read as follows: 65-  
8 242. For the purpose of insuring that adequate public health services are  
9 available to all inhabitants of the state of Kansas, the state shall assist in  
10 the financing of the operation of local health departments. Subject to  
11 appropriations therefor, state financial assistance shall be distributed to  
12 local health departments as follows:

13 (a) First, each local health department shall, upon application  
14 therefor, receive \$7,000. If sufficient funds are not available to make this  
15 distribution, then the funds which are available shall be divided equally  
16 among those local health departments making application therefor.

17 (b) Second, if any funds are available after the distribution required in  
18 subsection (a), the secretary shall distribute such funds as follows:

19 (1) A figure equal to the total amount of state financial assistance  
20 available for distribution, before deduction for the distribution in  
21 subsection (a), shall be determined.

22 (2) The figure determined in paragraph (1) of this subsection shall be  
23 allocated to local health departments making application for assistance  
24 based on the proportion that the population of the county or counties  
25 comprising the local health department applying for such assistance bears  
26 to the total population of all counties comprising local health departments  
27 which have applied for such financial assistance.

28 (3) If any local health department making application for assistance  
29 would receive an amount equal to or less than \$7,000 using the formula in  
30 paragraph (2) of this subsection, then such department shall be paid in  
31 accordance with subsection (a) only. If any local health department  
32 making application for assistance would receive more than \$7,000 using  
33 the formula in paragraph (2) of this subsection, then such department shall  
34 be paid based on the proportion that the population served by the county or  
35 counties comprising such local health department bears to the total  
36 population of all counties comprising local health departments which have

1 made application for assistance, except for departments receiving funds  
2 under subsection (a), except that in no case shall the assistance distributed  
3 under this subsection (b) to a local health department exceed the amount  
4 that the local health department receives from local tax revenues for the  
5 county fiscal year in which the state financial assistance is paid.

6 (c) If local tax revenues allotted to a local health department for a  
7 fiscal year fall below the level of local tax revenues allotted to the local  
8 health department for the preceding fiscal year, the amount of state  
9 financial assistance under this act for which such local health department  
10 is eligible for the fiscal year shall be reduced by a ~~dollar amount~~  
11 *percentage* equal to the ~~dollar amount~~ *percentage* of reduction in local tax  
12 revenue for that fiscal year.

13 Sec. 2. K.S.A. 82a-1801 is hereby amended to read as follows: 82a-  
14 1801. (a) ~~Amounts~~ *All moneys* recovered by the state of Kansas from a  
15 ~~settlement, judgment or decree in the litigation brought in 1985 by the~~  
16 ~~state of Kansas against the state~~ *the states of Colorado or Nebraska* to  
17 resolve disputes arising under the Arkansas river compact *or the*  
18 *Republican river compact* shall be deposited in the state treasury and  
19 credited as follows:

20 (1) ~~Until the aggregate amount of moneys credited to the interstate~~  
21 ~~water litigation fund equals the aggregate of all amounts certified by the~~  
22 ~~attorney general under subsection (b), 100% shall be credited to the~~  
23 ~~interstate water litigation fund~~ *All moneys received from the state of*  
24 *Colorado in any litigation arising under the Arkansas river compact shall*  
25 *be remitted to the state treasurer in accordance with the provisions of*  
26 *K.S.A. 75-4215, and amendments thereto. Upon receipt of such remittance,*  
27 *the state treasurer shall credit:*

28 (A) *To the interstate water litigation fund, the amount equal to the*  
29 *total of 5% of the aggregate moneys received from the state of Colorado in*  
30 *such litigation plus the amount equal to the aggregate of any expenses*  
31 *incurred by the state, which are attributable to the deposit from any such*  
32 *litigation arising under the Arkansas river compact;*

33 (B) *one-third of all moneys remaining recovered from the state of*  
34 *Colorado in such litigation to the state water plan fund for use for water*  
35 *conservation projects, with priority given to conservation projects that*  
36 *directly enhance the ability of the state of Kansas to remain in compliance*  
37 *with the Arkansas river compact; and*

38 (C) *two-thirds of all moneys remaining recovered from the state of*  
39 *Colorado in such litigation to the Arkansas river water conservation*  
40 *projects fund.*

41 (2) ~~When the aggregate amount of moneys credited to the interstate~~  
42 ~~water litigation fund equals the aggregate of all amounts certified by the~~  
43 ~~attorney general under subsection (b), 33 1/3% shall be credited to the~~

1 ~~state water plan fund for use for water conservation projects and 66 2/3%~~  
 2 ~~shall be credited to the water conservation projects fund~~ All moneys  
 3 received from the state of Nebraska in any litigation arising under the  
 4 Republican river compact shall be remitted to the state treasurer in  
 5 accordance with the provisions of K.S.A. 75-4215, and amendments  
 6 thereto. Upon receipt of such remittance, the state treasurer shall credit:

7 (A) To the interstate water litigation fund, the amount equal to the  
 8 total of 5% of the aggregate moneys received from the state of Nebraska in  
 9 such litigation plus an amount equal to the aggregate of any expenses  
 10 incurred by the state, which are attributable to the deposit from any such  
 11 litigation arising under the Republican river compact;

12 (B) one-third of all moneys remaining recovered from the state of  
 13 Nebraska in such litigation to the state water plan fund for use for water  
 14 conservation projects, with priority given to conservation projects that  
 15 directly enhance the ability of the state of Kansas to remain in compliance  
 16 with the Republican river compact; and

17 (C) two-thirds of all moneys remaining recovered from the state of  
 18 Nebraska in such litigation to the Republican river water conservation  
 19 projects — Nebraska moneys fund.

20 (3) All moneys received from the state of Colorado in any litigation  
 21 arising under the Republican river compact shall be remitted to the state  
 22 treasurer in accordance with the provisions of K.S.A. 75-4215, and  
 23 amendments thereto. Upon receipt of such remittance, the state treasurer  
 24 shall credit:

25 (A) To the interstate water litigation fund, the amount equal to the  
 26 total of 5% of the aggregate moneys received from the state of Colorado in  
 27 such litigation plus an amount equal to the aggregate of any expenses  
 28 incurred by the state, which are attributable to the deposit from any such  
 29 litigation arising under the Republican river compact;

30 (B) one-third of all moneys remaining recovered from the state of  
 31 Colorado in such litigation to the state water plan fund for use for water  
 32 conservation projects, with priority given to conservation projects that  
 33 directly enhance the ability of the state of Kansas to remain in compliance  
 34 with the Republican river compact; and

35 (C) two-thirds of all moneys remaining recovered from the state of  
 36 Colorado in such litigation to the Republican river water conservation  
 37 projects — Colorado moneys fund.

38 (b) The attorney general shall certify to the director of accounts and  
 39 reports any expenses incurred by the state in ~~the~~ any litigation brought ~~in~~  
 40 ~~1985~~ by the state of Kansas against the ~~state~~ states of Colorado or  
 41 Nebraska to resolve disputes arising under the Arkansas river compact or  
 42 the Republican river compact and in preparation for such litigation.

43 Sec. 3. K.S.A. 82a-1802 is hereby amended to read as follows: 82a-

1 1802. (a) There is hereby established in the state treasury the interstate  
2 water litigation fund, to be administered by the attorney general.

3 (b) Revenue from the following sources shall be credited to the  
4 interstate water litigation fund:

5 (1) Amounts provided for by K.S.A. 82a-1801, *and amendments*  
6 *thereto*; and

7 (2) moneys received from any source by the state in the form of gifts,  
8 grants, reimbursements or appropriations for use for the purposes of the  
9 fund.

10 (c) From the moneys first credited to the interstate water litigation  
11 fund, persons or entities that contributed moneys to the court cost fund  
12 account of the office of the attorney general for use in the litigation  
13 described in subsection (b)(1) shall be reimbursed the amount contributed.  
14 The balance of moneys credited to the fund shall be expended only for the  
15 purpose of paying expenses incurred by the state in:

16 (1) Current or future litigation or preparation for future litigation with  
17 another state, the federal government or an Indian nation to resolve a  
18 dispute concerning water; or

19 (2) monitoring or enforcing compliance with the terms of an interstate  
20 water compact or a settlement, judgment or decree in past or future  
21 litigation to resolve a dispute with another state, the federal government or  
22 an Indian nation concerning water.

23 (d) Interest attributable to moneys in the interstate water litigation  
24 fund shall be credited to the state general fund as provided by K.S.A. 75-  
25 4210a, and amendments thereto.

26 (e) All expenditures from the interstate water litigation fund shall be  
27 made in accordance with appropriation acts upon warrants of the director  
28 of accounts and reports issued pursuant to vouchers approved by the  
29 attorney general or a person designated by the attorney general.

30 ~~(f) Unless the attorney general certifies to the director of accounts and~~  
31 ~~reports as of June 30, 2001, that there is on-going litigation or preparation~~  
32 ~~for litigation between the state of Kansas and another state, the federal~~  
33 ~~government or an Indian nation to resolve a dispute concerning water, on~~  
34 ~~July 1, 2001: (1) The director of accounts and reports shall transfer and~~  
35 ~~credit all moneys in the interstate water litigation fund to the state general~~  
36 ~~fund; and (2) the interstate water litigation fund shall thereupon be~~  
37 ~~abolished.~~

38 Sec. 4. K.S.A. 2010 Supp. 82a-1803 is hereby amended to read as  
39 follows: 82a-1803. (a) There is hereby established in the state treasury the  
40 water conservation projects fund, to be administered by the director of the  
41 Kansas water office. *The water conservation projects fund is hereby*  
42 *redesignated as the Arkansas river water conservation projects fund.*

43 (b) Revenue from the following sources shall be credited to the

1 *Arkansas river* water conservation projects fund:

2 (1) Amounts provided for by K.S.A. 82a-1801, *and amendments*  
3 *thereto*; and

4 (2) moneys received from any source by the state in the form of gifts,  
5 grants, reimbursements or appropriations for use for the purposes of the  
6 fund.

7 (c) Moneys credited to the *Arkansas river* water conservation projects  
8 fund ~~may shall~~ be expended only for ~~the purpose of paying all or a portion~~  
9 ~~of the costs of the following water management, conservation,~~  
10 ~~administration~~ *conservation projects, utilization efficiency, administrative*  
11 *requirements* and delivery projects, and similar types of projects, in those  
12 areas of the state lying in the upper Arkansas river basin and directly  
13 impacted by the provisions of the Arkansas river compact between this  
14 state and the state of Colorado.

15 (d) *The types of projects that may be funded under subsection (a)(1)*  
16 *of K.S.A. 82a-1801, and amendments thereto, include:*

17 (1) Efficiency improvements to canals or laterals owned by a ditch  
18 company or projects to improve the operational efficiency or management  
19 of such canals or laterals;

20 (2) water use efficiency devices, tailwater systems or irrigation  
21 system efficiency upgrades;

22 (3) water measurement flumes, meters, gauges, data collection  
23 platforms or related monitoring equipment;

24 (4) artificial recharge or purchase of water rights for stream recovery  
25 or aquifer restoration;

26 (5) maintenance of the Arkansas river channel; or

27 (6) monitoring and enforcement of Colorado's compliance with the  
28 Arkansas river compact.

29 Moneys credited to the fund may be expended to reimburse costs of  
30 projects described by this subsection that were required by the division of  
31 water resources and commenced on or after July 1, 1994.

32 ~~(d) Any person or entity may apply to the director of the Kansas~~  
33 ~~water office for the expenditure of moneys in the water conservation~~  
34 ~~projects fund for the purposes provided by this section. The director of the~~  
35 ~~Kansas water office and the chief engineer of the division of water~~  
36 ~~resources of the Kansas department of agriculture shall review and~~  
37 ~~approve each proposed project for which moneys in the fund will be~~  
38 ~~expended. In reviewing and approving proposed projects, the director and~~  
39 ~~the chief engineer shall give priority to: (1) Projects that achieve the~~  
40 ~~greatest water conservation efficiency for the general good; and (2)~~  
41 ~~projects that have been required by the division of water resources. Upon~~  
42 ~~such review and approval, the director of the Kansas water office shall~~  
43 ~~request the legislature to appropriate, as a line item, moneys from the fund~~

1 to pay all or a portion of the costs of the specific project, except that any  
2 project for which an aggregate of less than \$10,000 will be expended from  
3 the fund shall not require a line-item appropriation.

4 ~~(e) Interest attributable to moneys in the water conservation projects  
5 fund shall be credited to the state general fund as provided by K.S.A. 75-  
6 4210a and amendments thereto.~~

7 ~~(f) All expenditures from the water conservation projects fund shall  
8 be made in accordance with appropriation acts upon warrants of the  
9 director of accounts and reports issued pursuant to vouchers approved by  
10 the director of the Kansas water office or a person designated by the  
11 director of the Kansas water office.~~

12 Sec. 5. K.S.A. 2010 Supp. 82a-1804 is hereby amended to read as  
13 follows: 82a-1804. ~~(a) Moneys recovered by the state of Kansas from the  
14 states of Nebraska or Colorado to resolve disputes arising under the  
15 Republican river compact shall be deposited in the state treasury and  
16 credited as follows:~~

17 ~~(1) 100% of moneys from both Nebraska and Colorado shall be  
18 credited to the interstate water litigation fund created by K.S.A. 82a-1802,  
19 and amendments thereto. Whenever moneys are credited to the interstate  
20 water litigation fund pursuant to this subsection (a)(1), the director of  
21 accounts and reports shall transfer all such moneys from the interstate  
22 water litigation fund to the interstate water litigation reserve account of the  
23 state general fund until the balance in the interstate water litigation reserve  
24 account of the state general fund equals \$20,000,000. The attorney general  
25 shall certify to the director of accounts and reports any expenses incurred  
26 by the state in any litigation brought by the state of Kansas against the  
27 states of Nebraska or Colorado to resolve disputes arising under the  
28 Republican river compact and in preparation for such litigation.~~

29 ~~(2) Once the balance in the interstate water litigation reserve account  
30 of the state general fund equals \$20,000,000, all moneys remaining  
31 recovered from Nebraska shall be credited to the Republican river water  
32 conservation projects — Nebraska moneys fund as directed by subsection  
33 (b) of this section, and all moneys remaining recovered from Colorado  
34 shall be credited to the Republican river water conservation projects —  
35 Colorado moneys fund as directed by subsection (c) of this section.~~

36 ~~(b)(a) There is hereby established in the state treasury the Republican  
37 river water conservation projects — Nebraska moneys fund to be  
38 administered by the director of the Kansas water office.~~

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

1       (b) Revenue from the following sources shall be credited to the  
2 Republican river water conservation projects — Nebraska moneys fund:

3       (1) Amounts provided for by K.S.A. 82a-1801, and amendments  
4 thereto; and

5       (2) moneys received from any source by the state in the form of gifts,  
6 grants, reimbursements or appropriations for use for the purposes of the  
7 fund.

8       ~~(2)(c) two-thirds of the money deposited in this~~ Moneys credited to  
9 the Republican river water conservation projects — Nebraska moneys  
10 fund shall be expended only for conservation projects, utilization  
11 efficiency, administrative requirements and delivery projects, and similar  
12 types of projects set forth in subsection ~~(d)~~ (g), in those areas of the state  
13 lying in the lower Republican river basin between the Kansas/Nebraska  
14 border and Milford dam in all or parts of Clay, Cloud, Dickinson, Geary,  
15 Jewell, Mitchell, Republic, Riley, Smith and Washington counties.

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

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

21       (e) Revenue from the following sources shall be credited to the  
22 Republican river water conservation projects — Colorado moneys fund:

23       (1) Amounts provided for by K.S.A. 82a-1801, and amendments  
24 thereto; and

25       (2) moneys received from any source by the state in the form of gifts,  
26 grants, reimbursements or appropriations for use for purposes of the fund.

27       ~~(2)(f) two-thirds of the money deposited in this~~ Moneys credited to  
28 the Republican river water conservation projects — Colorado moneys  
29 fund shall be expended only for conservation projects, utilization  
30 efficiency, administrative requirements and delivery projects, and similar  
31 types of projects set forth in subsection ~~(d)~~(g), in those areas of the state  
32 lying in the upper Republican river basin in northwest Kansas in all or  
33 parts of Cheyenne, Decatur, Norton, Phillips, Rawlins, Sheridan, Sherman  
34 and Thomas counties.

35       ~~(d)(g)~~ The types of projects that may be funded under subsections ~~(b)~~  
36 ~~and (e) paragraphs (2) and (3) of subsection (a) of K.S.A. 82a-1801, and~~  
37 amendments thereto, include:

38       (1) Efficiency improvements to canals or laterals managed and paid for  
39 by an irrigation district or projects to improve the operational efficiency or  
40 management of such canals or laterals;

41       (2) water use efficiency upgrades;

42       (3) implementation of water conservation of irrigation and other types  
43 of water uses;

1 (4) implementation of water management plans or actions by water  
2 rights holders;

3 (5) water measurement flumes, meters, gauges, data collection  
4 platforms or related monitoring equipment and upgrades;

5 (6) artificial recharge, funding a water transition assistance program;  
6 the purchase of water rights for stream recovery or aquifer restoration and  
7 cost share for state or federal conservation programs that save water;

8 (7) maintenance of the channel and the tributaries of the Republican  
9 river;

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

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

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

14 Sec. 6. K.S.A. 2010 Supp. 82a-1805 is hereby amended to read as  
15 follows: 82a-1805. *(a) (1) Any person or entity may apply to the*  
16 *director of the Kansas water office for expenditure of moneys in the*  
17 *Arkansas river water conservation projects fund for the purposes set forth*  
18 *in paragraph (1) of subsection (a) of K.S.A. 82a-1801, and amendments*  
19 *thereto.*

20 *(2) Any person or entity may apply to the director of the Kansas*  
21 *water office for expenditure of moneys in the Republican river water*  
22 *conservation projects — Nebraska moneys fund and the Republican river*  
23 *water conservation projects — Colorado moneys fund for the purposes set*  
24 *forth in ~~subsection (b) and (c)~~ paragraphs (2) and (3) of subsection (a) of*  
25 *K.S.A. 2010 Supp. 82a-1804-82a-1801, and amendments thereto.*

26 *(b) The director of the Kansas water office and the chief engineer of*  
27 *the Kansas department of agriculture, division of water resources shall*  
28 *review and approve each proposed project for which moneys in either fund*  
29 *will be expended. In reviewing and approving proposed projects the*  
30 *director and the chief engineer shall give priority to: (1) Projects needed*  
31 *to achieve or maintain compliance with the Arkansas river compact or the*  
32 *Republican river compact; (2) projects that achieve greatest water*  
33 *conservation efficiency for the general good; and (3) projects that have*  
34 *been required by the division of water resources. Upon such review and*  
35 *approval, the director of the Kansas water office shall request the*  
36 *legislature to appropriate, as a line item, moneys from either fund to pay*  
37 *all or a portion of the costs for a specific project, except that any project*  
38 *which an aggregate of less than \$10,000 will be expended from either fund*  
39 *shall not require a line item appropriation.*

40 ~~(b)~~*(c) Interest attributable to moneys in the Arkansas river water*  
41 *conservation projects fund, Republican river water conservation projects*  
42 *— Nebraska moneys fund and the Republican river water conservation*  
43 *projects — Colorado moneys fund shall be credited to the state general*



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

2 ~~(e)~~(d) *All expenditures from the Arkansas river water conservation*  
3 *projects fund, Republican river water conservation projects — Nebraska*  
4 *moneys fund and the Republican river water conservation projects —*  
5 *Colorado moneys fund shall be made in accordance with appropriation*  
6 *acts upon warrants of the director of accounts and reports issued pursuant*  
7 *to vouchers approved by the director of the Kansas water office or a*  
8 *designee of the director of the Kansas water office.*

9 Sec. 7. K.S.A. 65-242, 82a-1801 and 82a-1802 and K.S.A. 2010  
10 Supp. 82a-1803, 82a-1804 and 82a-1805 are hereby repealed.

11 Sec. 8. This act shall take effect and be in force from and after its  
12 publication in the statute book.

13