

HOUSE BILL No. 2198

AN ACT concerning the Kansas water pollution control revolving fund; amending K.S.A. 2000 Supp. 65-3322 and repealing the existing section.

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

Section 1. K.S.A. 2000 Supp. 65-3322 is hereby amended to read as follows: 65-3322. (a) There is hereby established in the state treasury a fund to be maintained in perpetuity and to be known as the Kansas water pollution control revolving fund. The fund shall consist of:

(1) Amounts awarded or otherwise made available to this state under the federal act for the purposes of the fund;

(2) amounts appropriated or otherwise made available by the legislature for the purposes of the fund;

(3) the proceeds, if any, derived from the sale of bonds issued by the Kansas development finance authority for the purposes of the fund to the extent provided in any agreement entered into by the secretary and the authority;

(4) amounts of repayments made by municipalities of loans received under K.S.A. 65-3321 through 65-3329, and amendments thereto, together with payments of interest thereon, in accordance with agreements entered into by such municipalities and the secretary;

(5) amounts earned on moneys in the fund; and

(6) amounts contributed or otherwise made available by any public or private entity for use in effectuating the purposes of the fund.

(b) Subject to the conditions and in accordance with requirements of the federal act and the provisions of K.S.A. 65-3321 through 65-3329, and amendments thereto, the fund may be used only:

(1) To make loans to municipalities for payment of all or a part of project costs;

(2) to carry out planning for wastewater treatments works;

(3) for implementation of nonpoint source pollution control programs;

(4) as a source of revenue or security for the payment of principal and interest on bonds issued by the Kansas development finance authority if, and to the extent that, the proceeds of the sale of such bonds are deposited in the fund;

(5) to earn interest on moneys in the fund;

(6) *to make grants to qualifying projects as authorized by the federal appropriation act of 1996 (P.L. 104-134), in accordance with the rural communities hardship grants program implementation guidelines (Federal Register, March 20, 1997);*

(7) *to make grants to qualifying projects as authorized by the consolidated appropriations act of 2001 (P.L. 106-554), in accordance with the wet weather water quality act of 2000; and*

~~(8)~~ (8) for the reasonable costs, in amounts not to exceed 4% of all amounts awarded to the state for the fund under title VI of the federal act, of administering the fund and conducting activities under K.S.A. 65-3321 through 65-3329, and amendments thereto, and for reasonable costs after amounts cease to be awarded by the federal government under title VI of the federal act, as determined by the secretary, of administering the fund and conducting activities under K.S.A. 65-3321 through 65-3329, and amendments thereto. Such costs shall be identified annually in development of the intended use plan as described in K.S.A. 65-3325, and amendments thereto.

(c) On or before the 10th of each month, the director of accounts and reports shall transfer from the state general fund to the Kansas water pollution control revolving fund interest earnings based on:

(1) The average daily balance of moneys in the Kansas water pollution control revolving fund for the preceding month; and

(2) the net earnings rate of the pooled money investment portfolio for the preceding month.

(d) All payments and disbursements from the fund shall be made upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary or by a person or persons designated by the secretary. All payments and disbursements from the fund, and beginning and ending balances thereof, shall be subject each year to post audit in accordance with article 11 of chapter 46 of the Kansas Statutes Annotated.

Sec. 2. K.S.A. 2000 Supp. 65-3322 is hereby repealed.

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

I hereby certify that the above BILL originated in the HOUSE, and passed that body

Speaker of the House.

Chief Clerk of the House.

Passed the SENATE _____

President of the Senate.

Secretary of the Senate.

APPROVED _____

Governor.