

**House Substitute for SENATE BILL No. 264**

By Committee on Environment

3-8

AN ACT concerning groundwater management districts; amending K.S.A. 2001 Supp. 82a-1030 and repealing the existing section.

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

Section 1. K.S.A. 2001 Supp. 82a-1030 is hereby amended to read as follows: 82a-1030. (a) (1) In order to finance the operations of the district, the board may assess an annual water user charge against every person who withdraws groundwater from within the boundaries of the district. The board shall base such charge upon the amount of groundwater allocated for such person's use pursuant to such person's water right. Such charge shall not exceed ~~\$.60~~ \$.65 for each acre-foot (325,851 gallons) of groundwater withdrawn within the district or allocated by the water right, ~~except that the annual user charge for the fiscal year of the district beginning on or after July 1, 2001, and before July 1, 2002, may be in an amount not exceeding \$.65 for any fiscal year of the district beginning before July 1, 2003. If the district assesses an annual water user charge of \$.60 or more per acre-foot for any fiscal year of the district beginning on or after July 1, 2003, such district shall adopt, not later than July 1, 2003, or one year after the district first assesses an annual water user charge of \$.60 or more per acre-foot, whichever is later, a schedule of annual water user charges, subject to the following:~~

(A) *The schedule shall establish classes of water users and shall impose on such classes different water user charges per acre-foot of groundwater withdrawn within the district.*

(B) *At least two such classes shall be established based upon the authorized place of use for the groundwater withdrawn within the district. One such class shall be for such groundwater for which 50% or more of the authorized place of use is outside the district and one such class shall be for such groundwater for which more than 50% of the authorized place of use is inside the district.*

(C) *The water user charge for the class for which 50% or more of the authorized place of use for such groundwater is outside the district shall be higher than the charge for the class for which more than 50% of the authorized place of use for such groundwater is within the district.*

(D) *The water user charge for the class for which more than 50% of*

1 *the authorized place of use for such groundwater is within the district*  
2 *shall not exceed \$.90 per acre-foot of such groundwater.*

3 *(E) Before the schedule takes effect, the district shall submit the pro-*  
4 *posed schedule and classes of water users to the chief engineer for review*  
5 *and approval. Upon such review, such schedule and classes shall be ap-*  
6 *proved if the chief engineer determines that they promote the policies of*  
7 *and do not conflict with the provisions of the Kansas water appropriation*  
8 *act.*

9 (2) Whenever a person shows by the submission to the board of a  
10 verified claim and any supportive data which may be required by the  
11 board that such person's actual annual groundwater withdrawal is in a  
12 lesser amount than that allocated by the water right of such person, the  
13 board shall assess such annual charge against such person on the amount  
14 of water shown to be withdrawn by the verified claim. Any such claim  
15 shall be submitted by April 1 of the year in which such annual charge is  
16 to be assessed.

17 *(b) In addition to the water user charge authorized by subsection (a),*  
18 *the board may also:*

19 (1) Make an annual assessment against each landowner of not to ex-  
20 ceed \$.05 for each acre of land owned within the boundaries of the dis-  
21 trict; and

22 (2) *levy special assessments may also be levied, as provided hereafter,*  
23 *against land specially benefited by a capital improvement without regard*  
24 *to the limits prescribed above by subsection (b)(1).*

25 ~~(b)~~ (c) Before any assessment is made, or user charge imposed, the  
26 board shall submit the proposed budget for the ensuing year to the eli-  
27 gible voters of the district at a hearing called for that purpose by one  
28 publication in a newspaper or newspapers of general circulation within  
29 the district at least 28 days prior to the meeting. Following the hearing,  
30 the board shall, by resolution, adopt either the proposed budget or a  
31 modified budget and determine the amount of land assessment or user  
32 charge, or both, needed to support such budget.

33 ~~(c)~~ (d) Both the user charges assessed for groundwater withdrawn  
34 and the assessments against lands within the district shall be certified to  
35 the proper county clerks and collected the same as other taxes in accord-  
36 ance with K.S.A. 79-1801, and ~~acts amendatory thereof or supplemental~~  
37 ~~amendments~~ thereto, and the amount thereof shall attach to the real prop-  
38 erty involved as a lien in accordance with K.S.A. 79-1804, and ~~acts amen-~~  
39 ~~datory thereof or supplemental~~ ~~amendments~~ thereto. All moneys so col-  
40 lected shall be remitted by the county treasurer to the treasurer of the  
41 groundwater management district who shall deposit them to the credit of  
42 the general fund of the district. The accounts of each groundwater man-  
43 agement district shall be audited annually by a public accountant or cer-

1 tified public accountant.

2 ~~(d)~~ (e) Subsequent to the certification of approval of the organization  
3 of a district by the secretary of state and the election of a board of direc-  
4 tors for such district, such board shall be authorized to issue no-fund  
5 warrants in amounts sufficient to meet the operating expenses of the  
6 district until money therefor becomes available pursuant to user charges  
7 or assessments under ~~subsection (a)~~ *subsections (a) and (b)*. In no case  
8 shall the amount of any such issuance be in excess of 20% of the total  
9 amount of money receivable from assessments which could be levied in  
10 any one year as provided in ~~subsection (a)~~ *subsections (a) and (b)*. No  
11 such warrants shall be issued until a resolution authorizing the same shall  
12 have been adopted by the board and published once in a newspaper  
13 having a general circulation in each county within the boundaries of the  
14 district. Whereupon such warrants may be issued unless a petition in  
15 opposition to the same, signed by not less than 10% of the eligible voters  
16 of such district and in no case by less than 20 of the eligible voters of  
17 such district, is filed with the county clerk of each of the counties in such  
18 district within 10 days following such publication. In the event such a  
19 petition is filed, it shall be the duty of the board of such district to submit  
20 the question to the eligible voters at an election called for such purpose.  
21 Such election shall be noticed and conducted as provided by K.S.A. 82a-  
22 1031, and amendments thereto.

23 Whenever no-fund warrants are issued under the authority of this sub-  
24 section, the board of directors of such district shall make an assessment  
25 each year for three years in approximately equal installments for the pur-  
26 pose of paying such warrants and the interest thereon. All such assess-  
27 ments shall be in addition to all other assessments authorized or limited  
28 by law. Such warrants shall be issued, registered, redeemed and bear  
29 interest in the manner and in the form prescribed by K.S.A. 79-2940, and  
30 amendments thereto, except they shall not bear the notation required by  
31 said statute and may be issued without the approval of the state board of  
32 tax appeals. Any surplus existing after the redemption of such warrants  
33 shall be handled in the manner prescribed by K.S.A. 79-2940, and amend-  
34 ments thereto.

35 Sec. 2. K.S.A. 2001 Supp. 82a-1030 is hereby repealed.

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

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