

Approved: 3/23/05
Date

MINUTES OF THE HOUSE ENVIRONMENT COMMITTEE

The meeting was called to order by Chairman Joann Freeborn at 3:30 P.M. on February 10, 2005 in Room 231-N of the Capitol.

All members were present except:
Representative Pat George- excused

Committee staff present:
Raney Gilliland, Legislative Research Department
Lisa Montgomery, Revisor of Statutes Office
Pam Shaffer, Committee Secretary

Conferees appearing before the committee:

Others attending:
See attached list.

Chairperson Freeborn called the meeting to order.

Chairperson Freeborn announced they would not be working **HB 2014 - Powers of members ex officio of the Kansas Water Authority** today, but will take action on that at another time. She reminded people to sign the guest list. There will be a presentation by the Kansas Water Office on the purchase of water storage in federal reservoirs, and a hearing on **HB 2393 - Controlling the release of water from Cedar Bluff Reservoir** next Tuesday, February 15. On Thursday, February 17 there will be a hearing on **HB 2400 - Establishes the irrigation transition assistance program**. On both February 15 and 17 there will be possible action on bills previously heard.

Chairperson Freeborn opened **HB 2017 - Clean drinking water fee; use for protection of source water and assistance to public water supply systems.**

Representative Sloan made a motion the balloon for HB 2017 -(See attachment 1) be adopted. Representative Johnson seconded the motion.

Committee discussion followed regarding the balloon.

Representative Svaty made a motion to report HB - 2017, as amended, favorable for passage. Representative Hawk seconded the motion. Motion carried. Representative Sloan will carry the bill.

Chairperson Freeborn adjourned the meeting at 3:54. The next scheduled meeting is February 15.

HOUSE ENVIRONMENT COMMITTEE GUEST LIST

DATE: 02/10

NAME	REPRESENTING
Chris Wilson	KBIA
Steve Swaffar	Ks Farm Bureau
RUSSELL MILLS	GACHES
Wendy Williams	KAPA-KRMCA
Ken Fisher	Ken Law Firm
Tom Jant	KWO
Joe Tund	KWO
Dave Brem	KWA
Chase Schuebel	(intern for Rep. Pat George)
Cliff Mayo	Co Comm. (Finney)
CU Cotsoadis	KDA

HOUSE BILL No. 2017

By Representative Sloan

12-27

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

12
13 *Be it enacted by the Legislature of the State of Kansas:*

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

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

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

36 (c) The director of taxation shall remit to the state treasurer in ac-
37 cordance with the provisions of K.S.A. 75-4215, and amendments thereto,
38 all moneys received or collected from the fee imposed pursuant to this
39 section. Upon receipt thereof, the state treasurer shall deposit the entire
40 amount in the state treasury and credit ~~5/100~~ *it as follows:*

41 (1) ~~Before January 1, 2006,~~ *5/100 of such amount shall be credited to*
42 *the state highway fund and the remainder to the state general fund; and*

43 (2) *on and after January 1, 2006, the entire amount shall be credited*
remaining

~~July 1, 2006~~
July 1, 2006

1-2

1 to the state water plan fund created by K.S.A. 82a-951. and amendments
 2 thereto, for use as follows: (A) Not less than 15% shall be used to provide
 3 on-site technical assistance for public water supply systems, as defined in
 4 K.S.A. 65-162a, and amendments thereto, to aid such systems in conform-
 5 ing to responsible management practices and complying with regulations
 6 of the United States environmental protection agency and rules and reg-
 7 ulations of the department of health and environment; and (B) the re-
 8 mainder shall be used to renovate and protect lakes which are used, di-
 9 rectly or indirectly, as a source of water for such public water supply
 10 systems.

11 Sec. 2. K.S.A. 2004 Supp. 82a-2101 is hereby repealed.

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

, so long as where appropriate, watershed restoration and protection practices are planned or in place

(d) The Kansas water office or conservation commission shall promulgate rules and regulations establishing the project application evaluation criteria for the use of such moneys under subsection (c) (2) (B).