

## CHAPTER 40

Substitute for SENATE BILL No. 89°

AN ACT relating to water; concerning the Republican river and the disposition of moneys recovered from certain litigation; establishing the Republican river water conservation projects — Nebraska moneys fund and the Republican river water conservation projects — Colorado moneys fund.

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

Section 1. (a) Moneys recovered by the state of Kansas from the states of Nebraska or Colorado to resolve disputes arising under the Republican river compact shall be deposited in the state treasury and credited as follows:

(1) 100% of moneys from both Nebraska and Colorado shall be credited to the interstate water litigation fund created by K.S.A. 82a-1802, and amendments thereto. Whenever moneys are credited to the interstate water litigation fund pursuant to this subsection (a)(1), the director of accounts and reports shall transfer all such moneys from the interstate water litigation fund to the interstate water litigation reserve account of the state general fund until the balance in the interstate water litigation reserve account of the state general fund equals \$20,000,000. 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 states of Nebraska or Colorado to resolve disputes arising under the Republican river compact and in preparation for such litigation.

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

(b) 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 (d), 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.

(c) 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 credited to 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 (d), in those areas of the state lying in the upper Republican river basin in northwest Kansas in all or parts of Cheyenne, Decatur, Norton, Phillips, Rawlins, Sheridan, Sherman and Thomas counties.

(d) The types of projects that may be funded under subsections (b) and (c) include: (1) Efficiency improvements to canals or laterals managed and paid for by an irrigation district or projects to improve the operational efficiency or management of such canals or laterals;

(2) water use efficiency upgrades;

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

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

(5) water measurement flumes, meters, gauges, data collection plat-

forms or related monitoring equipment and upgrades;

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

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

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

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

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

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

(b) Interest attributable to moneys in the Republican river water conservation projects — Nebraska moneys fund and the Republican river water conservation projects — Colorado moneys fund shall be credited to the state general fund as provided by K.S.A. 75-4210a, and amendments thereto.

(c) All expenditures from the Republican river water conservation projects — Nebraska moneys fund and the Republican river water conservation projects — Colorado moneys fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the director of the Kansas water office or a designee of the director of the Kansas water office.

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

Approved April 4, 2008.

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