Session of 2025

## HOUSE BILL No. 2111

By Committee on Water

Requested by Earl Lewis on behalf of the Kansas Department of Agriculture

1-28

1 AN ACT concerning water; relating to the Kansas conservation reserve 2 enhancement program; increasing the acreage cap for CREPs from 3 40,000 to 60,000 acres; clarifying the county acreage cap for CREPs 4 and that the last eligible offer for enrollment exceeding applicable 5 acreage caps may be approved; removing the limitation on acres eligible for CREP enrollment based on expired federal contracts; 6 7 adding a general ineligibility criterion based on federal ineligibility; allowing CREP contracts for dryland farming or limited irrigation for 8 9 water quantity goals; removing the prohibition on participation in 10 CREP for government-owned water rights; clarifying current CREP criteria related to water right usage, sanctions and reporting; allowing 11 exceptions to eligibility criteria based on factors such as location in 12 13 high-priority water conservation areas, high-flow capacity wells, 14 circumstances like bankruptcy or probate and enrollment in other water conservation programs; modifying the reporting requirements to cover 15 the preceding five years; amending K.S.A. 2-1933 and repealing the 16 17 existing section.

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

20 Section 1. K.S.A. 2-1933 is hereby amended to read as follows: 2-21 1933. (a) As used in this section, "division" means the division of 22 conservation established within the Kansas department of agriculture in 23 K.S.A. 74-5,126, and amendments thereto.

24 (b) The division shall administer the conservation reserve 25 enhancement program (CREP) on behalf of the state of Kansas pursuant to agreements with the United States department of agriculture for the 26 27 purpose of implementing beneficial water quality and water quantity 28 projects concerning agricultural lands within targeted watersheds to be 29 enrolled in CREP.

30 (c) There is hereby established in the state treasury the Kansas 31 conservation reserve enhancement program fund, which shall be 32 administered by the division. All expenditures from the Kansas 33 conservation reserve enhancement program fund shall be for the 34 implementation of CREP pursuant to agreements between the state of 35 Kansas and the United States department of agriculture. All expenditures from such 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 secretary of agriculture or by the secretary's
 designee.

5 (d) The division may request the assistance of other state agencies, 6 Kansas state university, local governments and private entities in the 7 implementation of CREP.

8 (e) The division may receive and expend moneys from the federal or 9 state government or private sources for the purpose of carrying out the provisions of this section. All moneys received shall be remitted to the 10 state treasurer in accordance with the provisions of K.S.A. 75-4215, and 11 amendments thereto. Upon receipt of each such remittance, the state 12 treasurer shall deposit the entire amount in the state treasury to the credit 13 of the Kansas conservation reserve enhancement program fund. The 14 division shall carry over unexpended moneys in the Kansas conservation 15 16 reserve enhancement program fund from one fiscal year to the next.

(f) The division may enter into cost-share contracts with landowners
that will result in fulfilling specific objectives of projects approved in
agreements between the United States department of agriculture and the
state of Kansas.

(g) The division shall administer all CREPs in Kansas subject to thefollowing criteria:

(1) The aggregate total number of acres enrolled in Kansas in all
 CREPs shall not exceed-40,000 60,000 acres, except that the last eligible
 offer for enrollment that will exceed the 60,000-acre cap may be approved;

(2) the number of acres eligible for enrollment in CREP in Kansas-26 shall be limited to  $\frac{1}{2}$  of the number of acres represented by federal-27 28 contracts in the federal conservation reserve program that have expired in 29 the prior year in counties within the particular CREP area, except that if federal law permits the lands enrolled in the CREP program to be used for 30 agricultural purposes, such as planting agricultural commodities, 31 32 including, but not limited to, grains, cellulosic or biomass materials, 33 alfalfa, grasses or legumes, but not including cover crops, then the number 34 of acres eligible for enrollment shall be limited to the number of acres 35 represented by contracts in the federal conservation reserve program that 36 have expired in the prior year in counties within the specific CREP area;

(3) no more than 25% of the acreage in CREP may be in any one
county, except that the last eligible offer to exceed the number of acres
constituting a 25% acreage cap in any one county shall be approved the
aggregate total number of acres enrolled in all CREPs in any one Kansas
county shall not exceed 25% of the statewide acreage cap set forth in
paragraph (1), except that the last eligible offer to exceed such cap in any
one county may be approved;

1 (4)(3) no whole-field enrollments shall be accepted into a CREP 2 established for water quality purposes; and

3 (5) lands enrolled in the federal conservation reserve program as of 4 January 1, 2008,

5 (4) an acreage shall not be eligible for enrollment in CREP *if it is* 6 otherwise ineligible for enrollment under federal law; and

7 (5) not more than 1,600 acres may be enrolled in CREP in one
 8 county in the same calendar year unless the secretary of agriculture, in
 9 consultation with the chief engineer of the division of water resources,
 10 certifies that the chief engineer has determined:

(A) That the acreage is in an area where an impairment is
 occurring and enrolling the acreage in the conservation reserve
 enhancement program will be responsive to the impairment; or

14 **(B)** that the acreage is less than five miles from a portion of the 15 aquifer with less than 10 years of usable life.

16 (h) (1) For a CREP established with the purpose of meeting water-17 quantity goals, If approved by the United States department of 18 agriculture, the division may, in accordance with subsection (i), approve a 19 CREP contract that allows for the establishment of native grasses, routine 20 grazing, dryland farming or limited irrigation practices for the purpose of 21 meeting water quantity goals.

(i) The division shall administer-such each CREP established for the
 purpose of meeting water quantity goals in accordance with the following
 additional criteria:(A) No water right that is owned by a governmental
 entity shall be purchased or retired by the state or federal government pursuant to CREP; and

27 (B) only water rights in good standing are eligible for inclusion under
 28 CREP.

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(2) To be a water right in good standing:

(A) At least 50% of the maximum annual quantity authorized to be
 diverted under the water right that has been used in any three years within
 the most recent five-year period preceding the submission for which irrigation water use reports are approved and made available by the
 division of water resources of the Kansas department of agriculture;

(B) the water rights used for the acreage in CREP during the most recent five-year period preceding the submission for which irrigation water use reports are approved and made available by the division of waterresources shall not have: (i) Exceeded the maximum annual quantityauthorized to be diverted; and (ii) been the subject of enforcementsanctions by the division of water resources; and

41 (C) the water right holder has submitted the required annual water use 42 report required under K.S.A. 82a-732, and amendments thereto, for each

43 of the most recent 10 years

(1) All acreage that is an authorized place of use of an irrigation ter right and is proposed to be enrolled in CREP shall have been

2 water right and is proposed to be enrolled in CREP shall have been 3 irrigated at a rate of not less than  $\frac{1}{2}$  acre-foot per acre per year for three 4 out of the five years immediately preceding the year that the acreage is 5 offered for enrollment, as determined by the division;

6 (2) the water right or water rights used for the acreage proposed to 7 be enrolled in CREP shall not have been the subject of any sanctions or 8 penalties by the division of water resources that are in effect or pending 9 determination at the time that the acreage is offered for enrollment; and

10 (3) the owner of the water right or water rights for which the acreage 11 that is proposed to be enrolled in CREP is an authorized place of use or 12 the water use correspondent for such water right shall have submitted the 13 annual water use report required pursuant to K.S.A. 82a-732, and 14 amendments thereto, for each of the most recent 10 years.

15 (i) (1)(j) The secretary, in consultation with the commission and the 16 Kansas farm service agency office, may grant exceptions to the eligibility 17 criteria outlined in subsections (g)(1) and (g)(2) if the acreage proposed 18 to be enrolled in CREP satisfies one or more of the following conditions:

(1) Is located in an area designated as a high-priority area for water
 conservation pursuant to K.S.A. 2024 Supp. 82a-1044, and amendments
 thereto;

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(2) is an authorized place of use of a high flow capacity water well;

(3) is an authorized place of use of a water right that was not utilized
in accordance with subsection (i)(1) within the timeframe referenced in
subsection (i)(1) due to circumstances involving bankruptcy, probate or
other legal matters, excluding those related to any enforcement sanctions
or penalties by the division of water resources that are in effect or pending
determination at the time that the acreage is offered for enrollment in
CREP; or

30 (4) is an authorized place of use of a water right that is or has been enrolled in a water conservation program, including, but not limited to, 31 the United States department of agriculture environmental quality 32 33 incentives program or a water conservation area pursuant to K.S.A. 82a-745, and amendments thereto, or has been assigned a water quantity 34 allocation pursuant to an intensive groundwater use control area 35 designated in accordance with K.S.A. 82a-1036, and amendments thereto, 36 37 or a local enhanced management area designated in accordance with 38 K.S.A. 82a-1041, and amendments thereto.

*(k) (1)* The Kansas department of agriculture shall, *at the beginning of each annual regular session of the legislature*, submit a CREP report to
the senate committee on agriculture and natural resources and the house
committee on agriculture at the beginning of each annual regular session
of the legislature and natural resources, and any successor committees,

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containing a description of program activities for each CREP administered
 in the state and including. Such report shall include:

3 (A) The acreage enrolled in CREP during fiscal year 2008 through 4 the most current fiscal year to date the preceding five years;

5 (B) the dollar amounts received and expended for CREP during fiseal 6 year 2008 through the most current fiseal year to date the preceding five 7 years; and

8 (C) an assessment of <del>meeting</del> *whether* each of the program objectives 9 identified in the agreement with the farm services agency<del>; and</del>

10 (D) such other information specified by the Kansas department of 11 agriculture has been met.

12 (2) For-a *each* CREP established with the purpose of meeting water 13 quantity goals, the following *additional* information shall be included in 14 such annual report:

(A) The total *amount of* water rights, measured in acre-feet, retired in
 CREP from fiscal year 2008 through the current fiscal year to date that
 was permanently retired in CREP during the preceding five years;

(B) the change in groundwater water levels in the CREP area during
fiscal year 2008 through the most current fiscal year to date the preceding
five years;

(C) the *total* annual-amount of water usage in the CREP area from
 fiscal year 2008 through the most current fiscal year to date *during the preceding five years*; and

(D) the average *annual* water use, measured in acre-feet, for each of
the five years preceding enrollment for each water right enrolled *under each water right for which an authorized place of use is enrolled in CREP during the preceding five years.*

(j)(l) The Kansas department of agriculture shall submit a report on the economic impact of each specific CREP to the senate committee on agriculture and natural resources and the house<u>of</u> representatives<u>-</u> committee on agriculture *and natural resources, and any successor committees,* every five years<del>, beginning in 2017</del>. The report shall include economic impacts to businesses located within each specific CREP region.

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Sec. 2. K.S.A. 2-1933 is hereby repealed.

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