HOUSE BILL No. 2345

By Committee on Water

Requested by Representative Vaughn

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1 AN ACT concerning natural resources; creating the Kansas office of 2 natural resources within the executive branch of government; 3 establishing the division of water resources, division of conservation 4 and division of water policy and planning therein; transferring certain 5 powers, duties and functions; abolishing the Kansas water office, the 6 Kansas department of agriculture, division of conservation and the 7 Kansas department of agriculture, division of water resources; updating statutory references thereof; amending K.S.A. 2-1903, 2-1904, 2-1907. 8 9 2-1915, 2-1930, 2-1933, 12-541, 12-636, 12-761, 12-766, 12-2713, 19-2963, 24-407, 24-418, 24-656, 24-659, 24-1202, 24-1204, 24-1211, 24-10 11 1212, 42-701, 42-703, 42-722, 42-722a, 42-725, 68-1414, 68-2203, 74-12 506b, 74-5,121, 74-2608, 74-2609, 74-99f04, 82a-301, 82a-301a, 82a-13 303a, 82a-328, 82a-405, 82a-603, 82a-612, 82a-701, 82a-711, 82a-718, 14 82a-724, 82a-731, 82a-732, 82a-733, 82a-737, 82a-739, 82a-762, 82a-15 767, 82a-770, 82a-771, 82a-773, 82a-902, 82a-905, 82a-906, 82a-907, 16 82a-910, 82a-911, 82a-915, 82a-920, 82a-922, 82a-923, 82a-932, 82a-17 933, 82a-934, 82a-954, 82a-1021, 82a-1023, 82a-1042, 82a-1301, 82a-18 1303, 82a-1311a, 82a-1315b, 82a-1315c, 82a-1332, 82a-1333, 82a-19 1335, 82a-1345, 82a-1347, 82a-1348, 82a-1349, 82a-1360, 82a-1361, 20 82a-1362, 82a-1363, 82a-1364, 82a-1367, 82a-1368, 82a-1370, 82a-21 1402, 82a-1502, 82a-1604, 82a-1605, 82a-1606, 82a-1608, 82a-1609, 22 82a-1703, 82a-1704, 82a-1803, 82a-1804, 82a-1805, 82a-1904, 82a-23 1905, 82a-1906, 82a-2007, 82a-2101, 82a-2302, 82a-2303, 82a-2304, 24 82a-2305, 82a-2310, 82a-2311, 82a-2312, 82a-2313, 82a-2314, 82a-25 2317, 82a-2324, 82a-2402, 82a-2403, 82a-2404, 82a-2406, 82a-2407, 26 82a-2408, 82a-2411, 82a-2412, 82a-2414, 82a-2415, 82a-2416 and 27 82a-2419 and K.S.A. 2024 Supp. 32-1403, 49-603, 49-606, 49-611, 49-28 613, 49-618, 49-620, 49-621, 49-623, 55-153, 74-2622, 75-3036, 75-29 37,121, 75-5133, 82a-220, 82a-326, 82a-708b, 82a-714, 82a-736, 82a-30 903, 82a-1038, 82a-1041, 82a-1501, 82a-1602, 82a-1603, 82a-1607 31 and 82a-1702 and repealing the existing sections; also repealing K.S.A. 32 74-506a, 74-5,126, 74-5,127, 74-5,128, 74-5,129, 74-5,130, 74-5,131, 33 74-5,132, 74-5,132a, 74-2613, 82a-738 and 82a-1901. 34

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

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New Section 1. (a) There is hereby established within the executive branch of government the Kansas office of natural resources.

- (b) The Kansas governmental operations accountability law shall apply to the Kansas office of natural resources. The office shall be subject to audit, review and evaluation under such law.
- New Sec. 2. (a) (1) The Kansas office of natural resources shall be administered under the direction of an executive director. The executive director shall be appointed by the governor with the consent of the senate as provided in K.S.A. 75-4315b, and amendments thereto. Except as provided by K.S.A. 46-2601, and amendments thereto, no person appointed as executive director shall exercise any power, duty or function as executive director until confirmed by the senate.
- (2) The executive director shall be in the unclassified service under the Kansas civil service act and receive an annual salary to be fixed by the governor. The executive director shall serve at the pleasure of the governor.
- (3) The executive director shall maintain an office in Topeka, Kansas, and may maintain offices and facilities in other locations of the state to carry out the functions of the office.
- (b) Subject to this act, the executive director may organize the Kansas office of natural resources in the manner that the executive director deems most efficient. The executive director may establish policies governing the transaction of the business of the office and the administration of each division within the office. The director of each division of the office shall perform such duties and exercise such powers as the executive director may prescribe and such duties and powers as are prescribed by law. Such directors shall act for and exercise the powers of the executive director to the extent that authority to do so is delegated by the executive director.
- (c) (1) The executive director shall have the legal custody of all records, memoranda, writings, entries, prints or representations, or combination thereof, of any act, transaction, occurrence or event of the Kansas office of natural resources and any agency, division or office abolished or transferred under this act.
- (2) No suit, action or other proceedings, judicial or administrative, lawfully commenced, or that could have been commenced by or against any state agency mentioned in this act, or by or against any officer of the state in such officer's capacity or in relation to the discharge of such officer's duties, shall abate by reason of the governmental reorganization effected under this act. The court may allow any such suit, action or other proceeding to be maintained by or against the successor of any such state agency or any officer affected.
- (3) No criminal action commenced or that could have been commenced by the state shall abate by this act.

(d) The executive director of natural resources shall have the power to:

- (1) Adopt rules and regulations necessary to implement, administer and enforce the powers and duties transferred by sections 3 and 4, and amendments thereto, and to administer the Kansas office of natural resources and the duties of the executive director;
- (2) appoint employees for the office of the executive director as necessary to enable the executive director to carry out the duties of the office. Such employees shall be within the unclassified service under the Kansas civil service act and subject to assignment and reassignment of duty within the office as may be determined by the executive director;
- (3) enter into such contracts and agreements as necessary or incidental to the performance of the powers and duties of the executive director;
- (4) designate an official seal and alter such official seal at the executive director's pleasure;
 - (5) sue, be sued, plead and be impleaded in the name of the office;
- (6) charge and collect, by order, a fee necessary for the administration and processing of paper documents, including, but not limited to, applications, registrations, permits, licenses, certifications, renewals, reports and remittance of fees that are necessary or incidental to the execution of the laws relating to the Kansas office of natural resources. Such fee shall be in addition to any fee that the executive director is authorized to charge by law and may be up to 6% of such applicable fee amount, except that such fee shall not exceed 40% and shall only be charged when an electronic system for processing documents exists; and
- (7) do such other acts as necessary and proper to carry out the purposes of the water and natural resources laws of this state and better protect, conserve, control, use, increase, develop and provide for the enjoyment of the water and natural resources of this state.
- New Sec. 3. (a) (1) The division of water policy and planning is hereby created within the Kansas office of natural resources.
- (2) The Kansas water office and the office of the director of the Kansas water office established pursuant to K.S.A. 74-2613, prior to its repeal, are hereby abolished. All of the powers, duties and functions of the Kansas water office are hereby transferred to the Kansas office of natural resources, division of water policy and planning. All of the powers, duties and functions of the director of the Kansas water office are hereby transferred to the director of the division of water policy and planning.
- (3) Whenever the Kansas water office, or words of like effect, is referred to or designated by any statute, rule and regulation, contract or any other document, including any statute, rule and regulation, contract or any document created pursuant to the authorities transferred by this

 section, such reference or designation shall apply to the division of water policy and planning.

- (4) On July 1, 2026, officers and employees who, immediately prior to such date, were engaged in the performance of powers, duties or functions that are transferred pursuant to this section and who, in the opinion of the executive director of natural resources, are necessary to perform the powers, duties and functions of the Kansas office of natural resources, division of water policy and planning shall be transferred to and become officers and employees of such office. Such officers and employees shall retain all retirement benefits and all rights of civil service that had accrued or vested in such officers and employees prior to July 1, 2026.
- (5) (A) On and after July 1, 2026, when any conflict arises as to the disposition of any power, duty or function or the unexpected balance of any appropriation as a result of any transfer made by this section or under the authority of this section, such conflict shall be resolved by the governor, and the decision of the governor shall be final.
- (B) In all cases under this section where part or all of the powers, duties and functions of any state agency are divided between the division of water policy and planning and any other state agency, the division of water policy and planning shall succeed to all property and records that were used for or pertain to the performance of the powers, duties and functions transferred to the division of water policy and planning. Any conflict as to the proper disposition of property or records arising under this section, and resulting from the transfer, attachment or abolition of any state agency, or all or part of the powers, duties and functions thereof, shall be determined by the governor, and the decision of the governor shall be final.
- (6) (A) On July 1, 2026, the balance of all funds appropriated and reappropriated to the Kansas water office is hereby transferred to the division of water policy and planning and shall be used only for the purposes for which the appropriation was originally made.
- (B) On July 1, 2026, liability for all accrued compensation or salaries of officers and employees who, immediately prior to such date, were engaged in the performance of powers, duties or functions or any state agency or office abolished or transferred by this section shall be assumed and paid by the Kansas office of natural resources.
- (b) (1) The Kansas office of natural resources, division of water policy and planning shall be administered by a director of the division of water policy and planning, who shall be in the unclassified service under the Kansas civil service act. The director of the division of water policy and planning shall be appointed by the executive director of natural resources and shall serve at the pleasure of the executive director.

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 (2) The director of the division of water policy and planning created by this section shall be the successor in every way to the same powers, duties and functions that were vested in the director of the Kansas water office prior to July 1, 2026, except as provided in paragraph (4) and section 2, and amendments thereto. Every act performed under the authority of the director of the division of water policy and planning created by this section shall be deemed to have the same force and effect as if performed by the Kansas water office or the director of the Kansas water office prior to July 1, 2026, except as provided in paragraph (4) and section 2, and amendments thereto.

- (3) Whenever the director of the Kansas water office, or words of like effect, is referred to or designated by any statute, rule and regulation, contract or any other document, including any statute, rule and regulation, contract or other document created pursuant to the authorities transferred by this section, such reference or designation shall apply to the director of the division of water policy and planning.
- (4) (A) All rules and regulations of the Kansas water office or the director of the Kansas water office in existence on July 1, 2026, shall continue to be effective and shall be duly adopted rules and regulations of the executive director of natural resources until revised, amended, revoked or nullified pursuant to law.
- (B) All powers of the Kansas water office or the director of the Kansas water office to adopt rules and regulations by law shall transfer to the executive director of natural resources.
- (5) All orders or directives of the director of the Kansas water office in existence on July 1, 2026, shall continue to be effective and shall be the orders or directives of the director of the division of water policy and planning until revised, amended, repealed or nullified pursuant to law.
- (6) On July 1, 2026, the director of the division of water policy and planning shall succeed to whatever right, title or interest that the Kansas water office acquired in any real property in this state, and the director shall hold such right, title or interest for and in the name of the state of Kansas. On and after July 1, 2026, whenever any statute, contract, deed or other document concerns the power or authority of the Kansas water office to acquire, hold or dispose of real property or any interest therein, the director of the division of water policy and planning shall succeed to such power or authority.
- (c) The powers, duties and functions transferred by this section include, but are not limited to, responsibilities concerning:
- (1) The development and implementation of the state water plan, K.S.A. 74-2608 et seq. and 82a-901 et seq., and amendments thereto;
- (2) drought monitoring and response, K.S.A. 74-2608, and amendments thereto;

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- (3) municipal water, K.S.A. 74-2608, and amendments thereto;
 - (4) conservation plans, K.S.A. 74-2608, and amendments thereto;
 - (5) reservoir operations, K.S.A. 74-2609, and amendments thereto;
- (6) the Kansas water authority, K.S.A. 74-2622, and amendments thereto:
- (7) the coordination of streambank projects, K.S.A. 82a-1101 et seq., and amendments thereto;
- (8) the water marketing fund, K.S.A. 82a-1315c et seq., and amendments thereto;
- (9) the state water plan storage act, K.S.A. 82a-1301 et seq., and amendments thereto;
- (10) the water assurance program act, K.S.A. 82a-1330 et seq., and amendments thereto;
- (11) the financing of large reservoir projects, K.S.A. 82a-1360 et seq., and amendments thereto:
- (12) the Kansas weather modification act, K.S.A. 82a-1401, et seq., and amendments thereto;
- (13) the water transfer act, K.S.A. 82a-1501 et seq., and amendments thereto;
- (14) the multipurpose small lakes program act, K.S.A. 82a-1601 et seq., and amendments thereto;
- (15) water litigation and the associated funds, K.S.A. 82a-1801 et seq., and amendments thereto;
- (16) the clean drinking water fee, K.S.A. 82a-2101, and amendments thereto;
- (17) the lower smoky hill water supply access program, K.S.A. 82a-2301 et seq., and amendments thereto; and
- (18) the reservoir improvement district act, K.S.A. 82a-2401, and amendments thereto.
- New Sec. 4. (a) (1) The division of conservation is hereby created within the Kansas office of natural resources.
 - (2) The Kansas department of agriculture, division of conservation and the office of the executive director of the division of conservation established pursuant to K.S.A. 74-5,126, prior to its repeal, are hereby abolished. All of the powers, duties and functions of the Kansas department of agriculture, division of conservation are hereby transferred to the division of conservation. All of the powers, duties and functions of the executive director of conservation are hereby transferred to the director of the division of conservation.
 - (3) Whenever the Kansas department of agriculture, division of conservation, or words of like effect, is referred to or designated by any statute, rule and regulation, contract or any other document, including any statute, rule and regulation, contract or any document created pursuant to

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 the authorities transferred by this section, such reference or designation shall apply to the division of conservation.

- (4) On July 1, 2026, officers and employees who, immediately prior to such date, were engaged in the performance of powers, duties or functions that are transferred pursuant to this section and who, in the opinion of the executive director of natural resources, are necessary to perform the powers, duties and functions of the Kansas office of natural resources, division of conservation shall be transferred to, and shall become officers and employees of such office. Such officers and employees shall retain all retirement benefits and all rights of civil service that had accrued or vested in such officers and employees prior to July 1, 2026.
- (5) (A) On and after July 1, 2026, when any conflict arises as to the disposition of any power, duty or function or the unexpended balance of any appropriation as a result of any transfer made by this section, or under the authority of this section, such conflict shall be resolved by the governor, and the decision of the governor shall be final.
- (B) In all cases under this section where part or all of the powers, duties and functions of any state agency are divided between the division of conservation and any other state agency, the division of conservation shall succeed to all property and records that were used for or pertain to the performance of the powers, duties and functions transferred to the division of conservation. Any conflict as to the proper disposition of property or records arising under this section, and resulting from the transfer, attachment or abolition of any state agency, or all or part of the powers, duties and functions thereof, shall be determined by the governor, and the decision of the governor shall be final.
- (6) (A) On July 1, 2026, the balance of all funds appropriated and reappropriated to the Kansas department of agriculture, division of conservation is hereby transferred to the Kansas office of natural resources, division of conservation and shall be used only for the purposes for which the appropriation was originally made.
- (B) On July 1, 2026, liability for all accrued compensation or salaries of officers and employees who, immediately prior to such date, were engaged in the performance of powers, duties or functions of any state agency or office abolished or transferred by this section shall be assumed and paid by the Kansas office of natural resources.
- (b) (1) The Kansas office of natural resources, division of conservation shall be administered by a director of the division of conservation, who shall be in the unclassified service under the Kansas civil service act. The director of the division of conservation shall be jointly appointed by the executive director of natural resources and the state conservation commission. The director shall serve at the pleasure of

the executive director.

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- (2) The director of the division of conservation created by this section shall be the successor in every way to the same powers, duties and functions that were vested in the executive director of the Kansas department of agriculture, division of conservation prior to July 1, 2026, except as provided in paragraph (4) and section 2, and amendments thereto. Every act performed under the authority of the director of the division of conservation created by this section shall be deemed to have the same force and effect as if performed by the Kansas department of agriculture, division of conservation or the executive director of the Kansas department of agriculture, division of conservation prior to July 1, 2026, except as provided in paragraph (4) and section 2, and amendments thereto.
- (3) Whenever the executive director of the Kansas department of agriculture, division of conservation, or words of like effect, is referred to or designated by any statute, rule and regulation, contract or any other document, including any statute, rule and regulation, contract or other document created pursuant to the authorities transferred by this section, such reference or designation shall apply to the director of the division of conservation.
- (4) (A) All rules and regulations of the Kansas department of agriculture, division of conservation or the executive director of the Kansas department of agriculture, division of conservation in existence on July 1, 2026, shall continue to be effective and shall be duly adopted rules and regulations of the executive director of natural resources until revised, amended, revoked or nullified pursuant to law.
- (B) All powers of the Kansas department of agriculture, division of conservation or the director of the Kansas department of agriculture, division of conservation to adopt rules and regulations by law shall transfer to the executive director of natural resources.
- (5) All orders or directives of the executive director of the Kansas department of agriculture, division of conservation in existence on July 1, 2026, shall continue to be effective and shall be the orders or directives of the executive director of the Kansas office of natural resources or director of the division of conservation until revised, amended, repealed or nullified pursuant to law.
- (6) On July 1, 2026, the director of the Kansas office of natural resources, division of conservation shall succeed to whatever right, title or interest the Kansas department of agriculture, division of conservation acquired in any real property in this state, and the director shall hold such right, title or interest for and in the name of the state of Kansas. On and after July 1, 2026, whenever any statute, contract deed or other document concerns the power or authority of the Kansas department of agriculture,

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 division of conservation to acquire, hold or dispose of real property or any interest therein, the director of the division of conservation shall succeed to such power or authority.

- (c) The powers, duties and functions transferred by this section include, but are not limited to, responsibilities concerning:
- (1) The multipurpose small lakes program act, K.S.A. 82a-1601, and amendments thereto;
- (2) water development projects, K.S.A. 82a-1701 et seq., and amendments thereto;
- (3) conservation district management pursuant to the conservation districts law in K.S.A. 2-1901 et seq., and amendments thereto; and
- (4) the state conservation commission established by K.S.A. 2-1904, and amendments thereto, and continued in existence by K.S.A. 74-5,128, prior to its repeal, and section 6, and amendments thereto.
- New Sec. 5. (a) (1) The division of water resources is hereby created within the Kansas office of natural resources.
- (2) The Kansas department of agriculture, division of water resources established pursuant to K.S.A. 74-506a, prior to its repeal, and the office of the chief engineer of the division of water resources established pursuant to K.S.A. 74-506d, prior to its repeal, are hereby abolished. All of the powers, duties and functions of the Kansas department of agriculture, division of water resources are hereby transferred to the Kansas office of natural resources, division of water resources. All of the powers, duties and functions of the chief engineer of the Kansas department of agriculture, division of water resources is hereby transferred to the chief engineer of the Kansas office of natural resources, division of water resources.
- (3) Whenever the Kansas department of agriculture, division of water resources, or words of like effect, is referred to or designated by any statute, rule and regulation, contract or any other document, including any statute, rule and regulation, contract or any document created pursuant to the authorities transferred by this section, such reference or designation shall apply to the Kansas office of natural resources, division of water resources.
- (4) On July 1, 2026, officers and employees who, immediately prior to such date, were engaged in the performance of powers, duties or functions that are transferred pursuant to the provisions of this section and who, in the opinion of the executive director of the Kansas office of natural resources, are necessary to perform the powers, duties and functions of the Kansas office of natural resources, division of water resources, shall be transferred to and shall become officers and employees of such office. Such officers or employees shall retain all retirement benefits and all rights of civil service that had accrued or vested in such

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 officers or employees prior to July 1, 2026.

- (5) (A) On and after July 1, 2026, when any conflict arises as to the disposition of any power, duty or function or the unexpended balance of any appropriation as a result of any transfer made by this section, or under the authority of this section, such conflict shall be resolved by the governor, and the decision of the governor shall be final.
- (B) In all cases under the provisions of this section where part or all of the powers, duties and functions of any state agency are divided between the Kansas office of natural resources, division of water resources and any other state agency, the Kansas office of natural resources, division of water resources shall succeed to all property and records that were used for or pertain to the performance of the powers, duties and functions transferred to the division of water resources. Any conflict as to the proper disposition of property or records arising under this section and resulting from the transfer, attachment or abolition of any state agency, or all or part of the powers, duties and functions thereof, shall be determined by the governor, and the decision of the governor shall be final.
- (6) (A) On July 1, 2026, the balance of all funds appropriated and reappropriated to the Kansas department of agriculture, division of water resources is hereby transferred to the Kansas office of natural resources, division of water resources and shall be used only for the purposes for which the appropriation was originally made.
- (B) On July 1, 2026, liability for all accrued compensation or salaries of officers and employees who, immediately prior to such date, were engaged in the performance of powers, duties or functions of the Kansas department of agriculture, division of water resources shall be assumed and paid by the Kansas office of natural resources.
- (b) (1) The Kansas office of natural resources, division of water resources shall be administered by the chief engineer, who shall serve as the director of the Kansas office of natural resources, division of water resources and shall be in the classified service under the Kansas civil service act. The executive director of the Kansas office of natural resources is authorized to employ the chief engineer and to fix the chief engineer's compensation.
- (2) The chief engineer of the Kansas office of natural resources, division of water resources shall be the successor in every way to the same powers, duties and functions that were vested in the chief engineer of the Kansas department of agriculture, division of water resources, prior to July 1, 2026. Every act performed under the authority of the chief engineer of the Kansas office of natural resources, division of water resources shall have the same force and effect as if performed by the Kansas department of agriculture, division of water resources, or the chief engineer thereof, prior to July 1, 2026.

(3) Whenever the chief engineer of the Kansas department of agriculture, division of water resources, or words of like effect, is referred to or designated by any statute, rule and regulation, contract or any other document regardless of whether such reference is in regard to any of the powers, duties or functions transferred pursuant to this section, such reference or designation shall be deemed to apply to the chief engineer of the Kansas office of natural resources, division of water resources.

- (4) (A) All rules and regulations of the Kansas department of agriculture, division of water resources or the chief engineer of the division of water resources in existence on July 1, 2026, shall continue to be effective and shall be duly adopted rules and regulations of the chief engineer of the Kansas office of natural resources, division of water resources until revised, amended, revoked or nullified pursuant to law.
- (B) All powers to adopt rules and regulations granted to the chief engineer of the Kansas department of agriculture, division of water resources shall continue to be powers of the chief engineer of the Kansas office of natural resources, division of water resources.
- (5) All orders or directives of the chief engineer of the Kansas department of agriculture, division of water resources, in existence on July 1, 2026, shall continue to be effective and shall be the orders or directives of the chief engineer of the Kansas office of natural resources, division of water resources until revised, amended, repealed or nullified pursuant to law.
- (6) On July 1, 2026, the chief engineer of the Kansas office of natural resources, division of water resources shall succeed to whatever right, title or interest the Kansas department of agriculture, division of water resources, has acquired in any real property in this state, and the director shall hold such right, title or interest for and in the name of the state of Kansas. On and after July 1, 2026, whenever any statute, contract, deed or other document concerns the power or authority of the Kansas department of agriculture, division of water resources, to acquire, hold or dispose of real property or any interest therein, the chief engineer of the Kansas office of natural resources, division of water resources, shall succeed to such power or authority.
- (c) The powers, duties and functions transferred by this section include, but are not limited to, responsibilities concerning:
- (1) Protection from flood waters, K.S.A. 12-635 et seq., and amendments thereto:
 - (2) floodplain zoning, K.S.A. 12-766, and amendments thereto;
 - (3) drainage and levees, K.S.A. 24-126, and amendments thereto;
- 41 (4) the watershed district act, K.S.A. 24-1201 et seq., and 42 amendments thereto:
 - (5) irrigation districts, K.S.A. 42-701 et seq., and amendments

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- (6) the water projects environmental coordination act, K.S.A. 82a-325 et seq., and amendments thereto;
- (7) drought monitoring, K.S.A. 48-924 and 74-2608, and amendments thereto;
- (8) dams and other obstructions in streams, K.S.A. 82a-301 et seq., and amendments thereto;
- (9) rural water districts pursuant to K.S.A. 82a-612 et seq., and amendments thereto;
- 10 (10) water appropriations, K.S.A. 82a-701 et seq., and amendments thereto;
- 12 (11) groundwater management districts act, K.S.A. 82a-1020 et seq., and amendments thereto;
 - (12) the state water plan storage act, K.S.A. 82a-1301 et seq., and amendments thereto;
 - (13) the water assurance program act, K.S.A. 82a-1330 et seq., and amendments thereto; and
 - (14) the water transfer act, K.S.A. 82a-1501 et seq., and amendments thereto.
 - (d) This act shall not affect any administrative proceeding pending before the chief engineer of the division of water resources of the department of agriculture or any hearing officer on July 1, 2026, and such matter shall proceed as through no change in the law had been made with regard to such proceeding.
 - New Sec. 6. The state conservation commission established by K.S.A. 2-1904, and amendments thereto, is hereby continued in existence within the Kansas office of natural resources, division of conservation with respect to the powers, duties and functions of the state conservation commission that are transferred pursuant to section 4, and amendments thereto. Members of the commission shall continue to hold office under the conditions and limitations in effect on July 1, 2026.
 - New Sec. 7. This act shall not affect any administrative proceeding relating to water transfers pursuant to the water transfer act, K.S.A. 82a-1501 et seq., and amendments thereto, that is pending before the water transfer hearing panel on July 1, 2026, and such matter shall proceed as though no change in the law had been made with regard to such proceeding.
 - New Sec. 8. (a) For purposes of the Kansas judicial review act, the chief engineer shall be considered the agency head. Orders of the chief engineer of the Kansas office of natural resources, division of water resources issued pursuant to article 7 of chapter 42 or article 7 or article 10 of chapter 82a of the Kansas Statutes Annotated, and amendments thereto, shall be considered final orders.

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 (b) A final order issued by the chief engineer is subject to judicial review in accordance with the Kansas judicial review act.

- (c) Orders and hearings of the chief engineer shall not be subject to the Kansas administrative procedure act.
- Sec. 9. K.S.A. 2-1903 is hereby amended to read as follows: 2-1903. As used in this act:
- (1) "District" or "conservation district" means a governmental subdivision of this state, and a public body corporate and politic, organized in accordance with the provisions of this act, for the purposes, with the powers, and subject to the restrictions hereinafter set forth.
- (2) "Supervisor" means one of the members of the governing body of a district, elected or appointed in accordance with the provisions of this act.
- (3) "Commission" means the conservation program policy board created in K.S.A. 2-1904, and amendments thereto, including the state conservation commission continued in existence by K.S.A. 74-5,128, prior to its repeal, and section 6, and amendments thereto.
 - (4) "State" means the state of Kansas.
- (5) "Agency of this state" includes the government of this state and any subdivision, agency or instrumentality, corporation or otherwise, of the government of this state.
- (6) "United States" or "agencies of the United States" includes the United States of America, the natural resources conservation service of the United States department of agriculture and any other agency or instrumentality, corporate or otherwise, of the United States of America.
- (7) "Government" or "governmental" includes the government of this state, the government of the United States and any subdivision, agency or instrumentality, corporate or otherwise, of either of them.
- (8) "Division" means the *Kansas office of natural resources*, division of conservation established within the Kansas department of agriculture in K.S.A. 74-5.126 in section 4, and amendments thereto.
 - (9) "Director" means the executive director of the division.
- (10) "Invasive plant species" means a species of plant not native to Kansas whose introduction, presence or spread does or is likely to cause economic harm, environmental harm or harm to human health.
- (11) "Secretary" means the secretary of the Kansas department of agriculture "Executive director" means the executive director of the Kansas office of natural resources.
- Sec. 10. K.S.A. 2-1904 is hereby amended to read as follows: 2-1904. (a) There is hereby established, to serve as a conservation program policy board of the state and to perform the functions conferred upon it in this act, the state conservation commission. The state conservation commission shall succeed to all the powers, duties and property of the state soil

2.7

conservation committee. The commission shall consist of nine members as follows:

- (1) The dean of the Kansas state university college of agriculture located at Manhattan, Kansas, shall appoint two designees to serve on the commission as members. One designee shall represent an agricultural experiment station and one shall represent the cooperative extension service.
- (2) The—secretary executive director shall request the secretary of agriculture of the United States of America to appoint one person, and the secretary executive director shall appoint one person, each of whom shall be residents of the state of Kansas to serve as members of the commission. These members shall hold office for four years and until a successor is appointed and qualifies, with terms commencing on the second Monday in January beginning in 1973.
- (3) Five members of the commission shall be elected by the conservation district supervisors at a time and place to be designated by the commission. The method of electing such members to be conducted as follows: The state is to be divided into five separate areas.

Area No. I to include the following counties: Cheyenne, Rawlins, Decatur, Norton, Phillips, Smith, Osborne, Rooks, Graham, Sheridan, Thomas, Sherman, Wallace, Logan, Gove, Trego, Ellis and Russell.

Area No. II to include: Greeley, Wichita, Scott, Lane, Ness, Rush, Pawnee, Hodgeman, Finney, Kearny, Hamilton, Edwards, Ford, Gray, Haskell, Grant, Stanton, Morton, Stevens, Seward, Meade, Clark, Comanche and Kiowa.

Area No. III to include: Jewell, Republic, Mitchell, Cloud, Lincoln, Ottawa, Ellsworth, Saline, Rice, McPherson, Reno, Harvey, Kingman, Sedgwick, Sumner, Harper, Barber, Pratt, Barton and Stafford.

Area No. IV to include: Washington, Marshall, Nemaha, Brown, Doniphan, Clay, Riley, Pottawatomie, Jackson, Atchison, Jefferson, Leavenworth, Wyandotte, Johnson, Douglas, Shawnee, Wabaunsee, Geary, Dickinson, Morris, Osage, Franklin and Miami.

Area No. V to include: Marion, Chase, Lyon, Coffey, Anderson, Linn, Bourbon, Allen, Woodson, Greenwood, Butler, Elk, Wilson, Neosho, Crawford, Cowley, Chautauqua, Montgomery, Labette and Cherokee.

Areas II and IV shall elect members in even-numbered years and Areas I, III and V shall elect members in odd-numbered years for two-year terms. The elected commission members from Areas I, III and V shall take office on January 1 of the even-numbered years. The remaining two elected members of the state commission from Areas II and IV shall take office on January 1 of the odd-numbered years. The method of election is to be by area caucus of the district supervisors of each of the five separate areas of

43 Kansas. The commission shall give each district notice of the time and

 place of such annual election meeting by letter if a member is to be elected to the commission from that area that year. The selection of a successor to fill an unexpired term shall be by appointment by the commission. The successor who is appointed to fill the unexpired term shall be a resident of the same area as that of the predecessor.

- (b) The commission shall keep a record of—its the commission's official actions and shall review all rules and regulations proposed by the division director that are necessary for the execution of the division's functions under this act.
- (c) In addition to the powers and duties conferred in this section, the commission shall have the powers and duties not delegated to the division pursuant to K.S.A. 74-5,126, and amendments thereto.
- (d) The commission shall designate its chairperson and, from time to time, may change such designation. A majority of the commission shall constitute a quorum, and the concurrence of a majority in any matter within their duties shall be required for its determination. Members of the commission attending meetings of such commission or attending a subcommittee meeting thereof authorized by such commission shall be paid compensation, subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3223, and amendments thereto. The commission shall provide for keeping of a full and accurate record of all proceedings and of all resolutions, rules and regulations and orders issued or adopted.
- (e) The commission together with the division shall make conservation program policy decisions to be approved by the—secretary executive director, including modification of current conservation programs, creation of new conservation programs and annual budget recommendations.
- (f) The division in consultation with the commission shall have the following duties and powers:
- (1) To offer such assistance as may be appropriate to the supervisors of conservation districts, organized as provided hereinafter, in the carrying out of any of their powers and programs;
- (2) to keep the supervisors of each of the several districts organized under the provisions of this act informed of the activities and experience of all other districts organized hereunder and to facilitate an interchange of advice and experience between such districts and cooperation between them;
- (3) to coordinate the programs of the several conservation districts organized hereunder;
- (4) to secure the cooperation and assistance of the United States-and any of its agencies and of agencies of this state, in the work of such districts and to contract with or to accept donations, grants, gifts and contributions in money, services or otherwise from the United States-or

 any of its agencies or from the state or any of its agencies in order to carry out the purposes of this act;

- (5) to disseminate information throughout the state concerning the activities and programs of the conservation districts organized hereunder and to encourage the formation of such districts in areas where their organization of such districts is desirable;
- (6) to cooperate with and give assistance to watershed districts and other special purpose districts in the state of Kansas for the purpose of cooperating with the United States through the—secretary of agriculture-executive director in the furtherance of conservation pursuant to the provisions of the watershed protection and flood prevention act, as-amended;
- (7) to cooperate in and carry out, in accordance with state policies, activities and programs to conserve and develop the water resources of the state and maintain and improve the quality of such water resources;
- (8) to enlist the cooperation and collaboration of state, federal, regional, interstate, local, public and private agencies with the conservation districts;
- (9) to facilitate arrangements—under which whereby conservation districts may serve county governing bodies and other agencies as their local operating agencies in the administration of any activity concerned with the conservation of natural resources; and
- (10) to take such actions as are necessary to restore, establish, enhance and protect natural resources with conservation easements for the purpose of compensatory mitigation required under section 404 of the federal clean water act, including:
- (A) Accepting, purchasing or otherwise acquiring conservation easements, as defined in K.S.A. 58-3810, and amendments thereto, on behalf of watershed districts for the purpose of protecting compensatory mitigation sites;
- (B) contracting with engineering consultants, surveyors and construction contractors for the purpose of restoration, establishment and enhancement of natural resources; and
- (C) establishing fees for the acquisition and administration of conservation easements held on behalf of watershed districts, accepting such fees from state and local government agencies, and assuming responsibility to ensure the terms of the conservation easement are met, as approved by the department, for the length of term of the easement for which fees have been accepted.
- (g) There is hereby established in the state treasury the compensatory mitigation fund to be administered by the department of agriculture-Kansas office of natural resources. All expenditures from the compensatory mitigation fund shall be for conservation. All expenditures

2.7

 from the compensatory mitigation 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 executive director or the executive director's designee of the secretary. The secretary of agriculture executive director shall remit all moneys received by or for the secretary executive director under this section to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the compensatory mitigation fund.

- (h) All costs associated with compensatory mitigation, including, but not limited to, the costs of any litigation or civil fines or penalties, shall be paid by the watershed district for which the division holds the conservation easement.
- (i) (1) Except as provided in paragraph (2), the Kansas-department of agriculture office of natural resources shall not expend moneys appropriated from the state general fund or from any special revenue fund or funds for the purpose of accepting, purchasing or otherwise acquiring conservation easements on behalf of watershed districts.
- (2) The Kansas-department of agriculture office of natural resources may expend moneys in the compensatory mitigation fund established by this section for the purpose of accepting, purchasing or otherwise acquiring conservation easements on behalf of watershed districts and for the administration of such conservation easements.
- (j) The division shall not accept, purchase or otherwise acquire any conservation easement other than for the purposes of this section.
- Sec. 11. K.S.A. 2-1907 is hereby amended to read as follows: 2-1907. The governing body of the district shall consist of five supervisors who are qualified electors residing within the district. The supervisors who are first elected shall serve for terms of one, two and three years according to the following plan: The two persons receiving the highest number of votes in the election shall hold office for three years; the two persons receiving the next highest number of votes shall hold such office for a term of two years; and the remaining supervisor shall hold office for a term of one year. In the event of a tie vote, such terms shall be decided by lot. Nothing in this section shall be construed as affecting the length of the term of supervisors holding office on January 1, 1995. Successors to such persons shall be elected for terms of three years. An annual meeting of all qualified electors of the district shall be held in the month of January or February. Notice of the time and place of such meeting shall be given by such supervisors by publishing a notice in the official county paper once each week for two consecutive weeks prior to the week in which such meeting is to be held. At such meeting the supervisors shall make full and due report of their

activities and financial affairs since the last annual meeting and shall 1 2 conduct an election by secret ballot of all of the qualified electors of the 3 district there present for the election of supervisors whose terms have 4 expired. Whenever a vacancy occurs in the membership of the governing 5 body the remaining supervisors of the district shall appoint a qualified 6 elector of the district to fill the office for the unexpired term. The 7 supervisors shall designate a chairperson and may from time to time 8 change such designation. A supervisor shall hold office until a successor has been elected or appointed and has qualified. A majority of the 9 supervisors shall constitute a quorum and the concurrence of a majority of 10 the supervisors in any matter within their duties shall be required for its 11 determination. A supervisor shall receive no compensation for services, but 12 13 may be entitled to expenses, including traveling expenses, necessarily incurred in the discharge of duties. The supervisors may employ a 14 secretary, technical experts and such other officers, agents and employees, 15 16 permanent and temporary, as they may require, and shall determine their qualifications, duties and compensation. The supervisors may call upon the 17 18 county attorney of the county in which a major portion of the district lies, 19 or the attorney general for such legal services as they may require. The supervisors may delegate to their chairperson, to one or more supervisors, 20 21 or to one or more agents, or employees such powers and duties as they 22 may deem proper. The supervisors shall furnish to the division, upon 23 request, copies of such rules, regulations, orders, contracts, forms, and 24 other documents as they shall adopt or employ, and such other information 25 concerning their activities as it may require in the performance of its duties under this act. The supervisors shall provide for the execution of surety 26 27 bonds for all employees and officers who shall be entrusted with funds or 28 property; shall provide for the keeping of a full and accurate record of all 29 proceedings and of all resolutions, regulations, and orders issued or 30 adopted; and shall provide for an annual audit of the accounts and receipts 31 and disbursements. Any supervisor may be removed by the secretary 32 executive director in consultation with the commission upon notice and hearing in accordance with the provisions of the Kansas administrative 33 34 procedure act for neglect of duty or malfeasance in office, but for no other reason. The supervisors may invite the legislative body of any 35 36 municipality or county located near the territory comprised within the 37 district to designate a representative to advise and consult with the 38 supervisors of the district on all questions of program and policy that may 39 affect the property, water supply or other interests of such municipality or 40 county. 41

Sec. 12. K.S.A. 2-1915 is hereby amended to read as follows: 2-1915. (a) (1) Appropriations may be made for grants out of funds in the treasury of this state for:

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 (A) Terraces, terrace outlets, check dams, dikes, ponds, ditches, critical area planting, grassed waterways, irrigation technology, precision land forming, range seeding, soil and grassland health, detention and grade stabilization structures and other enduring water conservation and water quality practices installed on public lands and on privately owned lands; and

- (B) the control of invasive species on public lands and on privately owned lands.
- (2) Except as provided by the multipurpose small lakes program act and other programs approved by the secretary executive director, any such grant shall not exceed 80% of the total cost of any such practice.
- (b) A program for protection of riparian and wetland areas shall be developed by the division and implemented by the conservation districts. The conservation districts shall prepare district programs to address resource management concerns of water quality, erosion and sediment control and wildlife habitat as part of the conservation district long-range and annual work plans. Preparation and implementation of conservation district programs shall be accomplished with assistance from appropriate state and federal agencies involved in resource management.
- (c) Subject to the provisions of K.S.A. 2-1919, and amendments thereto, any holder of a water right, as defined by K.S.A. 82a-701(g), and amendments thereto, who is willing to voluntarily return all or a part of the water right to the state shall be eligible for a grant not to exceed 80% of the total cost of the purchase price for such water right. The division shall administer this cost-share program with funds appropriated by the legislature for such purpose. The chief engineer shall certify to the division that any water right for which application for cost-share is received under this section is eligible in accordance with the criteria established in K.S.A. 2-1919, and amendments thereto.
- (d) (1) Subject to appropriation acts therefor, the division shall develop the Kansas water quality buffer initiative for the purpose of restoring riparian areas using best management practices. The director shall ensure that the initiative is complementary to the federal conservation reserve program and update any applicable standards from time to time as necessary for the continued success of the program.
- (2) There is hereby created in the state treasury the Kansas water quality buffer initiative fund. 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 director or the director's designee. Moneys credited to the fund shall be used for the purpose of making grants to install water quality best management practices pursuant to the initiative.
 - (3) The county or district appraiser shall identify and map riparian

2.7

buffers consisting of at least one contiguous acre per parcel of real property located in the appraiser's county. Notwithstanding any other provisions of law, riparian buffers shall be valued by the county or district appraiser as tame grass land, native grass land or waste land, as appropriate. As used in this paragraph, "riparian buffer" means an area of stream-side vegetation that: (A) Consists of tame or native grass and may include forbs and woody plants; (B) is located along a perennial or intermittent stream, including the stream bank and adjoining floodplain; and (C) is a minimum of 66 feet wide and a maximum of 180 feet wide.

- (e) The division, with the approval of the secretary executive director, shall adopt rules and regulations to administer such grant and protection programs. Prior to submission of any proposed rules and regulations of the division to the director of the budget, the secretary of administration and the attorney general in accordance with the rules and regulations filing act, K.S.A. 77-415 et seq., and amendments thereto:
- (1) The *executive* director shall submit such proposed rules and regulations to the commission; and
- (2) the commission shall review and make recommendations to the director and the-secretary executive director regarding such proposed rules and regulations.
- (f) Any district is authorized to make use of any assistance whatsoever given by the United States, or any agency thereof, or derived from any other source, for the planning and installation of such practices. The division may enter into agreements with other state and federal agencies to implement the Kansas water quality buffer initiative.
- Sec. 13. K.S.A. 2-1930 is hereby amended to read as follows: 2-1930. (a) As used in this section:
- (1) "Division" means the *Kansas office of natural resources*, division of conservation established within the Kansas department of agriculture in K.S.A. 74-5,126, and amendments thereto;
- (2) "historic consumptive water use" means an amount of use of a water right as calculated pursuant to subsection (k); and
 - (3) "program" means the water right transition assistance program.
- (b) There is hereby established the water right transition assistance program. The program shall be administered by the division. The Kansas department of agriculture office of natural resources, division of water resources and recognized local governing agencies, including groundwater management districts, shall cooperate in program implementation. The program shall be administered for the purpose of reducing historic consumptive water use in the target or high priority areas of the state by issuing water right transition grants based on competitive bids for privately held water rights.
 - (c) (1) The division may receive and expend funds from the federal or

 state government or a private source for the purpose of carrying out the provisions of this section. The division shall carry over unexpended funds from one fiscal year to the next.

- (2) The maximum amount paid by the division shall not exceed a base rate per acre-foot of historic consumptive water use made available under the water right to be dismissed or permanently reduced. The division, in consultation with the commission, shall establish an annual base rate after considering recommendations from the chief engineer and the groundwater management districts regarding market conditions.
- (d) The division may enter into water right transition assistance program contracts with landowners that will result in the permanent reduction of part or all of a landowner's historic consumptive water use by action of the chief engineer as provided for in subsection (f).
- (e) All applications for permanent irrigation water right retirements shall be considered for funding. Permanent retirement of partial water rights shall only be approved by the Kansas-department of agriculture office of natural resources, division of water resources when the local groundwater management district has the metering and monitoring capabilities necessary to ensure compliance with the program.
- (f) Applications for permanent water right retirement shall be prioritized for payment based on the following criteria:
 - (1) The applicant's bid price;
- (2) the timing and extent of the impact of the application on aquifer restoration or stream recovery;
- (3) the impact on local water management strategies designated by the board of each groundwater management district or by the chief engineer for each target area; and
- (4) where rights with similar hydrologic impacts are considered, priority should be given to the senior right as determined under the Kansas water appropriation act.
- (g) Water rights enrolled in the program for permanent retirement shall require the written consent of all landowners and authorized agents to voluntarily request permanent reduction or permanent dismissal and forfeiture of priority of the enrolled water right. Upon enrollment of the water right into the program, the chief engineer of the Kansas-department of agriculture office of natural resources, division of water resources shall concurrently permanently reduce or permanently dismiss and terminate the water right in accordance with the terms of the contract.
- (h) (1) The division shall make water right transition grants available only in areas that have been designated as:
- (A) Target areas by the groundwater management districts and the chief engineer of the Kansas-department of agriculture office of natural resources, division of water resources; or

 (B) target areas outside the groundwater management districts by the chief engineer of the Kansas-department of agriculture office of natural resources, division of water resources.

- (2) Each target area shall be in a groundwater aquifer, aquifer subunit, surface water basin, subbasin or stream reach that the chief engineer has closed to further appropriations except for domestic use, temporary permits, term permits for five years or less and small-use exemptions for 15 acre-feet or less, if the use, permit or exemption does not conflict with this program.
- (3) The designation of each target area shall include the identification of a historic consumptive water use retirement goal. When such goal is reached, the target area shall be delisted.
- (4) The designation of each target area shall include the identification of sub-regions that are to be prioritized for retirements among competing bids.
- (i) Contracts accepted under the program shall result in a net reduction in historic consumptive water use in the target area. Except as provided for in subsections (l) and (m), once a water right transition assistance program grant has been provided, the land authorized to be irrigated by the water right or water rights associated with that grant shall not be irrigated permanently. Water right transition assistance program contracts shall be subject to such terms, conditions and limitations as may be necessary to ensure that such reduction in historic consumptive water use occurs and can be adequately monitored and enforced.
- (j) Only vested or certified water rights that are in good standing shall be eligible for water right retirement grants.
- (k) (1) The historic consumptive water use of a water right shall be determined by either:
- (A) Calculating the average amount of water consumed by crops as a result of the lawful beneficial use of water during the 10 preceding calendar years of actual irrigation and multiplying the average reported water use for the 10 selected years by a factor of 0.85 for center pivot sprinkler irrigation systems, 0.75 for flood or gravity irrigation systems and 0.95 for subsurface drip irrigation systems, but not to exceed the net irrigation requirements for the 50% chance rainfall for the appropriate county as shown in K.A.R. 5-5-12; or
- (B) calculating the available pumping capacity of a water right by multiplying a flow rate test for each point of diversion applied to be retired under the water right by a theoretical pumping duration of 100 days multiplied by an efficiency factor of 0.85 for center pivot sprinkler irrigation systems, 0.75 for flood or gravity irrigation systems and 0.95 for subsurface drop irrigation systems, but not to exceed the authorized quantity of the water right or the net irrigation requirements for the 50%

 chance rainfall for the appropriate county as shown in K.A.R. 5-5-12. Flow rate tests must have been conducted not less than one year prior to the application date and certified as acceptable by the local groundwater management district or the chief engineer.

- (2) The applicant may also submit an engineering study that determines the average historic consumptive water use as an alternative method if it is demonstrated to be more accurate for the water right or water rights involved.
- (l) Enrollment of an entire water right or a portion of a water right where land associated with the quantity is being permanently reduced from the water right in the program shall not subsequently prohibit irrigation of the land that, prior to enrollment, was authorized by the water right or water rights if irrigation can be lawfully allowed by another water right or permit pursuant to the rules and regulations and consideration of any future changes to other water rights that may be proposed to be transferred to such land.
- (m) If more than one water right overlaps the place of use authorized by the water right proposed to be enrolled in the program, then all overlapping water rights shall be enrolled in the program or the landowners shall take the necessary lawful steps to eliminate the overlap with the water right to be enrolled. The burden shall be on the landowner to provide sufficient information to substantiate that the proposed use of water by the resulting exercise of all water rights involved will result in the net reduction amount of historic consumptive water use by the water right or water rights to be enrolled. The division may require such documentation to be provided by someone with special knowledge or experience related to water rights and such operations.
- (n) The division shall adopt rules and regulations as necessary for the administration of this section. When adopting such rules and regulations, the division shall consider cropping, system design, metered water use and all other pertinent information that will permit a verifiable reduction in historic consumptive water use and permit alternative crop or other use of the land so that the landowner's economic opportunities are taken into account.
- (o) The division shall hold a meeting in each target area designated after July 1, 2012, prior to entering into any water right transition assistance program contract for the permanent retirement of part or all of landowner water rights in such target area. Such meetings shall inform the public of the possible economic and hydrologic impacts of the program. The division shall provide notice of such meetings through publication in local newspapers of record and in the Kansas register.
 - (p) The provisions of this section shall expire on July 1, 2030. Sec. 14. K.S.A. 2-1933 is hereby amended to read as follows: 2-1933.

 (a) As used in this section, "division" means the *Kansas office of natural resources*, division of conservation established within the Kansas department of agriculture in K.S.A. 74-5,126 in section 4, and amendments thereto.

- (b) The division shall administer the conservation reserve enhancement program (CREP) on behalf of the state of Kansas pursuant to agreements with the United States department of agriculture for the purpose of implementing beneficial water quality and water quantity projects concerning targeted watersheds to be enrolled in CREP.
- (c) There is hereby established in the state treasury the Kansas conservation reserve enhancement program fund, which shall be administered by the division. All expenditures from the Kansas conservation reserve enhancement program fund shall be for the implementation of CREP pursuant to agreements between the state of 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 executive director of the Kansas office of natural resources or by the secretary's executive director's designee.
- (d) The division may request the assistance of other state agencies, Kansas state university, local governments and private entities in the implementation of CREP.
- (e) The division may receive and expend moneys from the federal or state government or private sources for the purpose of carrying out the provisions of this section. All moneys received shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the Kansas conservation reserve enhancement program fund. The division shall carry over unexpended moneys in the Kansas conservation 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 the following criteria:
- (1) The aggregate total number of acres enrolled in Kansas in all CREPs shall not exceed 40,000 acres;
 - (2) the number of acres eligible for enrollment in CREP in Kansas shall be limited to $^{1}/_{2}$ of the number of acres represented by federal contracts in the federal conservation reserve program that have expired in

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 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 agricultural purposes, such as planting agricultural commodities, including, but not limited to, grains, cellulosic or biomass materials, alfalfa, grasses or legumes, but not including cover crops, then the number of acres eligible for enrollment shall be limited to the number of acres represented by contracts in the federal conservation reserve program that have expired in the prior year in counties within the specific CREP area;

- (3) nonot 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;
- (4) no whole-field enrollments shall be accepted into a CREP established for water quality purposes; and
- (5) lands enrolled in the federal conservation reserve program as of January 1, 2008, shall not be eligible for enrollment in CREP.
- (h) (1) For a CREP established with the purpose of meeting water quantity goals, the division shall administer such CREP 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
- (B) only water rights in good standing are eligible for inclusion under CREP.
 - (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 Kansas office of natural resources, 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 water resources shall not have: (i) Exceeded the maximum annual quantity authorized to be diverted; and (ii) been the subject of enforcement sanctions by the division of water resources; and
- (C) the water right holder has submitted the required annual water use report required under K.S.A. 82a-732, and amendments thereto, for each of the most recent 10 years.
- (i) (1) The Kansas—department of agriculture office of natural resources shall submit a CREP report to the senate committee on agriculture and natural resources and the house committee on agriculture and natural resources, or any successor committees, at the beginning of

 each annual regular session of the legislature containing a description of program activities for each CREP administered in the state and including:

- (A) The acreage enrolled in CREP during fiscal year 2008 through the most current fiscal year to date;
- (B) the dollar amounts received and expended for CREP during fiscal year 2008 through the most current fiscal year to date;
- (C) an assessment of meeting each of the program objectives identified in the agreement with the farm services agency; and
- (D) such other information specified by the Kansas department of agriculture or Kansas office of natural resources.
- (2) For a CREP established with the purpose of meeting water quantity goals, the following information shall be included in such annual report:
- (A) The total water rights, measured in acre-feet, retired in CREP from fiscal year 2008 through the current fiscal year to date;
- (B) the change in groundwater water levels in the CREP area during fiscal year 2008 through the most current fiscal year to date;
- (C) the annual amount of water usage in the CREP area from fiscal year 2008 through the most current fiscal year to date; and
- (D) the average water use, measured in acre-feet, for each of the five years preceding enrollment for each water right enrolled.
- (j) The Kansas-department of agriculture office of natural resources shall submit a report on the economic impact of each specific CREP to the senate committee on agriculture and natural resources and the house of representatives committee on agriculture and natural resources, or any successor committees, every five years, beginning in 2017. The report shall include economic impacts to businesses located within each specific CREP region.
- Sec. 15. K.S.A. 12-541 is hereby amended to read as follows: 12-541. (a) Following annexation, the rural water district shall remain the water service provider to the annexed area unless the city gives written notice designating a different supplier. If the city designates a different supplier, the city shall purchase the property, facilities, improvements and going concern value of the facilities of the district located within the territory annexed by the city. If an agreement for the purchase of such property, facilities, improvements and going concern value of the facilities of the district annexed by the city is not executed within 90 days after delivery of the notice designating a different supplier, the city and the rural water district in good faith shall engage in mediation. Unless an agreement is executed, no change in water service provider shall occur and no appraisers shall be appointed until more than 120 days after delivery of the notice of intent to change the water supplier and the mediation has been terminated.

(b) If the district and the city are unable to reach agreement on the reasonable value for such property, facilities, improvements and going concern value of the facilities of the district, then the reasonable value shall be determined in the following manner:

- (1) The district and the city shall each select one qualified appraiser and the two appraisers so selected shall then select a third appraiser for the purpose of conducting an appraisal to determine reasonable value of the property, facilities, improvements and going concern value of the facilities of the district annexed by the city. The appraisers shall consider all elements of value, employing any method of valuation the appraisers deem appropriate and shall specifically consider the following factors in determining reasonable value:
- (A) Whether any property of the district is rendered useless or valueless to the district:
- (B) the amount of damage to property remaining in the ownership of the district following annexation;
- (C) impact on the existing indebtedness of the district and such district's ability to repay that debt;
- (D) the value of the service facilities of the district located within the area in question;
- (E) the amount of any expenditures for planning, design or construction of service facilities outside the incorporated or annexed area that are allocable to service to the area in question;
- (F) the amount of the district's contractual obligations allocable to the area in question;
- (G) if the area transferred consists of land for which no water service is being provided by the system at the time of the annexation, the value of such land based on the planning, design and construction of improvements located outside the annexed area reasonably made to provide future water service to the annexed area;
- (H) any demonstrated impairment of service or increase of cost to consumers of the district remaining after the annexation and the impact on future revenues lost from existing customers;
- (I) any necessary and reasonable legal expenses and professional fees:
- (J) any factors relevant to maintaining the current financial integrity of the district;
- (K) the average increase in the number of benefit units in the area annexed for the three years immediately preceding such annexation; and
- (L) any other relevant factors as agreed to by the three appointed appraisers.
- (2) The appraisers shall hear such evidence as the appraisers deem appropriate and shall make a written summary of findings and conclusions.

 The agreement or decision of at least two of the three appraisers shall be the fair market value presented to the city for payment and the district for acceptance.

- (3) If either the district or the city is dissatisfied with the decision of the appraisers, then the district or the city may appeal within 30 days such award to the district court. Such appeal shall be heard de novo by the court without a jury.
- (c) The compensation required by this section shall be paid to the district whether or not the city actually utilizes the facilities of the district for the delivery of water to property within the city and shall be paid at a time not later than 120 days following the date upon which the fair market value of the facilities are certified to the city and to the district, or at such later date as may be mutually agreed upon by the city and the district or as may be determined by the district court.
- (d) In any event, the district may elect to retain facilities located within the city used for transmission of water, provided that the district use those facilities to continue to supply water service to benefit units outside the city. The district shall not receive compensation for facilities it elects to retain.
- (e) Except as otherwise provided, nothing in this section shall be construed as limiting the authority of a city to select water service suppliers to areas within the city limits, or to limit the authority of a city to adopt and enforce regulations for the operation of a water service supplier, including, but not limited to, standards of water quality, classification of water customers, capacity of water system, water system connections to sanitary sewer systems, rates and billing practices and other regulations for protection of the public health, safety and welfare.
- (f) In the event that a district will no longer be the water supplier to land as a result of annexation and notice pursuant to subsection (a), the district shall continue to provide such service until the city gives notice of its assumption of responsibility for service, designating the date that the service shall transfer to the supplier designated by the city. The district and the city shall cooperate as necessary to minimize the inconvenience to water customers as a result of the transfer. The city shall give written notice to each customer of the district for whom water service is being transferred specifying the name and address of the new supplier, the effective date of the transfer, the reason for the transfer and a schedule of applicable rates. The district shall not discontinue or limit service to customers who were supplied water by the district at the time of annexation during the period of negotiations unless such customer has violated district bylaws or rules and regulations.
- (g) Following the transfer of water service from the district to the city, the annexed land, or amount of such land for which water service has

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been transferred to the city, shall be deleted from the territory of the district and all benefit units attached to land located therein shall be canceled without compensation. Notice of such deletion of territory shall be provided to the county clerk and the chief engineer of the *Kansas office of natural resources*, division of water resources—of the department of agriculture.

K.S.A. 12-636 is hereby amended to read as follows: 12-636. Sec. 16. Before making the improvements mentioned in K.S.A. 12-635, and amendments thereto, the governing body of the city, by resolution duly passed, shall declare it necessary for the public good and convenience that the property described in the resolution be protected from the overflow of the watercourse and shall require a competent engineer to make a survey thereof and file the same with the city clerk of the city with maps and profiles of the survey and a full and complete plan of protecting the property from the overflow or damage by water of the watercourse and also the physical characteristics and location of any right-of-way, roadbed, bridge or bridges, streets and alleys and other property liable to be injured or damaged by the overflow of the watercourse. The engineer shall also make an estimate of the cost of the entire work and improvement required to protect the property, showing the several items of the same. The engineer shall inspect and examine all lots and buildings thereon, rightsof-way, roadbeds, bridges, culverts, depot grounds, grades, streets, and all railroads, telephone and telegraph and other property liable to be injured or damaged by the overflow of the watercourse. The engineer shall file a report, in duplicate, with the city clerk. Upon the approval of engineer's report by the governing body of the city, the city clerk of the city shall immediately cause one copy of the engineer's report to be filed with the chief engineer of the Kansas office of natural resources, division of water resources of the Kansas department of agriculture.

- Sec. 17. K.S.A. 12-761 is hereby amended to read as follows: 12-761. (a) Any violation of any regulation adopted under the authority of this act shall be a misdemeanor and shall be punishable by a fine of not to exceed \$500 or by imprisonment for not more than six months for each offense or by both such fine and imprisonment. Each day's violation shall constitute a separate offense.
- (b) Any city or county, and any person the value or use of whose property is or may be affected by such violation, shall have the authority to maintain suits or actions in any court of competent jurisdiction to enforce the adopted zoning regulations and to abate nuisances maintained in violation thereof.
- (c) Whenever any building or structure is or is proposed to be erected, constructed, altered, converted or maintained or any building, structure or land is or is proposed to be, used in violation of any zoning regulations,

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the city or county, or in the event the violation relates to a provision concerning flood plain zoning, the attorney general and the chief engineer of the *Kansas office of natural resources*, division of water resources—of the Kansas department of agriculture, in addition to other remedies, may institute injunction, mandamus, or other appropriate action or proceeding to prevent such unlawful erection, construction, reconstruction, alteration, conversion, maintenance or use or to correct or abate such violation or to prevent the occupancy of such building, structure or land.

- (d) Any person, company, corporation, institution, municipality or agency of the state who violates any provision of any regulation relating to flood plain zoning shall be subject to the penalties and remedies provided for herein.
- (e) The provisions of this section shall become effective on and after January 1, 1992.
- Sec. 18. K.S.A. 12-766 is hereby amended to read as follows: 12-766. (a) The governing body may establish flood plain zones and districts and restrict the use of land therein and may restrict the application thereof to lands, adjacent to watercourses, subject to floods of a lesser magnitude than that having a chance occurrence in any one year of 1%. Any flood plain regulations shall comply with the minimum requirements of the national flood insurance act of 1968, as amended—(, 42 U.S.C. § 4001 et seq.), or any rules and regulations adopted pursuant thereto.
- (b) Prior to the adoption thereof, the governing body shall submit to the chief engineer of the Kansas office of natural resources, division of water resources of the Kansas department of agriculture any ordinance, resolution, regulation or plan that proposes to create or to effect any change in a flood plain zone or district, or that proposes to regulate or restrict the location and use of structures, encroachments, and uses of land within such an area. The chief engineer may require, pursuant to rules and regulations, each submission hereunder to be accompanied by complete maps, plans, profiles, specifications and textual matter. The chief engineer shall approve or disapprove any such ordinance, resolution, regulation or plan or changes thereof within 90 days of the date of receipt of all such data required by the chief engineer as specified in rules and regulations adopted thereby. If the chief engineer fails to approve or disapprove within the 90 day period required by this section, such ordinance, resolution, regulation or plan or change thereof shall be deemed approved. The chief engineer shall provide, in writing, specific reasons for any disapproval.
- (c) The chief engineer shall adopt such rules and regulations deemed necessary to administer and enforce the provisions of this section.
- Sec. 19. K.S.A. 12-2713 is hereby amended to read as follows: 12-2713. Nothing contained in this act shall be held to alter or abridge the powers and duties of the secretary of health and environment or of the

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42 43 Kansas office of natural resources, division of water resources—of the Kansas department of agriculture over water supply matters.

Sec. 20. K.S.A. 19-2963 is hereby amended to read as follows: 19-3 4 2963. Any county—which that adopts a resolution under the provisions of 5 this act shall have power to declare the violation thereof a misdemeanor 6 and punishable by a fine not to exceed \$500 for each offense and to 7 provide that each day's violation shall constitute a separate offense. Such 8 counties also shall have the authority to maintain suits or actions in any 9 court of competent jurisdiction for the purpose of enforcing the provisions of such resolution and to abate nuisances maintained in violation thereof. 10 In case any building or structure is or is proposed to be erected, 11 constructed, altered, converted or maintained, or any building, structure or 12 land is or is proposed to be used in violation of any resolution enacted 13 under this act, the county counselor or other appropriate authority of the 14 15 county, and in the event the violation relates to a provision concerning 16 floodplain zoning, the attorney general and the chief engineer of the Kansas office of natural resources, division of water resources of the 17 18 Kansas department of agriculture, in addition to other remedies, may 19 institute injunction, mandamus, or other appropriate action or proceeding 20 to prevent such unlawful erection, construction, reconstruction, alteration, 21 conversion, maintenance, use or to correct or abate such violation or to 22 prevent the occupancy of such building, structure or land. Any person, 23 company, corporation, institution, municipality or agency of the state or 24 federal government who violates any provision of a resolution relating to 25 floodplain zoning, shall be subject to the penalties and remedies provided 26 for herein. 2.7

- Sec. 21. K.S.A. 24-407 is hereby amended to read as follows: 24-407. Each drainage district incorporated pursuant to K.S.A. 24-401 et seq., and amendments thereto, shall be a body politic and corporate. Subject to the superior jurisdiction of the United States over navigable waters, the governing body of each drainage district shall have exclusive control of the beds, channels, banks and of all lands the title to which is vested in the state of Kansas lying between the banks at high water mark of all natural watercourses within the district. The board of directors of every drainage district incorporated under the provisions of K.S.A. 24-401 et seq., and amendments thereto, shall have the power *to*:
 - (1) To-Adopt a seal.
 - (2) To-Sue and be sued by its corporate name.
- (3) To—Purchase, hold, sell and convey real estate and personal property necessary or convenient to carry out the purposes of the district.
 - (4) To-Take charge of and exercise exclusive control of all natural watercourses within the district, and widen, deepen, establish, regulate and maintain the channels thereof, construct and maintain levees along the

 banks thereof and detention dams and reservoirs in areas adjacent thereto which that are necessary to prevent or restrain overflow or lessen the volume thereof or the injury likely to result therefrom. The board may construct ditches, drains, sewers and canals through lands subject to overflow, and may purchase, install and operate pumps necessary to remove, carry off and prevent water from standing or remaining in pools or ponds and becoming stagnant upon overflowed lands or necessary for sanitary purposes or conducive to the public health, convenience and welfare. The board may alter, change or abandon the channel or any part of the channel of any natural watercourse and relocate or excavate and establish a new channel for such watercourse or any part thereof located within the district. The board may take private property for public use by exercise of the right of eminent domain and may condemn and remove obstructions in such watercourses. The board may acquire by gift, purchase or condemnation lands for the purpose of constructing levees along or widening, deepening, changing or otherwise improving the channels of watercourses or for relocating, excavating and establishing new channels or constructing cutoffs, detention dams and reservoirs in areas adjacent to all such watercourses.

- (5) To-Prescribe, regulate and fix the height of the superstructures above the water, the length of all spans and the location of the piers of all bridges across watercourses located within the district.
- (6) To-Construct levees across the rights-of-way, roadbeds, tracks and lands of railroad companies and street-railroad companies. The board may condemn and appropriate by the exercise of the right of eminent domain sufficient rights-of-way or other lands of any railroad company or street-railroad company necessary for constructing and maintaining a continuous levee of uniform height across the same.
- (7) To-Fix, regulate and change the grade or elevation of all public highways, railroads and street-railroads at points where any levee may cross or intersect the same.
- (8) To-Require all railroad companies to elevate their tracks at all points where intersected by any levee so that the tracks will not interfere with the construction or maintenance of the levee as a continuous and effective work of uniform height to prevent the overflow of any natural watercourse.
- (9) To-Maintain in any court of competent jurisdiction suits to enforce the reasonable orders of its directors, enjoin the placing or maintenance in any natural watercourse of any unauthorized bridge, embankment, pier or other work or structure constituting to any extent whatever an obstruction to the flow of the water, restrain all other wrongful or unauthorized encroachments upon or interference with the channel of the watercourse and to have all obstructions wrongfully placed in the channel of natural

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 watercourses adjudged public nuisances and abated as such.

- (10) To-Maintain actions in any court of competent jurisdiction to recover and hold exclusive possession of all land located between the banks of natural watercourses at high water mark, the title to which is vested in the state of Kansas. If the channel of any watercourse is altered, changed or abandoned, in whole or in part, the governing body may sell, convey and give good title to the land constituting the abandoned channel and apply the proceeds thereof to the cost of a new channel or for other improvement of the watercourse.
- (11) To-Annually levy a tax not exceeding five mills on the assessed value of all tangible taxable property within the district to create a general fund

If the board determines that a higher tax levy limit is necessary, it the board may adopt a resolution proposing to raise the limitation. Any proposed increase of the levy limitation shall be submitted for approval by the qualified voters of the drainage district. The election shall be called and held in the manner provided by the general bond law. If a majority of the voters voting on the question votes in favor thereof, the levy limitation may be increased.

- (12) To-Levy special assessments against all real property located within the district that may be benefited to pay the costs of the construction and maintenance of levees or other works or improvements to prevent the overflow of natural watercourses, or provide drainage of overflowed lands therein or that may be conducive to the public health, convenience or welfare.
- (13) To—Issue negotiable bonds to pay the costs of widening, deepening and otherwise improving the channels and constructing embankments, drains, levees and other works along the banks of natural watercourses, to pay the cost of constructing detention dams and reservoirs in areas adjacent to all such watercourses, to pay for the purchase or condemnation of land necessary therefor or to prevent overflow and protect the property located within the district from damage and injury thereby. The bonds shall be payable by general taxation of all property located within the district if it is determined that all property located within the district will be benefited thereby or that such work or improvement is necessary or will be conducive to the public health, convenience or welfare and beneficial to all of the inhabitants of the district. No bonds shall be issued until authorized by a vote of the taxpayers.
- (14) To—Contract with other drainage districts or with public corporations organized for similar purposes in any adjoining state for cooperation or joint action in constructing detention dams and reservoirs in areas adjacent to any natural watercourse or in constructing levees along

the banks or otherwise improving any natural watercourse to prevent its overflow where the overflow is likely to cause injury or damage to lands located within the territorial limits of all the cooperating districts or corporations. The board may contract and cooperate with private corporations and individuals owning lands located outside of the district or state—which that are subject to injury by overflow in common with lands located within the district. The board may contract for and receive aid and contributions from the United States, and from all public corporations the property within—which that will be benefited and with all private corporations and individuals whose property will be benefited by the improvement, whether the property is located within the district or within some other district or state.

- (15) To-Enter contracts and exercise any of its corporate, legislative or administrative powers necessary to accomplish the purpose of the district's organization.
- (16) To-Do all other acts necessary to carry out and execute the general powers granted under the provisions of K.S.A. 24-401 et seq., and amendments thereto, although not specially enumerated. Before any drainage district constructs or modifies any dam, the drainage district shall file an application with the *Kansas office of natural resources*, division of water resources of the Kansas department of agriculture pursuant to K.S.A. 82a-301, and amendments thereto.

K.S.A. 24-418 is hereby amended to read as follows: 24-418. The board of directors may cause any or all natural watercourses within the district to be widened and deepened, walls, embankments and levees to be constructed along the banks, and obstructions and sand bars to be removed from the channel thereof, or such other improvements, including detention dams and reservoirs in areas adjacent to such watercourses, to be made thereto as may be deemed necessary to prevent the overflow of such watercourses or protect property from damage thereby. Before any such work shall be contracted for, plans and specifications for such work and an estimate of the cost thereof shall be made under oath by a competent engineer appointed for the purpose and embodied in a written report and filed with the secretary. If, upon consideration of such report and such other information as the board of directors may obtain, it shall be determined by the board of directors that the improvement of any natural watercourse by the removal of obstructions from the channel thereof or otherwise or the construction of any levee, levees, system of levees or detention dams and reservoirs will prevent the overflow of such natural watercourse, and thereby protect all of the lands within the drainage district from injury therefrom, and will be conducive to the public health, convenience or welfare, the board of directors shall have power to cause such levee, levees or such detention dams and reservoirs to be constructed

and such other improvement and work to be done, and to issue bonds not exceeding in amount 20% on the taxable property of the district as shown by the assessment and tax rolls of the next preceding year to pay the cost thereof, such bonds to be paid by a general tax to be levied upon all of the taxable property within the drainage district issuing the same, except that: (1) Such improvement shall not be made until it has been authorized by a vote of the taxpayers of the district, at a special election to be called and held for that purpose at such time and place and in such manner as the board of directors may prescribe by an order entered upon its journal; and (2) the board of directors of the drainage district shall have no power to remove, lower or injure any dam constructed by any city in this state in or across any nonnavigable natural watercourse for the purpose of holding or storing water for the use of the city and its inhabitants, or to make any excavation or ditch to permit the flow of water around or by said dam, without first filing an application with the Kansas office of natural resources, division of water resources of the Kansas department of agriculture pursuant to K.S.A. 82a-301, and amendments thereto.

- Sec. 23. K.S.A. 24-656 is hereby amended to read as follows: 24-656. The following terms when As used in this act-shall be construed to have the meaning ascribed to them in this section:
- (a) "Person"—shall mean means any person, firm, partnership, association or corporation;
- (b) "publication" shall mean means the publication in a newspaper or newspapers admitted to the United States mail as second-class matter, of general circulation within the joint drainage district;
- (c) "land"-shall mean means real property as that term is defined by the laws of the state of Kansas, and-shall include includes any road, highway, bridge, street or other right-of-way;
- (d) "chief engineer"—shall mean means the chief engineer of the Kansas office of natural resources, division of water resources—of the Kansas department of agriculture;
- (e) "board"—shall mean means the board of directors of a joint drainage district;
- (f) "qualified voter"—shall mean means any qualified elector of the district and any person 18 years of age or over owning land within the district, although not a resident therein;
- (g) "landowner" shall mean means the record owner of the fee in any real estate in the district or the fee in the surface rights of any real estate in the district, but the owners of an oil and gas lease, mineral rights or interest, easements or mortgages as such shall not be considered landowners, and school districts, cemetery associations and municipal corporations shall not be considered landowners; and
 - (h) "steering committee" shall be means the group of not less than

three—(3) qualified voters who shall serve as the governing body of the proposed drainage district until the first board of directors is elected.

- Sec. 24. K.S.A. 24-659 is hereby amended to read as follows: 24-659. Said The petition required by K.S.A. 24-658, and amendments thereto, shall set forth: (1) The proposed name of the district, which name shall end with the words "joint drainage district number ______." It shall be the duty of the secretary of state to assign a number to each such district in the order in which that petitions for their organization are received in his or her the secretary's office.
- (2) A description of the lands to be included within the proposed district, identified by section numbers and fractions thereof, and other platted areas as appropriate.
- (3) A statement of the purposes for which the district is to be organized.
- (4) A statement that the board of directors of the district shall consist of not less than three members giving the names and addresses of the persons who will constitute the original steering committee.
 - (5) Any other matter deemed essential.
- (6) A prayer for the organization of the district as a nonprofit corporation.

A map showing the lands to be included in the district, prepared in consultation with the chief engineer, shall be attached to the petition as an exhibit and incorporated therein by reference. The petition shall be in substantially the following form:

BEFORE THE SECRETA	ARY OF STATE OF THE STATE OF KANSAS	3
In the Matter of	Joint Drainage District Number	
and	counties, Kansas.	
	PETITION	

Come now the undersigned persons and state that they are landowners within the proposed boundaries of the aforenamed drainage district, hereinafter more fully described, and that each signer states that his respective post-office address is set forth beside his name. That the purposes for which this district is organized are (state purposes). That a steering committee for the organization of the district is hereby fixed and constituted with not less than three members; that the names of persons who will serve on the original steering committee, of which the first named shall be acting chairman, and their respective addresses are as follows:

(List names and addresses.)

The governing body of the district shall be constituted in a board of directors composed of not less than three qualified voters.

That attached hereto, marked Exhibit A and made a part hereof as fully as if set forth herein, is a map showing the lands proposed to be included

in the district.

42.

That the lands proposed to be included in said district are described as follows:

(Description of lands.)

That the lands proposed to be included in said district do not embrace the territorial limits of any incorporated city, or any part thereof, except those specifically described in the petition.

Wherefore, the undersigned, individually and collectively, pray that a joint drainage district be organized in the manner provided by law, for the purposes set forth herein, and that the secretary of state and the chief engineer of the *Kansas office of natural resources*, division of water resources of the Kansas department of agriculture proceed diligently in the performance of their duties so that the organization of this proposed district may be completed and approved at the earliest possible time.

Submitted to the secretary of state this _____ day of _____, ____,

Sec. 25. K.S.A. 24-1202 is hereby amended to read as follows: 24-1202. The following terms when As used in this act shall be construed to have the meaning ascribed to them in this section:

- (a) "Person"—shall mean means any person, firm, partnership, association or corporation;
- (b) "publication" shall mean means the publication in a newspaper or newspapers admitted to the United States mail as second-class matter, of general circulation within the watershed district;
- (c) "land"-shall mean means real property as that term is defined by the laws of the state of Kansas, and-shall include includes any road, highway, bridge, street or other right-of-way;
- (d) "chief engineer"—shall mean means the chief engineer of the Kansas office of natural resources, division of water resources—of the Kansas department of agriculture;
- (e) "board"—shall mean means the board of directors of a watershed district;
- (f) "district"-shall mean means an area comprising a watershed or two or more adjoining watersheds exclusive of lands within other organized watershed districts-for which where organization is proposed or-which that has been organized under the provisions of article 12 of chapter 24 of the Kansas Statutes Annotated, and amendments thereto. The district shall not include the territorial limits of any incorporated city unless the petition circulated and filed as provided for in article 12 of chapter 24 of the Kansas Statutes Annotated, and amendments thereto, shall clearly-indicate indicates that the territory of such a city is to be included in such watershed district;
- (g) "specific project" means any project outlined and proposed by the directors and may constitute all or part of a general plan;

HB 2345 38

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"watershed"-shall mean means all of the area within the state draining toward a selected point on any watercourse, stream, lake or depression;

- "subwatershed"—shall mean means a division of the district as nearly equal in size to other divisions of the district as feasible and including as nearly as practicable one or more tributaries to the main stream-which that drains from the district;
- "qualified voter" shall mean means any qualified elector of the district and any person 18 years of age or over owning land within the district, although not a resident therein;
- (k) "landowner"-shall mean means the record owner of the fee in any real estate in the district or the fee in the surface rights of any real estate in the district, but the. "Landowner" does not include owners of an oil and gas lease, mineral rights or interest, easements or mortgages as such shall not be considered landowners, and, school districts, cemetery associations and municipal corporations shall not be considered landowners;
- (1) "steering committee"-shall be means the group of qualified voters, not less than the number to be chosen for the board of directors, who-shall serve as the governing body of the proposed watershed district until the first board of directors is elected; and
- "general plan" shall mean means a preliminary engineering report describing the characteristics of the district, the nature and methods of dealing with the soil and water problems within the district, and the projects proposed to be undertaken by the district. It shall include "General plan" includes maps, descriptions and such other data as may be necessary for the location, identification and establishment of the character of the work to be undertaken and such other data and information as the chief engineer may require.
- Sec. 26. K.S.A. 24-1204 is hereby amended to read as follows: 24-1204. The petition required by K.S.A. 24-1203, and amendments thereto, shall set forth:
- (1) The proposed name of the district, which name shall end with the words "watershed district number ." If the district is located in two or more counties the name of the district shall end with the words "watershed joint district No. ______." It shall be the duty of the secretary of state to assign a number to each such district in the order in which petitions for their organization are received thereby.
- (2) A description of the lands to be included within the proposed district, separated as to subwatersheds, if any, and identified by section numbers and fractions thereof, and other platted areas as appropriate.
- 41 (3) A statement of the purposes for which the district is to be 42 organized. 43
 - (4) A statement of the number of persons that will constitute the

board of directors of the district, which shall be an uneven number of not less than three and not more than 15, together with the names and addresses of the persons who will constitute the original steering committee.

- (5) Any other matter deemed essential.
- (6) A prayer for the organization of the districts as a nonprofit corporation.

A map showing the lands to be included in the district and subwatersheds therein, prepared in consultation with the chief engineer, shall be attached to the petition as an exhibit and incorporated therein by reference. The petition shall be in substantially the following form:

BEFORE THE SECRETARY OF STATE OF THE STATE OF KANSAS
In the Matter of _____ Watershed (Joint) District Number ____,
___ and ____ counties, Kansas.

PETITION

Come now the undersigned persons and state that they are landowners within the proposed boundaries of the aforenamed watershed district, hereinafter more fully described, and that each signer states that the signer's respective post-office address is set forth beside the signer's name. That the purposes for which this district is organized are (state purposes). That a steering committee for the organization of the district is hereby fixed and constituted with _____ members; that the names of persons who will serve on the original steering committee, of which the first named shall be acting chairman, and their respective addresses are as follows:

(List names and addresses.)

The governing body of the district shall be constituted in a board of directors composed of (number) qualified voters.

That attached hereto, marked Exhibit A and made a part hereof as fully as if set forth herein, is a map showing the lands proposed to be included in the district and subwatersheds therein:

That the lands proposed to be included in the district and subwatersheds therein are described as follows:

(Description of lands by subwatersheds.)

That the lands proposed to be included in the district and subwatersheds therein do not embrace the territorial limits of any incorporated city, or any part thereof, except those specifically described in the petition.

Wherefore, the undersigned, individually and collectively, pray that a watershed district be organized in the manner provided by law, for the purposes set forth herein, and that the secretary of state and the chief engineer of the *Kansas office of natural resources*, division of water resources of the Kansas department of agriculture proceed diligently in the

performance of their duties so that the organization of this proposed district may be completed and approved at the earliest possible time.

Submitted to the secretary of state this _____ day of _____

Sec. 27. K.S.A. 24-1211 is hereby amended to read as follows: 24-1211. (a) In not less than 12 months, nor more than 13 months after the recording of the certificates of incorporation, and annually thereafter, a meeting shall be held for the election of directors whose terms expire and also to render a report on the financial condition and activities of the district including the estimated construction date of all proposed projects to be initiated within the next five years and the board's determination as to whether each of these projects is still cost effective and in the current public interest. Notice of the annual meeting shall be given at least 10 days prior to the date thereof by one publication in a newspaper of general circulation in each of the counties of which said where such watershed district is a part. Elections shall be by ballot. Qualified voters in attendance shall be entitled to vote at any such meeting. The directors shall fill any vacancy occurring on the board prior to the expiration of the term of any director by electing a substitute director to serve for the unexpired term.

(b) The number of directors of a district or the date of the annual meeting, or both, may be changed at an annual meeting if notice of the proposition of making such change or changes is given at the annual meeting immediately preceding the annual meeting at which when such change or changes are considered. If the number of directors is proposed to be changed, the proposition shall be introduced in the same manner as other items of business and shall clearly show the changes in representation of subwatersheds, if any, and in the length of terms of the directors. It shall be the duty of the board of directors to include the proposition in the notice of the annual meeting-at which when such changes are being considered. If a majority of those voting are favorable, the election of directors shall be in conformance with the adopted proposal and all powers shall be exercised by the newly constituted board beginning immediately after the annual meeting. Copies of the minutes of the annual meeting and report on the financial condition and activities of the district shall be furnished to the Kansas-department of agriculture office of natural resources, division of conservation.

Sec. 28. K.S.A. 24-1212 is hereby amended to read as follows: 24-1212. Regular meetings of the board of directors shall be held no less than once each quarter on such day and place as is selected by the board of directors. Notice of such meeting shall be mailed to each director at least five days prior to the date thereof, and special meetings may be held at any time upon waiver of notice of such meeting by all directors or may be called by the president or any two directors at any time. Notice in writing,

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1 signed by the persons calling any special meeting, shall be mailed to each 2 director at least two days prior to the time fixed for such special meeting. 3 A majority of the directors shall constitute a quorum for the transaction of 4 business and in the absence of any of the duly elected officers of the 5 district a quorum at any meeting may select a director to act as such officer 6 pro tem. Each meeting of the board, whether regular or special, shall be 7 open to the public. Copies of the minutes of regular and special meetings 8 shall be furnished to the Kansas-department of agriculture office of natural 9 resources, division of conservation.

- Sec. 29. K.S.A. 2024 Supp. 32-1403 is hereby amended to read as follows: 32-1403. The division of tourism of the Kansas department of commerce is hereby authorized and empowered to:
- (a) Encourage and promote the traveling public to visit this state by publicizing information as to the recreational, historic and natural advantages of the state and its facilities for transient travel and to contract with organizations for the purpose of promoting tourism within the state;
- (b) request other state agencies such as, but not limited to, the Kansas water office of natural resources, the department of wildlife and parks and the department of transportation, for assistance and all such agencies shall coordinate information and their respective efforts with the department to most efficiently and economically carry out the purpose and intent of this subsection section; and
- (c) solicit and receive moneys from any public or private source and administer a program of matching grants to provide assistance to those entities described in K.S.A. 32-1420, and amendments thereto, in the promotion of tourism and the development of quality tourist attractions in this state.
- Sec. 30. K.S.A. 42-701 is hereby amended to read as follows: 42-701. (a) A majority of the qualified owners of irrigable lands within a proposed irrigation district who shall be three or more persons and who own, collectively, at least 60 acres of land-which that are susceptible of irrigation, and who own a majority of the irrigable acres in such proposed district, may petition and make application to the chief engineer of the Kansas office of natural resources, division of water resources-of the Kansas department of agriculture, for the organization, establishment and authority to incorporate an irrigation district under the provisions of this act. Qualified owners of irrigable land shall be understood and construed to mean taxpayers of such proposed district owning irrigable land or some interest therein, in such proposed district. A qualified owner of irrigable land who is a tenant in common shall be understood and construed to own the number of acres of land to which that such person would be entitled to in the event that partition were made of such real estate, in kind, upon an acreage basis and not a valuation basis. A qualified owner of irrigable land

 who is a joint tenant shall be understood and construed to own the number of acres such person would receive in the event that the tract of land involved were divided, in kind, equally among the joint tenants owning such tract, upon an acreage basis and not upon a valuation basis. A corporation incorporated under the provisions of K.S.A. 17-5901, and amendments thereto, trust, association or partnership-which that legally holds title to such irrigable land shall be a qualified owner of irrigable land under the provisions of this act. Lands to be included in a district need not be contiguous. Irrigation districts may be formed in order to cooperate with the United States under the federal reclamation laws, heretofore or hereafter enacted, or under any act of congress-which that shall permit the performance by the United States of work in this state for the purpose of construction of irrigation works, including drainage works, or for purchase, extension, operation, or maintenance of constructed works, or for the assumption, as a principal or guarantor, of indebtedness to the United States on account of district works. When organized, irrigation districts shall have the authority and power conferred, or that may hereafter be conferred, by law upon such irrigation districts.

(b) The certificate of the register of deeds of the county where the land is located shall be sufficient evidence of title for the purposes of this act. Before any such district shall be established, the requisite number of qualified owners of irrigable lands, shall file an application with the chief engineer of the *Kansas office of natural resources*, division of water resources of the Kansas department of agriculture, for the approval of the creation of the proposed district. Such application shall be accompanied by adequate maps, a general description of the lands proposed to be included in the district and a statement of the source of water supply for the district, and such application shall set forth: (1) The proposed name of the irrigation district designated as "

irrigation district designated as "_______ Irrigation District No. _____" (indicating in blank space number of district in consecutive order as incorporated and established); (2) a description of the territory proposed to be organized as a district, which description shall be deemed sufficient if generally accurate; (3) the names of the qualified owners of irrigable lands within the proposed district, together with addresses of such persons, if known; (4) the source from which the lands in the proposed district are expected to be irrigated, the character of the works, water rights, canals, ditches, and other property, proposed to be acquired or constructed for irrigation or drainage purposes in such district; (5) a statement of the need and purpose of organizing, incorporating and establishing such proposed district; and (6) a request that the chief engineer define the boundaries of the lands to be benefited within the proposed district, and for approval of maps, plans and specifications submitted and for a permit approving organization of proposed irrigation district. Such application for authority

to incorporate shall be accompanied by application for acquisition of permit for use of water.

Sec. 31. K.S.A. 42-703 is hereby amended to read as follows: 42-703. (a) Upon receipt of the application of the proposed irrigation district by the chief engineer, the chief engineer shall cause to be published at applicant's expense, once each week for three consecutive weeks, in a newspaper-or newspapers of general circulation in the vicinity of the watercourse or source of supply from which water is sought for the land to be included in the proposed irrigation district, a notice of hearing upon such application. The published notice shall be directed to all persons concerned, without specifically naming any person. Such notice shall contain among other matters a general description of boundaries of the district as proposed; the purpose of the district as proposed; the source of the water supply sought for use and the approximate point of diversion proposed; and the date and place of hearing. Incorporated cities shall be excluded from such district. Any person interested, at any time after first publication of such notice and prior to the expiration of 60 days after the first publication of such notice, may file in duplicate with the chief engineer, a verified written protest against the approval of such application, stating therein all reasons relied upon in objection thereto, which such objections shall be duly considered by the chief engineer.

- (b) A person who signs a petition and application for the organization and incorporation of a proposed irrigation district shall be permitted to withdraw such person's name as a signer only if the chief engineer determines that the signature was obtained by fraud, undue influence or mutual mistake of fact. All applications for withdrawal of a signature from the petition must be filed with the chief engineer, within 30 days after the first publication of the notice of hearing. The chief engineer may hear and determine any such application for withdrawal of a signature in advance of the hearing for approval of the petition for establishment and organization of the proposed irrigation district.
- (c) Any action of the chief engineer upon an application of a proposed irrigation district is subject to review in accordance with—the provisions of K.S.A. 82a-1901, and amendments thereto. Any action upon such review is subject to review in accordance with section 8, and amendments thereto, and the Kansas judicial review act.

Sec. 32. K.S.A. 42-722 is hereby amended to read as follows: 42-722. (a) Except as provided by K.S.A. 42-722a, and amendments thereto, whenever a petition signed by a majority of the members of the board of directors of an irrigation district, or by a majority of the qualified owners of irrigable land within a district as defined in K.S.A. 42-701, and amendments thereto, organized or existing under provisions of this act, is presented to the chief engineer praying for the dissolution of the district,

and it-shall appear appears from the petition that the district has no real property; that, the board of directors has not held a meeting, other than those meetings held for the purpose of considering any aspect of the election of members of the board of directors, for more than one year prior to the date resulting in signing and presentation of the petition; and that the district is not functioning, had ceased to function and will probably continue inoperative and that all indebtedness and obligations of the district have been satisfied, the chief engineer, after such finding, shall issue a certificate in duplicate, declaring the irrigation district dissolved. The chief engineer shall forward the original of the certificate to the secretary of state and the duplicate to the secretary of the board of directors of the irrigation district.

(b) The certificate shall:

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- $\frac{\text{(a)}(l)}{\text{(b)}}$ Direct the secretary of the district to file all minutes and records of the district with the county clerk of the county wherein the registered office of the irrigation district is located;
- (b)(2) direct the officer of such district having custody of any personal property other than moneys to make such disposition as the chief engineer deems proper; and
- (e)(3) direct the treasurer of such district to transfer to the county treasurers of the counties within such district, moneys held in the name of the district, to be distributed by such treasurer in proportion to the number of acres of each county within the district.
- (c) The county treasurer shall deposit such moneys into the county general fund.
- (d) The irrigation district shall be dissolved and cease to exist upon expiration of 30 days after the date of the issuance of such certificate, or upon expiration of 30 days after a final order pursuant to—K.S.A. 2000 Supp. 82a-1901 section 8, and amendments thereto, or a final judicial determination affirming the findings of the chief engineer, as set out in the certificate, in event that an appeal is taken therefrom.
- Sec. 33. K.S.A. 42-722a is hereby amended to read as follows: 42-722a. (a) The board of directors of Cedar Bluff irrigation district No. 6 may present a petition, adopted by a majority of the directors, to the chief engineer requesting the dissolution of such district. The petition shall state the district has no real property; and that, the district is not functioning, had ceased to function and probably will continue inoperative; and that all indebtedness and obligations of the district have been satisfied. Upon finding that the petition is true, the chief engineer shall issue a certificate in duplicate, declaring the irrigation district dissolved, and shall forward the original of the certificate to the secretary of state and the duplicate to the secretary of the board of directors of the irrigation district.
 - (b) The certificate shall:

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 $\frac{\text{(a)}(1)}{\text{(a)}}$ Direct the secretary of the district to file all minutes and records of the district with the county clerk of the county—wherein where the registered office of the irrigation district is located;

- $\frac{\text{(b)}(2)}{\text{(b)}}$ direct the officer of such district having custody of any personal property other than moneys to make such disposition as the chief engineer deems proper; and
- (e)(3) direct the treasurer of such district to distribute moneys held in the name of the district to the owners of property within the irrigation district.
- (c) Such moneys shall be apportioned to each property owner in the district in the same proportion that the number of irrigable acres owned by a property owner, and located in such district, bears to the total number of irrigable acres in the district.
- (d) The irrigation district shall be dissolved and cease to exist upon expiration of 30 days after the date of the issuance of such certificate, or upon expiration of 30 days after a final order pursuant to—K.S.A. 2000 Supp. 82a-1901 section 8, and amendments thereto, or final judicial determination affirming the findings of the chief engineer, as set out in the certificate, in event that an appeal is taken therefrom.
- Sec. 34. K.S.A. 42-725 is hereby amended to read as follows: 42-725. The holders of title, representing one-half $\frac{1}{2}$ or more of lands which taken together constitute one tract of land located adjacent to the boundaries of an irrigation district or located within the same county as a part of an irrigation district, may file with the directors of such irrigation districts, a petition for the changing and extending the boundaries of such district to include such additional lands. The holders of title to lands located within the boundaries of an irrigation district may file with the directors of such irrigation district a petition for the changing of the boundaries of such district to exclude from the district lands-which they that such holders of title own. The petition shall describe the boundaries of the proposed additional lands or lands to be excluded, and shall describe the boundaries of the several parcels respectively owned by each of the petitioners, but such description need not be more particular than is required by fractional portions of a quarter section of land. A certified copy of the petition and description of additional lands, proposed to be included in the district, or a description of the lands proposed to be excluded shall be filed with the chief engineer of the Kansas office of natural resources, division of water resources-of the Kansas department of agriculture. The board of directors of the irrigation district shall not take action upon such petition without the approval of-said the chief engineer. A signer upon such petition shall not be permitted to withdraw his name as a signer except for fraud, undue influence or mutual mistake of fact.
 - Sec. 35. K.S.A. 2024 Supp. 49-603 is hereby amended to read as

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 follows: 49-603. As used in-this the surface-mining land conservation and reclamation act:

- (a) "Director" means the executive director of the division or a designee.
- (b) "Affected land" means the area of land—from which where overburden has been removed or upon which overburden has been deposited, or both, but shall. "Affected land" does not include crushing areas, stockpile areas or roads.
- (c) "Commission" means the conservation program policy board created in K.S.A. 2-1904, and amendments thereto, including the state conservation commission continued in existence by K.S.A. 74-5,128, and amendments thereto.
- (d) "Mine" means any underground or surface mine developed and operated for the purpose of extracting rocks, minerals and industrial materials, other than coal, oil and gas. "Mine" does not include borrow areas created for construction purposes.
- (e) "Operator" means any person who engages in surface mining or operation of an underground mine or mines.
- (f) "Overburden" means all of the earth and other materials that lie above the natural deposits of material being mined or to be mined.
- (g) "Peak" means a projecting point of overburden removed from its natural position and deposited elsewhere in the process of surface mining.
- (h) "Pit" means a tract of land from which where overburden has been or is being removed for the purpose of surface mining.
- (i) "Ridge" means a lengthened elevation of overburden removed from its natural position and deposited elsewhere in the process of surface mining.
- (j) (1) "Surface mining" means the mining of material, except for coal, oil and gas, for sale or for processing or for consumption in the regular operation of a business by removing the overburden lying above natural deposits and mining directly from the natural deposits exposed, or by mining directly from deposits lying exposed in their natural state, or the surface effects of underground mining. "Surface mining-shall include" includes dredge operations lying outside the high banks of streams and rivers.
- (2) "Surface mining" does not include removal of overburden and mining of limited amounts of any materials-shall not be considered surface mining when done only for the purpose and to the extent necessary to determine the location, quantity or quality of the natural deposit, if the materials removed during exploratory excavation or mining are not sold, processed for sale or consumed in the regular operation of a business.
- (k) "Topsoil" means the natural medium located at the land surface with favorable characteristics for growth of vegetation, which is normally

 the A or B, or both, soil horizon layers of the four soil horizons.

- (l) "Active site" means a site where surface mining is being conducted.
- (m) "Inactive site" means a site where surface mining is not being conducted but where overburden has been disturbed in the past for the purpose of conducting surface mining and an operator anticipates conducting further surface mining operations in the future.
- (n) "Materials" means natural deposits of gypsum, clay, stone, sandstone, sand, shale, silt, gravel, volcanic ash or any other minerals of commercial value found on or in the earth with the exception of coal, oil and gas and those located within cut and fill portions of road rights-of-way.
- (o) "Reclamation" means the reconditioning of the area of land affected by surface mining to a usable condition for agricultural, recreational or other use.
- (p) "Stockpile" means the finished products of the mining of gypsum, clay, shale, stone, sandstone, sand, silt, gravel, volcanic ash or other minerals and removal from its natural position and deposited elsewhere for future use in the normal operation as a business.
- (q) "Underground mining" means the extraction of rocks, minerals and industrial materials, other than coal, oil and gas, from the earth by developing entries or shafts from the surface to the seam or deposit before recovering the product by underground extraction methods.
- (r) "Person" means any individual, firm, partnership, corporation, government or other entity.
- (s) "Division" means the *Kansas office of natural resources*, division of conservation established within the Kansas department of agriculture in K.S.A. 74-5,126 in section 4, and amendments thereto.
- (t) "Secretary" means the Kansas secretary of agriculture "Executive director" means the executive director of the Kansas office of natural resources.
- Sec. 36. K.S.A. 2024 Supp. 49-606 is hereby amended to read as follows: 49-606. (a) The-secretary executive director, at the request of the director, may deny issuance or renewal of a license for repeated or willful violation of the provisions of this act or for failure to comply with any provision of a reclamation plan.
- (b) The—secretary executive director, at the request of the director, may suspend or revoke a license for repeated or willful violation of any of the provisions of this act or for failure to comply with any provision of a reclamation plan. Proceedings for the suspension or revocation of a license pursuant to this section shall be conducted in accordance with the Kansas administrative procedure act by the—secretary executive director or a presiding officer from the office of administrative hearings.

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 Sec. 37. K.S.A. 2024 Supp. 49-611 is hereby amended to read as follows: 49-611. (a) An operator authorized under this act to operate a mine, after completion of mining operations and within the time specified in K.S.A. 49-613, and amendments thereto, shall:

- (1) Grade affected lands except for impoundments and pit floors to slopes no steeper than one foot vertical rise for each three feet of horizontal distance. Where the original topography of the affected land was steeper than one foot of vertical rise for each three feet of horizontal distance, the affected lands may be graded to blend with the surrounding terrain. The grading of high banks of sand pits and highwalls may be modified or exempted by the director.
- (2) Provide for the vegetation of the affected lands, except for impoundments, pit floors and highwalls, as approved by the director before the release of the bond as provided in K.S.A. 49-616, and amendments thereto.
- (b) Notwithstanding subsection (a), overburden piles where disposition has not occurred or will not occur for a period of 12 months shall be stabilized.
- (c) Topsoil that is a part of overburden shall not be buried or destroyed in the process of mining.
- (d) The director, with concurrence of the secretary executive director, may grant a variance from the requirements of subsections (a) and (b).
- (e) A bond or security posted under this act to assure reclamation of affected lands shall not be released until all reclamation work required by this section has been performed in accordance with the provisions of this act, except when a replacement bond or security is posted by a new operator or responsibility is transferred under K.S.A. 49-610, and amendments thereto.
- Sec. 38. K.S.A. 2024 Supp. 49-613 is hereby amended to read as follows: 49-613. (a) An operator shall reclaim affected lands within a period not to exceed three years after the filing of the report required under K.S.A. 49-612(b), and amendments thereto, indicating the mining of any part of a site has been completed.
- (b) For certain postmining land uses, such as a sanitary land fill, the director, with the approval of the secretary executive director, may allow an extended reclamation period.
- (c) An operator, upon completion of any reclamation work required by K.S.A. 49-611, and amendments thereto, shall apply to the director in writing for approval of the work. The director, within a reasonable time, shall inspect the completed reclamation work. Upon determination by the director that the operator has satisfactorily completed all required reclamation work on the land included in the application, the director shall release the bond or security on the reclaimed land, shall remove the land

 from registration and shall terminate or amend, as necessary, the operator's authorization to conduct surface mining on the site.

- (d) Periodic inspections may be conducted by the director or the director's designee to ensure that the operator is following the reclamation plan.
- Sec. 39. K.S.A. 2024 Supp. 49-618 is hereby amended to read as follows: 49-618. (a) The director or the director's designee, when accompanied by the operator or operator's designee during regular business hours, may inspect any lands on which any operator is authorized to operate a mine for the purpose of determining whether the operator is or has been complying with the provisions of this act.
- (b) The director shall give written notice to any operator who violates any of the provisions of this act or any rules and regulations adopted by the director pursuant to this act.
- (c) If corrective measures approved by the director are not commenced within 90 days, the—secretary executive director shall, at the request of the director, issue a written order stating the nature of the violation, the penalty to be imposed and the right of the person to appeal to the secretary pursuant to K.S.A. 49-621, and amendments thereto.
- Sec. 40. K.S.A. 2024 Supp. 49-620 is hereby amended to read as follows: 49-620. Once an order issued pursuant to this act becomes a final order, the—secretary executive director, upon request of the director, shall institute proceedings for forfeiture of the bond posted by an operator to guarantee reclamation of a site where the operator is in violation of any of the provisions of this act or any rule and regulation adopted by the director pursuant to this act. Forfeiture of the operator's bond shall fully satisfy all obligations of the operator to reclaim affected land covered by the bond. The director shall have the power to reclaim, as required by K.S.A. 49-611, and amendments thereto, any surface mined land with respect to which a bond has been forfeited, using the proceeds of the forfeiture to pay for the necessary reclamation work.
- Sec. 41. K.S.A. 2024 Supp. 49-621 is hereby amended to read as follows: 49-621. (a) The secretary executive director, upon finding that the operator has failed to comply with any provision of this act, any provision of a reclamation plan or any condition of a license or site registration with which the operator is required to comply pursuant to this act, may impose upon the operator a civil penalty not exceeding \$1,000 for each day of noncompliance.
- (b) All civil penalties assessed pursuant to this section shall be due and payable within 35 days after written notice of the imposition of a civil penalty has been served upon whom the penalty is being imposed, unless a longer period of time is granted by the <u>secretary</u> executive director or unless the operator appeals the assessment as provided in this section.

 (c) No civil penalty shall be imposed under this section except upon the written order of the secretary executive director or the secretary's executive director's designee to the operator upon whom the penalty is to be imposed, stating the nature of the violation, the penalty imposed and the right of the operator upon whom the penalty is imposed to appeal to the director for a hearing on the matter. An operator upon whom a civil penalty has been imposed may appeal, within 15 days after service of the order imposing the civil penalty, to the secretary executive director. If appealed, a hearing shall be conducted in accordance with the provisions of the Kansas administrative procedure act. The decision of the secretary executive director shall be final unless review is sought under subsection (d)

- (d) Any action of the-secretary executive director pursuant to this section is subject to review in accordance with the Kansas judicial review act
- Sec. 42. K.S.A. 2024 Supp. 49-623 is hereby amended to read as follows: 49-623. (a) The secretary executive director, with the approval of the commission, shall adopt such rules and regulations as necessary to administer and enforce the provisions of this act.
- (b) The director shall determine annually the amount necessary to carry out and enforce the provisions of this act for the next ensuing fiscal year and shall recommend to the secretary executive director such license renewal, registration application, registration and registration renewal fees as the director determines necessary for that purpose. The executive director shall adopt such fees by rules and regulations.
- (c) Before the *executive* director submits any such proposed rules and regulations to the director of the budget, the secretary of administration and the attorney general in accordance with the rules and regulations filing act, K.S.A. 77-415 et seq., and amendments thereto:
- (1) The *executive* director shall submit such rules and regulations to the commission; and
- (2) the commission shall review and make recommendations to the director and the-secretary executive director regarding such proposed rules and regulations.
- (d) Fees for license renewal, registration and registration renewal shall be based on an operator's acres of affected land or the tonnage of materials extracted by the operator during the preceding license year, or a combination thereof.
- 39 (e) Political subdivisions of the state shall be exempt from all fees imposed under this act.
 - Sec. 43. K.S.A. 2024 Supp. 55-153 is hereby amended to read as follows: 55-153. There is hereby established the advisory committee on regulation of oil and gas activities to be composed of 12 members. One

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member shall be appointed by each of the following associations: Kansas 1 2 petroleum council, Kansas independent oil and gas association and eastern 3 Kansas oil and gas association. One member shall be appointed jointly by 4 the Kansas farm bureau and Kansas livestock association and such person 5 shall be an owner of a surface interest. One member shall be appointed 6 jointly by the southwest Kansas royalty owners association and the eastern 7 Kansas royalty owners association and such person shall be an owner of a 8 mineral interest. One member shall be appointed by the governor from the 9 general public. One member shall represent groundwater management districts and shall be appointed jointly by the presidents of each 10 groundwater management district. All such appointees shall serve at the 11 12 pleasure of the appointing authority. The following state agencies shall 13 designate a person as a member of such committee: The commission, the department of health and environment, the Kansas geological survey, the 14 15 Kansas-water office of natural resources, division of water policy and planning and the division of water resources of the Kansas department of 16 17 agriculture. The designated person of the commission shall be the 18 chairperson of the advisory committee. The committee shall meet at least once each quarter calendar year and upon the call of the chairperson. The 19 20 committee shall review and make recommendations on oil and gas 21 activities, including but not limited to current drilling methods, geologic 22 formation standards, plugging techniques, casing and cementing standards 23 and materials and all matters pertaining to the protection of waters of the 24 state from pollution relating to oil and gas activities.

Sec. 44. K.S.A. 68-1414 is hereby amended to read as follows: 68-1414. Whenever it is necessary to replace, reconstruct, or repair any bridge over any navigable river on any county road, which if such road connects with a county road of another county within or outside this state, or to protect any such bridge by changing the channel of the river or by the erection of structures, such as levees, jetties or other structures necessary to protect the new channel or such bridge, and which such bridge shall have been destroyed or rendered impassable by flood, high water, fire or other casualty, then the board of county commissioners is hereby authorized and empowered to expend not to exceed the sum of \$160,000 to pay the entire cost or the county's share of the cost of such replacement, reconstruction or repair of such bridge or such change of channel or erection of the structures hereinbefore described. No such change of channel shall be made without first securing the approval of the chief engineer of the Kansas office of natural resources, division of water resources-of the Kansas department of agriculture. Such expenditure may be made from any unallocated and available funds in the county road and bridge fund or from revenue derived from the issuance of bonds, or from the separate fund for the construction of roads and bridges on the county

secondary system or from two or more of such sources, and such county is hereby authorized to issue bonds for such purpose. Such bonds shall be issued, registered, sold, delivered and retired in accordance with the provisions of the general bond law and may be issued without submitting the question of their issuance to a vote of the electors. The board of county commissioners may receive and expend any federal, state, or other funds made available for such improvement which expenditure may be in addition to the amount authorized to be expended by the county. The provisions of K.S.A. 19-214, 19-215 and 19-216, and amendments thereto, shall be applicable to any improvement made under the authority conferred by this section. This act shall be construed as a separate and additional method for the replacement, reconstruction and repair of bridges and no other law of this state except as herein expressly provided shall apply. The total amount expended by any county under the authority conferred by this section plus the amount expended by such county under the authority conferred by K.S.A. 68-1413, and amendments thereto, shall not exceed the sum of \$160,000.

- Sec. 45. K.S.A. 68-2203 is hereby amended to read as follows: 68-2203. As used in the junkyard and salvage control act:
- (a) The term-"Junk"-shall mean means old or scrap copper, brass, rope, rags, batteries, paper, trash, rubber debris, waste, or junked, dismantled, or wrecked automobiles, or parts thereof, iron, steel, and other old or scrap ferrous or nonferrous material.
- (b) "Automobile graveyard"—shall mean means any establishment which is maintained, used, or operated, for storing, keeping, buying, or selling 10 or more wrecked, scrapped, ruined, dismantled or inoperative motor vehicles, but such term shall not include any location where motor vehicle bodies are placed along stream banks for purposes of bank stabilization and soil erosion control, if such placement conforms with guidelines established by the chief engineer of the Kansas office of natural resources, division of water resources—of the Kansas department—of-agriculture.
- (c) "Junkyard"—shall mean means an establishment—which is—maintained, operated, or used for storing, keeping, buying, or selling junk, or for the maintenance or operation of an automobile graveyard, and the term shall include garbage dumps.
- (d) "Interstate system" means that portion of the national system of interstate and defense highways, including city connecting links and portions of the Kansas turnpikes, located within this state, as officially designated, or as may hereafter be so designated, by the secretary, and approved by the proper federal authority as provided by law.
- (e) "Primary system" means that portion of connected main highways, including city connecting links, as officially designated, or as

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 may hereafter be so designated, by the secretary, and approved by the proper federal authority as provided by law.

- (f) "Person" means any individual, firm, agency, company, association, partnership, business trust, joint stock company or corporation, including municipal corporation.
 - (g) "Commission" means the secretary of transportation.
 - (h) "Board" means the secretary of transportation.
- Sec. 46. K.S.A. 74-506b is hereby amended to read as follows: 74-506b. All of the authority, powers and duties now conferred and imposed by law upon the Kansas water commission and the state irrigation commissioner are hereby conferred upon the division of water resources created by this act, under the control, administration and supervision of the secretary of agriculture executive director.
- Sec. 47. K.S.A. 74-5,121 is hereby amended to read as follows: 74-5,121. (a) The animal health commissioner of the Kansas department of agriculture shall be the successor in every way to the powers, duties and functions of the Kansas animal health department and the livestock commissioner of the Kansas animal health department in which the same were vested prior to the effective date of K.S.A. 74-5,112 through—74-5,132 74-5,125, and amendments thereto. Every act performed in the exercise of such powers, duties and functions by or under the authority of the secretary of agriculture shall be deemed to have the same force and effect as if performed by the Kansas animal health department and the livestock commissioner of the Kansas animal health department in which such powers, duties and functions were vested prior to the effective date of K.S.A. 74-5,112 through—74-5,132 74-5,125, and amendments thereto.
- (b) Whenever the Kansas animal health department or the livestock commissioner of the Kansas animal health department, or words of like effect, are referred to or designated by a statute, contract, memorandum of understanding, plan, grant, waiver or other document, such reference or designation shall be deemed to apply to the animal health division of the Kansas department of agriculture or the animal health commissioner under the secretary of agriculture.
- (c) All rules and regulations, orders and directives of the livestock commissioner of the Kansas animal health department that are in effect on the effective date of K.S.A. 74-5,112 through—74-5,132 74-5,125, and amendments thereto, shall continue to be effective and shall be deemed to be rules and regulations, orders and directives of the animal health division of the Kansas department of agriculture until revised, amended, revoked or nullified pursuant to law, by the secretary of agriculture.
- (d) Before any proposed rules and regulations of the animal health commissioner of the division of animal health of the department of agriculture are submitted to the secretary of administration or the attorney

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 general pursuant to K.S.A. 77-420, and amendments thereto:

- (1) The animal health commissioner shall submit such rules and regulations to the animal health board; and
- (2) the animal health board shall review and make recommendations to the animal health commissioner and the secretary of agriculture regarding such proposed rules and regulations.
- Sec. 48. K.S.A. 74-2608 is hereby amended to read as follows: 74-2608. The Kansas—water office of natural resources, division of water policy and planning shall:
- (a) Collect and compile information pertaining to climate, water and soil as related to the usage of water for agricultural, industrial and municipal purposes and the availability of water supplies in the several watersheds of the state, and, in so doing, the office division shall collect and compile the information obtainable from other agencies, instrumentalities of the state, political subdivisions of the state and the federal government.
- (b) Develop a state plan of water resources management, conservation and development for water planning areas as determined by the office division, and cooperate with any agency or instrumentality of the state or federal government now or hereafter engaged in the development of plans or having developed plans affecting any such area of the state.
- (c) Develop and maintain guidelines for water conservation plans and practices. Such guidelines shall:
 - (1) Not prejudicially or unreasonably affect the public interest;
- (2) be technologically and economically feasible for each water user to implement;
 - (3) be designed to curtail the waste of water;
- (4) consider the use of other water if the use of freshwater is not necessary;
- (5) not require curtailment in water use—which that will not benefit other water users or the public interest;
- (6) not result in the unreasonable deterioration of the quality of the waters of the state:
 - (7) consider the reasonable needs of the water user at the time;
- (8) not conflict with the provisions of the Kansas water appropriation act and the state water planning act;
- (9) be limited to practices of water use efficiency except for drought contingency plans for municipal users; and
- 39 (10) take into consideration drought contingency plans for municipal and industrial users.

When developing such guidelines, the Kansas water office division of water policy and planning shall consider existing guidelines of groundwater management districts and the cost to benefit ratio effect of

any plan.

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- (d) The Kansas water office division of water policy and planning, with the approval of the Kansas water authority, shall establish guidelines as to when conditions indicative of drought exist. When the Kansas water office division determines that such conditions exist in an area, it shall so advise the governor and shall recommend the assembling of the governor's drought response team.
- Sec. 49. K.S.A. 74-2609 is hereby amended to read as follows: 74-2609. The Kansas—water office of natural resources, division of water policy and planning may:
- (a) Seek and accept grants and other financial assistance that the federal government and other public or private sources make available and utilize the same for any purpose—which that the office is required or authorized to study or make recommendations concerning;
- (b) contract with public agencies or with qualified private persons or agencies to accomplish any purpose—which that the office is required or authorized to study or make recommendations concerning:;
- (c) for the purpose of providing public water supply storage in either federally funded or nonfederally funded multipurpose small lakes, acquire water rights under the Kansas water appropriation act-; and
- (d) authorize the issuance of revenue bonds for the purpose of paying all or part of the cost of acquiring a site, constructing, reconstructing, improving and expanding large reservoir projects or to finance the purchase of storage in existing reservoirs as provided by K.S.A. 82a-1360 to through 82a-1368, inclusive and amendments thereto.
- Sec. 50. K.S.A. 2024 Supp. 74-2622 is hereby amended to read as follows: 74-2622. (a) (1) There is hereby established within and as a part of the Kansas—water office of natural resources, division of water policy and planning the Kansas water authority. The authority shall be composed of 24 members, of whom 13 shall be appointed as follows:
- (A) One member shall be appointed by the governor, subject to confirmation by the senate as provided in K.S.A. 75-4315b, and amendments thereto. Except as provided by K.S.A. 46-2601, and amendments thereto, such person shall not exercise any power, duty or function as a member or chairperson of the water authority until confirmed by the senate. Such member shall serve at the pleasure of the governor and shall be the chairperson of the authority;
- (B) except as provided by subsection (b), 10 members shall be appointed by the governor for terms of four years. Of the members appointed under this provision one shall be a representative of large municipal water users, one shall be representative of small municipal water users, one shall be a board member of a western Kansas groundwater management district, one shall be a board member of a

1 central Kansas groundwater management district, one shall be a member 2 of the Kansas association of conservation districts, one shall be 3 representative of industrial water users, one shall be a member of the state association of watershed districts, one shall have a demonstrated 4 5 background and interest in water use conservation and environmental 6 issues, and two shall be representative of the general public. The member 7 who is representative of large municipal water users shall be appointed 8 from three nominations submitted by the league of Kansas municipalities. 9 The member who is representative of small municipal water users shall be 10 appointed from three nominations submitted by the Kansas rural water district's association. The member who is representative of a western 11 12 Kansas groundwater management district shall be appointed from three 13 nominations submitted by the presidents of the groundwater management 14 district boards No. 1, 3 and 4. The member who is representative of a central Kansas groundwater management district shall be appointed from 15 16 three nominations submitted by the presidents of the groundwater management district boards No. 2 and 5. The member who is 17 18 representative of industrial water users shall be appointed from three 19 nominations submitted by the Kansas association of commerce and 20 industry. The member who is representative of the state association of 21 watershed districts shall be appointed from three nominations submitted by 22 the state association of watershed districts. The member who is 23 representative of the Kansas association of conservation districts shall be 24 appointed from three nominations submitted by the state association of 25 conservation districts. If the governor cannot make an appointment from 26 the original nominations, the nominating authority shall be so advised and, 2.7 within 30 days thereafter, shall submit three new nominations. Members 28 appointed by the governor shall be selected with special reference to 29 training and experience with respect to the functions of the Kansas water 30 authority, and no more than six of such members shall belong to the same 31 political party; 32

(C) one member shall be appointed by the president of the senate for a term of two years; and

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42 43 (D) one member shall be appointed by the speaker of the house of representatives for a term of two years. The state geologist, the state biologist, the chief engineer of the *Kansas office of natural resources*, division of water resources—of the Kansas department of agriculture, the director of the division of environment of the department of health and environment, the chairperson of the state corporation commission, the secretary of commerce, the director of the Kansas—water office of natural resources, division of water policy and planning, the secretary of wildlife and parks, the administrative officer of the state conservation commission, the secretary of agriculture and the director of the agricultural experiment

 stations of Kansas state university of agriculture and applied science shall be nonvoting members ex officio of the authority. The director of the Kansas water office division of water policy and planning shall serve as the secretary of the authority.

- (b) A member appointed pursuant to subsection (a)(1)(B) shall be appointed for a term expiring on January 15 of the fourth calendar year following appointment and until a successor is appointed and qualified.
- (c) In the case of a vacancy in the appointed membership of the Kansas water authority, the vacancy shall be filled for the unexpired term by appointment in the same manner that the original appointment was made. Appointed members of the authority attending regular or special meetings thereof shall be paid compensation, subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3223, and amendments thereto.
 - (d) The Kansas water authority shall:
- (1) Consult with and be advisory to the governor, the legislature and the director of the Kansas water office division of water policy and planning.
- (2) Review plans for the development, management and use of the water resources of the state by any state or local agency.
- (3) Make a study of the laws of this state, other states and the federal government relating to conservation and development of water resources, appropriation of water for beneficial use, flood control, construction of levees, drainage, irrigation, soil conservation, watershed development, stream control, gauging of stream and stream pollution for the purpose of determining the necessity or advisability of the enactment of new or amendatory legislation in this state on such subjects.
- (4) Make recommendations to other state agencies and political subdivisions of the state for the coordination of their activities relating to flood control, construction of levees, drainage, irrigation, soil conservation, watershed development, stream control, gauging of stream, stream pollution and groundwater studies.
- (5) Make recommendations to each regular session of the legislature and to the governor at such times as the authority considers advisable concerning necessary or advisable legislation relating to any of the matters or subjects that it is required by this act to study for the purpose of making recommendations to the legislature. All such recommendations to the legislature shall be in drafted bill form together with such explanatory information and data as the authority considers advisable.
- (6) Approve, prior to submission to the legislature by the Kansaswater office division of water policy and planning or its director:
- (A) Any contract entered into pursuant to the state water plan storage act;

 (B) any amendments to the state water plan or the state water planning act; and

- (C) any other legislation concerning water resources of the state.
- (7) Approve, before they become effective, any policy changes proposed by the Kansas water office division of water policy and planning concerning the pricing of water for sale pursuant to the state water plan storage act.
- (8) Approve, before it becomes effective, any agreement entered into with the federal government by the Kansas water office division of water policy and planning.
- (9) Request any agency of the state, which shall have the duty upon that request, to submit its budget estimate pertaining to the state's water resources and any plans or programs related thereto and, upon the authority's receipt of such budget estimate, review and evaluate it and furnish recommendations relating thereto to the governor and the legislature.
- (10) Approve, prior to adoption by the director of the Kansas water office division of water policy and planning, rules and regulations authorized by law to be adopted.
- (11) Approve, prior to adoption by the director of the Kansas water office division of water policy and planning, guidelines for conservation plans and practices developed pursuant to K.S.A. 74-2608(c), and amendments thereto.
- (e) The Kansas water authority may appoint citizens' advisory committees to study and advise on any subjects upon which the authority is required or authorized by this act to study or make recommendations.
- (f) The provisions of the Kansas governmental operations accountability law apply to the Kansas water authority, and the authority is subject to audit, review and evaluation under such law.
- Sec. 51. K.S.A. 74-99f04 is hereby amended to read as follows: 74-99f04. (a) There is hereby established the Kansas geographic information systems policy board within the office of information technology services.
 - (b) The board shall consist of 23 members:
- (1) The governor shall appoint 11 members as follows: Five representatives of local government, including cities, counties or local government consortia of cities, counties, non-profit and private sector enterprises. Such members may include, but are not limited to, representatives from city and county commissions or planning councils, tribal government, law enforcement, county clerks, county appraisers and emergency planning divisions; two representatives of the board of regents institutions; and two executives representing the private sector. Members from the private sector may include, but are not limited to, representatives from the trucking industry, utilities, telecommunications, publishers,

 agriculturalists, oil and gas industry, chambers of commerce, aircraft and auto industry and the banking community; and two representatives from relevant statewide businesses or professional organizations, such as statewide associations of groundwater management districts, emergency planning, law enforcement, licensed surveyors and other relevant technical professions or agriculture-related businesses.

- (2) The remaining 12 members shall be *the*:
- (A) The Executive chief information technology officer of the office of information technology services or such officer's designee;
- (B) the director of the Kansas—water office of natural resources, division of water policy and planning or such director's designee;
- (C) the state biologist of the Kansas biological survey or the state biologist's designee;
- (D) the state geologist of the Kansas geological survey or the state geologist's designee;
- (E) the executive director of the Kansas historical society or such executive director's designee;
 - (F) the secretary of agriculture or such secretary's designee;
- (G) the secretary of health and environment or such secretary's designee;
- (H) the director of legislative research of the legislative research department or such director's designee;
 - (I) the secretary of revenue or such secretary's designee;
 - (J) the secretary of transportation or such secretary's designee;
 - (K) the state librarian or such librarian's designee; and
- (L) the executive director of the information network of Kansas or such executive director's designee.
- (c) Members appointed by the governor under subsection (b)(1) shall be appointed for a four-year term and until such member's successors are appointed and qualified, except as provided in subsection (d). Members not appointed by the governor under subsection (b)(1) shall serve consistent with their terms of office, employment or appointment.
- (d) The governor may remove a member from the board for lack of attendance or lack of participation.
- (e) The governor shall select a chairperson and vice-chairperson from among the members of the board who shall serve as chairperson and vice-chairperson at the discretion of the governor. The board may elect other officers among its members and may establish any committees deemed necessary to discharge its duties.
- (f) Board members shall not receive compensation, subsistence allowance, mileage or associated expenses from the state. Officers or employees of state agencies who serve on the board shall be authorized to serve on the board as part of their duties.

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Sec. 52. K.S.A. 2024 Supp. 75-3036 is hereby amended to read as follows: 75-3036. (a) The state general fund is exclusively defined as the fund into which shall be placed all public moneys and revenue coming into the state treasury not specifically authorized by the constitution or by statute to be placed in a separate fund, and not given or paid over to the state treasurer in trust for a particular purpose, which unallocated public moneys and revenue shall constitute the general fund of the state. Moneys received or to be used under constitutional or statutory provisions or under the terms of a gift or payment for a particular and specific purpose are to be kept as separate funds and shall not be placed in the general fund or ever become a part of it.

(b) The following funds shall be used for the purposes set forth in the statutes concerning such funds and for no other governmental purposes. It is the intent of the legislature that the following funds and the moneys deposited in such funds shall remain intact and inviolate for the purposes set forth in the statutes concerning such funds: Board of accountancy fee fund, K.S.A. 1-204 and 75-1119b, and amendments thereto, and special litigation reserve fund of the board of accountancy; bank commissioner fee fund, K.S.A. 9-1703, 16a-2-302 and 75-1308, and amendments thereto, bank investigation fund, K.S.A. 9-1111b, and amendments thereto, consumer education settlement fund and litigation expense fund of the state bank commissioner; securities act fee fund and investor education and protection fund, K.S.A. 17-12a601, and amendments thereto, of the office of the securities commissioner of Kansas; credit union fee fund, K.S.A. 17-2236, and amendments thereto, of the state department of credit unions; court reporters fee fund, K.S.A. 20-1a02, and amendments thereto, and bar admission fee fund, K.S.A. 20-1a03, and amendments thereto, of the judicial branch; fire marshal fee fund, K.S.A. 31-133a and 31-134, and amendments thereto, and boiler inspection fee fund, K.S.A. 44-926, and amendments thereto, of the state fire marshal; food service inspection reimbursement fund, K.S.A. 36-512, and amendments thereto, of the Kansas department of agriculture; wage claims assignment fee fund, K.S.A. 44-324, and amendments thereto, and workmen's compensation fee fund, K.S.A. 74-715, and amendments thereto, of the department of labor; veterinary examiners fee fund, K.S.A. 47-820, and amendments thereto, of the state board of veterinary examiners; mined-land reclamation fund, K.S.A. 49-420, and amendments thereto, of the department of health and environment; conservation fee fund and abandoned oil and gas well fund, K.S.A. 55-155, 55-176, 55-192, 55-609, 55-711 and 55-901, and amendments thereto, gas pipeline inspection fee fund, K.S.A. 66-1,155, and amendments thereto, and public service regulation fund, K.S.A. 66-1503, and amendments thereto, of the state corporation commission; land survey fee fund, K.S.A. 58-2011, and amendments thereto, of the state

1 historical society; real estate recovery revolving fund, K.S.A. 58-3074, and 2 amendments thereto, of the Kansas real estate commission; appraiser fee 3 fund, K.S.A. 58-4107, and amendments thereto, and appraisal 4 management companies fee fund of the real estate appraisal board; 5 amygdalin (laetrile) enforcement fee fund, K.S.A. 65-6b10, and 6 amendments thereto; mortuary arts fee fund, K.S.A. 65-1718, and 7 amendments thereto, of the state board of mortuary arts; board of 8 barbering fee fund, K.S.A. 65-1817a, and amendments thereto, of the 9 Kansas board of barbering; cosmetology fee fund, K.S.A. 65-1951 and 74-10 2704, and amendments thereto, of the Kansas state board of cosmetology; healing arts fee fund, K.S.A. 65-2011, 65-2855, 65-2911, 65-5413, 65-11 12 5513, 65-6910, 65-7210 and 65-7309, and amendments thereto, and 13 medical records maintenance trust fund, of the state board of healing arts; 14 other state fees fund, K.S.A. 65-4024b, and amendments thereto, of the 15 Kansas department for aging and disability services; board of nursing fee 16 fund, K.S.A. 74-1108, and amendments thereto, of the board of nursing; dental board fee fund, K.S.A. 74-1405, and amendments thereto, and 17 18 special litigation reserve fund, of the Kansas dental board; optometry fee 19 fund, K.S.A. 74-1503, and amendments thereto, and optometry litigation 20 fund, of the board of examiners in optometry; state board of pharmacy fee 21 fund, K.S.A. 74-1609, and amendments thereto, and state board of 22 pharmacy litigation fund, of the state board of pharmacy; abstracters' fee 23 fund, K.S.A. 74-3903, and amendments thereto, of the abstracters' board of 24 examiners; athletic fee fund, K.S.A. 74-50,188, and amendments thereto, 25 of the department of commerce; hearing instrument board fee fund, K.S.A. 26 74-5805, and amendments thereto, and hearing instrument litigation fund 27 of the Kansas board of examiners in fitting and dispensing of hearing 28 instruments; commission on disability concerns fee fund, K.S.A. 74-6708, 29 and amendments thereto, of the governor's department; technical 30 professions fee fund, K.S.A. 74-7009, and amendments thereto, and 31 special litigation reserve fund of the state board of technical professions; 32 behavioral sciences regulatory board fee fund, K.S.A. 74-7506, and 33 amendments thereto, of the behavioral sciences regulatory board; 34 governmental ethics commission fee fund, K.S.A. 25-4119e, and 35 amendments thereto, of the governmental ethics commission; emergency 36 medical services board operating fund, K.S.A. 75-1514, and amendments 37 thereto, of the emergency medical services board; fire service training 38 program fund, K.S.A. 75-1514, and amendments thereto, of the university 39 of Kansas; uniform commercial code fee fund, K.S.A. 75-448, and 40 amendments thereto, of the secretary of state; prairie spirit rails-to-trails 41 fee fund of the Kansas department of wildlife, parks and tourism; water 42 marketing fund, K.S.A. 82a-1315c, and amendments thereto, of the Kansas 43 water office of natural resources, division of water policy and planning;

 insurance department service regulation fund, K.S.A. 40-112, and amendments thereto, of the insurance department; state fair special cash fund, K.S.A. 2-220, and amendments thereto, of the state fair board; scrap metal theft reduction fee fund, K.S.A. 2024 Supp. 50-6,109a, and amendments thereto; and any other fund in which fees are deposited for licensing, regulating or certifying a person, profession, commodity or product.

- (c) If moneys received pursuant to statutory provisions for a specific purpose by a fee agency are proposed to be transferred to the state general fund or a special revenue fund to be expended for general government services and purposes in the governor's budget report submitted pursuant to K.S.A. 75-3721, and amendments thereto, or any introduced house or senate bill, the person or business entity who paid such moneys within the preceding 24-month period shall be notified by the fee agency within 30 days of such submission or introduction:
- (1) By electronic means, if the fee agency has an electronic address on record for such person or business entity. If no such electronic address is available, the fee agency shall send written notice by first class mail; or
- (2) any agency that receives fees from a tax, fee, charge or levy paid to the commissioner of insurance shall post the notification required by this subsection on such agency's website.
- (d) Any such moneys that are wrongfully or by mistake placed in the general fund shall constitute a proper charge against such general fund. All legislative appropriations—which that do not designate a specific fund from which they are to be paid shall be considered to be proper charges against the general fund of the state. All revenues received by the state of Kansas or any department, board, commission, or institution of the state of Kansas, and required to be paid into the state treasury shall be placed in and become a part of the state general fund, except as otherwise provided by law.
- (e) The provisions of this section shall not apply to the 10% credited to the state general fund to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services, and any and all other state governmental services, as provided in K.S.A. 75-3170a, and amendments thereto.
- (f) Beginning on January 8, 2018, The director of the budget shall prepare a report listing the unencumbered balance of each fund in subsection (b) on June 30 of the previous fiscal year and January 1 of the current fiscal year. Such report shall be delivered to the secretary of the senate and the chief clerk of the house of representatives on or before the first day of the regular legislative session each year.
- (g) As used in this section, "fee agency"-shall include includes the state agencies specified in K.S.A. 75-3717(f), and amendments thereto,

 and any other state agency that collects fees for licensing, regulating or certifying a person, profession, commodity or product.

- Sec. 53. K.S.A. 2024 Supp. 75-37,121 is hereby amended to read as follows: 75-37,121. (a) There is created the office of administrative hearings within the department of administration, to be headed by a director appointed by the secretary of administration. The director shall be in the unclassified service under the Kansas civil service act.
- (b) The office may employ or contract with presiding officers, court reporters and other support personnel as necessary to conduct proceedings required by the Kansas administrative procedure act for adjudicative proceedings of the state agencies, boards and commissions specified in subsection (h). The office shall conduct adjudicative proceedings of any state agency that is specified in subsection (h) when requested by such agency. Only a person admitted to practice law in this state or a person directly supervised by a person admitted to practice law in this state may be employed as a presiding officer. The office may employ regular part-time personnel. Persons employed by the office shall be under the classified civil service.
- (c) If the office cannot furnish one of its presiding officers within 60 days in response to a requesting agency's request, the director shall designate in writing a full-time employee of an agency other than the requesting agency to serve as presiding officer for the proceeding, but only with the consent of the employing agency. The designee shall possess the same qualifications required of presiding officers employed by the office.
- (d) The director may furnish presiding officers on a contract basis to any governmental entity to conduct any proceeding other than a proceeding as provided in subsection (h).
- (e) The secretary of administration may adopt rules and regulations to:
- (1) To—Establish procedures for agencies to request and for the director to assign presiding officers. An agency may neither select nor reject any individual presiding officer for any proceeding except in accordance with the Kansas administrative procedure act;
- (2) to—establish procedures and adopt forms, consistent with the Kansas administrative procedure act, the model rules of procedure, and other provisions of law, to govern presiding officers; and
- (3) to-facilitate the performance of the responsibilities conferred upon the office by the Kansas administrative procedure act.
- (f) The director may implement the provisions of this section and rules and regulations adopted under its authority.

 (g) The secretary of administration may adopt rules and regulations to
 - (g) The secretary of administration may adopt rules and regulations to establish fees to charge a state agency for the cost of using a presiding officer.

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(h) The following state agencies, boards and commissions shall utilize the office of administrative hearings for conducting adjudicative hearings under the Kansas administrative procedure act in which the presiding officer is not the agency head or one or more members of the agency head:

- (1) On and after July 1, 2005: Kansas department for children and families, department of corrections, Kansas department for aging and disability services, department of health and environment, Kansas public employees retirement system, Kansas—water office of natural resources, division of conservation, Kansas office of natural resources, division of water policy and planning, Kansas department of agriculture division of animal health and Kansas insurance department.
- (2) On and after July 1, 2006: Emergency medical services board, emergency medical services council and Kansas human rights commission.
- (3) On and after July 1, 2007: Kansas lottery, Kansas racing and gaming commission, state treasurer, pooled money investment board, Kansas department of wildlife and parks and state board of tax appeals.
- (4) On and after July 1, 2008: Department of human resources, state corporation commission, Kansas department of agriculture division of eonservation, agricultural labor relations board, department of administration, department of revenue, board of adult care home administrators, Kansas state grain inspection department, board of accountancy and Kansas wheat commission.
- (5) On and after July 1, 2009, all other Kansas administrative procedure act hearings not mentioned in subsections (1), (2), (3) and (4).
- (i) (1) Effective July 1, 2005, any presiding officer in agencies specified in subsection (h)(1) that conduct hearings pursuant to the Kansas administrative procedure act, except those exempted pursuant to K.S.A. 77-551, and amendments thereto, and support personnel for such presiding officers, shall be transferred to and shall become employees of the office of administrative hearings. Such personnel shall retain all rights under the state personnel system and retirement benefits under the laws of this state that had accrued to or vested in such personnel prior to the effective date of this section. Such person's services shall be deemed to have been continuous. All transfers of personnel positions in the classified service under the Kansas civil service act shall be in accordance with civil service laws and any rules and regulations adopted thereunder. This section shall not affect any matter pending before an administrative hearing officer at the time of the effective date of the transfer, and such matter shall proceed as though no transfer of employment had occurred.
- (2) Effective July 1, 2006, any presiding officer in agencies specified in subsection (h)(2) that conduct hearings pursuant to the Kansas

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administrative procedure act, except those exempted pursuant to K.S.A. 77-551, and amendments thereto, and support personnel for such presiding officers, shall be transferred to and shall become employees of the office of administrative hearings. Such personnel shall retain all rights under the state personnel system and retirement benefits under the laws of this state that had accrued to or vested in such personnel prior to the effective date of this section. Such person's services shall be deemed to have been continuous. All transfers of personnel positions in the classified service under the Kansas civil service act shall be in accordance with civil service laws and any rules and regulations adopted thereunder. This section shall not affect any matter pending before an administrative hearing officer at the time of the effective date of the transfer, and such matter shall proceed as though no transfer of employment had occurred.

- (3) Effective July 1, 2007, any presiding officer in agencies specified in subsection (h)(3) that conduct hearings pursuant to the Kansas administrative procedure act, except those exempted pursuant to K.S.A. 77-551, and amendments thereto, and support personnel for such presiding officers, shall be transferred to and shall become employees of the office of administrative hearings. Such personnel shall retain all rights under the state personnel system and retirement benefits under the laws of this state that had accrued to or vested in such personnel prior to the effective date of this section. Such person's services shall be deemed to have been continuous. All transfers of personnel positions in the classified service under the Kansas civil service act shall be in accordance with civil service laws and any rules and regulations adopted thereunder. This section shall not affect any matter pending before an administrative hearing officer at the time of the effective date of the transfer, and such matter shall proceed as though no transfer of employment had occurred.
- (4) Effective July 1, 2008, any full-time presiding officer in agencies specified in subsection (h)(4) that conduct hearings pursuant to the Kansas administrative procedure act, except those exempted pursuant to K.S.A. 77-551, and amendments thereto, and support personnel for such presiding officers, shall be transferred to and shall become employees of the office of administrative hearings. Such personnel shall retain all rights under the state personnel system and retirement benefits under the laws of this state that had accrued to or vested in such personnel prior to the effective date of this section. Such person's services shall be deemed to have been continuous. All transfers of personnel positions in the classified service under the Kansas civil service act shall be in accordance with civil service laws and any rules and regulations adopted thereunder. This section shall not affect any matter pending before an administrative hearing officer at the time of the effective date of the transfer, and such matter shall proceed as though no transfer of employment had occurred.

(5) Effective July 1, 2009, any full-time presiding officer in agencies specified in subsection (h)(5) that conduct hearings pursuant to the Kansas administrative procedure act, except those exempted pursuant to K.S.A. 77-551, and amendments thereto, and support personnel for such presiding officers, shall be transferred to and shall become employees of the office of administrative hearings. Such personnel shall retain all rights under the state personnel system and retirement benefits under the laws of this state that had accrued to or vested in such personnel prior to the effective date of this section. Such person's services shall be deemed to have been continuous. All transfers of personnel positions in the classified service under the Kansas civil service act shall be in accordance with civil service laws and any rules and regulations adopted thereunder. This section shall not affect any matter pending before an administrative hearing officer at the time of the effective date of the transfer, and such matter shall proceed as though no transfer of employment occurred.

Sec. 54. K.S.A. 2024 Supp. 75-5133 is hereby amended to read as follows: 75-5133. (a) Except as otherwise more specifically provided by law, all information received by the secretary of revenue, the director of taxation or the director of alcoholic beverage control from returns, reports, license applications or registration documents made or filed under the provisions of any law imposing any sales, use or other excise tax administered by the secretary of revenue, the director of taxation, or the director of alcoholic beverage control, or from any investigation conducted under such provisions, shall be confidential, and it shall be unlawful for any officer or employee of the department of revenue to divulge any such information except in accordance with other provisions of law respecting the enforcement and collection of such tax, in accordance with proper judicial order or as provided in K.S.A. 74-2424, and amendments thereto.

- (b) The secretary of revenue or the secretary's designee may:
- (1) Publish statistics, so classified as to prevent identification of particular reports or returns and the items thereof;
- (2) allow the inspection of returns by the attorney general or the attorney general's designee;
- (3) provide the post auditor access to all such excise tax reports or returns in accordance with and subject to the provisions of K.S.A. 46-1106(e), and amendments thereto;
- (4) disclose taxpayer information from excise tax returns to persons or entities contracting with the secretary of revenue where the secretary has determined disclosure of such information is essential for completion of the contract and has taken appropriate steps to preserve confidentiality;
- (5) provide information from returns and reports filed under article 42 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, to county appraisers as is necessary to ensure proper valuations of

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 property. Information from such returns and reports may also be exchanged with any other state agency administering and collecting conservation or other taxes and fees imposed on or measured by mineral production;

- (6) provide, upon request by a city or county clerk or treasurer or finance officer of any city or county receiving distributions from a local excise tax, monthly reports identifying each retailer doing business in such city or county or making taxable sales sourced to such city or county, setting forth the tax liability and the amount of such tax remitted by each retailer during the preceding month, and identifying each business location maintained by the retailer and such retailer's sales or use tax registration or account number;
- (7) provide information from returns and applications for registration filed pursuant to K.S.A. 12-187, and amendments thereto, and K.S.A. 79-3601, and amendments thereto, to a city or county treasurer or clerk or finance officer to explain the basis of statistics contained in reports provided by subsection (b)(6);
- (8) disclose the following oil and gas production statistics received by the department of revenue in accordance with K.S.A. 79-4216 et seq., and amendments thereto: Volumes of production by well name, well number, operator's name and identification number assigned by the state corporation commission, lease name, leasehold property description, county of production or zone of production, name of purchaser and purchaser's tax identification number assigned by the department of revenue, name of transporter, field code number or lease code, tax period, exempt production volumes by well name or lease, or any combination of this information;
- (9) release or publish liquor brand registration information provided by suppliers, farm wineries, microdistilleries and microbreweries in accordance with the liquor control act. The information to be released is limited to: Item number, universal numeric code, type status, product description, alcohol percentage, selling units, unit size, unit of measurement, supplier number, supplier name, distributor number and distributor name;
- (10) release or publish liquor license information provided by liquor licensees, distributors, suppliers, farm wineries, microdistilleries and microbreweries in accordance with the liquor control act. The information to be released is limited to: County name, owner, business name, address, license type, license number, license expiration date and the process agent contact information;
- (11) release or publish cigarette and tobacco license information obtained from cigarette and tobacco licensees in accordance with the Kansas cigarette and tobacco products act. The information to be released

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 is limited to: County name, owner, business name, address, license type and license number;

- (12) provide environmental surcharge or solvent fee, or both, information from returns and applications for registration filed pursuant to K.S.A. 65-34,150 and 65-34,151, and amendments thereto, to the secretary of health and environment or the secretary's designee for the sole purpose of ensuring that retailers collect the environmental surcharge tax or solvent fee, or both;
- (13) provide water protection fee information from returns and applications for registration filed pursuant to K.S.A. 82a-954, and amendments thereto, to the secretary of the state board of agriculture or the secretary's designee and the secretary director of the Kansas—water office of natural resources, division of water policy and planning or the secretary's director's designee for the sole purpose of verifying revenues deposited to the state water plan fund;
- (14) provide to the secretary of commerce copies of applications for project exemption certificates sought by any taxpayer under the enterprise zone sales tax exemption pursuant to K.S.A. 79-3606(cc), and amendments thereto;
- (15) disclose information received pursuant to the Kansas cigarette and tobacco act and subject to the confidentiality provisions of this act to any criminal justice agency, as defined in K.S.A. 22-4701(c), and amendments thereto, or to any law enforcement officer, as defined in K.S.A. 21-5111, and amendments thereto, on behalf of a criminal justice agency, when requested in writing in conjunction with a pending investigation;
- (16) provide to retailers tax exemption information for the sole purpose of verifying the authenticity of tax exemption numbers issued by the department;
- (17) provide information concerning remittance by sellers, as defined in K.S.A. 12-5363, and amendments thereto, of prepaid wireless 911 fees from returns to the local collection point administrator, as defined in K.S.A. 12-5363, and amendments thereto, for purposes of verifying seller compliance with collection and remittance of such fees;
- (18) release or publish charitable gaming information obtained in charitable gaming licensee and registration applications and renewals in accordance with the Kansas charitable gaming act, K.S.A. 75-5171 et seq., and amendments thereto. The information to be released is limited to: The name, address, phone number, license registration number and email address of the organization, distributor or of premises;
- (19) provide to the attorney general confidential information for purposes of determining compliance with or enforcing K.S.A. 50-6a01 et seq., and amendments thereto, the master settlement agreement referred to

 therein and all agreements regarding disputes under the master settlement agreement. The secretary and the attorney general may share the information specified under this subsection with any of the following:

- (A) Federal, state or local agencies for the purposes of enforcement of corresponding laws of other states; and
- (B) a court, arbitrator, data clearinghouse or similar entity for the purpose of assessing compliance with or making calculations required by the master settlement agreement or agreements regarding disputes under the master settlement agreement, and with counsel for the parties or expert witnesses in any such proceeding, if the information otherwise remains confidential; and
- (20) disclose taxpayer information that is received from income tax returns to the department of commerce that may be disclosed pursuant to the provisions of K.S.A. 2024 Supp. 74-50,227, and amendments thereto, for the purpose of including such information in the database required by K.S.A. 2024 Supp. 74-50,227, and amendments thereto.
- (c) Any person receiving any information under the provisions of subsection (b) shall be subject to the confidentiality provisions of subsection (a) and to the penalty provisions of subsection (d).
- (d) Any violation of this section shall be a class A, nonperson misdemeanor, and if the offender is an officer or employee of this state, such officer or employee shall be dismissed from office. Reports of violations of this paragraph shall be investigated by the attorney general. The district attorney or county attorney and the attorney general shall have authority to prosecute any violation of this section if the offender is a city or county clerk or treasurer or finance officer of a city or county.
- Sec. 55. K.S.A. 2024 Supp. 82a-220 is hereby amended to read as follows: 82a-220. (a) As used in this act:
- (1) "Conservation project" means any project or activity that the director of the Kansas water office determines will assist in restoring, protecting, rehabilitating, improving, sustaining or maintaining the banks of the Arkansas, Kansas or Missouri rivers from the effects of erosion;
- (2) "director" means the director of the Kansas-water office of natural resources, division of water policy and planning; and
- (3) "state property" means real property currently owned in full or in part by the state in the Arkansas, Kansas or Missouri rivers in Kansas, in and along the bed of the river to the ordinary high water mark on the banks of such rivers.
- (b) (1) The director is hereby authorized to negotiate and grant easements on state property for construction and maintenance of conservation projects with cooperating landowners in such projects for the expected life of the project and with such terms and conditions as the director, after consultation with the Kansas department of agriculture, the

 Kansas department of health and environment, the Kansas department of wildlife and parks and the Kansas—department of agriculture office of natural resources, division of conservation, may deem appropriate.

- (2) Notice of the easement shall be given to the county or counties in which where the easement is proposed and to any municipality or other governmental entity that, in the opinion of the director, holds a riparian interest in the river and may have an interest in the project or results thereof. Those persons or entities receiving notice shall have a period, not to exceed 30 days, to provide comment on the proposed easement to the director.
- (3) In the event such an easement is proposed to be granted on state property owned or managed by any other agency of the state, the director shall give notice of the proposed easement and project to that agency and shall jointly negotiate any easement so granted.
- (4) A copy of all easements so entered shall be filed by the director with the office of the secretary of state and the office of the register of deeds for the county or counties in which where the easement is located.
- (c) The director shall adopt rules and regulations necessary to carry out the provisions of this act.
- Sec. 56. K.S.A. 82a-301 is hereby amended to read as follows: 82a-301. (a) (1) Except as provided in subsections (c) and (d), without the prior written consent or permit of the chief engineer of the *Kansas office of natural resources*, division of water resources—of the Kansas department of agriculture, it shall be unlawful for any person, partnership, association, corporation or agency or political subdivision of the state government to:
 - (A) Construct, modify or add to any dam;
- (B) construct, modify or add to any water obstruction in a designated stream; or
- (C) change or diminish the course, current, or cross section of any designated stream within this state.
- (2) Any application for any permit or consent shall be made in writing in such form as specified by the chief engineer.
- (3) Revetments for the purpose of stabilizing a caving bank which are properly placed shall not be construed as obstructions for the purposes of this section.
 - (b) As used in K.S.A. 82a-301 et seq., and amendments thereto:
- (1) "Dam" means any artificial barrier including appurtenant works with the ability to impound water, waste water or other liquids that has a height of 25 feet or more; or has a height of six feet or greater and a storage volume at the top of the emergency spillway elevation of 50 or more acre feet. The height of a dam or barrier shall be measured from the lowest elevation of the streambed, downstream toe or outside limit of the dam to the elevation of the top of the dam.

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 (2) "Designated stream" means a natural or man-made channel that conveys drainage or runoff from a watershed having an area of:

- (A) One or more square miles in zone one, which includes all geographic points located in or east of Washington, Clay, Dickinson, Marion, Harvey, Sedgwick or Sumner counties;
- (B) two or more square miles in zone two, which includes all geographic points located west of zone one and in or east of Smith, Osborne, Russell, Barton, Stafford, Pratt or Barber counties; or
- (C) three or more square miles in zone three, which includes all geographic points located west of zone two.
- (c) (1) The prior written consent or permit of the chief engineer shall not apply to water obstructions that meet the following requirements:
- (A) The change in the cross section of a designated stream is obstructed less than 5% and the water obstruction or change is contained within a land area measuring 25 feet or less along the stream length; or
 - (B) (i) the water obstruction is not a dam as defined in subsection (b);
 - (ii) the water obstruction is not located within an incorporated area;
- (iii) every part of the water obstruction, and any water impounded by such obstruction, is located more than 300 feet from any property boundary; and
- (iv) the watershed area above the water obstruction is five square miles or less.
- (2) If the water obstruction does not meet the requirements of subsection (c)(1)(B)(iii), but meets all other requirements of subsection (c) (1)(B), such water obstruction may be exempted from the permitting requirements of subsection (a) if the chief engineer determines such water obstruction has minimal impact upon safety and property based upon a review of the information, to be provided by the owner, including:
- (A) An aerial photo or topographic map depicting the location of the proposed project, the location of the stream, the layout of the water obstruction, the property lines and names and addresses of adjoining property owners; and
- (B) the principal dimensions of the project including, but not limited to, the height above streambed.
- (3) Notwithstanding any other provision of this section, the chief engineer may require a permit for any water obstruction described in this subsection if the chief engineer determines such permit is necessary for the protection of life or property.
- (d) The prior written consent or permit of the chief engineer shall not be required for construction or modification of a hazard class A dam that:
 - (1) Has a height of less than 30 feet and a storage volume at the top of the emergency spillway elevation of less than 125 acre feet, and the dam location and dimensions have been registered with the division of water

resources in a written form prescribed by the chief engineer; or

(2) is a wastewater storage structure for a confined feeding facility that has been approved by the secretary of health and environment pursuant to K.S.A. 65-171d, and amendments thereto.

Sec. 57. K.S.A. 82a-301a is hereby amended to read as follows: 82a-301a. It is the intent of the legislature by this act to provide for the exclusive regulation of construction, operation and maintenance of all dams or other water obstructions by the state to the extent required for the protection of public safety. All dams or other water obstructions are declared to be under the jurisdiction of the *Kansas office of natural resources*, division of water resources—of the Kansas department of agriculture and the chief engineer thereof. The chief engineer or his or her the chief engineer's authorized representative shall supervise the construction, modification, operation and maintenance of dams or other water obstructions for the protection of life and property.

Sec. 58. K.S.A. 82a-303a is hereby amended to read as follows: 82a-303a. The chief engineer of the *Kansas office of natural resources*, division of water resources—of the Kansas department of agriculture shall adopt and may from time to time amend rules and regulations in order to establish standards for the construction, modification, operation and maintenance of dams and other water obstructions and to administer and enforce the provisions of this act.

Sec. 59. K.S.A. 2024 Supp. 82a-326 is hereby amended to read as follows: 82a-326. When used in this act:

- (a) "Water development project" means any project or plan that requires a permit pursuant to K.S.A. 24-126, 24-1213, 82a-301 et seq., and amendments thereto, or the multipurpose small lakes program act;
 - (b) "environmental review agencies" means the:
 - (1) Kansas department of wildlife and parks;
- (2) Kansas forest service:
- (3) state biological survey;
 - (4) Kansas department of health and environment;
- (5) state historical society;
- (6) Kansas—department of agriculture office of natural resources, division of conservation; and
 - (7) state corporation commission.
- Sec. 60. K.S.A. 82a-328 is hereby amended to read as follows: 82a-328. There is hereby created in the state treasury the water structures fund. The chief engineer of the *Kansas office of natural resources*, division of
- The chief engineer of the *Kansas office of natural resources*, division of water resources, Kansas department of agriculture shall remit all moneys
- 41 received under K.S.A. 82a-302, 82a-303b and 24-126, and amendments
- thereto, to the state treasurer in accordance with the provisions of K.S.A.
- 43 75-4215, and amendments thereto. Upon receipt of each such remittance,

 the state treasurer shall deposit the entire amount in the state treasury to the credit of the water structures fund. All expenditures from the water structures 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 executive director of the Kansas office of natural resources or by a person designated by the secretary executive director.

Sec. 61. K.S.A. 82a-405 is hereby amended to read as follows: 82a-405. Any landowner owning land in the state of Kansas, not within the corporate limits in any city in this state, who shall lawfully by the construction of a dam across a dry watercourse or any stream or watercourse draining an area not exceeding 10 square miles, form upon such landowner's own land one or more reservoirs, having along the axis of the dam at the lowest point in the natural bed of a stream or watercourse a depth of not less than 10 feet and a storage capacity at spillway level, including the volume of any excavation in the reservoir area below such level, of not less than five acre feet, for the collection and storage of surface water or flood detention storage, and who shall maintain such dam or dams in a condition satisfactory to the chief engineer of the Kansas office of natural resources, division of water resources in the Kansas department of agriculture, shall be entitled to an exemption from taxes levied upon such land in the amount prescribed by K.S.A. 79-201g, and amendments thereto.

Sec. 62. K.S.A. 82a-603 is hereby amended to read as follows: 82a-603. Whenever a petition as provided in the preceding section is filed with the county clerk, the county clerk shall thereupon give notice to the county commissioners of the filing and pendency of such petition and the county commissioners shall forthwith fix a time within 30 days from date of filing of the petition, for a hearing of the same and the county clerk shall at least seven days before date fixed for such hearing, give or send by mail, written notice thereof to each of the petitioners, and shall transmit to the chief engineer of the *Kansas office of natural resources*, division of water resources, Kansas department of agriculture, one copy of the petition and notice of the date set for its consideration.

Sec. 63. K.S.A. 82a-612 is hereby amended to read as follows: 82a-612. As used in this act, unless the context clearly requires otherwise:

- (a) "District" means a rural water district organized pursuant to this act;
 - (b) "board" means the governing body of a district;
- (c) the terms "board of county commissioners" and "county clerk" shall mean means, respectively, the board of county commissioners and county clerk of the county—in which where the greatest portion of the territory of any existing or proposed rural water district is located;

 (d) "participating member" means an individual, firm, partnership, association or corporation-and that:

- (1) Which—Has subscribed to one or more benefit units of such district; or
- (2) which is charged a franchise fee for water service which that is paid, either directly or indirectly through another water provider, to such district;
- (e) "chief engineer" means the chief engineer of the Kansas office of natural resources, division of water resources, Kansas department of agriculture.
- Sec. 64. K.S.A. 82a-701 is hereby amended to read as follows: 82a-701. When As used in this act, unless the context indicates otherwise, the following words shall have the following meanings:
- (a) "Person"—shall mean and include means a natural person, a partnership, an organization, a corporation, a municipality and any agency of the state or federal government.
- (b) "Chief engineer" means the chief engineer of the *Kansas office of natural resources*, division of water resources-of the Kansas department of agriculture.
- (c) "Domestic uses" means the use of water by any person or by a family unit or household for household purposes, or for the watering of livestock, poultry, farm and domestic animals used in operating a farm, and for the irrigation of lands not exceeding a total of two acres in area for the growing of gardens, orchards and lawns.
- (d) "Vested right" means the right of a person under a common law or statutory claim to continue the use of water having actually been applied to any beneficial use, including domestic use, on or before June 28, 1945, to the extent of the maximum quantity and rate of diversion for the beneficial use made thereof, and shall include. "Vested right" includes the right to take and use water for beneficial purposes where a person is engaged in the construction of works for the actual application of water to a beneficial use on June 28, 1945, provided such works shall be completed and water is actually applied for such use within a reasonable time thereafter by such person, such person's heirs, successors or assigns.—Such a right "Vested right" does not include, however, those common law claims under which a person has not applied water to any beneficial use within the periods of time set out in this subsection.
- (e) "Appropriator" means—and includes a person who has an appropriation right that has been perfected in conformity with article 7 of chapter 82a of the Kansas Statutes Annotated, and amendments thereto.
- (f) "Appropriation right" is a right, acquired under the provisions of article 7 of chapter 82a of the Kansas Statutes Annotated, and amendments thereto, to divert from a definite water supply a specific quantity of water

at a specific rate of diversion, provided *if* such water is available in excess of the requirements of all vested rights that relate to such supply and all appropriation rights of earlier date that relate to such supply, and to apply such water to a specific beneficial use or uses in preference to all appropriations right of later date.

- (g) "Water right" means any vested right or appropriation right under which a person may lawfully divert and use water.—It A "water right" is a real property right appurtenant to and severable from the land on or in connection with which the water is used and such water right passes as an appurtenance with a conveyance of the land by deed, lease, mortgage, will, or other disposal, or by inheritance.
- Sec. 65. K.S.A. 2024 Supp. 82a-708b is hereby amended to read as follows: 82a-708b. (a) (1) Any owner of a water right may change the place of use, the point of diversion or the use made of the water, without losing priority of right, provided such owner shall:
- (A) Apply in writing to the chief engineer for approval of any proposed change;
- (B) demonstrate to the chief engineer that any proposed change is reasonable and will not impair existing rights;
- (C) demonstrate to the chief engineer that any proposed change relates to the same local source of supply as that to which the water right relates; and
- (D) receive the approval of the chief engineer with respect to any proposed change.
- (2) The chief engineer shall approve or reject the application for change in accordance with the provisions and procedures prescribed for processing original applications for permission to appropriate water.
- (3) If the chief engineer disapproves the application for change, the rights, priorities and duties of the applicant shall remain unchanged.
- (4) Any person aggrieved by an order or decision by the chief engineer relating to an application for change may petition for review thereof in accordance with the provisions of K.S.A. 82a-1901, and amendments thereto Kansas judicial review act.
- (b) Each application to change the place of use, the point of diversion or the use made of the water under this section shall be accompanied by the application fee set forth in the schedule below:

On and after July 1, 2028, the application fee shall be set forth in the schedule below:

The chief engineer shall render a decision on such permit applications within 150 days of receiving a complete application except when the application cannot be processed due to the standards established in K.A.R. 5-3-4c. Upon failure to render a decision within 180 days of receipt of a complete application, the application fee is subject to refund upon request.

- (c) All fees collected by the chief engineer pursuant to this section shall be remitted to the state treasurer as provided in K.S.A. 82a-731, and amendments thereto.
- Sec. 66. K.S.A. 82a-711 is hereby amended to read as follows: 82a-711. (a) If a proposed use neither impairs a use under an existing water right nor prejudicially and unreasonably affects the public interest, the chief engineer shall approve all applications for such use made in good faith in proper form—which that contemplate the utilization of water for beneficial purpose, within reasonable limitations except that the chief engineer shall not approve any application submitted for the proposed use of fresh water in any case where other waters are available for such proposed use and the use thereof is technologically and economically feasible. Otherwise, the chief engineer shall make an order rejecting such application or requiring its modification to conform to the public interest to the end that the highest public benefit and maximum economical development may result from the use of such water.
- (b) In ascertaining whether a proposed use will prejudicially and unreasonably affect the public interest, the chief engineer shall take into consideration:
 - (1) Established minimum desirable streamflow requirements;
- (2) the area, safe yield and recharge rate of the appropriate water supply;
- (3) the priority of existing claims of all persons to use the water of the appropriate water supply;
- 39 (4) the amount of each claim to use water from the appropriate water 40 supply; and
 - (5) all other matters pertaining to such question.
 - (c) With regard to whether a proposed use will impair a use under an existing water right, impairment shall include the unreasonable raising or

lowering of the static water level or the unreasonable increase or decrease of the streamflow or the unreasonable deterioration of the water quality at the water user's point of diversion beyond a reasonable economic limit. Any person aggrieved by any order or decision by the chief engineer relating to that person's application for a permit to appropriate water may petition for review thereof in accordance with the provisions of K.S.A. 82a-1901, and amendments thereto Kansas judicial review act.

Sec. 67. K.S.A. 2024 Supp. 82a-714 is hereby amended to read as follows: 82a-714. (a) Upon the completion of the construction of the works and the actual application of water to the proposed beneficial use within the time allowed, the applicant shall notify the chief engineer to that effect. The chief engineer or the chief engineer's duly authorized representative shall then examine and inspect the appropriation diversion works and, if it is determined that the appropriation diversion works have been completed and the appropriation right perfected in conformity with the approved application and plans, the chief engineer shall issue a certificate of appropriation in duplicate. The original of such certificate shall be sent to the owner and shall be recorded with the register of deeds in the county or counties—wherein where the point of diversion is located, as are other instruments affecting real estate, and the duplicate shall be made a matter of record in the office of the chief engineer.

- (b) Not later than 60 days before the expiration of the time allowed in the permit to complete the construction of the appropriation diversion works or the time allowed in the permit to actually apply water to the proposed beneficial use, the chief engineer shall notify the permit holder by certified mail that any request for extension of such time must must be filed with the chief engineer before the expiration of the time allowed in the permit.
- (c) Unless the applicant requests an extension or the certificate has not been issued due to the applicant's failure to comply with reasonable requests for information or to allow the opportunity to examine and inspect the appropriation diversion works, as necessary for certification, the chief engineer shall certify an appropriation:
- (1) Before July 1, 2004, if the time allowed in the permit to perfect the water right expired before July 1, 1999, except in those cases in which abandonment proceedings pursuant to K.S.A. 82a-718, and amendments thereto, are pending on July 1, 2004;
- (2) before July 1, 2006, in such cases in which an abandonment proceeding was pending pursuant to K.S.A. 82a-718, and amendments thereto, on July 1, 2004; or
- (3) not later than five years after the date the applicant notifies the chief engineer of the completion of construction of the works and the actual application of water to the proposed beneficial use within the time

allowed, in all other cases.

 If the chief engineer fails to issue a certificate within the time provided by this subsection, the applicant may request review, pursuant to K.S.A. 82a-1901, and amendments thereto, of the chief engineer's failure to act.

- (d) Except for works constructed to appropriate water for domestic use, each notification to the chief engineer under subsection (a) shall be accompanied by a field inspection fee of \$400, or on and after July 1, 2028, a fee of \$200, except that for applications filed on or after July 1, 2009, for works constructed for sediment control use and for evaporation from a groundwater pit for industrial use shall be accompanied by a field inspection fee of \$200. Failure to pay the field inspection fee, after reasonable notice by the chief engineer of such failure, shall result in the permit to appropriate water being revoked, forfeiture of the priority date and revocation of any appropriation right that may exist.
 - (e) A request for an extension of time to:
 - (1) Complete the diversion works; or
- (2) perfect the water right, shall be accompanied by a fee of \$50, or commencing July 1, 2002, and ending June 30, 2028, a fee of \$100.
- (f) A request to reinstate a water right or a permit to appropriate water that has been dismissed shall be filed with the chief engineer within 60 days of the date dismissed and shall be accompanied by a fee of \$100, or commencing July 1, 2002, and ending June 30, 2028, a fee of \$200.
- (g) All fees collected by the chief engineer pursuant to this section shall be remitted to the state treasurer as provided in K.S.A. 82a-731, and amendments thereto.
- Sec. 68. K.S.A. 82a-718 is hereby amended to read as follows: 82a-718. (a) All appropriations of water must be for some beneficial purpose. Every water right of every kind shall be deemed abandoned and shall terminate when without due and sufficient cause no lawful, beneficial use is henceforth made of water under such right for five successive years. Before any water right shall be declared abandoned and terminated the chief engineer shall conduct a hearing thereon. Notice shall be served on the user at least 30 days before the date of the hearing. The determination of the chief engineer pursuant to this section shall be subject to review in accordance with the provisions of K.S.A. 82a-1901, and amendments thereto Kansas judicial review act.

The verified report of the chief engineer or such engineer's authorized representative shall be prima facie evidence of the abandonment and termination of any water right.

(b) Except as provided in subsection (e), when no lawful, beneficial use of water under a water right has been reported for three successive years, the chief engineer shall notify the user, by certified mail, return receipt requested, that:

 (1) No lawful, beneficial use of the water has been reported for three successive years;

- (2) if no lawful, beneficial use is made of the water for five successive years, the right may be terminated; and
- (3) the right will not be terminated if the user shows that for one or more of the five consecutive years the beneficial use of the water was prevented or made unnecessary by circumstances that are due and sufficient cause for nonuse, which circumstances shall be included in the notice.
- (c) The provisions of subsection (a) shall not apply to a water right that has not been declared abandoned and terminated before the effective date of this act if the five years of successive nonuse occurred exclusively and entirely before January 1, 1990. However, the provisions of subsection (a) shall apply if the period of five successive years of nonuse began before January 1, 1990, and continued after that date.
- (d) Notwithstanding the provisions of subsection (a), an eligible water right enrolled in and continually in compliance with the water rights conservation program, pursuant to K.S.A. 82a-741, and amendments thereto, shall be deemed to have due and sufficient cause for nonuse and shall not be deemed abandoned.
- (e) Notwithstanding the provisions of subsection (a), a groundwater right, which that has as its local supply an aquifer area that has been closed to new appropriations by rule, regulation or order of the chief engineer shall be deemed to have due and sufficient cause for nonuse and shall not be deemed abandoned.
- Sec. 69. K.S.A. 82a-724 is hereby amended to read as follows: 82a-724. Any order pursuant to K.S.A. 82a-1901 section 8, and amendments thereto, upon review of any action of the chief engineer pursuant to K.S.A. 82a-704a, 82a-708b, 82a-711 or 82a-718, and amendments thereto, is subject to review in accordance with the Kansas judicial review act.
- Sec. 70. K.S.A. 82a-731 is hereby amended to read as follows: 82a-731. There is hereby created in the state treasury the water appropriation certification fund. The chief engineer of the *Kansas office of natural resources*, division of water resources—of the Kansas department—of-agriculture shall remit all moneys received under K.S.A. 82a-708a, 82a-708b—and, 82a-727,—and amendments thereto, and K.S.A. 82a-741, and amendments thereto, to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the water appropriation certification fund. All expenditures from the water appropriation certification 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 executive director of the Kansas office of natural resources or by a person designated by the secretary executive director.

- Sec. 71. K.S.A. 82a-732 is hereby amended to read as follows: 82a-732. (a) The owner of a water right or permit to appropriate water for beneficial use, except for domestic use, shall file or cause to be filed an annual water use report for the previous calendar year on a form prescribed by the chief engineer of the *Kansas office of natural resources*, division of water resources—of the Kansas department of agriculture on or before March 1 following the end of the previous calendar year. The report shall completely and accurately set forth such water use information as requested by the chief engineer.
- (b) Any owner of a water right or permit to appropriate water for beneficial use, except for domestic use, who fails to timely file a water use report or other documents required under the provisions of subsection (a) shall be subject to a civil penalty in an amount not to exceed \$1,000 per water right. In addition to assessing a civil penalty as provided in this section, in the event the owner of a water right or permit to appropriate water for beneficial use fails to file or cause to be filed an annual water use report by June 1 of the calendar year in which it is due, the chief engineer may issue an order indefinitely suspending all water use under such water right or permit to appropriate water for beneficial use until such time as the annual water use report has been submitted or the chief engineer has determined that water use has been otherwise sufficiently documented with the division. The chief engineer upon a finding that the owner of a water right or permit to appropriate water for beneficial use has failed to file or cause to be filed such a report may impose a civil penalty, suspend the water right indefinitely, or require use of telemetry for the purpose of documentation.
- (c) Any person filing a document knowing it to contain any false information as to a material matter shall be guilty of a class C misdemeanor.
- (d) All fines collected by the chief engineer pursuant to this section shall be remitted to the state treasurer as provided in K.S.A. 82a-731, and amendments thereto.
- (e) This section shall be a part of and supplemental to the water appropriation act, K.S.A. 82a-701 et seq., and amendments thereto.
- Sec. 72. K.S.A. 82a-733 is hereby amended to read as follows: 82a-733. (a) The chief engineer may require an applicant for a permit to appropriate water for beneficial use or the owner of a water right or permit to appropriate water for beneficial use to adopt and implement conservation plans and practices. The chief engineer shall not mandate the adoption and implementation of conservation plans and practices except pursuant to a finding that such plans and practices will assure public

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 benefit and promote public interest. In selecting the applications, water rights or permits for which conservation plans and practices are required to be adopted and implemented, the chief engineer shall give priority to: (1) Water users that share a common source of supply that could be insufficient during times of drought; (2) water users whose use is significantly higher than their peers from the same geographical area with comparable circumstances; and (3) water users who apply for any state administered grant, loan or cost-share moneys for water-related projects. Prior to requiring the adoption and implementation of conservation plans and practices, the chief engineer shall assess the availability of technical assistance and inform the owner of a water right or permit to appropriate water for beneficial use or the applicant for such a permit who is required to adopt and implement a conservation plan and practices of the available sources of technical assistance to prepare the conservation plan.

- (b) The chief engineer shall allow the owner of a water right or permit to appropriate water for beneficial use or the applicant for such a permit a minimum of 60 days to prepare a required conservation plan. The time allowed to prepare the required conservation plan may be extended by the chief engineer for good cause shown by the applicant. The chief engineer shall provide the owner of the water right or permit to appropriate water for beneficial use or the applicant for such a permit a reasonable time to implement the conservation plan and, for good cause shown, such as the need to apply extensive land treatment practices, the chief engineer may extend the time for implementation for a period of up to five years.
- (c) Plans and practices required pursuant to this section shall be consistent with the guidelines for conservation plans and practices developed and maintained by the Kansas-water office of natural resources, division of water policy and planning pursuant to-subsection (e) of K.S.A. 74-2608(c), and amendments thereto. If requested by the owner of the water right or permit to appropriate water for beneficial use or the applicant for such a permit, the chief engineer, in consultation with the director of the Kansas water office division of water policy and planning, shall determine whether such plans and practices are consistent with the guidelines adopted by the Kansas water office division of water policy and planning. The Kansas water office division of water policy and planning shall provide, or arrange to provide, technical assistance for water users required to adopt and implement conservation plans and practices pursuant to this section.
- (d) Before any state agency makes any loan or grant, or provides any cost-share funds, for any water-related projects to any person or entity, the state agency may require the person or entity to submit to, and have approved by, the chief engineer a water conservation plan consistent with the guidelines for conservation plans and practices developed and

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 maintained by the Kansas water office division of water policy and planning pursuant to subsection (e) of K.S.A. 74-2608(c), and amendments thereto.

- (e) As used in this section, "water-related projects"—shall include includes, but is not be limited to, the following: Interconnections between water supply systems; development of new water supply and delivery systems; improvements or repairs to an existing water supply system, sanitary sewer system or water treatment system,—which that would significantly increase the amount of water used; small lakes development, improvement or repair; and development of other small impoundments for public water supply or irrigation.
- (f) The chief engineer may approve the conservation plans and practices required pursuant to the provisions of this section on such terms, conditions and limitations as deemed necessary to carry out the provisions of this section. The implementation of the conservation plan and practices as approved or any subsequent approved modification shall constitute a condition of the water right or permit to appropriate water for beneficial use.
- (g) Any conservation plans and practices required pursuant to this section with regard to any groundwater right or permit to appropriate groundwater from within the boundaries of a groundwater management district shall be subject to approval by both the chief engineer and the board of directors of the groundwater management district unless such plans and practices are incorporated in the groundwater management district's management program—which that has been approved by the chief engineer pursuant to K.S.A. 82a-1029, and amendments thereto.
- (h) The chief engineer may delegate authority to implement and enforce any of the provisions of this section to a groundwater management district on such terms as may be appropriate and necessary to carry out the provisions of this section within the boundaries of such district.
- (i) The chief engineer may delegate to any city—which that has conservation plans meeting state guidelines the authority to require domestic water users within such city to adopt and implement conservation plans and practices so that such city can require compliance from private domestic well owners within the city limits.
- (j) This section shall be a part of and supplemental to the Kansas water appropriation act.

Sec. 73. K.S.A. 2024 Supp. 82a-736 is hereby amended to read as follows: 82a-736. (a) It is hereby recognized that an opportunity exists to improve water management by enabling multi-year flexibility in the use of water authorized to be diverted under a groundwater water right, provided that such flexibility neither impairs existing water rights, nor increases the total amount of water diverted, so that such flexibility has no long-term

negative effect on the source of supply. It is therefore declared necessary and advisable to permit the establishment of multi-year flex accounts for groundwater water rights, together with commensurate protections for existing water rights and their source of supply.

(b) As used in this section:

- (1) "Alternative base average usage" means an allocation based on net irrigation requirements calculated pursuant to subsection (c)(1)(D)(ii) that may be used in place of the base average usage.
- (2) "Base water right" means a water right under which an applicant applies to the chief engineer to establish a multi-year flex account and where all of the following conditions exist:
 - (A) The authorized source of supply is groundwater; and
- (B) the water right is not currently the subject of a multi-year allocation due to a change approval that allows an expansion of the authorized place of use.
- (3) "Multi-year flex account" means a term permit that suspends a base water right during its term, except when the term permit may be no longer exercised because of an order of the chief engineer, and is subject to the terms and conditions as provided in subsection (e).
 - (4) "Base average usage" means:
- (A) The average amount of water actually diverted for the authorized beneficial use under the base water right during calendar years 2000 through 2009, excluding:
- (i) Any amount diverted in any such year that exceeded the amount authorized by the base water right;
 - (ii) any amount applied to an unauthorized place of use; and
- (iii) diversions in calendar years when water was diverted under a multi-year allocation with an expansion of the authorized place of use due to a change approval;
- (B) if water use records are inadequate to accurately determine actual water use or upon demonstration of good cause by the applicant, the chief engineer may calculate the base average usage with less than all 10 calendar years during 2000 and 2009. In no case shall the base average usage be calculated with less than five calendar years during 2000 and 2009; or
- (C) if the holder of the base water right shows to the satisfaction of the chief engineer that water conservation reduced water use under the base water right during calendar years 2000 through 2009, then the base average usage shall be calculated with the five calendar years immediately before the calendar year when water conservation began.
- (5) "Chief engineer" means the chief engineer of the Kansas office of natural resources, division of water resources—of the department of agriculture.

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(6) "Flex account acreage" means the maximum number of acres lawfully irrigated during a calendar year, except for any acres irrigated under a multi-year allocation that allowed for an expansion of the authorized place of use due to a change approval and any of the following conditions are met:

- (A) The calendar year is 2000 through 2009;
- (B) if water conservation reduced water use under the base water right during calendar years 2000 through 2009, the calendar year is a year within the five calendar years immediately prior to the calendar year when water conservation began; or
- (C) if an application to appropriate water was approved after December 31, 2004, the calendar year is any during the perfection period.
- (7) "Net irrigation requirement" means the net irrigation requirement for 50% chance rainfall of the county that corresponds with the location of the authorized place of use of the base water right as provided in K.A.R. 5-5-12, on the effective date of this act.
- (c) (1) Except as provided in K.S.A. 2024 Supp. 82a-774-and section 1 of chapter 76 of the 2023 Session Laws of Kansas, and amendments thereto, any holder of a base water right that has not been deposited or placed in a safe deposit account in a chartered water bank may establish a multi-year flex account where the holder may deposit, in advance, the authorized quantity of water from such water right for any five consecutive calendar years, except when the chief engineer determines a shorter period is necessary for compliance with a local enhanced management area or an intensive groundwater use control area and the corrective controls in the area do not prohibit the use of multi-year flex accounts, and subject to all of the following:
- (A) The water right must be vested or shall have been issued a certificate of appropriation;
- (B) the withdrawal of water pursuant to the water right shall be properly and adequately metered;
- (C) the water right is not deemed abandoned and is in compliance with the terms and conditions of its certificate of appropriation, all applicable provisions of law and orders of the chief engineer;
- (D) the amount of water deposited in the multi-year flex account shall not exceed the greatest of the following:
 - (i) 500% of the base average usage;
- (ii) 500% of the product of the annual net irrigation requirement multiplied by the flex account acreage, multiplied by 110%, but not greater than five times the maximum annual quantity authorized by the base water right;
- (iii) if the authorized place of use is located wholly within the boundaries of a groundwater management district, an amount that shall not

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 increase the long-term average use of the groundwater right as specified by rule or regulation promulgated pursuant to K.S.A. 82a-1028(o), and amendments thereto; or

- (iv) pursuant to subparagraph (F), the amount computed in (i), (ii) or (iii) plus any deposited water remaining in a multi-year flex account up to 100% of the base average usage or alternative base average usage;
- (E) if the multi-year flex account is approved for less than five calendar years, the amount of water deposited in the multi-year flex account shall be prorated based on the number of calendar years approved and otherwise calculated as required by subsection (c)(1)(D)(i), (ii) or (iii); and
- (F) any deposited water remaining in a multi-year flex account up to 100% of the base average usage or alternative base average usage may be added to the deposit amount calculated in subparagraph (D) if the base water right is enrolled in another multi-year flex account during the calendar year in which the existing multi-year flex account expires. The total amount of water deposited in any multi-year flex account shall not exceed 500% of the authorized quantity of the base water right.
- (2) The provisions of K.A.R. 5-5-11 are limited to changes in annual authorized quantity and shall not apply to this subsection.
- (d) The chief engineer shall implement a program providing for the issuance of term permits to holders of groundwater water rights who have established flex accounts in accordance with this section. Such term permits shall authorize the use of water in a flex account at any time during the consecutive calendar years for which the application for the term permit authorizing a multi-year flex account is made, without annual limits on such use.
- (e) Term permits provided for by this section shall be subject to the following:
- (1) A separate term permit shall be required for each point of diversion authorized by the base water right.
- (2) The quantity of water authorized for diversion shall be limited to the amount deposited pursuant to subsection (c)(1)(D).
- (3) The rate of diversion for each point of diversion authorized under the term permit shall not exceed the rate of diversion for each point of diversion authorized under the base water right.
- (4) The authorized place of use shall be the place of use or a subdivision of the place of use for the base water right. Any approval of an application to change the place of use of the base water right shall automatically result in a change to the place of use for the term permit.
- (5) The point of diversion authorized by the term permit shall be specified by referencing one point of diversion authorized by the base water right at the time the multi-year flex account term permit application

 is filed with the chief engineer or at the time any approvals changing such referenced point of diversion of the base water right are approved during the multi-year flex account period. For a base water right with multiple points of diversion, each point of diversion authorized by a term permit shall receive a specific assignment of a maximum authorized quantity of water, assigned proportionately to the authorized annual quantities of the respective points of diversion under the base water right.

- (6) The chief engineer may establish, by rules and regulations, criteria for such term permits.
- (7) Except as explicitly provided for by this section, such term permits shall be subject to all provisions of the Kansas water appropriation act, and rules and regulations adopted under such act, and nothing in this section shall authorize impairment of any vested right or prior appropriation right by the exercise of such term permit.
- (f) An application for a multi-year flex account shall be filed with the chief engineer on or before December 31 of the first year of the multi-year flex account term for which the application is being made.
- (g) All costs of administration of this section shall be paid from fees for term permits provided for by this section. Any appropriation or transfer from any fund other than the water appropriation certification fund for the purpose of paying such costs shall be repaid to the fund from where such appropriation or transfer is made. At the time of repayment, the secretary of agriculture executive director of the Kansas office of natural resources shall certify to the director of accounts and reports the amount to be repaid and the fund to be repaid. Upon receipt of such certification, the director of accounts and reports shall promptly transfer the amount certified to the specified fund.
- (h) The fee for a multi-year flex account term permit shall be the same as specified for other term permits in K.S.A. 82a-708c, and amendments thereto.
- (i) The chief engineer shall have full authority pursuant to K.S.A. 82a-706c, and amendments thereto, to require any additional measuring devices and any additional reporting of water use for term permits issued pursuant to this section. Failure to comply with any measuring or reporting requirement may result in a penalty, up to and including the revocation of the term permit and the suspension of the base water right for the duration of the term permit period.
- (j) The chief engineer shall submit a written report on the implementation of this section to the house standing committee on agriculture and natural resources and the senate standing committee on natural resources on or before February 1 of each year.
- (k) This section shall be a part of and supplemental to the Kansas water appropriation act.

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Sec. 74. K.S.A. 82a-737 is hereby amended to read as follows: 82a-737. (a) As used in this section:

- (1)—, "chief engineer" means the chief engineer of the Kansas office of natural resources, division of water resources—of the department of agriculture.
 - (2) "Secretary" means the secretary of agriculture.
- (b) Any person who commits any of the following may incur a civil penalty as provided by this section:
- (1) Any violation of the Kansas water appropriation act, K.S.A. 82a-701 et seq., and amendments thereto, or any rule and regulation adopted thereunder:
- (2) any violation of an order issued pursuant to K.S.A. 82a-1038, and amendments thereto, relating to an intensive groundwater use control area; or
- (3) any violation of a term, condition or limitation imposed by the chief engineer as authorized by law, including, but not limited to: (A) Diversion of water from an unauthorized point of diversion; (B) failure to limit the use of water to the authorized place of use; (C) failure to submit or comply with the terms of conservation plans as required pursuant to K.S.A. 82a-733, and amendments thereto; (D) failure to comply with the maximum annual quantity or rate of diversion authorized; (E) failure to properly install, maintain or assure the accuracy of acceptable water measurement devices; (F) failure to comply with orders related to minimum desirable stream flow, unlawful diversion, impairment of senior water rights or waste of water; or (G) failure to limit the use of water to an authorized type of use.
- (c) The amount of the civil penalty provided for by this section shall be not less than \$100 nor more than \$1,000 per violation. In the case of a continuing violation, each day such violation continues may be deemed a separate violation. Such civil penalty may be assessed in addition to any other penalty provided by law.
- (d) The chief engineer or the chief engineer's duly authorized agent, upon a finding that a person has committed a violation specified in subsection (b), may order the modification or suspension of the person's water right or use of water, in addition to any other penalty provided by law.
- (e) No civil penalty or suspension or modification of a water right or use of water shall be imposed pursuant to this section except on the written order of the chief engineer or duly authorized agent of the chief engineer. Such order shall state the nature of the violation, the factual basis for the finding, the penalty to be imposed and the appropriate procedure for appeal of the order, as established by K.S.A. 82a-1901, and amendments thereto.

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42 43 (f) Any person aggrieved by an order of the chief engineer, or the chief engineer's duly authorized agent, pursuant to this section may request a hearing or review as provided by K.S.A. 82a-1901, and amendments thereto, and, upon exhaustion of administrative remedies, may appeal to the district court in the manner provided by the Kansas judicial review act.

(g) The provisions of this section shall be a part of and supplemental to the Kansas water appropriation act.

Sec. 75. K.S.A. 82a-739 is hereby amended to read as follows: 82a-739. The Kansas-water office of natural resources, division of water policy and planning shall purchase one water flow measurement device, and any required data recording device for use with such water flow measurement device, and shall provide for the permanent installation of such devices below the dam of the Cedar Bluff reservoir in accordance with this section. The water flow measurement device and any required data recording device shall be installed at a downstream, man-made channel or drop structure. Prior to installing any such water flow measurement device and any required data recording device, the Kansas water office division of water policy and planning shall obtain a written authorization from all owners of the property at the location where the water flow measurement device and any required data recording device are to be installed. All data collected by such water flow measurement device shall be made available to the general public electronically through the internet on a real time basis as it is collected and shall be reported to the senate committee on natural resources, the senate committee on ways and means subcommittee on the Kansas water office, the house committee on environment, and the house agriculture and natural resources budget committee during the 2007regular session of the legislature.

Sec. 76. K.S.A. 82a-762 is hereby amended to read as follows: 82a-762. As used in this act:

- (a) "Bank boundary" means the geographic area where a water bank operates and conducts the functions of a water bank and may encompass more than one hydrologic unit.
- (b) "Bank charter" means a document that sets out the articles of incorporation and principal functions of a water bank.
- 35 (c) "Bankable water right" means a water right that has been determined pursuant to K.S.A. 82a-764, and amendments thereto, to be bankable.
 - (d) "Chief engineer" means the chief engineer of the division.
 - (e) "Conservation element" means the portion of a deposit that is taken out of use for the duration of the deposit and is not allowed to be withdrawn and used by subsequent users.
 - (f) "Deposit," other than as used in "safe deposit account," refers to the deposit of a water right, or portion of a water right, in a water bank for

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 the purpose of having the bank lease water from such water right, or portion of a water right, to another person or entity.

- (g) "Division" means the Kansas office of natural resources, division of water resources of the Kansas department of agriculture.
- (h) "Hydrologic unit" means a defined area from which water rights authorizing diversion of water from a source of supply may be deposited and from which water from the same source of supply may be leased, in accordance with the provisions of this act, without causing impairment of existing water rights or a significantly different hydrological effect to other users of water from the same source or hydraulically connected sources of supply.
- (i) "Linked water rights" means two or more water rights that authorize common points of diversion or a common place of use, or both.
- (j) "Safe deposit account" means a personal account held in a water bank where unused water from a bankable water right is placed for use in future years.
- (k) "Term permit" means a permit to appropriate water for a specified period of time.
- (l) "Water bank" means a private not-for-profit corporation that: (1) Leases water from water rights that have been deposited in the bank; and (2) provides safe deposit accounts. A "water bank" may be a groundwater bank or a surface water bank, or both.
- Sec. 77. K.S.A. 82a-767 is hereby amended to read as follows: 82a-767. (a) Not later than five years after the establishment of a water bank or pursuant to subsection (e), the director of the Kansas—water office of natural resources, division of water policy and planning shall convene a team to evaluate the operation of the bank. The team shall consist of:
- (1) The director of the Kansas—water office of natural resources, division of water policy and planning, or the director's designee, who shall serve as chairperson of the team;
- (2) the director of the Kansas geological survey, or the director's designee;
- (3) two members who represent water right holders and water users who have used the bank's services, which members who shall be selected by the governing body of the bank;
- (4) members selected by the chief engineer as follows: (A) Two members engaged in teaching or research at institutions of postsecondary education in subjects involving water resources, including, but not limited to, water resources engineering and hydrology; (B) a member who is an economist with knowledge and experience in water resources; (C) one member having knowledge and experience in water law; and (D) two members having knowledge and experience in water policy issues and residing outside the bank boundary, who shall represent the public interest;

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 (5) one representative of each groundwater management district located in whole or in part within the bank boundary selected by the board of directors of such district; and

- (6) one representative of each water assurance district located in whole or in part within the bank boundary selected by the board of directors of such district.
- (b) The staff of the Kansas-water office of natural resources, division of water policy and planning shall provide staff assistance to the evaluation team.
- (c) Not more than one year after a team is convened pursuant to this section, the team shall submit a report of its evaluation and recommendations to the governor, the Kansas water office of natural resources, the Kansas water authority, the secretary of agriculture, the chief engineer and the senate standing committee on natural resources and the house standing committee on environment, or the successors to such committees regarding:
- (1) The operations and policies of the bank and whether they are consistent with the provisions of this act, the state water plan and all applicable statutes, rules and regulations, findings and orders of the chief engineer, groundwater management district policies and water assurance district operations plans;
- (2) whether the operations of the bank are achieving the goals and objectives of water banking as set out in the state water plan and whether changes could be made to further those goals and objectives;
- (3) the bank's impact on the entire area of all hydrologic units, any parts of which are encompassed in the bank's boundary;
- (4) any other matters the team determines relevant to the future of water banking in the state;
- (5) whether the charter of the bank should lapse, or the bank should become chartered; and
- (6) the terms under which the bank's charter should be allowed to lapse, if the team recommends that the charter not be extended.
- (d) Unless otherwise provided by law, the chief engineer, in accordance with the recommendations of the team, may extend the charter of the bank or may allow the bank charter to lapse under the terms recommended by the team.
- (e) If a bank is chartered, such charter shall be subject to review not less than every five years by a team convened as prescribed in subsection (a). The review team shall submit a report on the matters listed in subsections (c)(1) through (c)(4).
- Sec. 78. K.S.A. 82a-770 is hereby amended to read as follows: 82a-770. (a) In addition to any other provision of this act or the Kansas water appropriation act, and subject to the provisions of subsection (b), the chief

 engineer may suspend the use of water under a term permit, an approved application for a permit to appropriate water for beneficial use, an appropriation right or a vested right, acquired pursuant to the provisions of the Kansas water appropriation act, for the failure to comply with the provisions of this act. The suspension may be for a defined period in a subsequent calendar year or years but does not include or prevent the enforcement of the terms, conditions and limitations of a water right or permit during the current year of use.

- (b) The chief engineer shall suspend the use of water under a permit or water right pursuant to subsection (a) only upon notice and hearing—in accordance with the provisions of the Kansas administrative procedure act.
- (c) Orders of the chief engineer issued pursuant to this section are subject to review in accordance with the provisions of K.S.A. 82a-1901, and amendments thereto Kansas judicial review act.
- Sec. 79. K.S.A. 82a-771 is hereby amended to read as follows: 82a-771. Each water bank shall pay all costs incurred by the division and by the Kansas-water office of natural resources, division of water policy and planning for assistance and services provided pursuant to this act, including, but not limited to, costs for personnel necessary to provide such assistance and services.
- Sec. 80. K.S.A. 82a-773 is hereby amended to read as follows: 82a-773. (a) There is hereby created in the state treasury the water office cost fund. The water office cost fund is hereby redesignated as the division of water policy and planning cost fund. The director of the Kansas—water office of natural resources, division of water policy and planning shall remit to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto, all moneys received by the—water office division to reimburse costs as required by K.S.A. 82a-771, and amendments thereto. Upon receipt, the state treasurer shall deposit the entire amount in the state treasury and credit it to the—water office division of water policy and planning cost fund.
- (b) Moneys in the water office division of water policy and planning cost fund shall be expended only for the Kansas water office's costs—of incurred by the Kansas office of natural resources, division of water policy and planning providing assistance and services as provided by this act.
- (c) On or before the 10th of each month, the director of accounts and reports shall transfer from the state general fund to the water office division of water policy and planning cost fund interest earnings based on:
- 39 (1) The average daily balance of moneys in the water office division 40 of water policy and planning cost fund for the preceding month; and
 - (2) the net earnings rate for the pooled money investment portfolio for the preceding month.
 - (d) All expenditures from the-water office division of water policy

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42 43 and planning cost 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 of natural resources, division of water policy and planning for the purposes set forth in this section.

- Sec. 81. K.S.A. 82a-902 is hereby amended to read as follows: 82a-902. The following words when 4s used in this act, shall have the meaning ascribed in this section, except where the context clearly indicates a different meaning:
- (a) "Person" means—and—includes a natural person, partnership, organization, association, private corporation, public corporation, any taxing district or political subdivision of the state, and any department or agency of the state government.
- (b) "Public corporation" means a body that has for its object the government of a political subdivision of this state and includes any county, township, city, district, authority, or other municipal corporation or political subdivision of this state.
- (c) "Federal government" means the United States of America or any department or agency thereof.
- (d) "Office" means the Kansas water office"Division" means the Kansas office of natural resources, division of water policy and planning.

Sec. 82. K.S.A. 2024 Supp. 82a-903 is hereby amended to read as follows: 82a-903. In accordance with the policies and long-range goals and objectives established by the legislature, the office division shall formulate on a continuing basis a comprehensive state water plan for the management, conservation and development of the water resources of the state. Such state water plan shall include sections corresponding with water planning areas as determined by the office division. The Kansas water office division and the Kansas water authority shall seek advice from the general public and from committees consisting of individuals with knowledge of and interest in water issues in the water planning areas. The plan shall set forth the recommendations of the office division for the management, conservation and development of the water resources of the state, including the general location, character, and extent of such existing and proposed projects, programs, and facilities as are necessary or desirable in the judgment of the office division to accomplish such policies, goals and objectives. The plan shall specify standards for operation and management of such projects, programs, and facilities as are necessary or desirable. The plan shall be formulated and used for the general purpose of accomplishing the coordinated management, conservation and development of the water resources of the state. The Kansas office of natural resources, division of water resources-of the Kansas department of agriculture and division of conservation, state

HB 2345 93

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geological survey, the division of environment of the department of health and environment, department of wildlife and parks, Kansas department of agriculture division of conservation and all other interested state agencies shall cooperate with the office in formulation of such plan.

Sec. 83. K.S.A. 82a-905 is hereby amended to read as follows: 82a-905. Prior to the submission of the state water plan or any section thereof or any amendment thereto to the Kansas water authority, the legislature and the governor, the office division shall hold public hearings at such place or places as may be convenient to the area affected, to consider the state water plan or one or more sections thereof or amendments thereto, and to hear protests or petitions of all interested persons. Notice of such hearing shall be published at least twice prior to such hearing in the Kansas register. The office division shall send, by United States mail, a reasonable notice of hearing to:

- (1) Such agencies of the state as have an interest in the management, conservation and development of the water resources of the state;
 - (2) the county clerk of each county affected by the proposed plan;
- (3) the agencies of the federal government having an interest in water resources management, conservation and development; and
- (4) such persons, public or private, as have requested notification in writing from the office division.

In addition, the office division may send notice of a scheduled hearing to any person or persons it deems proper. The office division shall furnish a summary of the proposed plan to those persons it is required by law to notify of a public hearing and to such other persons as request a summary. The records of hearings shall be public records and open for inspection at the Kansas-water office of natural resources, division of water policy and planning. The office division shall give due consideration to the matters presented at such public hearing and shall then present the plan to the Kansas water authority. Upon approval by the authority, the office shall submit the plan to the legislature and the governor. Provisions in this section concerning notice and summary shall be directive and not iurisdictional.

Sec. 84. K.S.A. 82a-906 is hereby amended to read as follows: 82a-906. The Kansas water office division, with the approval of the Kansas water authority, annually shall submit to the legislature and to the governor an up-dated water plan containing recommendations-which that are necessary to achieve the long-range goals and objectives for the management, conservation and development of the waters of the state as set forth in K.S.A. 82a-927, and amendments thereto.

Sec. 85. K.S.A. 82a-907 is hereby amended to read as follows: 82a-907. In formulating the state water plan the office division shall consider:

(a) The management, conservation and development of the water

 resources of the state for the benefit of the state as a whole;

- (b) the benefits to be derived from development of reservoir sites for the combined purposes of flood control, water supply storage and recreation;
- (c) the safeguards to public health, aquatic and animal life established by K.S.A. 65-161-to through 65-171t, inclusive, and amendments thereto, and the Kansas water quality management plan approved and adopted as provided by chapter 351 of the 1979 Session Laws;
- (d) the water development policies, whenever possible, consistent with the beneficial development of other natural resources;
 - (e) the public health and general welfare of the people of the state;
- (f) all appropriation and other rights to the use of water that exist pursuant to the Kansas water appropriation act and the state water plan storage act;
- (g) the interrelationship of groundwater and surface water supplies and the effects of evapotranspiration on water supply;
- (h) the alternative plans, programs and projects in the interest of effective water resource management, conservation and development;
- (i) the means and methods for the protection of aquatic and other wildlife;
- (j) the use of waters to augment the flow of surface streams for the support of aquatic and other wildlife and to improve the water quality of the stream and to protect the public health;
- (k) the inclusion of conservation storage in reservoir development and planning for the regulation of streamflow for the purpose of quality control, such inclusion not to serve as a substitute for methods of controlling wastes at their sources;
- (l) the maintenance, preservation and protection of the sovereignty of the state over all the waters within the state;
- (m) plans, projects and recommendations of public corporations, the federal government and state agencies prepared pursuant to statutory authority;
- (n) plans, recommendations and projects of private associations or organizations as they relate to the water resources of the state;
- (o) the need of the state to control storage in federal reservoirs by purchase or agreement; and
- (p) such other matters as the office division deems proper or desirable.
- Sec. 86. K.S.A. 82a-910 is hereby amended to read as follows: 82a-910. (a) Subject to the approval of the Kansas water authority, the office division may recommend to any agency of the federal government the inclusion in any proposed or authorized federal project of any conservation storage features for water supply that the office division expects will be

 needed within the state in the future for the achievement of the purposes of this act and the office division may extend to and procure for any agency of the federal government reasonable assurances and evidence that such expected future demands for the use of such storage will be made within a period of time—which that will permit payment of the costs allocated to such purposes within the life of the project, if such assurances have been authorized by the state water plan.

- (b) When, in addition to actions taken under subsection (a), the office shall find division finds it necessary or desirable for the achievement of the purposes of this act, the office division may enter into agreements with the federal government for the repayment of costs for the inclusion of any conservation storage features for water supply that the office division expects will be needed within the state in the future for achievement of such purposes if such agreements have been authorized by the state water plan and a person or persons have contracted for the use of a substantial portion of the recommended conservation storage and that such person or persons will use the water supply thereof within a period of time which that will permit them to pay their proportionate share of the costs allocated to such needs within the life of the project.
- (c) Any person wishing the <u>office</u> division to make a recommendation for storage features for expected future water supply needs, as provided in subsection (a), may petition the <u>office</u> division and show that <u>it</u> such person:
- (1) Has good reason to and does believe that—it such person will have future needs for the use of the additional storage;
- (2) will request the use of such storage by a time and for a duration that will permit—it *such person* to pay the costs allocated to such purposes within the life of the project;
- (3) will be able to repay to the state the costs of the requested storage features; and
- (4) will insure compliance with such maintenance and operational requirements in the use of the expected future water supply requested as the office shall direct division directs for the achievement of the purposes of this act.
- Sec. 87. K.S.A. 82a-911 is hereby amended to read as follows: 82a-911. In its discretion, either upon its own initiative or in response to a specific request, the office division, subject to the approval of the Kansas water authority, may include in the state water plan recommendations for the inclusion at state expense of any conservation storage features for water supply in any proposed or authorized or constructed water development project of the federal government of any conservation storage features for water supply that, in the opinion of the office division will be needed within the state in the future to achieve the purposes of this act.

 Before making such recommendations the office division shall find that:

- (1) Such recommended features are consistent with the state water plan;
- (2) the recommended features will achieve or tend to achieve the purposes of this act;
- (3) the federal government will not at its expense include those features for the purposes contemplated by the office division under terms which that would assure essential state control of the waters of the state or meeting of state objectives, which. Such purposes may include maintenance and operational requirements in the use thereof that the office division shall specify for achievement of the purposes of this act; and
- (4) in the future some responsible person-or persons will have needs for the use of all or a portion of the recommended conservation storage and that such person-or persons will request the use thereof within a period of time-which that will permit-them such person to pay out-their such person's proportionate share of the costs allocated to such needs within the life of the project.
- Sec. 88. K.S.A. 82a-915 is hereby amended to read as follows: 82a-915. The office divison is hereby authorized to negotiate with the federal government relative to releases of water from projects or reservoirs and to enter into agreements with the federal government with respect to the operation of projects or reservoirs for the releases of water, if such agreements are recommended by the state water plan.
- Sec. 89. K.S.A. 82a-920 is hereby amended to read as follows: 82a-920. The office division shall maintain in continuous process and revision tentative projected costs of water management projects for the coming years covering a total period of not less than 25 years, which. The division shall submit such projected costs—the office shall submit with its annual budget request. In preparing such projections, the office division shall include all items for which payment is expected to be made from state funds and anticipated revenues expected to be paid to the state.
- Sec. 90. K.S.A. 82a-922 is hereby amended to read as follows: 82a-922. All expenditures from appropriations for the office division shall be made in accordance with the applicable appropriation act upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the director of the Kansas-water office of natural resources, division of water policy and planning or by a person or persons designated by the director.
- Sec. 91. K.S.A. 82a-923 is hereby amended to read as follows: 82a-923. The *Kansas* office *of natural resources, division of water policy and planning* shall adopt, amend, promulgate, and enforce such rules and regulations as are necessary and proper to carry out the provisions of this act. Such rules and regulations shall be filed in the office of the secretary

 of state as provided by law. The Kansas-water office of natural resources may prepare and distribute, free or at cost, compilations of its the rules and regulations of the division of water policy and planning.

Sec. 92. K.S.A. 82a-932 is hereby amended to read as follows: 82a-932. The *Kansas* office *of natural resources, division of water policy and planning* shall enter into negotiations and agreements with the federal government relative to the operation of, or the release of water from, any project that has been authorized or constructed by the federal government when the Kansas water authority shall deem such negotiations and agreements to be necessary for the achievement of the policies of the state of Kansas relative to the water resources thereof.

Sec. 93. K.S.A. 82a-933 is hereby amended to read as follows: 82a-933. The *Kansas* office *of natural resources, division of water policy and planning* may provide evidence of need to any agency of the federal government relative to the inclusion in any proposed or authorized water resource project of any conservation storage features for water supply that the office division anticipates will be needed in the future.

Sec. 94. K.S.A. 82a-934 is hereby amended to read as follows: 82a-934. The Kansas office of natural resources, division of water policy and planning, on behalf of the state, shall enter into negotiations and agreements with the federal government relative to the inclusion or the purchase of, and the payment for, conservation storage features for water supply in any project that has been planned, authorized or constructed by the federal government when the Kansas water authority shall deem such negotiations and agreements to be necessary for the achievement of the policies of the state of Kansas relative to the water resources thereof. Such agreements shall be binding upon the state to the extent that future appropriations are made in support thereof. Subject to the foregoing, any agreement made under this section may provide that a portion of the reimbursement cost shall include any payment made by the United States to third parties as a result of the finding of liability by a court of competent jurisdiction or by settlement arising out of the use of the water storage space and the release therefrom, except that no reimbursement shall be made to the extent that the liability arises from the sole fault of the United States.

- Sec. 95. K.S.A. 82a-954 is hereby amended to read as follows: 82a-954. (a) On and after July 1, 1989, there is hereby imposed a water protection fee at the rate of:
- (1) Three cents per 1,000 gallons of water sold at retail by a public water supply system and delivered through mains, lines or pipes;
 - (2) subject to the provisions of subsection (c), three cents per 1,000 gallons of water appropriated for industrial use pursuant to a permit granted in accordance with the Kansas water appropriation act; and

(3) three cents per 1,000 gallons of water appropriated for stockwatering pursuant to a permit granted in accordance with the Kansas water appropriation act.

- (b) As used in this section, "industrial use" and "stockwatering"—have the meanings mean the same as provided by rules and regulations of the chief engineer of the Kansas office of natural resources, division of water resources of the Kansas department of agriculture and the determination of gallons used shall be based upon figures supplied to the secretary of revenue by the division of water resources.
- (c) The fees imposed by subsections (a)(2) and (3) shall be based on the actual amount used for industrial use or stockwatering during the preceding calendar year as reported to the chief engineer of the division of water resources of the Kansas department of agriculture in accordance with the provisions of K.S.A. 82a-732, and amendments thereto, except that:
- (1) The amount of surface water used for flow through cooling purposes for electric power generating plants shall be based on an average consumptive factor as determined by the division of water resources; and
- (2) no such fee shall be imposed on the amount of water used for commercial fish farming.

If no water use report is filed for such year, the fee shall be based on the amount authorized for industrial use or stockwatering in such year.

- (d) The fee imposed by subsection (a)(1) shall be paid quarterly by the public water supplier and shall be transmitted to the department of revenue not later than 45 days following the end of each quarter. The public water supplier may collect the fee directly from each consumer to which water is sold at retail or may pay the amount owed to the department from moneys in its operating or other fund available for that purpose. The fees imposed by subsections (a)(2) and (3) shall be paid by the owner of the permit. If any retailer or permit owner fails to pay the fee required to be collected and paid under this section, there shall be added, to the unpaid balance of the fee, penalty and interest as prescribed under K.S.A. 79-3615, and amendments thereto, for the late payment of sales tax.
- (e) The director of taxation shall administer, enforce and collect the fees imposed by this section. All laws and rules and regulations of the secretary relating to the administration, enforcement and collection of the retailers' sales tax shall apply to such fee insofar as they can be made applicable, and the secretary shall adopt such additional rules and regulations as necessary for the efficient and effective administration, enforcement and collection thereof.
- (f) The director of taxation shall remit all moneys collected from fees imposed pursuant to this section to the state treasurer in accordance with

2.7

the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state water plan fund created by K.S.A. 82a-951, and amendments thereto.

- (g) An owner of an industrial use permit who has a contract with the state for withdrawal and use of water pursuant to K.S.A. 82a-1301 et seq., and amendments thereto, shall be exempt from the fee imposed by subsection (a)(2) on any water for which the permit owner is required to pay charges under such contract.
- Sec. 96. K.S.A. 82a-1021 is hereby amended to read as follows: 82a-1021. (a) As used in this section:
- (1) "Aquifer" means any geological formation capable of yielding water in sufficient quantities that it can be extracted for beneficial purposes.
- (2) "Board" means the board of directors constituting the governing body of a groundwater management district.
- (3) "Chief engineer" means the chief engineer of the *Kansas office of natural resources*, division of water resources of the Kansas department of agriculture.
- (4) "District" means a contiguous area which overlies one or more aquifers, together with any area in between, which that is organized for groundwater management purposes under this act and acts amendatory thereof or supplemental thereto.
- (5) "Eligible voter" means a natural person 18 years of age or older, or a public or private corporation, municipality or any other legal or commercial entity that:
- (A) Is a landowner that owns, of record, any land, or any interest in land, comprising 40 or more contiguous acres located within the boundaries of the district and not within the corporate limits of any municipality; or
- (B) withdraws or uses groundwater from within the boundaries of the district in an amount of one acre-foot or more per year.
- (6) "Land" means real property as—that term is defined by the laws of the state of Kansas.
- (7) "Landowner" means the person who is the record owner of any real estate within the boundaries of the district or who has an interest therein as contract purchaser of 40 or more contiguous acres in the district not within the corporate limits of any municipality. "Landowner" does not include owners of oil leases, gas leases, mineral rights, easements, or mortgages shall not be considered landowners by reason of such ownership.
- (8) "Management program" means a written report describing the characteristics of the district and the nature and methods of dealing with

1 2

 groundwater supply problems within the district. It shall include "Management program" includes information as to the groundwater management program to be undertaken by the district and such maps, geological information; and other data as may be necessary for the formulation of such a program.

- (9) "Person" means any natural person, public or private corporation, municipality or any other legal or commercial entity.
- (10) "Water right" shall have the meaning ascribed to that term means the same as defined in K.S.A. 82a-701, and amendments thereto.
- (11) "Water user" means any person who is withdrawing or using groundwater from within the boundaries of the district in an amount not less than one acre-foot per year. If a municipality is a "water user" within the district,—it such municipality shall represent all persons within its corporate limits who are not "water users" as defined above.
- (b) Each tract of land of 40 or more contiguous acres and each quantity of water withdrawn or used in an amount of one acre-foot or more per year shall be represented by but a single eligible voter. If the land is held by lease, under an estate for years, under contract, or otherwise, the fee owner shall be the one entitled to vote, unless the parties in interest agree otherwise. If the land is held jointly or in common, the majority in interest shall determine which natural person or corporation shall be entitled to vote. Each eligible voter, or such eligible voter's duly authorized representative, shall be entitled to cast only one vote per eligible voter. Nothing herein shall be construed to authorize proxy voting.
- (c) Any landowner who is not a water user may have such landowner's land excluded from any district assessments and thereby abandon the right to vote on district matters by serving a written notice of election of exclusion with the steering committee or the board. Such landowner may again become an eligible voter by becoming a water user or by serving a written notice of inclusion on the board stating that the landowner has elected to be reinstated as a voting member of the district and will be subject to district assessments.
- (d) Any eligible voter who is the owner of a tract or tracts of land comprising not less than 640 acres, located within the boundaries of the district, on which no water is being used or from which no water is being withdrawn, may have such tract or tracts of land excluded from district assessment in the manner described above.
- (e) All notices of inclusion or exclusion of land shall be submitted to the board not later than January 1 of the effective year.
- Sec. 97. K.S.A. 82a-1023 is hereby amended to read as follows: 82a-1023. (a) Within 12 months after certification of the description of the lands to be included within the proposed district, and before any groundwater management district shall be organized, a petition shall be

circulated by the steering committee and filed with the secretary of state after being signed by not less than 50 eligible voters or 50% of the eligible voters of the district, whichever is the smaller.

(b) The petition shall set forth:

- (1) The proposed name of the district, which name shall end with the words "groundwater management district No. _____." It shall be the duty of the secretary of state to assign a number to each such district in the order in which petitions for organizations are received in his or her office.
- (2) A description of the lands to be included within the proposed district identified by township, range, and section numbers and fractions thereof, and other areas as appropriate and a map showing the contiguous lands to be included in the district.
- (3) A statement of the purposes for which the district is to be organized.
- (4) A statement of the number of persons that will constitute the elected board of directors of the district, which shall be an uneven number of not less than three or more than 15.
- (5) The names and addresses of the persons who constitute the steering committee.
 - (6) A prayer for the organization and incorporation of the district.
 - (7) Any other matter deemed essential by the steering committee.
 - (c) The petition shall be in substantially the following form:

"Before the	e secretary of state of the state of Kansas in the matter of the
proposed	groundwater management district No,
in	county, (counties), Kansas.
	PETITION

"Come now the undersigned persons and state that (1) they are eligible voters of the aforenamed groundwater management district, hereinafter more fully described; (2) each signer's post-office address is set forth beside the signer's name; (3) the purposes for which this district is organized are: (statement of purposes); (4) a seven-member steering committee for the organization of the district has been established; (5) the names of persons who serve on the steering committee, of which the first named shall be chairman, and their respective addresses are as follows: (list of names and addresses); and (6) the governing body of the district shall be an elected board of directors composed of ______ eligible voters.

"Attached hereto, marked exhibit A and made a part hereof, is a description of the lands proposed to be included in the district.

"Attached hereto, marked exhibit B and made a part hereof, is a map showing the lands proposed to be included in the district.

"Wherefore, the undersigned individually and collectively pray that a groundwater management district be organized in the manner provided by law for the purposes set forth herein, and that the secretary of state and the

 chief engineer of the *Kansas office of natural resources*, division of water resources—of the Kansas department of agriculture proceed diligently in the performance of their duties so that the organization and incorporation of this proposed district may be completed and approved at the earliest possible time.

"Submitted to the secretary of state this	day of
"	

- Sec. 98. K.S.A. 2024 Supp. 82a-1038 is hereby amended to read as follows: 82a-1038. (a) In any case where the chief engineer finds that any one or more of the circumstances set forth in K.S.A. 82a-1036, and amendments thereto, exist and that the public interest requires that any one or more corrective controls be adopted, the chief engineer shall designate, by order, the area in question, or any part thereof, as an intensive groundwater use control area.
- (b) The order of the chief engineer shall define specifically the boundaries of the intensive groundwater use control area and shall indicate the circumstances upon which the findings of the chief engineer are made. The order of the chief engineer may include any one or more of the following corrective control provisions:
- (1) A provision closing the intensive groundwater use control area to any further appropriation of groundwater in which event the chief engineer shall thereafter refuse to accept any application for a permit to appropriate groundwater located within such area;
- (2) a provision determining the permissible total withdrawal of groundwater in the intensive groundwater use control area each day, month or year, and, insofar as may be reasonably done, the chief engineer shall apportion such permissible total withdrawal among the valid groundwater right holders in such area in accordance with the relative dates of priority of such rights;
- (3) a provision reducing the permissible withdrawal of groundwater by any one or more appropriators thereof, or by wells in the intensive groundwater use control area;
- (4) a provision requiring and specifying a system of rotation of groundwater use in the intensive groundwater use control area;
- (5) a provision allowing flexibility in the use of water rights, including, but not limited to, multi-year allocations and use in excess of a water right's annual authorized quantity in any given year so long as the overall use of water is reduced during the term of the intensive groundwater use control area management plan; and
- (6) any one or more other provisions making such additional requirements as are necessary to protect the public interest.

The chief engineer is hereby authorized to delegate the enforcement of any corrective control provisions ordered for an intensive groundwater use

 control area to any groundwater management district or to any city, if such district or city is located within or partially within the boundaries of such area.

- (c) Except as provided by subsection (d), the order of designation of an intensive groundwater use control area shall be in full force and effect from the date of its entry in the records of the chief engineer's office unless and until its operation shall be stayed by an appeal—from an order entered on review of the chief engineer's order—pursuant to K.S.A. 82a-1901, and amendments—thereto, in accordance with the—provisions—of—the Kansas judicial review act. The chief engineer upon request shall deliver a copy of such order to any interested person who is affected by such order, and shall file a copy of the same with the register of deeds of any county—within—which where such designated control area lies.
- (d) If the holder of a groundwater right within the area designated as an intensive groundwater use control area applies for review of the order of designation pursuant to K.S.A. 82a-1901, and amendments thereto, the provisions of the order with respect to the inclusion of the holder's right within the area may be stayed in accordance with the Kansas administrative procedure act.
- Sec. 99. K.S.A. 2024 Supp. 82a-1041 is hereby amended to read as follows: 82a-1041. (a) Whenever a groundwater management district recommends the approval of a local enhanced management plan within the district to address any of the conditions set forth in K.S.A. 82a-1036(a) through (d), and amendments thereto, the chief engineer shall review the local enhanced management plan submitted by the groundwater management district. The chief engineer's review shall be limited to whether the plan:
 - (1) Proposes clear geographic boundaries;
- (2) pertains to an area wholly within the groundwater management district;
- (3) proposes goals and corrective control provisions as provided in subsection (f) adequate to meet the stated goals;
- (4) gives due consideration to water users who already have implemented reductions in water use resulting in voluntary conservation measures:
 - (5) includes a compliance monitoring and enforcement element; and
 - (6) is consistent with state law.
- If, based on such review, the chief engineer finds that the local enhanced management plan is acceptable for consideration, the chief engineer shall initiate, as soon as practicable thereafter, proceedings to designate a local enhanced management area.
- (b) In any case where proceedings to designate a local enhanced management area are initiated, the chief engineer shall conduct an initial

2.7

 public hearing on the question of designating such an area as a local enhanced management area according to the local enhanced management plan. The initial public hearing shall resolve the following findings of fact whether:

- (1) One or more of the circumstances specified in K.S.A. 82a-1036(a) through (d), and amendments thereto, exist;
- (2) the public interest of K.S.A. 82a-1020, and amendments thereto, requires that one or more corrective control provisions be adopted; and
 - (3) the geographic boundaries are reasonable.

The chief engineer shall conduct a subsequent hearing or hearings only if the initial public hearing is favorable on all three issues of fact and the expansion of geographic boundaries is not recommended. At least 30 days prior to the date set for any hearing, written notice of such hearing shall be given to every person holding a water right of record within the area in question and by one publication in any newspaper of general circulation within the area in question. The notice shall state the question and shall denote the time and place of the hearing. At every such hearing, documentary and oral evidence shall be taken and a complete record of the same shall be kept.

- (c) The subject matter of the hearing or hearings set forth in subsection (b) shall be limited to the local enhanced management plan that the chief engineer previously reviewed pursuant to subsection (a) and set for hearing.
- (d) Within 120 days of the conclusion of the final public hearing set forth in subsections (b) and (c), the chief engineer shall issue an order of decision:
- (1) Accepting the local enhanced management plan as sufficient to address any of the conditions set forth in K.S.A. 82a-1036(a) through (d), and amendments thereto;
- (2) rejecting the local enhanced management plan as insufficient to address any of the conditions set forth in K.S.A. 82a-1036(a) through (d), and amendments thereto;
- (3) returning the local enhanced management plan to the groundwater management district, giving reasons for the return and providing the district with the opportunity to resubmit a revised plan for public hearing within 90 days of the return of the deficient plan; or
- (4) returning the local enhanced management plan to the groundwater management district and proposing modifications to the plan, based on testimony at the hearing or hearings, that will improve the administration of the plan, but will not impose reductions in groundwater withdrawals that exceed those contained in the plan. If the groundwater management district approves of the modifications proposed by the chief engineer, the district shall notify the chief engineer within 90 days of receipt of return of

 the plan. Upon receipt of the groundwater management district's approval of the modifications, the chief engineer shall accept the modified local management plan. If the groundwater management district does not approve of the modifications proposed by the chief engineer, the local management plan shall not be accepted.

- (e) In any case where the chief engineer issues an order of decision accepting the local enhanced management plan pursuant to subsection (d), the chief engineer, within a reasonable time, shall issue an order of designation that designates the area in question as a local enhanced management area.
- (f) The order of designation shall define the boundaries of the local enhanced management area and shall indicate the circumstances upon which the findings of the chief engineer are made. The order of designation may include any of the following corrective control provisions set forth in the local enhanced management plan:
- (1) Closing the local enhanced management area to any further appropriation of groundwater. In which event, the chief engineer shall thereafter refuse to accept any application for a permit to appropriate groundwater located within such area;
- (2) determining the permissible total withdrawal of groundwater in the local enhanced management area each day, month or year, and, insofar as may be reasonably done, the chief engineer shall apportion such permissible total withdrawal among the valid groundwater right holders in such area in accordance with the relative dates of priority of such rights;
- (3) reducing the permissible withdrawal of groundwater by any one or more appropriators thereof, or by wells in the local enhanced management area;
- (4) requiring and specifying a system of rotation of groundwater use in the local enhanced management area;
- (5) allowing flexibility in the use of water rights, including, but not limited to, multi-year allocations and use in excess of a water right's annual authorized quantity in any given year so long as the overall use of water is reduced during the term of the local enhanced management plan; or
- (6) any other provisions making such additional requirements as are necessary to protect the public interest.

The chief engineer is hereby authorized to delegate the enforcement of any corrective control provisions ordered for a local enhanced management area to the groundwater management district in which that area is located, upon written request by the district.

(g) The order of designation shall follow, insofar as may be reasonably done, the geographical boundaries recommended by the local enhanced management plan.

2.7

 (h) Except as provided in subsection (f), the order of designation of a local enhanced management area shall be in full force and effect from the date of its entry in the records of the chief engineer's office unless and until its operation shall be stayed by an appeal from—an order entered on review of the chief engineer's order—pursuant to K.S.A. 82a-1901, and amendments thereto, and in accordance with the provisions of the Kansas judicial review act. The chief engineer upon request shall deliver a copy of such order to any interested person who is affected by such order and shall file a copy of the same with the register of deeds of any county within which any part of the local enhanced management area lies.

- (i) If the holder of a groundwater right within the local enhanced management area applies for review of the order of designation pursuant to K.S.A. 82a-1901, and amendments thereto the Kansas judicial review act, the provisions of the order with respect to the inclusion of the holder's water right within the area may be stayed in accordance with the Kansas administrative procedure act.
- (j) Unless otherwise specified in the proposed enhanced management plan and included in the order of designation, a public hearing to review the designation of a local enhanced management area shall be conducted by the chief engineer within seven years after the order of designation is final. A subsequent review of the designation shall occur within 10 years after the previous public review hearing or more frequently as determined by the chief engineer. Upon the request of a petition signed by at least 10% of the affected water users in a local enhanced management area, a public review hearing to review the designation shall be conducted by the chief engineer. This requested public review hearing shall not be conducted more frequently than every four years.
- (k) The chief engineer shall adopt rules and regulations to effectuate and administer the provisions of this section.
- (l) The provisions of this section shall be a part of and supplemental to article 10 of chapter 82a of the Kansas Statutes Annotated, and amendments thereto.

Sec. 100. K.S.A. 82a-1042 is hereby amended to read as follows: 82a-1042. To further implement the provisions of the groundwater management district act, if the secretary of agriculture executive director of the Kansas office of natural resources or the chief engineer of the Kansas office of natural resources, division of water resources—of the Kansas department of agriculture propose rules and regulations that may change an adopted local groundwater management program or impact water use in a groundwater management district, the—secretary executive director or chief engineer shall notify the groundwater management district board of directors of such requested management program change or proposed rules and regulations and provide a copy of such requested

2.7

 management program change or proposed rules and regulations to the board. Upon such notice, the board of directors shall prepare a response of intended board actions. The board of directors shall follow the provisions of K.S.A. 82a-1029, and amendments thereto, for revising active groundwater management programs.

- Sec. 101. K.S.A. 82a-1301 is hereby amended to read as follows: 82a-1301. As used in this act, unless the context otherwise requires:
- (a) "Director" means the director of the Kansas—water office of natural resources, division of water policy and planning.
- (b) "Chief engineer" means the chief engineer of the *Kansas office of natural resources*, division of water resources-of the Kansas department of agriculture.
 - (c) "Authority" means the Kansas water authority.
- (d) "Person" means—and includes a natural person, partnership, organization, association, private corporation, public corporation, any taxing district or political subdivision of the state, and any department or agency of the state government.
- (e) "Public corporation" means a body that has for its object the government of a political subdivision of this state and includes any county, township, city, district, authority, or other municipal corporation or political subdivision of this state.
- (f) "Federal government" means the United States of America or any department or agency thereof.
- (g) "Point of diversion for a reservoir" means the point where the longitudinal axis of the dam of a reservoir crosses the center of the streambed.
- (h) "Point of rediversion" means the point where released water is taken for beneficial use from the watercourse by which it is transported.
- (i) "Point of withdrawal from the reservoir" means the point at which water is taken from the reservoir by pump, siphon, canal or any other device or released through a dam by gates, conduits or any other means.
- (j) "Capital cost" means all costs, including the principal and interest thereon, incurred by the state in the construction or acquisition of conservation storage water supply capacity in the reservoir system from which water may be contracted for sale.
- (k) "Surplus waters" means waters within the conservation storage water supply capacity committed to the state, but not required to meet contractual requirements made pursuant to K.S.A. 82a-1305, and amendments thereto.
- Sec. 102. K.S.A. 82a-1303 is hereby amended to read as follows: 82a-1303. (a) Notwithstanding any other provisions in the statutes of this state, the director, in the manner provided in K.S.A. 82a-1304, and amendments thereto, shall be authorized, subject to approval of the

HB 2345 108

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authority, to acquire on behalf of the state a water reservation right to divert and store the waters of all streams flowing into the conservation 3 storage water supply capacity or into the conservation storage water 4 quality capacity of any reservoirs in which the state controls storage space whether under contracts with the federal government or otherwise. A water reservation right for waters flowing into the conservation storage water supply capacity shall be in an amount sufficient to insure a yield of water from the reservoir for beneficial use through a drought having a 2% 9 chance of occurrence in any one year with the reservoir in operation. A 10 water reservation right for waters flowing into the conservation storage water quality capacity shall be in an annual amount equal to the volume of the conservation storage water quality capacity, as agreed upon by the director of the Kansas water office and the chief engineer. The rights of the 13 state under this section and those which are acquired under K.S.A. 82a-14 15 1304, and amendments thereto, shall be subject to all vested rights, 16 appropriation rights, applications filed for permits to appropriate water and 17 other vested property interests acquired prior to the state's acquisition, but 18 not to those acquired thereafter. The chief engineer shall provide as a 19 condition to a water reservation right acquired under K.S.A. 82a-1304, and 20 amendments thereto, for waters flowing into the conservation storage water quality capacity in any reservoir that the state may divert and store 22 inflows under such right only at times when the inflows exceed certain 23 threshold levels, to be agreed upon jointly by the chief engineer and the 24 director of the Kansas water office.

(b) Whenever the authority shall determine that it is in the public interest to acquire, reserve or purchase water located in another state for this state's conservation storage water supply capacity, it shall authorize the director to enter into contract negotiations to acquire, reserve or purchase such water. Any such contract shall be subject to final approval of the authority.

K.S.A. 82a-1311a is hereby amended to read as follows: Sec. 103. 82a-1311a. (a) The date of receipt of each application submitted pursuant to K.S.A. 82a-1310a, and amendments thereto, shall be stamped thereon and authenticated as directed by the director. Applicants shall notify the director in writing that they wish to commence negotiations for a contract to withdraw and use water. Within 10 days after the completion of negotiations for a contract to withdraw and use water, the director shall transmit to the chairperson of the authority a copy of the proposed contract.

(b) Upon request of the chairperson of the authority, the director shall transmit all available information necessary to determine whether or not to approve a contract to purchase water from the state's conservation water supply capacity or to use surplus waters for minimum streamflow

requirements, unless an emergency exists.

- (c) In order to determine whether a proposed contract for the sale of water from the state's conservation water supply capacity is in the interest of the people of the state of Kansas and whether the benefits to the state for approving the contract outweigh the benefits to the state for not approving the contract, the authority shall consider all matters pertaining to such questions, including:
 - (1) The present and future water supply needs of the applicant;
- (2) any current beneficial uses being made of the noncontracted water proposed to be diverted;
 - (3) any reasonably foreseeable future beneficial uses of the water;
- (4) the economic, environmental, public health and welfare and other benefits or adverse impact of approving the contract;
 - (5) alternative sources of water available to the applicant;
- (6) the preliminary plan of design, construction and operation of any works or facilities used in conjunction with carrying the water to its point of use;
- (7) whether the proposed purchase is consistent with the state water plan approved by the legislature;
- (8) the date of receipt of the application to contract for withdrawal and use of water;
 - (9) minimum streamflow requirements; and
- (10) whether the applicant has adopted and implemented a water conservation plan.
- (d) The authority may require an applicant for a contract for the sale of water from the state's conservation water supply capacity to adopt and implement conservation plans and practices. Such plans and practices shall be consistent with the guidelines for conservation plans and practices developed and maintained by the Kansas-water office of natural resources, division of water policy and planning pursuant to-subsection (e) of K.S.A. 74-2608(c), and amendments thereto. Prior to approval of an application, the director-of the Kansas water office, in consultation with the chief engineer, shall determine whether such plans and practices are consistent with the guidelines adopted by the Kansas-water office of natural resources, division of water policy and planning.
- (e) The authority may approve or reject the proposed contract and may recommend purchase of water from an alternative source. The authority may approve a contract for a smaller amount of water than requested and may approve a contract upon such terms, conditions and limitations as—it the authority deems necessary for the protection of the public interest of the state as a whole.
- Sec. 104. K.S.A. 82a-1315b is hereby amended to read as follows: 82a-1315b. (a) The director, subject to approval of the authority, shall

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acquire or develop conservation storage water supply capacity in impoundments deemed necessary to implement the state water plan.

- (b) That portion of all moneys received by the state treasurer pursuant to K.S.A. 82a-1315a, and amendments thereto, which that is not attributable to: (1) The annual repayment on water storage costs in federal reservoirs as computed under subsection (a)(1) of K.S.A. 82a-1308a(a)(1), and amendments thereto; (2) the operation, maintenance and repair costs associated with the state's conservation water supply capacity; and (3) the costs in administering and enforcing the provisions of this act, shall be deposited in the state treasury to the credit of the state conservation storage water supply fund which is hereby established. The director shall provide the treasurer with an accounting of the total remittances and shall deposit money only to the credit of the state conservation storage water supply fund after the full amount of the costs attributable to the water marketing fund from the preceding calendar year have been repaid. For purposes of calculating the rate in K.S.A. 82a-1308a, and amendments thereto, effective beginning calendar year 1986, all moneys received pursuant to this act since 1975 shall be credited for repayment of the components in the following order: Paragraphs (1), (4), (3), (2), then (5) of subsection (a) of K.S.A. 82a-1308a(a), and amendments thereto.
- (c) The state conservation storage water supply fund shall serve in part as a savings fund to further the purpose of this act and the fund shall be credited amounts for interest earned thereon in accordance with subsection (e). The director may accept or receive moneys from any source, governmental or private, for the purposes for which expenditures may be made from this fund. The director shall remit all such moneys to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state conservation storage water supply fund.
- (d) All expenditures from the state conservation storage water supply 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 by a person or persons designated by the director and shall be used solely for the purpose of acquisition, development or maintenance of conservation storage water supply in impoundments deemed necessary to implement the state water plan, including expenditures related to the issuance of revenue bonds for such purposes and nonwater supply benefits associated with such purposes.
- (e) On or before the 10th of each month, the director of accounts and reports shall transfer from the state general fund to the conservation storage water supply fund interest earnings based on:

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 (1) The average daily balance of moneys in the conservation storage water supply fund for the preceding month; and

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

Sec. 105. K.S.A. 82a-1315c is hereby amended to read as follows: 82a-1315c. (a) There is hereby created in the state treasury the water marketing fund. The director of the Kansas—water office of natural resources, division of water policy and planning may accept or receive moneys from any source, governmental or private, for the purposes for which expenditures may be made from the water marketing fund. The director shall remit all moneys so received to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the water marketing fund.

- (b) Moneys credited to the water marketing fund shall be used for the following purposes:
- (1) Payment to the federal government of annual capital costs associated with water supply storage space in reservoirs under the state water plan storage act;
- (2) repayment to the state general fund for moneys advanced to make annual capital cost payments for water supply storage space in reservoirs under the state water plan storage act;
- (3) payment to the federal government of annual operation, maintenance and repair costs associated with the water supply storage space under the state water plan storage act;
- (4) payment of administration and enforcement costs of the state associated with the state water plan storage act;
- (5) an annual set-aside to a reserve account which is hereby created as part of this fund of an amount specified by the director of the Kansas water office but not more than 1¢ \$0.01 per 1,000 gallons of water sold, such reserve to be used to meet any shortfall in revenue or unusual expenses relating to operation, maintenance and repair costs; and
- (6) deposit of receipts as required under K.S.A. 82a-1315b, and amendments thereto.
- (c) All expenditures from the water marketing 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 by a person designated by the director.

Sec. 106. K.S.A. 82a-1332 is hereby amended to read as follows: 82a-1332. The Kansas-water office of natural resources, division of water policy and planning, with advice from basin advisory committees, eligible water right holders and the chief engineer and with approval of the Kansas

water authority, may negotiate and enter into contracts for assurance storage from federal reservoirs to be used for water assurance.

Sec. 107. K.S.A. 82a-1333 is hereby amended to read as follows: 82a-1333. Before a water assurance district is organized, and upon the request of the Kansas-water office of natural resources, division of water policy and planning, the chief engineer shall determine the eligible water rights of the proposed district. In determining whether a water right may benefit, the chief engineer shall consider the following factors:

- (a) The annual quantity and rate of diversion authorized by the water right and the frequency and the distribution of such use with time;
 - (b) the consumptive use, location and source of the water right; and
- (c) such other factors as may be necessary to fully determine and understand the degree of such benefits.

Sec. 108. K.S.A. 82a-1335 is hereby amended to read as follows: 82a-1335. (a) Before any water assurance district is organized, a petition shall be filed in the office of the secretary of state, signed by the eligible water right holders of water rights totaling more than 20% of the combined quantities of all eligible water rights within the proposed district as shown by a verified enumeration of the eligible water right holders and the total combined quantities of all eligible water rights taken by the chief engineer. A verified copy of the enumeration shall be attached to and filed with the petition in the office of the secretary of state.

- (b) Every petition filed pursuant to subsection (a) shall state:
- (1) The name of the proposed district, which name shall end with the words "water assurance district number ______." It shall be the duty of the secretary of state to assign a number to each such district in the order—in which that petitions for their organization are received by the secretary's office;
- (2) a list of the water rights, by file number as recorded in the office of the chief engineer, to be included within the proposed district;
- (3) a statement of the purposes for which the district is to be organized;
- (4) a statement of the number of persons that will constitute the board of directors of the district, which shall be an uneven number of not less than three nor more than nine, together with the names and addresses of the persons who will constitute the original steering committee;
 - (5) any other matter deemed essential; and
- (6) a prayer for the organization of the district as a nonprofit corporation.

40	The petition shall be in substantially the following form:	
41	BEFORE THE SECRE	TARY OF STATE OF THE STATE OF KANSAS
42	In the Matter of	Water Assurance District Number
43	and	counties, Kansas.

1 PETITION

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Come now the undersigned persons, or authorized representatives, and state that they are eligible water right holders within the proposed boundaries of the aforenamed water assurance district, hereinafter more fully described, and that each signer states that the signer's respective post office address is set forth beside the signer's name. That the purposes for which this district is organized are (state purposes). That a steering committee for the organization of the district is hereby fixed and constituted with five members; that the names of persons who will serve on the original steering committee, of which the first named shall be acting chairperson, and their respective addresses are as follows:

(List names and addresses.)

The governing body of the district shall be constituted in a board of directors composed of (number) qualified members.

Wherefore, the undersigned, individually and collectively, pray that a water assurance district be organized in the manner provided by law, for the purposes set forth herein, and that the secretary of state and the chief engineer of the *Kansas office of natural resources*, division of water resources of the Kansas department of agriculture proceed diligently in the performance of their duties so that the organization of this proposed district may be completed and approved at the earliest possible time.

Submitted to the secretary of state this day of

Sec. 109. K.S.A. 82a-1345 is hereby amended to read as follows: 82a-1345. (a) The water assurance district shall impose a charge against each member of the water assurance district. The total of such charges shall be sufficient to enable the district to pay the state the full annual amortized cost to the state of acquiring the assurance storage from the federal government by purchase or trade, the cost of operation and maintenance of the assurance storage, the cost of state administration and enforcement of the assurance program. The water assurance district also may impose a charge against each member of the district in an amount sufficient to cover district operating costs. The water assurance district shall impose any charges necessary for the payment of the principal of and interest on revenue bonds issued by the Kansas-water office of natural resources, division of water policy and planning pursuant to the provisions of Chapter 394 of the Laws of 1986. The water assurance district shall determine the amount of the charge for each member and-shall remit moneys collected to the Kansas-water office of natural resources, division of water policy and planning for deposit in the fund created pursuant to K.S.A. 82a-1364, and amendments thereto. Charges to be paid by members of a water assurance district may vary and shall be based on the principle of having each member pay for the pro rata quantity authorized

 to each member from the assurance program. In determining the charge, the governing body of the district shall adopt rules—which that establish guidelines for prospective members.

- (b) The director of the Kansas—water office of natural resources, division of water policy and planning shall request releases of assurance water by the federal government under the agreements with the federal government that govern operations of reservoirs containing assurance storage.
- (c) No member below a reservoir shall divert water from releases of assurance water unless the member has a conservation plan-which that has been approved in the manner provided by K.S.A. 82a-1348, and amendments thereto, and—which is in effect at the time of the desired diversion.
- (d) An entity-which that becomes a holder of a water right in a river basin after an assurance program is in place for that basin shall become a member if the chief engineer determines that sufficient additional water may be yielded from assurance reservoirs to benefit the potential new member.
- (e) The director—of the Kansas water—office and the chief engineer each shall adopt any rules and regulations necessary to carry out the purposes and procedures of this act. The director and the chief engineer shall consider the advice of any existing assurance districts in the preparation of any rules and regulations adopted pursuant to this subsection
- (f) Any holder of a water right below a reservoir aggrieved by a decision of the chief engineer under this act by being either included or excluded as a member in the assurance program may appeal to the district court under K.S.A. 82a-724, and amendments thereto.
- (g) Payments required under a contract between a water assurance district and the Kansas-water office of natural resources, division of water policy and planning shall be for storage capacity contracted in federal reservoirs. Nothing in this act shall be deemed to authorize any suit against the state or any agency of the state or person employed by the state on an implied contract or for negligence or any other tort. The director-of the Kansas water office may sue to enforce any claim arising out of a contract. Payment of the assessment shall be a condition imposed on every member and the chief engineer is authorized to declare the suspension of any use of assurance water where a payment is not made.
- (h) Rights of members to receive assurance water may not be transferred separately from their water rights.
- Sec. 110. K.S.A. 82a-1347 is hereby amended to read as follows: 82a-1347. If any eligible water right holder in a water assurance district organized under the provisions of this act requests an opportunity to

 renegotiate any existing contracts for the purchase of water supply under the terms of K.S.A. 82a-1301 et seq., and amendments thereto, the Kansas water authority and the Kansas—water office of natural resources, division of water policy and planning shall conduct such negotiations on a timely basis and on the provisions for which negotiations are requested.

Sec. 111. K.S.A. 82a-1348 is hereby amended to read as follows: 82a-1348. Each member of a water assurance district shall adopt conservation plans and practices for such member. Such plans and practices shall be consistent with the guidelines for conservation plans and practices developed and maintained by the Kansas-water office of natural resources, division of water policy and planning pursuant to K.S.A. 74-2608, and amendments thereto. Prior to entering into a contract with an assurance district, the director of the Kansas-water office of natural resources, division of water policy and planning, in consultation with the chief engineer, shall determine whether such plans and practices are consistent with the guidelines for conservation plans and practices adopted by the Kansas-water office of natural resources, division of water policy and planning.

Sec. 112. K.S.A. 82a-1349 is hereby amended to read as follows: 82a-1349. (a) There is hereby created in the state treasury the water supply storage assurance fund. The director of the Kansas-water office of natural resources, division of water policy and planning may accept or receive moneys from water assurance districts for the purposes for which expenditures may be made from the water supply storage assurance district fund. The director shall remit all moneys so received to the state treasurer at least monthly. Upon receipt of any such remittance the state treasurer shall deposit the entire amount in the state treasury and credit such amount to the water supply storage assurance fund. Moneys deposited to the credit of the water supply storage assurance fund which are received from a water assurance district shall be credited to a separate subaccount.

- (b) Moneys in such subaccounts may be expended for the following purposes:
- (1) Payment to the federal government of annual capital costs of water supply storage in federal reservoirs under the water assurance program act;
- (2) payment and reimbursement to the water marketing fund for water supply storage space previously paid for with revenue from the water marketing fund, if such storage space has been transferred to the water assurance program;
- (3) payment and reimbursement to the state general fund for water supply storage space previously paid for with revenue from the state general fund, if such storage space has been transferred to the water assurance program;

 (4) payment and reimbursement to the state water plan fund for water supply storage space previously paid for with revenue from the state water plan fund, if such storage space has been transferred to the water assurance program;

- (5) payment to the federal government of annual operation, maintenance and repair costs associated with the water supply storage space dedicated for the use of water assurance districts; and
- (6) payment and reimbursement to the water marketing fund and the state general fund for costs incurred by the state for the administration and enforcement of applicable state laws governing the operations and management of the water assurance program as provided in contracts with water assurance districts.
- (c) All expenditures from the water supply storage assurance fund shall be made in accordance with appropriation acts upon warrants issued pursuant to vouchers approved by the director of the Kansas-water office of natural resources, division of water policy and planning or by a person designated by the director.
- Sec. 113. K.S.A. 82a-1360 is hereby amended to read as follows: 82a-1360. As used in K.S.A. 82a-1360-to through 82a-1368, inclusive and amendments thereto, unless the context otherwise requires:
- (a) "Director" means the director of the Kansas—water office of natural resources, division of water policy and planning.
- (b) "Revenue bonds" means bonds issued pursuant to this act and payable as to both principal and interest from:
- (1) The revenue derived from water supply contracts with water users who will derive benefits from the construction of a large reservoir project or from the purchase of space in existing reservoirs;
 - (2) the revenue from participants in water assurance programs;
- (3) in the discretion of the director, the proceeds of any grant-in-aid which may be received from any source; or
 - (4) any one or more of the foregoing.
- (c) "Large reservoir project" means a structure that has been planned, authorized and constructed by the federal government or the state of Kansas which that contains waters for conservation storage water supply.
- Sec. 114. K.S.A. 82a-1361 is hereby amended to read as follows: 82a-1361. (a) The Kansas—water office of natural resources, division of water policy and planning is hereby authorized to issue and sell revenue bonds for the purpose of paying all or part of the cost of acquiring a site or sites, constructing, reconstructing, improving and expanding large reservoir projects or to finance the purchase of storage in existing reservoirs. The revenue bonds may be issued from time to time and sold in amounts—which that the director deems necessary for such purposes.
 - (b) Prior to the issuance of the revenue bonds, the director shall adopt

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 a resolution or resolutions in the name and on behalf of the Kansas-water office, which of natural resources, division of water policy and planning. Such resolution or resolutions, unless otherwise provided therein, shall take effect immediately and:

- (1) Determine an interest rate or rates to be paid on the principal of the revenue bonds not in excess of the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto;
- (2) determine that the revenue bonds will be term or serial bonds or any combination thereof maturing not later than 40 years from the date of issuance:
- (3) make provision for charges in water supply contracts with water users who will derive benefits from the construction of a large reservoir project or from the purchase of space in existing reservoirs and fix charges to participants in water assurance programs in an amount necessary to assure the prompt payment of the principal of and interest on the revenue bonds as they become due, to maintain any required reserves and to provide for any deficits resulting from failure to receive sums payable to the Kansas-water office of natural resources, division of water policy and planning by such water users or participants in water assurance programs or resulting from any other cause, and shall sell the revenue bonds in the manner provided by K.S.A. 10-106, and amendments thereto, at a price of not less than 90% of the par value thereof; and
 - (4) register the revenue bonds with the state treasurer.
 - (c) Prior to the issuance of the revenue bonds, the director may:
- (1) Pledge to the payment of the principal and interest on the revenue bonds the gross revenues derived from water supply contracts with water users from revenue from participants in water assurance programs or from any one or more or all of such sources;
- (2) pledge to the payment of the principal of and interest on the revenue bonds the proceeds of any grant-in-aid, gift, donation, bequest or other such fund, or the income from any of such sources obtained by the Kansas—water office of natural resources, division of water policy and planning directly or in trust;
- (3) pledge to the payment of the principal of and interest on any revenue bonds issued to acquire conservation water supply storage capacity in federal reservoirs, if moneys otherwise authorized to be pledged are insufficient, moneys appropriated from the following, in descending order of priority: The state water plan fund created by K.S.A. 82a-951, and amendments thereto, the state economic development initiatives fund created by K.S.A. 79-4804, and amendments thereto, or the state general fund;
- (4) create and maintain:
 - (A) Revenue bond funds adequate to promptly pay both the principal

 of and interest on the revenue bonds when they become due; and

- (B) a reasonable reserve fund; and
- (5) covenant or contract with respect to any and all matters consistent with the authority granted herein necessary and convenient in the determination of the director to sell the revenue bonds and obtain the most favorable interest rate thereon, including, but not limited to, maturities, priority of liens, number of issuances, special funds for security, redemption privileges, investments of the proceeds of the revenue bonds and any other funds pledged to the payment thereof or held as security therefor, security agreements, trust indentures, paying agencies, registration provisions and conversion privileges.
- Sec. 115. K.S.A. 82a-1362 is hereby amended to read as follows: 82a-1362. (a) Revenue bonds issued hereunder, including refunding revenue bonds authorized hereunder, shall be special obligations of the Kansas—water office of natural resources, division of water policy and planning in accordance with their terms and shall not constitute an indebtedness of the state of Kansas or the Kansas—water office of natural resources, division of water policy and planning, nor shall they constitute indebtedness within the meaning of any constitutional or statutory provision limiting the incurring of indebtedness.
- (b) All contracts, agreements and covenants contained in the resolution authorizing the issuance of revenue bonds shall be binding in all respects upon the Kansas-water office of natural resources, division of water policy and planning, its officials, agents, employees and successors. Such agreements, contracts and covenants shall be enforceable by appropriate legal action brought pursuant to the terms of the resolution authorizing the issuance of revenue bonds.
- Sec. 116. K.S.A. 82a-1363 is hereby amended to read as follows: 82a-1363. The Kansas-water office of natural resources, division of water policy and planning may issue revenue bonds for the purpose of refunding revenue bonds issued hereunder pursuant to the terms and authority of K.S.A. 10-116a, and amendments thereto.
- Sec. 117. K.S.A. 82a-1364 is hereby amended to read as follows: 82a-1364. The proceeds derived from the sale of all revenue bonds issued under this act shall be deposited to the credit of the Kansas-water office of natural resources, division of water policy and planning in either an account administered pursuant to K.S.A. 75-4251 et seq., and amendments thereto, or in an account arranged pursuant to K.S.A. 75-3799, and amendments thereto, and used solely for the purposes for which the revenue bonds are authorized. The director is authorized to make all contracts and execute all instruments which that in the director's discretion may be deemed necessary or advisable for the purpose of acquiring a site or sites, constructing, reconstructing, improving and expanding large

 reservoir projects or to finance the purchase of space in existing reservoirs and to provide for the manner of disbursement of the funds for such purposes. Other than contracts with federal, state or local governmental units, contracts authorized by this act shall be made pursuant to K.S.A. 75-3739 or 75-3799, and amendments thereto. Nothing contained in this act shall be construed as placing in the state treasury any money collected under this act or requiring such action, and the legislature hereby declares that funds deposited under this section shall not be subject to the provisions of section 24 of article 2 of the Kansas constitution.

Sec. 118. K.S.A. 82a-1367 is hereby amended to read as follows: 82a-1367. (a) This act constitutes full and complete authority for the purposes set out in this act, and no procedure or proceedings other than those required by this act shall be necessary for the performance of the provisions thereof. The powers conferred by this act shall be in addition and supplemental to and not in substitution for, and the limitations imposed by this act shall not affect, the powers conferred on the Kansas water office of natural resources, division of water policy and planning by any other law.

(b) The provisions of this act are severable, and if any provision, section, subsection, sentence, clause or phrase of this act, including, but not limited to, the provisions relating to any of the sources of revenues for payment of bonds authorized pursuant to this act are for any reason held to be unconstitutional or otherwise invalid by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this act. The legislature hereby declares that it would have passed this act and each provision, section, subsection, sentence, clause or phrase thereof irrespective of the fact that any one or more of the same are declared invalid.

Sec. 119. K.S.A. 82a-1368 is hereby amended to read as follows: 82a-1368. Prior to the issuance of any revenue bonds under authority of this act and after the adoption of a resolution authorizing any revenue bonds under this act, the director shall cause to be published once in the Kansas register a notice to all persons interested that the Kansas—water office of natural resources, division of water policy and planning has determined to issue revenue bonds under authority of this act. The notice shall state the amount or maximum amount of revenue bonds to be issued pursuant to such resolution, together with a brief statement of the purposes for which the proceeds are to be used, and further, that unless an action to contest the legality of the proposed revenue bonds shall be filed in a court of law within 30 days from the date of such publication, the right to contest the legality of any revenue bonds issued in compliance with the proceedings taken by the Kansas—water office of natural resources, division of water policy and planning prior to the date of such publication

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and the right to contest the validity of the provisions of such proceedings shall cease to exist and no court shall thereafter have authority to inquire into such matters. After the expiration of the 30 days, no one shall have any right to commence an action contesting the validity of such revenue bonds or the provisions of such proceedings and all revenue bonds shall be conclusively presumed to be legal, and no court shall thereafter have authority to inquire into such matters.

Sec. 120. K.S.A. 82a-1370 is hereby amended to read as follows: 82a-1370. (a) To provide financing to acquire conservation water supply storage in federal reservoirs, the pooled money investment board is authorized and directed to loan to the director of the Kansas—water office of natural resources, division of water policy and planning, upon request therefor, sufficient funds for such purpose. The pooled money investment board is authorized and directed to use any moneys in the operating accounts, investment accounts or other investments, of the state of Kansas to provide funds for such loan. On the loan date of such loan, the pooled money investment board shall transfer the loan amount to the director of the Kansas—water office of natural resources, division of water policy and planning by depositing the same in the state treasury to the credit of the water supply storage acquisition financing fund.

- (b) Such loan shall bear interest from the date of the loan at an annual rate of interest which is not less than the average yield before taxes received on 91-day United States treasury bills as determined by the federal reserve banks as fiscal agents of the United States at its most recent public offering of such bills in effect on January 1 of such year. The principal and interest thereon shall be payable in accordance with subsection (c). Such loan shall not be deemed to be an indebtedness or debt of the state of Kansas within the meaning of section 6 of article 11 of the Constitution of the state of Kansas.
- (c) The principal and interest on any loan made under this section, shall be payable in accordance with appropriations acts from the following sources, in descending order of priority:
- (1) Amounts received under contracts entered into pursuant to the state water plan storage act or the water assurance program act, if the water supply storage capacity purchased with the loan proceeds is to be used to service such contracts;
- (2) state water plan fund created by K.S.A. 82a-951, and amendments thereto:
- 39 (3) the state economic development initiatives fund created by K.S.A. 40 79-4804, and amendments thereto; and
 - (4) the state general fund.
 - (d) There is hereby created in the state treasury the water supply storage acquisition financing fund. On or before the 10th day of each

 month, the director of accounts and reports shall transfer from the state general fund to the water supply storage acquisition financing fund interest earnings based on:

- (1) The average daily balance of moneys in the water supply storage acquisition financing fund for the preceding month; and
- (2) the net earnings rate for the pooled money investment portfolio for the preceding month.
- (e) All expenditures from the water supply storage acquisition financing fund shall be made for the purpose of financing the acquisition of water supply storage in federal reservoirs and for the purpose of paying the principal and interest on the loan received under this section 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 of natural resources, division of water policy and planning or by a person designated by the director.
- Sec. 121. K.S.A. 82a-1402 is hereby amended to read as follows: 82a-1402. As used in this act, unless the context otherwise requires:
 - (a) "Authority" means the Kansas water authority;
- (b) "Director" means the director of the Kansas—water office of natural resources, division of water policy and planning.
 - (c) "Naturally" means arising from a phenomenon of nature.
- (d) "Operational program" means weather modification activity conducted to increase rainfall or suppress hail damage whether such activity is conducted not-for-profit, for profit or purely for research.
- (e) "Person" means—and includes a natural person, a partnership, an organization, a corporation, a municipality and any department or agency of the state.
- (f) "Research and development operation" or "research and development project" means an operation which that is conducted solely to advance scientific and technical knowledge.
- (g) "Weather modification activity" means any operation or experimental process which has as its objective inducing change, by artificial means, in the composition, behavior, or dynamics of clouds and the atmosphere.
- Sec. 122. K.S.A. 2024 Supp. 82a-1501 is hereby amended to read as follows: 82a-1501. As used in the water transfer act:
- (a) (1) "Water transfer" means the diversion and transportation of water in a quantity of 2,000 acre feet or more per year for beneficial use at a point of use outside a 35-mile radius from the point of diversion of such water. In determining the amount of water transferred in the case of a water transfer supplying water to multiple public water supply systems or other water users, the amount of water transferred shall be considered to be the aggregate amount of water that will be supplied by the transfer to all

 public water supply systems and other water users whose points of use are located outside a 35-mile radius from the point of diversion of such water.

- (2) "Water transfer" does not include a release of water from a reservoir to the water's natural watercourse for use within the natural watercourse or watershed, made under the authority of the state water plan storage act, K.S.A. 82a-1301 et seq., and amendments thereto, or the water assurance program act, K.S.A. 82a-1330 et seq., and amendments thereto.
 - (b) "Point of diversion" means:
- (1) The point where the longitudinal axis of the dam crosses the center line of the stream in the case of a reservoir;
- (2) the location of the headgate or intake in the case of a direct diversion from a river, stream or other watercourse;
 - (3) the location of a well in the case of groundwater diversion; or
- (4) the geographical center of the points of diversion in the case of multiple diversion points.
- (c) "Point of use" means the geographical center of each water user's proposed or authorized place of use where any water authorized by the proposed transfer will be used.
- (d) "Chief engineer" means the chief engineer of the *Kansas office of natural resources*, division of water resources-of the Kansas department of agriculture.
- (e) "Secretary" means the secretary of the department of health and environment, or the director of the division of environment of the department of health and environment if designated by the secretary.
- (f) "Director" means the director of the Kansas—water office of natural resources, division of water policy and planning.
 - (g) "Panel" means the water transfer hearing panel.
 - (h) (1) "Party" means:
 - (A) The applicant; or
- (B) any person who successfully intervenes pursuant to K.S.A. 82a-1503, and amendments thereto, and actively participates in the hearing.
- (2) "Party" does not include a person who makes a limited appearance for the purpose of presenting a statement for or against the water transfer.
- (i) "Commenting agencies" means groundwater management districts and state natural resource and environmental agencies, including, but not limited to, the Kansas department of health and environment, the Kansas water office of natural resources, division of water policy and planning, the Kansas water authority, the Kansas department of wildlife and parks and the Kansas office of natural resources, division of water resources—of the Kansas department of agriculture.
- (j) "Public water supply system" means any water supply system, whether publicly or privately owned, for which a permit is required

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 pursuant to K.S.A. 65-163, and amendments thereto.

Sec. 123. K.S.A. 82a-1502 is hereby amended to read as follows: 82a-1502. (a) No person shall make a water transfer in this state unless and until the transfer is approved pursuant to the provisions of this act. No water transfer shall be approved—which if such transfer would reduce the amount of water required to meet the present or any reasonably foreseeable future beneficial use of water by present or future users in the area from which the water is to be taken for transfer unless:

- (1) The panel determines that the benefits to the state for approving the transfer outweigh the benefits to the state for not approving the transfer:
- (2) the chief engineer recommends to the panel and the panel concurs that an emergency exists which affects the public health, safety or welfare; or
- (3) the governor has declared that an emergency exists—which that affects the public health, safety or welfare. Whenever an emergency exists, a water transfer may be approved by the panel on a temporary basis for a period of time not to exceed one year under rules and regulations adopted by the chief engineer. The emergency approval shall be subject to the terms, conditions and limitations specified by the panel.
- (b) No water transfer shall be approved under the provisions of this act:
- (1) If such transfer would impair water reservation rights, vested rights, appropriation rights or prior applications for permits to appropriate water; and
- (2) unless the presiding officer determines that the applicant has adopted and implemented conservation plans and practices that:
- (A) Are consistent with the guidelines developed and maintained by the Kansas-water office of natural resources, division of water policy and planning pursuant to K.S.A. 74-2608, and amendments thereto;
- (B) have been in effect for not less than 12 consecutive months immediately prior to the filing of the application on which the hearing is being held; and
- (C) if the transfer is for use by a public water supply system, include the implementation of a rate structure which that encourages the efficient use of water that is determined by the presiding officer to be effective and if designed, implemented and maintained properly, will result in wise use and responsible conservation and management of water used by the system.
- (c) To determine whether the benefits to the state for approving the transfer outweigh the benefits to the state for not approving the transfer, the presiding officer shall consider all matters pertaining thereto, including specifically:

 (1) Any current beneficial use being made of the water proposed to be diverted, including minimum desirable streamflow requirements;

- (2) any reasonably foreseeable future beneficial use of the water;
- (3) the economic, environmental, public health and welfare and other impacts of approving or denying the transfer of the water;
- (4) alternative sources of water available to the applicant and present or future users for any beneficial use;
- (5) whether the applicant has taken all appropriate measures to preserve the quality and remediate any contamination of water currently available for use by the applicant;
- (6) the proposed plan of design, construction and operation of any works or facilities used in conjunction with carrying the water from the point of diversion, which. Such plan shall be in sufficient detail to enable all parties to understand the impacts of the proposed water transfer;
- (7) the effectiveness of conservation plans and practices adopted and implemented by the applicant and any other entities to be supplied water by the applicant;
- (8) the conservation plans and practices adopted and implemented by any persons protesting or potentially affected by the proposed transfer, which plans and practices shall be consistent with the guidelines for conservation plans and practices developed and maintained by the Kansas water office of natural resources, division of water policy and planning pursuant to K.S.A. 74-2608, and amendments thereto; and
- (9) any applicable management program, standards, policies and rules and regulations of a groundwater management district.
- Sec. 124. K.S.A. 2024 Supp. 82a-1602 is hereby amended to read as follows: 82a-1602. In order to provide public water supply storage and water related recreational facilities in the state, there is hereby established a multipurpose small lakes program. The program shall be administered by the division. Except as otherwise provided by this act, the division, with the approval of the—secretary executive director, shall adopt all rules and regulations necessary to implement the provisions of this act.
- Sec. 125. K.S.A. 2024 Supp. 82a-1603 is hereby amended to read as follows: 82a-1603. When used in this act:
- (a) "Chief engineer" means the chief engineer of the Kansas office of natural resources, division of water resources—of the department of agriculture.
- (b) "Class I funded project" means a proposed new project or renovation of an existing project located within the boundaries of an organized watershed district that is receiving or is eligible to receive financial participation from the division for the flood control storage portion of the project.
 - (c) "Class II funded project" means a proposed new project or

 renovation of an existing project that is receiving or is eligible to receive financial participation from the federal government.

- (d) "Class III funded project" means a proposed new project or renovation of an existing project located outside the boundaries of an organized watershed district that is not receiving or is not eligible to receive financial participation from the division or the federal government except as provided in K.S.A. 82a-1606, and amendments thereto.
- (e) "Division" means the division of conservation established within the Kansas-department of agriculture in K.S.A. 74-5,126, and amendments thereto office of natural resources.
- (f) "Executive director" means the executive director of the Kansas office of natural resources.
- (g) "Flood control storage" means storage space in reservoirs to hold flood waters.
- (g)(h) "Future use public water supply storage" means storage space that the Kansas water office determines will be needed within the next 20 years for use by public water supply users in an area but for which there is no current sponsor.
- (h)(i) "General plan" means a preliminary engineering report describing the characteristics of the project area, the nature and methods of dealing with the soil and water problems within the project area and the projects proposed to be undertaken by the sponsor within the project area. Such plan shall include: Maps, descriptions and other data as may be necessary for the location, identification and establishment of the character of the work to be undertaken; a cost-benefit analysis of alternatives to the project, including, but not limited to, nonstructural flood control options and water conservation and reuse to reduce need for new water supply storage; and any other data and information as the chief engineer may require.
- $\frac{(i)}{(j)}$ "Land right" means real property as that term is defined by the laws of the state of Kansas and all rights thereto and interest therein and includes any road, highway, bridge, street, easement or other right-of-way thereon.
- $\frac{f}{k}$ "Multipurpose small lake project" means a dam and lake containing: (1) Flood control storage; and (2) either public water supply storage or recreation features, or both.
- (k)(l) "Public water supply" means a water supply for municipal, industrial or domestic use.
- $\frac{1}{m}$ "Public water supply storage" means storage of water for municipal, industrial or domestic use.
 - (m)(n) "Recreation feature" means water storage and related facilities for activities such as swimming, fishing, boating, camping or other related activities.

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(n)(o) "Renovation" means repair or restoration of an existing lake that contains water storage space for use as a public water supply and that has either recreational purposes or flood control purposes, or both.

- (o) "Secretary" means the secretary of the Kansas department of agriculture.
- (p) "Sponsor" means: (1) Any political subdivision of the state that has the power of taxation and the right of eminent domain; (2) any public wholesale water supply district; or (3) any rural water district.
- (q) "Water user" means any city, rural water district, wholesale water district or any other political subdivision of the state that is in the business of furnishing municipal or industrial water to the public.

Sec. 126. K.S.A. 82a-1604 is hereby amended to read as follows: 82a-1604. (a) The state may participate with a sponsor in the development, construction or renovation of a class I multipurpose small lake project if the sponsor has a general plan-which that has been submitted to and approved by the chief engineer in the manner provided by K.S.A. 24-1213 and 24-1214, and amendments thereto. If the Kansas-water office of natural resources, division of water policy and planning determines that additional public water supply storage shall be needed in that area of the state within 20 years from the time such project is to be completed and a water user is not available to finance public water supply storage, the state may include future use public water supply storage in the project. The Kansas-water office of natural resources, division of water policy and planning shall apply for a water appropriation right sufficient to insure a dependable yield from the public water supply storage. The Kansas-water office of natural resources, division of water policy and planning shall be exempt from all applicable fees imposed pursuant to K.S.A. 82a-701 et seg., and amendments thereto, for such applications. The Kansas—water office of natural resources, division of water policy and planning shall have authority to adopt rules and regulations relative to the inclusion of public water supply storage in proposed projects under this act and the disposition of state-owned water rights and associated public water supply storage space in such projects.

- (b) The sponsor of such class I project shall be responsible for acquiring land rights and for the costs of operation and maintenance of such project. The state may provide up to 50% of the engineering and construction costs and up to 50% of the costs of land rights associated with recreation features. Subject to the provisions of subsections (a) and (c), the state may pay up to 100% of the engineering and construction costs of flood control and public water supply storage. All other costs of such project, including land, construction, operation and maintenance shall be paid by the sponsor.
 - (c) The state shall not participate in the costs of public water supply

 storage in a renovation project unless the Kansas—water office of natural resources, division of water policy and planning determines that renovation is the most cost effective alternative for such storage. The state shall be authorized to pay only up to 50% of the engineering and construction costs of public water supply storage in such a renovation project.

(d) The Kansas—water office of natural resources, division of water policy and planning may recover the state's costs incurred in providing public water supply storage in such class I project, and interest on such costs, by selling such storage and the associated water rights. Interest on such costs shall be computed at a rate per annum equal to the average of the monthly net earnings rate for the pooled money investment portfolio for the preceding calendar year for each year of storage.

Sec. 127. K.S.A. 82a-1605 is hereby amended to read as follows: 82a-1605. (a) The state may participate with a sponsor in the development, construction or renovation of a class II multipurpose small lake project if the sponsor has a general plan-which that has been submitted to and approved by the chief engineer in the manner provided by K.S.A. 24-1213 and 24-1214, and amendments thereto. If the Kansas-water office of natural resources, division of water policy and planning determines that additional public water supply storage shall be needed in that area of the state within 20 years from the time such project is to be completed and a water user is not available to finance public water supply storage, the state may include future use public water supply storage in the project. The Kansas-water office of natural resources, division of water policy and planning shall apply for a water appropriation right sufficient to insure a dependable yield from public water supply storage. The Kansas-wateroffice of natural resources, division of water policy and planning shall be exempt from all applicable fees imposed pursuant to K.S.A. 82a-701 et seq., and amendments thereto, for such applications. The Kansas-water office of natural resources, division of water policy and planning shall have authority to adopt rules and regulations relative to the inclusion of public water supply storage in proposed projects under this act and the disposition of state-owned water rights and associated public water supply storage space in such projects.

(b) In a class II project, the state may assume initial financial obligations for public water supply storage in watersheds by entering into long-term contracts with the federal government. In order to provide security to the federal government, the state may grant assignments of water rights, either appropriation rights or water reservation rights; assignments of rights under existing or prospective water purchase contracts; assignments, mortgages or other transfers of interests in real property held by the state and devoted to the specific small lake project for

 which security is sought; or may provide other security that is permissible under state law and acceptable by the federal government. Instead of contracting to repay costs under long-term contracts, the state may pay all of the required costs of the public water supply storage in a lump sum.

- (c) The sponsor of such class II project shall be responsible for acquiring land rights and for the costs of operation and maintenance of such project. The state or federal government may provide up to 50% of the engineering and construction costs and up to 50% of the costs of land rights associated with recreation features. Subject to the provisions of subsection (d), the state may pay up to 100% of the engineering and construction costs of flood control and public water supply storage. All other costs of such project, including land, construction, operation and maintenance shall be paid by the sponsor.
- (d) The state shall not participate in the costs of public water supply storage in a renovation project unless the Kansas—water office of natural resources, division of water policy and planning determines that renovation is the most cost effective alternative for such storage. The state shall be authorized to pay only up to 50% of the engineering and construction costs of public water supply storage in such a renovation project.
- (e) The Kansas—water office of natural resources, division of water policy and planning may recover the state's costs incurred in providing public water supply storage in such class II project, and interest on such costs, by selling such storage and the associated water rights. Interest on such costs shall be computed at a rate per annum equal to the average of the monthly net earnings rate for the pooled money investment portfolio for the preceding calendar year for each year of storage.

Sec. 128. K.S.A. 82a-1606 is hereby amended to read as follows: 82a-1606. (a) The state may participate with a sponsor in the development, construction or renovation of a class III multipurpose small lake project if the sponsor has a general plan-which that has been submitted to and approved by the chief engineer in the manner provided by K.S.A. 24-1213 and 24-1214, and amendments thereto. If public water supply storage is included in the project, the sponsor of such class III project shall pay for 100% of the costs associated with the public water supply storage portion of such project unless the Kansas-water office of natural resources, division of water policy and planning determines that additional public water supply storage shall be needed in that area of the state within 20 years from the time such project is to be completed and a sponsor is not available to finance 100% of the costs associated with the public water supply storage, the state may participate in the future use public water supply storage costs of the project. If the state participates in the public water supply storage costs, the Kansas-water office of natural resources,

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 division of water policy and planning shall apply for a water appropriation right sufficient to insure a dependable yield from public water supply storage. The Kansas—water office of natural resources, division of water policy and planning shall be exempt from all applicable fees imposed pursuant to K.S.A. 82a-701 et seq., and amendments thereto, for such applications. The Kansas—water office of natural resources, division of water policy and planning shall have authority to adopt rules and regulations relative to the inclusion of public water supply storage in proposed projects under this act and the disposition of state-owned water rights and associated public water supply storage space in such projects.

- (b) The sponsor of such class III project shall be responsible for acquiring land rights and for the costs of operation and maintenance of the project. The state may provide up to 50% of the engineering and construction costs and up to 50% of the costs of land rights associated with recreation features. Subject to the provisions of subsection (c), the state may pay up to 100% of the engineering and construction costs of flood control storage and public water supply storage. All other costs of such project, including land, construction, operation and maintenance, shall be paid by the sponsor.
- (c) The state shall not participate in the costs of public water supply storage in a renovation project unless the Kansas-water office of natural resources, division of water policy and planning determines that renovation is the most cost effective alternative for such storage. The state shall be authorized to pay only up to 50% of the engineering and construction costs of public water supply storage in such a renovation project.
- (d) The Kansas—water office of natural resources, division of water policy and planning may recover the state's costs incurred in providing public water supply storage in such class III project, and interest on such costs, by selling such storage and the associated water rights. Interest on such costs shall be computed at a rate per annum equal to the average of the monthly net earnings rate for the pooled money investment portfolio for the preceding calendar year for each year of storage.

Sec. 129. K.S.A. 2024 Supp. 82a-1607 is hereby amended to read as follows: 82a-1607. Sponsors shall apply to the division for participation in the multipurpose small lakes program. The review and approval process of the division shall be established by rules and regulations that shall be consistent with the state water plan. Following review, the division, with the approval of the—secretary executive director of the Kansas office of natural resources, shall request appropriations for specific projects from the legislature. Any funds appropriated to carry out the provisions of this act shall be administered by the division.

Sec. 130. K.S.A. 82a-1608 is hereby amended to read as follows:

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 82a-1608. (a) If state financial participation is approved for a multipurpose small lake project, the Kansas-department of agriculture office of natural resources, division of conservation shall require a local nonpoint source management plan for the watersheds draining into the proposed lake. Such plan shall be submitted to and approved by the Kansas-department of agriculture office of natural resources, division of conservation before any state funds may be used for the proposed project.

- (b) If public water supply storage is included in such a project, the sponsor shall have a water conservation plan which has been submitted to and approved by the chief engineer.
- (c) Any funding provided by the state shall include money necessary to pay for cost-sharing expenses incurred for nonpoint source management pursuant to the plan required by subsection (a).
- Sec. 131. K.S.A. 82a-1609 is hereby amended to read as follows: 82a-1609. (a) Before the Kansas—department of agriculture office of natural resources, division of conservation requests any appropriation for any multipurpose small lake project, the chief engineer shall review the cost-benefit analysis of alternatives to the project and shall:
- (1) Submit the general plan to the appropriate state environmental review agencies pursuant to K.S.A. 82a-325, 82a-326 and 82a-327, and amendments thereto, for review and comment as provided by those sections; and
- (2) publish notice of the review in the Kansas register, make the general plan available to the public and receive public comments on the proposed project for a period of 30 days following publication of the notice.
- (b) If, in the review, a reasonable, less expensive alternative to the proposed project is identified and the Kansas department of agriculture division of conservation nevertheless requests an appropriation for the proposed project, the division shall submit its reasons for proceeding with participation in the project, together with substantiating documentation, with the budget estimate and program statement for such project.
- (c) This section shall be a part of and supplemental to the multipurpose small lakes program act.
- Sec. 132. K.S.A. 2024 Supp. 82a-1702 is hereby amended to read as follows: 82a-1702. (a) The state shall provide financial assistance to certain public corporations for part of the costs or reimbursement of part of the costs of installation of water development projects that derive general benefits to the state as a whole or to a section thereof beyond the boundaries of such public corporation.
- (b) (1) Any public corporation shall be eligible for state financial assistance for a part of the costs it becomes actually and legally obligated to pay for all lands, easements and rights-of-way for the water

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 development projects in the event the Kansas-department of agriculture office of natural resources, division of conservation shall find that:

- (A) Such public corporation has made application for approval of such financial assistance with the Kansas department of agriculture-division of conservation in such form and manner as the Kansas-department of agriculture division of conservation may require, which application each public corporation is hereby authorized to make;
- (B) such works will confer general flood control benefits beyond the boundaries of such public corporation in excess of 20% of the total flood control benefits of the works;
 - (C) such works are consistent with the state water plan;
- (D) such public corporation will need such financial assistance for actual expenditures within the fiscal year next following; and
- (E) the legislature has appropriated funds for the payment of such sum.
- (2) The payment authorized hereunder shall be limited to an amount equal to the total costs the public corporation shall become actually and legally obligated to spend for lands, easements and rights-of-way for such water resource development works, multiplied by the ratio that the flood control benefits conferred beyond the boundaries of the public corporation bear to the total flood control benefits of the project. Such findings shall each be made at and in such manner as is provided by procedural rules and regulations that shall be adopted by the Kansas department of agriculture division of conservation with the approval of the secretary executive director.
- (c) Any public corporation receiving financial assistance under this section shall apply those sums toward the satisfaction of the legal obligations for the specific lands, easements and rights-of-way for which it such corporation receives them or toward the reimbursement of those accounts from which those legal obligations were satisfied, in whole or in part, and it such corporation shall return to the state any sums that are not in fact so applied. In ascertaining costs of lands, easements and rights-of-way under this section, the Kansas department of agriculture division of conservation shall not consider any costs that relate to land treatment measures or any costs for which federal aid for construction costs is granted pursuant to the watershed protection and flood prevention acts or pursuant to any other federal acts.
- Sec. 133. K.S.A. 82a-1703 is hereby amended to read as follows: 82a-1703. The governing body of each public corporation eligible for state financial assistance under the provisions of this act shall make application for state payment each year to the Kansas-department of agriculture office of natural resources, division of conservation in such form and manner as the Kansas department of agriculture division of conservation may

prescribe by its in rules and regulations. Each year the Kansas department of agriculture division of conservation shall determine what persons are eligible to receive financial assistance from the state, and the amounts thereof, pursuant to this act. In the event the Kansas department of agriculture division of conservation shall determine that any such application, including the amounts thereof, is proper and in compliance with this act and is supported by a resolution as provided in K.S.A. 82a-1704, and amendments thereto, the Kansas department of agriculturedivision of conservation may submit a request therefor as a part of its annual budget requests and estimates. Each such request shall be separately stated and identified. The budget item for each project shall contain the name of the project, the name of the public corporation-towhich that the item relates, the county or counties in which where such public corporation is located, the identification of the agreement or resolution supporting the request, and the amount of state payment requested therefor.

Sec. 134. K.S.A. 82a-1704 is hereby amended to read as follows: 82a-1704. In order that any public corporation eligible for state payments under the provisions of this act may receive payment from the state, the governing body of the public corporation shall adopt and transmit to the Kansas-department of agriculture office of natural resources, division of conservation an appropriate resolution requesting the Kansas department of agriculture division of conservation to approve payment to the requesting body of a sum or sums to be named within the limits of and for the purposes defined in this act. The resolution shall show the total cost allocated to the requesting body for providing the lands, easements, and rights-of-way for the works of improvement of the requesting body and shall pledge that all money received from the state under authority of this act will be applied solely to the purposes specified in this act.

Sec. 135. K.S.A. 82a-1803 is hereby amended to read as follows: 82a-1803. (a) There is hereby established in the state treasury the water conservation projects fund, to be administered by the director of the Kansas—water office of natural resources, division of water policy and planning. The water conservation projects fund is hereby redesignated as the Arkansas river water conservation projects fund.

- (b) Revenue from the following sources shall be credited to the Arkansas river water conservation projects fund:
- (1) Amounts provided for by K.S.A. 82a-1801, and amendments thereto; and
- (2) moneys received from any source by the state in the form of gifts, grants, reimbursements or appropriations for use for the purposes of the fund.
 - (c) Moneys credited to the Arkansas river water conservation projects

 fund shall be expended only *for* conservation projects, utilization efficiency, administrative requirements and delivery projects, and similar types of projects, in those areas of the state lying in the upper Arkansas river basin and directly impacted by the provisions of the Arkansas river compact between this state and the state of Colorado.

- (d) The types of projects that may be funded under subsection (a)(1) of K.S.A. 82a-1801(a)(1), and amendments thereto, include:
- (1) Efficiency improvements to canals or laterals owned by a ditch company or projects to improve the operational efficiency or management of such canals or laterals;
- (2) water use efficiency devices, tailwater systems or irrigation system efficiency upgrades;
- (3) water measurement flumes, meters, gauges, data collection platforms or related monitoring equipment;
- (4) artificial recharge or purchase of water rights for stream recovery or aquifer restoration;
 - (5) maintenance of the Arkansas river channel; or
- (6) monitoring and enforcement of Colorado's compliance with the Arkansas river compact.

Moneys credited to the fund may be expended to reimburse costs of projects described by this subsection that were required by the division of water resources and commenced on or after July 1, 1994.

- Sec. 136. K.S.A. 82a-1804 is hereby amended to read as follows: 82a-1804. (a) 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 of natural resources, division of water policy and planning.
- (b) Revenue from the following sources shall be credited to the Republican river water conservation projects Nebraska moneys fund:
- 30 (1) Amounts provided for by K.S.A. 82a-1801, and amendments thereto; and (2) moneys received from any source by the state in the form of gifts.
 - (2) moneys received from any source by the state in the form of gifts, grants, reimbursements or appropriations for use for the purposes of the fund.
 - (c) Moneys credited to the Republican river water conservation projects Nebraska moneys fund shall be expended only for conservation projects, utilization efficiency, administrative requirements and delivery projects, and similar types of projects set forth in subsection (g), 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.
 - (d) There is hereby established in the state treasury the Republican

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river water conservation projects — Colorado moneys fund to be administered by the director of the Kansas—water office of natural resources, division of water policy and planning.

- (e) Revenue from the following sources shall be credited to the Republican river water conservation projects Colorado moneys fund:
- (1) Amounts provided for by K.S.A. 82a-1801, and amendments thereto; and
- (2) moneys received from any source by the state in the form of gifts, grants, reimbursements or appropriations for use for purposes of the fund.
- (f) Moneys credited to the Republican river water conservation projects Colorado moneys fund shall be expended only for conservation projects, utilization efficiency, administrative requirements and delivery projects, and similar types of projects set forth in subsection (g), 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.
- (g) The types of projects that may be funded under paragraphs (2) and (3) of subsection (a) of K.S.A. 82a-1801(a)(2) and (3), and amendments thereto, 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 platforms 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. 137. K.S.A. 82a-1805 is hereby amended to read as follows: 82a-1805. (a) (1) Any person or entity may apply to the director of the Kansas—water office of natural resources, division of water policy and planning for expenditure of moneys in the Arkansas river water conservation projects fund for the purposes set forth in—paragraph (1) of

 subsection (a) of K.S.A. 82a-1801(a)(1), and amendments thereto.

- (2) 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 paragraphs (2) and (3) of subsection (a) of K.S.A. 82a-1801(a)(2) and (3), and amendments thereto.
- (b) The director of the Kansas—water office of natural resources, division of water policy and planning 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 Arkansas river compact or 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 of natural resources, division of water policy and planning 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.
- (c) Interest attributable to moneys in the Arkansas river water conservation projects fund, 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.
- (d) All expenditures from the Arkansas river water conservation projects fund, 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 of natural resources, division of water policy and planning or a designee of the director—of the Kansas—water office.

Sec. 138. K.S.A. 82a-1904 is hereby amended to read as follows: 82a-1904. The chief engineer of the *Kansas office of natural resources*, division of water resources—of the Kansas department of agriculture, for good cause shown, may grant an exemption from or waiver of a rule and regulation adopted by the chief engineer if the chief engineer determines that the exemption or waiver will not prejudicially or unreasonably affect

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 the public interest and will not impair any existing water right. The exemption or waiver shall be in writing and shall include the reason for the exemption or waiver.

Sec. 139. K.S.A. 82a-1905 is hereby amended to read as follows: 82a-1905. Before any proposed rules and regulations of the chief engineer of the *Kansas office of natural resources*, division of water resources—of the department of agriculture are submitted to the secretary of administration or the attorney general pursuant to K.S.A. 77-420, and amendments thereto:

- (a) The chief engineer shall submit such rules and regulations to the secretary of agriculture executive director of the office of natural resources; and
- (b) the secretary of agriculture executive director shall review and make recommendations to the chief engineer regarding such proposed rules and regulations.
- Sec. 140. K.S.A. 82a-1906 is hereby amended to read as follows: 82a-1906. (a) The *Kansas office of natural resources*, division of water resources—of the Kansas department of agriculture shall post all complete applications and all orders issued by the division pursuant to K.S.A. 82a-706b, 82a-708a—and, 82a-708b—and amendments thereto, and K.S.A. 82a-745, and amendments thereto, on its official website.
- (b) The division, in conjunction with the groundwater management district—within which where such water right is situated, shall notify all water right owners with a point of diversion within half a mile, or further if deemed necessary by a rule and regulation of the chief engineer, of a water right pending request or application pursuant to K.S.A. 82a-706b, 82a-708a—and, 82a-708b, and amendments thereto, and—K.S.A. 82a-745, and amendments thereto, except for change applications requesting a point of diversion move 300 feet or less from the currently authorized location.
- Sec. 141. K.S.A. 82a-2007 is hereby amended to read as follows: 82a-2007. Subject to appropriations, there shall be an additional employee at the Kansas—department of agriculture office of natural resources, division of conservation to work on total maximum daily load compliance and to coordinate with the department and other appropriate federal and state agencies to further implement voluntary incentive based conservation programs to protect water quality.
- Sec. 142. K.S.A. 82a-2101 is hereby amended to read as follows: 82a-2101. (a) On and after January 1, 2002, There is hereby imposed a clean drinking water fee at the rate of \$.03 per 1,000 gallons of water sold at retail by a public water supply system and delivered through mains, lines or pipes. Such fee shall be paid, administered, enforced and collected in the manner provided for the fee imposed by subsection (a)(1) of K.S.A. 82a-954(a)(1), and amendments thereto. The price to the consumer of

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water sold at retail by any such system shall not include the amount of such fee.

- (b) (1) A public water supply system may elect to opt out of the fee imposed by this section by notifying, before October 1, 2001, the Kansas water office of natural resources, division of water policy and planning and the department of revenue of the election to opt out. Except as provided by subsection (b)(2), such election shall be irrevocable. Such public water supply system shall continue to pay all applicable sales tax on direct and indirect purchases of tangible personal property and services purchased by such system.
- (2) On and after January 1, 2005, Any public water supply system which that elected to opt out of the fee imposed by subsection (a) may elect to collect such fee as provided by subsection (a) and direct and indirect purchases of tangible personal property and services by such system shall be exempt from sales tax as provided by K.S.A. 79-3606, and amendments thereto. Such election shall be irrevocable.
- (c) The director of taxation shall remit to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto, all moneys received or collected from the fee imposed pursuant to this section. Upon receipt thereof, the state treasurer shall deposit the entire amount in the state treasury and credit it as follows:
- (1) $^{5}/_{106}$ of such amount shall be credited to the state highway fund and the remainder to the state general fund; and
- (2) on and after July 1, 2007, ⁵/₁₀₆ of such amount shall be credited to the state highway fund and the remaining amount shall be credited to the state water plan fund created by K.S.A. 82a-951, and amendments thereto, for use as follows: (A) Not less than 15% shall be used to provide on-site technical assistance for public water supply systems, as defined in K.S.A. 65-162a, and amendments thereto, to aid such systems in conforming to responsible management practices and complying with regulations of the United States environmental protection agency and rules and regulations of the department of health and environment; and (B) the remainder shall be used to renovate and protect lakes which are used directly as a source of water for such public water supply systems, so long as where appropriate, watershed restoration and protection practices are planned or in place.
- (d) The Kansas-department of agriculture office of natural resources, division of conservation shall promulgate rules and regulations in coordination with the Kansas water office division of water policy and planning establishing the project application evaluation criteria for the use of such moneys under subsection (c)(2)(B).
- Sec. 143. K.S.A. 82a-2302 is hereby amended to read as follows: 82a-2302. There is hereby established the lower smoky hill water supply access program within the Kansas—water office of natural resources,

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 division of water policy and planning. The Kansas water office division, with approval of the Kansas water authority, may negotiate and enter into contracts for water supply access storage to be used for the purposes of this act. The water office division may designate all or any portion of such water so held in the kanopolis reservoir to water supply access storage to meet the needs of the district.

Sec. 144. K.S.A. 82a-2303 is hereby amended to read as follows: 82a-2303. There is hereby established in the state treasury the lower smoky hill water supply access fund which shall be administered by the Kansas-water office of natural resources, division of water policy and planning. All expenditures from the lower smoky hill water supply access fund shall be for the purposes of this act. All expenditures from the lower smoky hill water supply access fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports pursuant to vouchers approved by the director of the Kansas water office division of water policy and planning or the director's designee. All moneys received for the purposes of this act shall be deposited in the state treasury in accordance with the provisions of K.S.A. 75-4215, and amendments thereto, and shall be credited to the lower smoky hill water supply access fund. The director of the Kansas water office division of water policy and planning may accept or receive moneys from the district into the lower smoky hill water supply access fund.

- Sec. 145. K.S.A. 82a-2304 is hereby amended to read as follows: 82a-2304. (a) There is hereby authorized the lower smoky hill water supply access district.
- (b) Upon receipt of an application for membership within the district, the director of the Kansas—water office of natural resources, division of water policy and planning may determine the need to create an incorporating governing body for the district, and upon such determination, shall certify to the secretary of state and the members of the district that such district is eligible for formation and should be incorporated. The notice of certification should fix a date, time and place for an organizational meeting of such district.
- (c) The members of the district shall meet on the date and time set by such director to form the incorporating governing body of such district.
- (d) The incorporating governing body, if created, shall consist of five directors. Eligible water rights holders, or their representatives, who apply for membership, shall be the incorporating entities and shall determine the articles of incorporation. Such articles of incorporation shall provide the board of directors of the lower smoky hill water supply access district so formed, shall have an odd number of directors and shall include a provision that no less than one representative of the lower smoky hill special irrigation district serve as a member of the lower smoky hill water

 supply access district board, if such special irrigation district is formed under the provisions of this act. Upon incorporation of the district, such incorporating governing body shall dissolve and shall be replaced by the governing body as determined by the articles of incorporation and bylaws of the district.

- (e) The directors of the incorporating governing body shall elect an incorporating chairperson. The chairperson, on behalf of the incorporating governing body, shall attest to all documents necessary for incorporation of the district by the secretary of state and for the business of the district. The secretary of state shall issue a certificate of incorporation for the district, which shall be filed of record in the office of the register of deeds of each county in which where all or a portion of the district lies.
- (f) Upon recordation of such certificate of incorporation, the district shall be authorized to function in accordance with the provision of this act and its certificate of incorporation. No action attacking the legal incorporation of any district organized under this section shall be maintained unless filed within 30 days after the issuance of such certificate of incorporation for such district by the secretary of state, nor shall the alleged illegality of the incorporation of any such district be interposed as a defense to any action brought after such time.
- Sec. 146. K.S.A. 82a-2305 is hereby amended to read as follows: 82a-2305. (a) A prospective member may join the district if the prospective member:
- (1) Applies to the Kansas-water office of natural resources, division of water policy and planning for water supply access storage, for the purposes of this act; and
- (2) has or applies for a water right eligible for membership under this act.
- (b) Prospective members may be approved for membership by the director of the Kansas-water office of natural resources, division of water policy and planning, after consultation with the chief engineer, if the director finds that:
- (1) The proposed membership is in the public interest or has a public benefit sufficient for membership;
- (2) there is adequate water supply access storage to meet the additional demand; and
- (3) such other issues as may be determined by such director have been resolved.
- Sec. 147. K.S.A. 82a-2310 is hereby amended to read as follows: 82a-2310. (a) The district shall impose charges against each member for the purposes of the district.
- (1) The total of such charges shall be sufficient to enable the district to pay the Kansas-water office of natural resources, division of water

 policy and planning the full annual amortized cost incurred by the Kansas water office division for the operation, administration and enforcement of the program, including, but not limited to, the costs of acquiring the water supply access storage from the federal government by purchase or trade and the cost of operation and maintenance of such water supply access storage.

- (2) The district may also impose charges against each member of the district in an amount sufficient to cover district operating costs.
- (3) The district shall impose any charges necessary for the payment of the principal of and interest on revenue bonds issued by the Kansas water office of natural resources, division of water policy and planning pursuant to K.S.A. 82a-1360 et seq., and amendments thereto.
- (4) The district shall determine the amount of the charges for each member and shall remit all moneys collected to the Kansas-water office of natural resources, division of water policy and planning for deposit in the lower smoky hill water supply access fund created pursuant to this act. Charges to be paid by such members may vary and shall be based on the principle of having each member pay for the pro rata quantity authorized to each member by the district. In determining the charge, the board of directors of the district shall adopt guidelines for such members.
- (b) The director of the Kansas—water office of natural resources, division of water policy and planning shall request releases of water supply access water by the federal government from the kanopolis reservoir under such agreements with the federal government that govern operations of such reservoir. The chairperson of the governing body of the district or designee shall communicate with the Kansas—water office of natural resources, division of water policy and planning regarding any member's need for such releases by the district.
- (c) The director and the chief engineer each shall adopt any rules and regulations necessary to carry out the purposes and procedures of this act. The director and the chief engineer shall consider the advice of the Kansas water authority and stakeholders in the program area, in the preparation of any rules and regulations adopted pursuant to this subsection.
- (d) Any holder of an eligible water right aggrieved by a decision of the Kansas-water office of natural resources, division of water policy and planning under this act by being excluded as a member in the program may appeal to the district court under K.S.A. 82a-724, and amendments thereto.
- (e) Payments required under a contract between the district and the Kansas—water office of natural resources, division of water policy and planning shall be for storage capacity contracted in a federal reservoir.
- (f) Nothing in this act shall be deemed to authorize any suit against the state or any agency of the state or person employed by the state on or

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 under a claim for implied contract, negligence or any other tort. The director of the Kansas-water office of natural resources, division of water policy and planning may sue to enforce any claim arising out of a contract. Payment of the charges shall be a condition imposed on every member and the director is authorized to declare the suspension of any use of water supply access water where a payment is not made.

- (g) Rights of members to receive access water may not be transferred without the approval of the Kansas—water office of natural resources, division of water policy and planning.
- Sec. 148. K.S.A. 82a-2311 is hereby amended to read as follows: 82a-2311. If any member of the district requests an opportunity to renegotiate any existing contracts for the purchase of water supply, as described in K.S.A. 82a-1301 et seq., and amendments thereto, the Kansas water authority and the Kansas-water office of natural resources, division of water policy and planning shall conduct such negotiations on a timely basis and on the provisions for which negotiations are requested.
- Sec. 149. K.S.A. 82a-2312 is hereby amended to read as follows: 82a-2312. (a) The chief engineer shall protect releases of water from the Kanopolis reservoir for water supply access storage as may be necessary to effectuate the purposes of the releases made pursuant to this act and for the benefit of the district members for whom such releases are made.
- (b) The Kansas water office division of water policy and planning shall communicate to the chief engineer the date and quantity of such release, the district member or members for whom such release is made and such other information as the chief engineer may request to insure protection of the release.
- Sec. 150. K.S.A. 82a-2313 is hereby amended to read as follows: 82a-2313. Each member of the district shall adopt conservation plans and practices for such member. Such plans and practices shall be consistent with the guidelines for conservation plans and practices developed and maintained by the Kansas—water office of natural resources, division of water policy and planning as provided in K.S.A. 74-2608, and amendments thereto. Prior to entering into a contract the district and the director of the Kansas water office division of water policy and planning, in consultation with the chief engineer, shall determine whether such plans and practices are consistent with the guidelines for conservation plans and practices adopted by the Kansas water office division of water policy and planning.
- Sec. 151. K.S.A. 82a-2314 is hereby amended to read as follows: 82a-2314. (a) The Kansas—water office of natural resources, division of water policy and planning is hereby authorized to issue and sell revenue bonds for the purpose of paying all or part of the cost of acquiring a site or sites, constructing, reconstructing, improving and expanding projects

within the program area or to finance the purchase of storage in the reservoir using procedures established for issuing such bonds as described in K.S.A. 82a-1360 et seq., and amendments thereto.

- (b) The district may negotiate to make annual payments over a period of not to exceed 20 years for any access storage water purchased under this act.
- Sec. 152. K.S.A. 82a-2317 is hereby amended to read as follows: 82a-2317. (a) The lower smoky hill special irrigation district shall be formed upon petition by eligible irrigation water right holders to the director of the Kansas-water office of natural resources, division of water policy and planning, demonstrating a need for and requesting purchase of 500 acre feet or more for water supply access storage for the proposed special irrigation district. The petition shall provide contact information for each person signing, information on the land proposed for membership in the district, information necessary for verification of the water rights held on the eligible land and the amount of water requested from Kanopolis reservoir water supply access storage by each person so signing. The Kansas-water office of natural resources, division of water policy and planning may request additional information from each person signing such petition.
- (b) The director of the Kansas—water office of natural resources, division of water policy and planning, in consultation with the chief engineer, shall verify the ownership of subject land within the proposed special irrigation district for the lands noted in the petition, the water rights held for subject land by each person so signing and other matters the Kansas—water office of natural resources, division of water policy and planning may deem necessary. Upon verification of the eligibility of those signing such petition the director of the Kansas—water office of natural resources, division of water policy and planning shall set a date, time and place for the first meeting of such district for the purposes of electing a governing board for the special irrigation district.
- Sec. 153. K.S.A. 82a-2324 is hereby amended to read as follows: 82a-2324. The Kansas-water office of natural resources, division of water policy and planning shall adopt rules and regulations to implement the lower smoky hill water supply access program.
- Sec. 154. K.S.A. 82a-2402 is hereby amended to read as follows: 82a-2402. As used in this act, unless context otherwise requires:
- (a) "Board" means the board of directors of a reservoir improvement district;
- (b) "district" means a reservoir district for which organization is proposed or has been organized under the provisions of this act, and amendments thereto;
 - (c) "eligible water right holder" means any person:

 (1) Holding a water right or permit, pursuant to K.S.A. 82a-701 et seq., and amendments thereto, to appropriate water from a reservoir;

- (2) with a contract to withdraw and use water pursuant to K.S.A. 82a-1301 et seq., and amendments thereto; or
- (3) with a water appropriation right in a water assurance district pursuant to K.S.A. 82a-1330 et seq., and amendments thereto;
- (d) "general plan" means a preliminary engineering report describing the characteristics of the reservoir, the nature and methods of dealing with the bed and water problems in the reservoir or the reservoir watershed and the projects proposed to be undertaken by the district. It shall include "General plan" includes maps, descriptions and any other data as may be necessary for the location, identification and establishment of the character of the work to be undertaken and any other data and information as the director of the Kansas-water office of natural resources, division of water policy and planning may require;
- (e) "person" means any person, firm, partnership, association or corporation;
- (f) "specific project" means any project outlined and proposed by the board of directors and may constitute all or part of the general plan;
- (g) "steering committee" means the group of eligible water right holders, not less than the number to be chosen for the board of directors, who shall serve as the governing body of the proposed reservoir improvement district until the first board of directors is elected;
- (h) "water right"-shall have the meaning provided means the same as defined in K.S.A. 82a-701, and amendments thereto; and
- (i) "watershed" means all the area within the state draining toward a selected point on a reservoir.
- Sec. 155. K.S.A. 82a-2403 is hereby amended to read as follows: 82a-2403. Before any reservoir improvement district is organized, a petition shall be filed in the office of the secretary of state, signed by the eligible water right holders who have water rights totaling more than 20% of the combined quantities of all eligible water rights within the proposed district as shown by a verified enumeration of the eligible water right holders and the total combined quantities of all eligible rights taken by the director of the Kansas—water office of natural resources, division of water policy and planning. A verified copy of the enumeration shall be attached to and filed with the petition in the office of the secretary of state.
- Sec. 156. K.S.A. 82a-2404 is hereby amended to read as follows: 82a-2404. (a) Every petition filed pursuant to K.S.A. 82a-2403, and amendments thereto, shall state:
- (1) The name of the proposed district which shall include the name of the reservoir and end with the words "reservoir improvement district";
 - (2) a list of the water rights, by file number as recorded in the Kansas

 water office of natural resources, division of water policy and planning, to be included within the proposed district;

- (3) a statement of the purposes for which the district is to be organized;
- (4) a statement of the number of persons that will constitute the board of directors of the district, which shall be an odd number of not less than three nor more than five, together with the names and addresses of the persons who will constitute the original steering committee;
 - (5) any other matter deemed essential; and
- (6) a request for the organization of the district as a nonprofit corporation.
- (b) The petition shall be in substantially the following form:

 BEFORE THE SECRETARY OF STATE OF THE STATE OF KANSAS
 In the Matter of ______ Reservoir Improvement District

 PETITION

Come now the undersigned persons and state that they own water rights or are an eligible water right holder in the reservoir, for which a reservoir improvement district is proposed, and that each signer states that the signer's respective post office address is set forth beside the signer's name. That the purposes for which this district is organized are (state purposes). That a steering committee for the organization of the district is hereby fixed and constituted with five members; that the names of persons who will serve on the original steering committee, of which the first named shall be acting chairperson, and their respective addresses are as follows:

(List names and addresses.)

The governing body of the district shall be constituted in a board of directors composed of (number) qualified members.

Wherefore, the undersigned, individually and collectively, request that a reservoir improvement district be organized in the manner provided by law, for the purposes set forth herein, and that the secretary of state and the director of the Kansas—water office of natural resources, division of water policy and planning proceed diligently in the performance of their duties so that the organization of this proposed district may be completed and approved at the earliest possible time.

Submitted to the secretary of state this _____ day of _____,

Sec. 157. K.S.A. 82a-2406 is hereby amended to read as follows: 82a-2406. (a) If the secretary of state finds the petition, as required by K.S.A. 82a-2403, and amendments thereto, to be sufficient as to form and the number and qualifications of the petitioners, the secretary of state shall prepare a certified copy of the petition and transmit the same to the director of the Kansas-water office of natural resources, division of water

 policy and planning within five days from the date of such finding. Upon receipt of such certified copy, the director-of the Kansas water office shall institute an investigation of the proposed district, its water usage and purposes. Within 90 days after receipt of the copy, the director-of the Kansas water office shall transmit a written report of the findings on the petition and the director's written approval or disapproval of the petition to the secretary of state and the acting chairperson of the steering committee named in the petition.

(b) The director of the Kansas—water office of natural resources, division of water policy and planning shall approve such petition if the director finds that construction of works of improvement on the reservoir for which the district is proposed would benefit the sustainability, conservation and maintenance of such reservoir.

If the director of the Kansas water office approves such petition, the director shall transmit a certified copy of the report containing all findings to the secretary of state and to the chairperson of the steering committee named in the petition.

Sec. 158. K.S.A. 82a-2407 is hereby amended to read as follows: 82a-2407. (a) Within 10 days after receipt of a certified copy of the report from the director of the Kansas-water office of natural resources, division of water policy and planning approving the petition or the petition as amended, the chairperson of the steering committee of the proposed district shall call a meeting of the committee by mailing a written notice fixing the time and place of such meeting to each eligible water right holder in the proposed district. The committee shall meet at the time and place fixed in the notice for the purpose of adopting a resolution giving notice of an election at which all eligible water right holders shall be entitled to vote on the question of whether the district should be formed in accordance with the petition as approved by the director. A copy of such resolution shall be mailed to all eligible water right holders of the proposed district not less than 21 days prior to such vote. The resolution shall state when and where the election shall be held and the proposition to be voted on. It shall contain a copy of the petition as approved by the director and shall be signed by the chairperson and attested by the secretary of the steering committee. The steering committee shall conduct the election, canvass the vote and certify the results to the secretary of state and to the director of the Kansas-water office of natural resources, division of water policy and planning.

(b) If eligible water right holders representing more than 50% of the combined quantities of the eligible water rights of the proposed district vote in favor of the organization and creation of the district, the secretary of state shall issue a certificate of incorporation for the district to the steering committee, such certificate shall be filed in the office of the

register of deeds of each county—in which where all or a portion of the district lies. Upon the recordation of the certificate of incorporation, the district shall be authorized to function in accordance with the provision of this act and its certificate of incorporation.

- (c) If eligible water right holders representing more than 50% of the combined quantities of the water rights within the proposed district vote against the organization and creation of the district, the secretary of state shall endorse that fact on the face of the petition and the proceedings shall be closed.
- (d) No action attacking the legal incorporation of any reservoir improvement district organized under this section shall be maintained unless filed within 90 days after the issuance of the certificate of incorporation for such district by the secretary of state, nor shall the alleged illegality of the incorporation of any such district be interposed as a defense to any action brought after such time.
- Sec. 159. K.S.A. 82a-2408 is hereby amended to read as follows: 82a-2408. If the organization of the proposed reservoir improvement district is defeated at the election or if the petition is disapproved by the director of the Kansas-water office of natural resources, division of water policy and planning, the steering committee named in the petition shall determine the amount of money necessary to pay all of the costs and expenses incurred in the preparation and filing of the petition, and in the conduct of the election and the steering committee shall assume the obligation for the payment of such costs and expenses by assessing the eligible water right holders a fee in proportion to each such holder's water right to the total of such water right. No cost shall be assessed by any state agency.
- Sec. 160. K.S.A. 82a-2411 is hereby amended to read as follows: 82a-2411. (a) In not less than 12 months, nor more than 13 months after the recording of the certificates of incorporation, and annually thereafter, a meeting shall be held for the election of directors whose terms expire and also to render a report on the financial condition and activities of the district, including the estimated construction date of all proposed projects to be initiated within the next five years and the board's determination as to whether each of these projects is still cost effective and in the current public interest. Notice of the annual meeting shall be given at least 10 days prior to the date thereof to all members in the district.
- (b) The number of directors of a district or the date of the annual meeting, or both, may be changed at an annual meeting if notice of the proposed changes is included in the notice for the annual meeting at which such changes are to be considered.
- (c) Copies of the minutes of the annual meeting and report on the financial condition and activities of the district shall be furnished to the

 eligible water right holders of the district and the Kansas-water office of natural resources, division of water policy and planning.

Sec. 161. K.S.A. 82a-2412 is hereby amended to read as follows: 82a-2412. Regular meetings of the board of directors shall be held no less than once each quarter on a day and place as is selected by the board of directors. Notice of such meeting shall be mailed to each director at least five days before the date of the meeting. Special meetings may be held at any time upon waiver of notice of such meeting by all directors or may be called by any two directors at any time. Notice in writing, signed by the persons calling any special meeting, shall be mailed to each director at least two days prior to the time fixed for such special meeting. A majority of directors shall constitute a quorum for the transaction of business and in the absence of any of the duly elected officers of the district a quorum at any meeting may select a director to act as such officer pro tem. Each meeting of the board, whether regular or special, shall be open to the public. Copies of the minutes of regular and special meetings shall be furnished to the eligible water right holders of the district and the Kansas water office of natural resources, division of water policy and planning.

Sec. 162. K.S.A. 82a-2414 is hereby amended to read as follows: 82a-2414. (a) Upon the incorporation of the reservoir improvement district, the board shall cause work to be commenced on the preparation of a general plan of the district. In addition, there shall be prepared an estimate of costs as to installation, maintenance and operation of the proposed improvements. Upon completion of the general plan and estimates of costs, the board shall carefully examine and consider such plan. If they approve the board approves the general plan and estimate of cost, they the board shall transmit a complete copy of the general plan to the director of the Kansas-water office of natural resources, division of water policy and planning and additional copies shall be made available upon request by the director of the Kansas water office division. Copies of such plans, estimates and information in the Kansas-water office of natural resources, division of water policy and planning shall be open to inspection by the public at all reasonable times.

- (b) The director of the Kansas water office division shall examine and study such general plans as to:
 - (1) Feasibility;
- (2) coordination of the plan with any other plan for the reservoir for which the district is formed:
 - (3) the safety of the works and improvements proposed; and
 - (4) conformity with the intents and purposes of this act.
- (c) The director of the Kansas—water office of natural resources, division of water policy and planning shall transmit a written report of the results of such study and investigation to the board of directors, which that

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shall include any changes or modifications—which that have been deemed necessary and which shall include a specific approval or disapproval of the general plan.

Sec. 163. K.S.A. 82a-2415 is hereby amended to read as follows: 82a-2415. (a) When the general plan is approved by the director of the Kansas-water office of natural resources, division of water policy and planning, the board shall propose by resolution, that the cost to the district of all improvements contemplated in the plan be paid by imposing a charge against each eligible water right holder of the district in proportion to each such holder's water right. The total of such charges shall be sufficient to enable the district to pay the cost of administering the general plan. The reservoir improvement district also may impose a charge against each eligible water right holder of the district in an amount sufficient to cover district operating costs. Charges paid by eligible water right holders of a reservoir improvement district may vary and shall be based on the principle of having each eligible water right holder pay for the pro rata quantity of water used from the reservoir. In determining the charge, the governing body of the district shall adopt rules which establish guidelines for prospective eligible water right holders.

(b) The board shall fix a time and place conveniently near the reservoir for a public hearing upon the general plan and the resolution proposing a method of financing costs of the works contemplated in the plan. A notice of such hearing shall be given in one publication at least 20 days prior to the date fixed for the hearing, setting forth the time and place of hearing upon the plan and resolution, that a copy of the plan and resolution is available for public inspection in the office of the secretary of the district. Any eligible water right holder of the district desiring to be heard in the matter must file, in duplicate, with the secretary of the board at the secretary's office, at least five days before the date of the hearing, a written statement of such holder's intent to appear at the hearing and the substance of the views they wish to express. Upon receipt of any such statements, the secretary of the board shall immediately transmit one copy of the statements to the director of the Kansas-water office of natural resources, division of water policy and planning. The director-of-the-Kansas water office or the director of the Kansas water office's director's duly appointed representative may attend the hearing. At the hearing any eligible water right holder of the district who has filed a written statement shall be heard and may present information in support of the eligible water right holder's position in the matter. After hearing all such statements, the board, by resolution, shall adopt as official or reject the general plan. The board shall also adopt as official or reject the proposed method of financing the costs of the works contemplated in the general plan or determine that the general plan or the proposed method of financing or

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both should be modified. The board shall notify the director-of the Kansas water office of the board's action to accept or reject the general plan and proposed method of financing. If it is determined that the general plan should be modified, any proposed changes approved by the board shall be incorporated in a modified general plan which shall be submitted to the director-of the Kansas water office for further consideration.

(c) The director of the Kansas—water office of natural resources. division of water policy and planning shall review the modified plan and shall transmit a supplemental written report of the results of the director's study and investigation to the board, including the director of the Kansas water office's director's written approval or disapproval of the modified general plan. If the modified general plan is approved by the director of the Kansas-water office of natural resources, division of water policy and planning, the board, by resolution, shall adopt the modified plan as the official general plan of the district and notify the director-of the Kansas water office of the board's action. If it is determined that the proposed method of financing should be modified, the board shall give consideration to the modified method of financing and, following adoption of the general plan or an approved modification thereof, the board, by further resolution setting forth such modified method of financing, shall adopt it as the official method of the district for financing costs of the works contemplated in the official general plan. If a board is unable to carry out a general plan because insufficient funds have been provided, they the board may reconsider the general plan or the method of financing, or both, and by following the procedure set forth in subsections (a) and (b), resubmit a general plan or method of financing, or both.

Sec. 164. K.S.A. 82a-2416 is hereby amended to read as follows: 82a-2416. (a) Following the adoption of the general plan and adoption of the method of financing, the board of directors may determine the order in which specific projects contemplated by the general plan shall be undertaken. The board shall then cause accurate surveys of all work deemed necessary to be done and accurate estimates and calculations to be made by a competent engineer who shall prepare detailed construction plans and specifications showing the location, amount, and character of work to be done and the estimated cost of right of way, construction, maintenance and operation, which. Such plans, specifications and estimates of costs shall be filed in the office of the secretary of the board and shall at all reasonable times be open to public inspection. The board shall carefully examine and consider the same and if they approve such plans, specifications and estimates of costs, they shall transmit a complete copy thereof to the director of the Kansas-water office of natural resources, division of water policy and planning, who shall examine and study the plans and specifications as to conformance to the general plan

and other applicable state laws on water use and control and transmit a written report of the results of the director's study and investigation to the board—which. Such report shall include any changes or modifications, which that the director deems necessary, and—which shall include includes a specific approval or disapproval of the plans and specifications.

(b) Ten years following approval of the general plan and every five years thereafter, the board shall review the general plan to determine if projects proposed to be undertaken by the district in its original plan are still feasible. A report of the review shall be given at a public meeting called for that purpose. This review is not required of reservoir improvement districts that have completed all the projects in the general plans.

Any revisions or amendments to the general plan shall be submitted to the director of the Kansas-water office of natural resources, division of water policy and planning in the manner provided by K.S.A. 82a-2414, and amendments thereto.

- Sec. 165. K.S.A. 82a-2419 is hereby amended to read as follows: 82a-2419. (a) Upon receipt from the secretary of state of the certificate of dissolution of the reservoir improvement district under the provisions of this act, the secretary of the board of directors of the reservoir improvement district shall notify the directors of the reservoir improvement district of such certification.
- (b) The directors shall immediately pay all obligations of said district, including all costs incurred by the district, the director of the Kansas water office of natural resources, division of water policy and planning and the secretary of state in regard to the dissolution proceedings.
- (c) Upon receipt of such notification from the state treasurer, the secretary of the district shall have the certificate of dissolution published once in a newspaper of general circulation, located in a county where the reservoir or a part thereof is located and proof of such publication shall be filed with the secretary of state's office. The effective date of the dissolution, unless otherwise provided, shall be the date on which the proof of publication is filed in the office of the secretary of state, but in no event shall the date of dissolution be a date prior to the date of publication of the certificate of dissolution.

Sec. 166. K.S.A. 2-1903, 2-1904, 2-1907, 2-1915, 2-1930, 2-1933, 12-541, 12-636, 12-761, 12-766, 12-2713, 19-2963, 24-407, 24-418, 24-656, 24-659, 24-1202, 24-1204, 24-1211, 24-1212, 42-701, 42-703, 42-722, 42-722a, 42-725, 68-1414, 68-2203, 74-506a, 74-506b, 74-5,121, 74-5,126, 74-5,127, 74-5,128, 74-5,129, 74-5,130, 74-5,131, 74-5,132, 74-5,132a, 74-2608, 74-2609, 74-2613, 74-99f04, 82a-301, 82a-301a, 82a-42. 303a, 82a-328, 82a-405, 82a-603, 82a-612, 82a-701, 82a-711, 82a-718, 82a-724, 82a-731, 82a-732, 82a-733, 82a-737, 82a-738, 82a-739, 82a-762,

- 1 82a-767, 82a-770, 82a-771, 82a-773, 82a-902, 82a-905, 82a-906, 82a-907,
- 2 82a-910, 82a-911, 82a-915, 82a-920, 82a-922, 82a-923, 82a-932, 82a-933,
- 3 82a-934, 82a-954, 82a-1021, 82a-1023, 82a-1042, 82a-1301, 82a-1303,
- 4 82a-1311a, 82a-1315b, 82a-1315c, 82a-1332, 82a-1333, 82a-1335, 82a-
- 5 1345, 82a-1347, 82a-1348, 82a-1349, 82a-1360, 82a-1361, 82a-1362, 82a-
- 6 1363, 82a-1364, 82a-1367, 82a-1368, 82a-1370, 82a-1402, 82a-1502, 82a-
- 7 1604, 82a-1605, 82a-1606, 82a-1608, 82a-1609, 82a-1703, 82a-1704, 82a-
- 1004, 62a-1003, 62a-1000, 62a-1000, 62a-1009, 62a-1703, 62a-1704, 62a-
- 8 1803, 82a-1804, 82a-1805, 82a-1901, 82a-1904, 82a-1905, 82a-1906, 82a-
- 9 2007, 82a-2101, 82a-2302, 82a-2303, 82a-2304, 82a-2305, 82a-2310, 82a-
- 10 2311, 82a-2312, 82a-2313, 82a-2314, 82a-2317, 82a-2324, 82a-2402, 82a-
- 11 2403, 82a-2404, 82a-2406, 82a-2407, 82a-2408, 82a-2411, 82a-2412, 82a-
- 12 2414, 82a-2415, 82a-2416 and 82a-2419 and K.S.A. 2024 Supp. 32-1403,
- 13 49-603, 49-606, 49-611, 49-613, 49-618, 49-620, 49-621, 49-623, 55-153,
- 14 74-2622, 75-3036, 75-37,121, 75-5133, 82a-220, 82a-326, 82a-708b, 82a-
- 15 714, 82a-736, 82a-903, 82a-1038, 82a-1041, 82a-1501, 82a-1602, 82a-
- 16 1603, 82a-1607 and 82a-1702 are hereby repealed.
- 17 Sec. 167. This act shall take effect and be in force from and after July
- 18 1, 2026 and its publication in the statute book.