

HOUSE BILL No. 2302

By Committee on Water

2-6

1 AN ACT concerning water; relating to funding for the state water plan and
 2 water infrastructure projects; creating the water technical assistance
 3 fund and water projects grant fund; authorizing the Kansas water office
 4 to provide grants from such funds and adopt rules and regulations to
 5 establish the criteria for grants from such funds; distributing a portion
 6 of the revenue from the sales and compensating use tax to the state
 7 water plan fund; amending K.S.A. 82a-951 and K.S.A. 2022 Supp. 79-
 8 3620, 79-3710, 79-4804 and 82a-953a and repealing the existing
 9 sections.
 10

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

11 New Section 1. (a) On July 1, 2023, and each July 1 thereafter
 12 through July 1, 2028, no transfers to the state water plan fund pursuant to
 13 K.S.A. 79-4804 and 82a-953a, and amendments thereto, shall be made if
 14 the full amount of sales tax revenue authorized for distribution by K.S.A.
 15 79-3620 and 79-3710, and amendments thereto, is transferred to the state
 16 water plan fund.
 17

18 (b) (1) The state water plan fund shall continue to be appropriated and
 19 expended for the purposes prescribed in K.S.A. 82a-951, and amendments
 20 thereto, except that:

21 (A) On July 1, 2023, and each July 1 thereafter through July 1, 2028,
 22 or as soon thereafter on such dates as moneys are available:

23 (i) \$5,000,000 shall be transferred from the state water plan fund to
 24 the water technical assistance fund established in section 2, and
 25 amendments thereto; and

26 (ii) \$15,000,000 shall be transferred from the state water plan fund to
 27 the water projects grant fund established in section 3, and amendments
 28 thereto; and

29 (B) for the fiscal years ending June 30, 2024, June 30, 2025, and June
 30 30, 2026, an amount not less than \$15,000,000 from the state water plan
 31 fund shall be applied toward the retirement of any water supply storage
 32 debt for Milford and Perry Lake reservoirs until such debt is retired.

33 (2) The appropriation acts required by paragraph (1) shall only be
 34 made if the full amount of sales tax revenue authorized for distribution by
 35 K.S.A. 79-3620 and 79-3710, and amendments thereto, is transferred to
 36 the state water plan fund.

Proposed Amendments for HB 2302
 Senate Committee on Agriculture & Natural Resources
 March 15, 2023
 Office of Revisor of Statutes

1 Kansas water office to provide grants to municipalities for the planning,
2 engineering, managing and other technical assistance that may be
3 necessary in the development of plans for water infrastructure projects or
4 for processing the grant and loan applications for such water infrastructure
5 projects. The Kansas water office may offer services directly, provide
6 funding to other organizations to provide such services at no cost to a
7 municipality or special district related to water or the Kansas water
8 office may provide grants directly to applicants to cover expenses related
9 to the hiring of such technical assistance.

, unincorporated area with a national park site or state historic site
, unincorporated area with a national park site or state historic site

10 (2) Any municipality, watershed district or conservation district or
11 special district related to water organized under the laws of the state of
12 Kansas may apply for a grant, and the Kansas water office is authorized to
13 award full or partial grants to such applicants. Municipalities with fewer
14 than 2,000 residents shall be prioritized for the awarding of full grants.
15 Watershed districts and conservation districts, groundwater
16 management districts and all special districts related to water shall not
17 be prioritized for the awarding of full grants for the purposes of this
18 section.

and unincorporated areas

19 (c) The Kansas water office shall adopt rules and regulations to
20 establish any necessary criteria for administering the water technical
21 assistance fund and awarding grants for technical assistance. Such criteria
22 shall include, but not be limited to, factors applicable to:

and unincorporated areas

23 (1) Municipalities with greater than 2,000 residents of different
24 populations including the prioritization of small municipalities as
25 required by subsection (b)(2). Such factors may include, but not be
26 limited to, public health, socio-economic factors and the ability for a
27 municipality to repay any loans without grant assistance; and

or unincorporated area

28 (2) special districts such as watershed districts, conservation districts,
29 groundwater management districts, rural water districts and any other
30 similar districts formed for a special or single purpose related to water.

31 (d) The Kansas water authority shall encourage funding requests
32 from state and local entities that cooperate with qualified nonprofit
33 entities on projects that provide a direct benefit to water quantity and
34 quality, including water infrastructures that are both natural and
35 manmade, and include matching funds from non-state sources.

36 (f) No single grant awarded for technical assistance pursuant to
37 this section shall exceed \$1,000,000 unless specified by any appropriation
38 act of the Kansas legislature.

39 New Sec. 3. (a) (1) There is hereby established in the state treasury
40 the water projects grant fund. The fund shall be administered by the
41 Kansas water office. Expenditures from such fund shall be used for the
42 purposes described in subsection (b). All expenditures shall be made in
43 accordance with appropriation acts upon warrants of the director of