As Amended by House Committee

Session of 2025

HOUSE BILL No. 2113

By Committee on Water

Requested by Representative Minnix

1-28

AN ACT concerning water; relating to conservation districts; transferring ~~$5,000,000~~ **$2,500,000** each July 1 to match federal funding for conservation districts; requiring conservation districts to provide water quality sampling and the resulting aggregate data to the state geological survey; relating to funding for the state water plan and water infrastructure projects; making and concerning appropriations for fiscal years 2026, 2027 and 2028 for the state treasurer; providing for the enhanced transfer of moneys from the state general fund to the state water plan fund; requiring the Kansas water office to transfer appropriations for the water technical assistance fund, the water projects grant fund and the Kansas matching grant fund; matching grant funds to individuals and entities within water conservation areas and local enhanced management areas for new water technology adoption; amending K.S.A. 2024 Supp. 82a-955 and repealing the existing section.

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

New Section 1. (a) (1) There is hereby established in the state treasury the state conservation fund. All moneys credited to the state conservation fund shall be expended or transferred only for the purposes and in the manner provided by this section. All expenditures from the state conservation fund shall be made in accordance with appropriation acts for the financing of conservation programs.

(2) It is the intent of the legislature that the state conservation fund shall remain intact and inviolate for the purposes set forth in this section, and moneys in the fund shall not be subject to the provisions of K.S.A. 75-3722, 75-3725a and 75-3726a, and amendments thereto.

(3) Moneys credited to the state conservation fund shall be used to supplement existing appropriations and shall not be used to supplant state general fund or special revenue fund appropriations to the Kansas department of agriculture.

(b) On July 1, 2025, and each July 1 thereafter, or as soon thereafter each such date as moneys are available, the director of accounts and reports shall transfer ~~$5,000,000~~ **$2,500,000** from the state general fund to the state conservation fund.

(c) Moneys transferred to the state conservation fund shall be used to:

(1) Provide a match of state moneys on the basis of $2 of state moneys to $1 of nonstate or private moneys; and

(2) fund or otherwise provide domestic water quality sampling.

(d) The division shall provide to the state geological survey aggregate data generated from any domestic water quality sampling that is carried out pursuant to subsection (c).

(e) (1) The division shall adopt rules and regulations to administer the expending of moneys from the state conservation fund.

(2) The division shall solicit input and facilitate public comment from industry members and stakeholders in developing such rules and regulations.

(f) For purposes of this section:

(1) "Division" means the division of conservation established within the Kansas department of agriculture by K.S.A. 74-5,126, and amendments thereto.

(2) "Secretary" means the secretary of agriculture.

Sec. 2. K.S.A. 2024 Supp. 82a-955 is hereby amended to read as follows: 82a-955. (a) On July 1, 2024, the director of accounts and reports shall transfer $45,000,000 from the state general fund to the state water plan fund ~~and~~. *On* July 1, 2025, *July 1, 2026, and July 1, 2027,* the director of accounts and reports shall transfer ~~$35,000,000~~ *$55,000,000* from the state general fund to the state water plan fund. ~~It is the intent of the legislature to provide for the transfer of $35,000,000 from the state general fund to the state water plan fund on July 1, 2026, and July 1, 2027.~~

(b) ~~(1) Except as provided in paragraph (2),~~ The state water plan fund shall continue to be appropriated and expended for the purposes prescribed in K.S.A. 82a-951, and amendments thereto, except that if an appropriation is made for any fiscal year as intended in subsection (a), on July 1 of such fiscal year, or as soon thereafter ~~on~~ *each* such ~~dates~~ *date* as moneys are available:

~~(A) $5,000,000~~*(1) $7,000,000* shall be transferred from the state water plan fund to the water technical assistance fund established in K.S.A. 2024 Supp. 82a-956, and amendments thereto; and

~~(B) $12,000,000~~*(2) $18,000,000* shall be transferred from the state water plan fund to the water projects grant fund established in K.S.A. 2024 Supp. 82a-957, and amendments thereto.

~~(2) On July 1, 2024, the director of accounts and reports shall transfer $7,500,000 from the state water plan fund to the water technical assistance fund and $19,500,000 from the state water plan fund to the water projects grant fund.~~

~~(3)~~*(c)* The provisions of this section shall expire on July 1, 2028. On July 1, 2028, the director of accounts and reports shall transfer all moneys

in the water technical assistance fund and the water projects grant fund to the state water plan fund and all liabilities of the water technical assistance fund and the water projects grant fund shall be imposed upon the state water plan fund. On July 1, 2028, the water technical assistance fund and the water projects grant fund shall be abolished.

~~(c)~~*(d)* (1) (A) Notwithstanding any restrictions in K.S.A. 82a-951, and amendments thereto, the Kansas water authority may recommend to the legislature the appropriation of up to 10% of the unencumbered balance of the state water plan fund to be used to supplement salaries of existing state agency full-time equivalent employees and for funding new full-time equivalent positions created to implement the state water plan. Moneys from such appropriation may be used to supplement existing positions, ~~but~~ *except that* such moneys shall not be used to replace state general fund moneys, any fee fund moneys or other funding for positions existing on July 1, 2023.

(B) Eligible full-time equivalent positions that moneys may be used for pursuant to this paragraph include engineers, geologists, hydrologists, environmental scientists, attorneys, resource planners, grant specialists and any other similar positions.

(2) If at least two conservation districts present a joint proposal to the Kansas water authority for a position or positions to provide shared services to all districts involved in such proposal, the Kansas water authority may recommend that moneys be used to supplement the salary or salaries of such position or positions pursuant to paragraph (1).

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

(4) The Kansas water authority may direct the Kansas water office to provide funding pursuant to K.S.A. 2024 Supp. 82a-956 or 82a-957, and amendments thereto, for the improvement of water infrastructure in an unincorporated area related to or serving a national park site or state historic site if the request for funding is made by a nonprofit organization or state agency that is willing to administer the moneys and oversee the project~~,~~ and the Kansas water authority deems such applicant capable of successfully managing the project. Upon receipt of such a request, the Kansas water office may award moneys in any fiscal year prior to July 1, 2028, with such awarding of moneys to be made at the discretion of the Kansas water office.

(5) The Kansas water authority shall encourage the creation of grant programs for stockwatering conservation projects. Such grant programs shall prioritize the use of fees collected pursuant to K.S.A. 82a-954(a)(3),

and amendments thereto.

~~(d)~~*(e)* All reporting requirements established in K.S.A. 82a-951, and amendments thereto, shall continue and such reporting requirements shall apply to the water technical assistance fund established in K.S.A. 2024 Supp. 82a-956, and amendments thereto, and the water projects grant fund established in K.S.A. 2024 Supp. 82a-957, and amendments thereto.

Sec. 3. K.S.A. 2024 Supp. 82a-955 is hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the Kansas register.