

SESSION OF 2008

**SUPPLEMENTAL NOTE ON
SUBSTITUTE FOR HOUSE BILL NO. 2210**

As Recommended by Senate Committee on
Agriculture

Brief*

Senate Sub. for HB 2210 would enact new law to allocate any moneys recovered by the State from the states of Nebraska or Colorado, as a result of the resolution of disputes arising under the Republican River Compact.

Allocation of Moneys Initially Received

The bill would require that the Attorney General certify to the Director of Accounts and Reports (Director) any expenses incurred by the State in litigation against either Nebraska or Colorado to resolve disputes arising under the Republican River Compact. Such certification would be accounted for by state. Any initial moneys received would be deposited in the Interstate Water Litigation Fund.

The Director also would determine the amount that would be required to be transferred from the Interstate Water Litigation Fund to the Interstate Water Litigation Reserve Account (Account), of the State General Fund, in order to achieve a balance of \$20 million.

If the amount certified to have been expended for litigation for one of the states is less than the amount that it would take to make the balance of the Account \$20 million, then the Director would transfer the lesser amount to the Account. Likewise, if the amount that it would take to make the Account

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

balance \$20 million is less than the amount certified by the Attorney General, the Director would credit the lesser amount to the Account. The difference between the amount it took to reach \$20 million and the amount certified would be credited to the State Water Plan Fund.

Allocation of Moneys Received After the Repayment of Litigation Costs

After the amount required to be credited to the Interstate Water Litigation Fund is satisfied, any remaining moneys from the State of Nebraska would be deposited in the Republican River Water Conservation Projects-Nebraska Moneys Fund. Likewise, any remaining moneys from the State of Colorado would be credited to the Republican River Water Conservation Projects-Colorado Moneys Fund. Moneys in the Republican River Water Conservation Projects-Nebraska Moneys Fund would be allocated as follows:

- One-third to the State Water Plan Fund for use for water conservation projects with priority given to those projects which will ensure the State of Kansas remains in compliance with the Republican River Compact; and
- Two-thirds to be used for conservation projects in the Lower Republican River Basin.

Moneys credited to the Republican River Water Conservation Projects-Colorado Moneys Fund would be allocated as follows:

- One-third of the money credited to the State Water Plan Fund for water conservation projects; and
- Two-thirds of the money to be expended only for conservation projects.

Republican River Water Conservation Projects

The bill would establish the types of conservation projects that may be funded by the moneys in the Republican River Water Conservation Projects-Nebraska Moneys Fund and the Republican River Water Conservation Projects-Colorado Moneys Fund. These include:

- Efficiency improvements to canals or laterals managed and paid for by an irrigation district;
- Water use efficiency upgrades;
- Implementation of water conservation of irrigation and other types of water uses;
- Implementation of water management plans or actions by water right holders;
- Water measurement devices and monitoring equipment and upgrades;
- Artificial recharge, funding the water transition assistance program, purchase of water rights and cost share for state or federal conservation programs that save water;
- Maintenance of the channel and the tributaries of the Republican River;
- Reservoir maintenance or purchase, lease, construction or other acquisition of existing or new storage space in reservoirs;
- Purchase, lease, or other acquisition of a water right; and
- Expenses incurred to construct and operate off-stream storage.

The bill would permit any person or entity to apply to the Director of the Kansas Water Office for expenditure of moneys from either the Colorado Moneys Fund, or Nebraska Moneys Fund. The Director and the Chief Engineer of the Division of Water Resources would review and approve each proposed project for which moneys would be expended. Under the bill, priority would be given to those projects needed to achieve or maintain compliance with the Republican River Compact; those that achieve greatest water conservation efficiency for the general good; and those that have been required by the Division of Water Resources. Any project greater than \$10,000 would be required to be a line item in an appropriation bill of the Legislature.

Background

Most of the provisions of this bill came from SB 690. At the hearing on SB 690 testimony was presented by a representative of Groundwater Management District # 4. Also appearing was a representative of the Kansas Farm Bureau.

Earlier action on the part of the Legislature on this issue occurred in SB 89 which is now before the Governor.

The fiscal note indicates that the original bill would have no fiscal impact.