

## MEMORANDUM

TO: Committee on Energy and Utilities

FROM: Tamera Lawrence, Assistant Revisor

DATE: February 10, 2012

SUBJECT: Reservoir Improvement District Act

House Bill 2685 enacts the reservoir improvement district act. It establishes the procedures that allow eligible water right holders to create a reservoir improvement district on any particular reservoir. The bill is based the watershed district act.

As defined in section 2, “eligible water right holders” include those persons who hold a water right pursuant to the water appropriation act, the water storage act or the water assurance program act. These eligible water right holders may petition to form the district if the petition is signed by such holders who have water rights totaling more than 20% of the combined quantities of all eligible water rights within the proposed district.

If the petition is deemed sufficient by the secretary of state and approved by the director of the Kansas water office, the steering committee holds an election for eligible water right holders vote either in favor or against forming the district. The district will be formed if eligible water right holders representing more than 50% of the combined quantities of the eligible water rights in the proposed district vote in favor of the district.

Once the district is incorporated, the eligible water right holders will elect a board of directors composed of three to five directors. Each eligible water right holder will have one vote and one additional vote for every 10% of the combined quantities of water rights within the district.

The board shall develop a general plan and an estimate of costs to implement such plan and works of improvement. The director of the Kansas water office must approve the general

plan. When the director of the Kansas water office approves the plan, the board shall adopt a resolution imposing a charge against each eligible water right holder of the district in proportion to each holder's water right to pay for the cost of the plan. The district may be dissolved by the board.

<b>Section</b>	<b>Section Summary</b>
<b>3</b>	Petition filed with secretary of state signed by eligible water right holders with water rights totaling more than 20% of the combined quantities of eligible water rights.
<b>4</b>	Contents of the petition.
<b>5</b>	Secretary of state determines sufficiency of petition.
<b>6</b>	Director of the Kansas water office investigates the proposed district and approves or disapproves the petition.
<b>7</b>	The steering committee holds an election. If eligible water right holders with more than 50% of the combined quantities of eligible water rights vote in favor, the secretary of state issues a certificate of incorporation.
<b>8</b>	Procedures if proposed reservoir district is defeated at the election.
<b>9-10</b>	Election of the board of directors. Each eligible water right holder has one vote and one additional vote for every 10% of the combined quantities of all water rights within the district.
<b>11</b>	Election of board members whose terms have expired and annual report of activities and finances.
<b>12</b>	Regular and special meetings of the board.
<b>13</b>	Powers of the board.
<b>14</b>	Board prepares a general plan to be approved by the director of the Kansas water office.
<b>15</b>	Approval of the general plan or modifications to the plan. Costs to be paid by imposing a charge against eligible water right holders in proportion to each holder's water right.
<b>16</b>	Adoption of the general plan and undertaking of specific projects. Periodic review of the general plan.
<b>17</b>	The act is supplemental to existing laws.
<b>18-20</b>	Dissolution of the district.