

## HOUSE BILL No. 2428

By Committee on Vision 2020

1-12

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9 AN ACT concerning drinking water supply lakes; imposing certain fees  
10 and surcharges.

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

13 Section 1. As defined in this section: “Drinking water supply lakes”  
14 means municipal and United States army corps of engineers operated  
15 lakes and reservoirs from which public water supply systems directly re-  
16 ceive water and from other water systems.

17 Sec. 2. (a) There is hereby created in the state treasury the Kansas  
18 drinking water supply lakes sustainability fund. Such fund shall be part  
19 of the water marketing program administered through the Kansas water  
20 office. On and after July 1, 2011, there is hereby imposed a drinking water  
21 supply lakes sustainability fee at the rate of \$.03 per 1,000 gallons of water  
22 sold at retail by a public water supply system and delivered through mains,  
23 lines or pipes. Such fee does not apply to systems relying on groundwater  
24 supplies.

25 (b) The fee imposed by subsection (a) shall be paid quarterly by the  
26 public water supplier and shall be transmitted to the department of rev-  
27 enue not later than 45 days following the end of each quarter. The public  
28 water supplier may collect the fee directly from each consumer to which  
29 water is sold at retail or may pay the amount owed to the department  
30 from moneys in its operating or other fund available for that purpose.

31 (c) The director of taxation shall administer, enforce and collect the  
32 fees imposed by subsection (a) of this section. All laws and rules and  
33 regulations of the secretary relating to the administration, enforcement  
34 and collection of the retailers’ sales tax shall apply to such fee insofar as  
35 they can be made applicable, and the director shall adopt such additional  
36 rules and regulations as necessary for the efficient and effective admin-  
37 istration, enforcement and collection thereof. The director of the Kansas  
38 water office shall expend funds subject to the recommendations and ap-  
39 proval of the state conservation commission, Kansas water authority and  
40 the Kansas biological survey, with such expenditures subject to any nec-  
41 essary legislative approval.

42 (d) There shall be a three-year moratorium on increasing such fees.  
43 After the expiration of the three-year moratorium, the director of the

1 Kansas water office, with the approval of the Kansas biological survey and  
2 the Kansas water authority, may change the fee payments based on pro-  
3 jected costs of upcoming approved projects. Such fee shall not exceed a  
4 maximum of a \$.02 increase after July 1, 2015.

5 (e) Moneys credited to the Kansas drinking water supply lakes sus-  
6 tainability fund shall be used for the following purposes:

7 (1) Measure the storage capacity of each drinking water supply lake  
8 including mapping surface and subsurface features and assess past, cur-  
9 rent and future trends;

10 (2) test for sediment, contaminants and other factors affecting the  
11 quality of the water including taste and odor;

12 (3) assess and predict algae blooms and other factors that lead to  
13 drinking water impairment;

14 (4) establish the primary causes of sedimentation in each drinking  
15 water supply lake;

16 (5) study and implement sedimentation flow control techniques;

17 (6) implement consensus-approved remediation plans by the Kansas  
18 water authority, Kansas water office, state conservation commission, Kan-  
19 sas department of wild life and parks and Kansas biological survey; and

20 (7) support joint projects between state agencies and the United  
21 States army corps of engineers.

22 (f) All expenditures from the Kansas drinking water supply lakes sus-  
23 tainability fund shall be made in accordance with appropriation acts upon  
24 warrants of the director of accounts and reports issued pursuant to vouch-  
25 ers approved by the director of the Kansas water office or by a person  
26 designated by the director.

27 Sec. 3. This act shall take effect and be in force from and after its  
28 publication in the statute book.