

# Clean Drinking Water Fee

This Act redirects part of the revenue from a state clean drinking water fee from the state General Fund to a State Water Plan Fund. Of the amount going to the State Water Plan Fund, 15 percent will be used to provide on-site technical assistance for public water supply systems to aid these systems in conforming to responsible management practices and complying with regulations from the U.S. Environmental Protection Agency and rules and regulations of the state department of health and environment. The remainder will be used to renovate and protect lakes which are used directly as a source of water for public water supply systems, so long as where appropriate, watershed restoration and protection practices are in place.

The state conservation commission, in coordination with the state water office, will promulgate rules and regulations establishing the project application criteria for the money used to renovate and protect public water supply lakes.

The measure establishes a dedicated funding mechanism to help small rural water systems and municipalities address changing Safe Drinking Water Act standards, lake siltation, and the taste and odor of drinking water taste.

Submitted as:

Kansas

HB 2017

Status: Enacted into law in 2005 as an amendment to another bill.

## Suggested State Legislation

(Title, enacting clause, etc.)

1           Section 1. [*Short Title.*] This Act may be cited as “An Act to Establish a Clean Drinking  
2 Water Fee.”

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4           Section 2. [*Clean Drinking Water Fee.*]

5           (a) On and after [insert date], there is hereby imposed a clean drinking water fee at the  
6 rate of [\$.03 per 1,000 gallons of water] sold at retail by a public water supply system and  
7 delivered through mains, lines or pipes. Such fee shall be paid, administered, enforced and  
8 collected in the manner provided for by [insert citation]. The price to the consumer of water sold  
9 at retail by any such system shall not include the amount of such fee.

10           (b)   (1) A public water supply system may elect to opt out of the fee imposed by this  
11 section by notifying, before [insert date], the state [water office] and the [department of revenue]  
12 of the election to opt out. Except as provided by subsection (b)(2), such election shall be  
13 irrevocable. Such public water supply system shall continue to pay all applicable sales tax on  
14 direct and indirect purchases of tangible personal property and services purchased by such  
15 system.

16                   (2) On and after [insert date], any public water supply system that elects to opt out  
17 of the fee imposed by subsection (a) may elect to collect such fee as provided by subsection (a)  
18 and direct and indirect purchases of tangible personal property and services by such system shall  
19 be exempt from sales tax as provided by [insert citation]. Such election shall be irrevocable.

20           (c) The [director of taxation] shall remit to the [state treasurer] in accordance with [insert  
21 citation] all money received or collected from the fee imposed pursuant to this section. Upon

22 receipt thereof, the [state treasurer] shall deposit the entire amount in the state treasury and credit  
23 it as follows:

24 (1) [5/106] of such amount shall be credited to the [state highway fund] and the  
25 remainder to the [state General Fund]; and

26 (2) on and after [insert date], [5/106] of such amount shall be credited to the [state  
27 highway fund] and the remaining amount shall be credited to a [state water plan fund] created by  
28 [insert citation], for use as follows:

29 (A) not less than [15%] shall be used to provide on-site technical  
30 assistance for public water supply systems, as defined in [insert citation], to aid such systems in  
31 conforming to responsible management practices and complying with regulations of the United  
32 States Environmental Protection Agency and rules and regulations of the state [department of  
33 health and environment]; and

34 (B) the remainder shall be used to renovate and protect lakes which are  
35 used directly as a source of water for such public water supply systems, so long as where  
36 appropriate, watershed restoration and protection practices are planned or in place.

37 (d) The [state conservation commission] shall promulgate rules and regulations in  
38 coordination with the [state water office] establishing the project application evaluation criteria  
39 for the use of such moneys under subsection (c)(2)(B).

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41 Section 3. [*Severability.*] [Insert severability clause.]

42

43 Section 4. [*Repealer.*] [Insert repealer clause.]

44

45 Section 5. [*Effective Date.*] [Insert effective date.]