## As Amended by Senate Committee

Session of 2019

## SENATE BILL No. 152

By Committee on Agriculture and Natural Resources

2-12

AN ACT concerning the department of health and environment; relating to fees; underground injection control program; water well license and construction program; amending K.S.A. 65-166b, 65-171d, 65-4513 and, 65-4514 and K.S.A. 2018 Supp. 82a-1206 and repealing the existing sections.

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

Section 1. K.S.A. 65-166b is hereby amended to read as follows: 65-166b. (a) There is hereby created in the state treasury the water program management fund. The secretary shall remit to the state treasurer, in accordance with the provisions of K.S.A. 75-4215, and amendments thereto, all moneys collected or received by the secretary from the following sources:

- (1) Water pollution control permit system fees imposed pursuant to K.S.A. 65-166a, and amendments thereto;
- (2) water well contractor application and license fees imposed pursuant to K.S.A. 82a-1206, and amendments thereto;
- (3) class 1 and class 5 underground injection control well permitting, monitoring, testing, inspection and regulation fees pursuant to K.S.A. 65-171d(p) and (q), and amendments thereto;
- (4) water supply system and wastewater treatment facility fees pursuant to K.S.A. 65-4513, and amendments thereto;
- (5) interest attributable to investment of moneys in the water program management fund;
- (3)(6) gifts, grants, reimbursements or appropriations intended to be used for the purposes of the fund, but excluding federal grants and cooperative agreements; and
  - $\frac{(4)}{(7)}$  any other moneys provided by law.

Upon receipt of each such remittance, the state treasurer shall deposit in the state treasury any amount remitted pursuant to this subsection to the credit of the water program management fund.

- (b) Moneys in the water program management fund shall be expended for the following purposes:
  - (1) Monitoring and investigating the quality of waters of the state;

- (2) payment of the state's share of the clean water act matching costs, as required by the federal clean water act, 33 U.S.C. § 1256(d);
- (3) payment for emergency action by the secretary as necessary or appropriate to assure that the public health or safety is not threatened whenever there is a release from a wastewater treatment facility;
- (4) payment of the administrative, technical and legal costs incurred by the secretary in carrying out the provisions of K.S.A. 65-159 through 65-171y, 65-4501 through 65-4517 and 82a-1206 through 82a-1219, and amendments thereto, including the cost of any additional employees or increased general operating costs of the department attributable therefore; and
- (5) development of educational materials and programs for informing the public about water issues.
- (c) Expenditures from the water program management fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary or a person designated by the secretary.
- (d) On or before the 10<sup>th</sup> of each month, the director of accounts and reports shall transfer from the state general fund to the water program management fund interest earnings based on:
- (1) The average daily balance of moneys in the water program management fund for the preceding month; and
- (2) the net earnings rate of the pooled money investment portfolio for the preceding month.
- (e) The water program management fund shall be used for the purposes set forth in this act and for no other governmental purposes. It is the intent of the legislature that the fund shall remain intact and inviolate for the purposes set forth in this act, 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.
- (f) The secretary shall prepare and deliver to the legislature on or before the first day of each regular legislative session, a report which summarizes all expenditures from the water program management fund, fund revenues and recommendations regarding the adequacy of the fund to support necessary water program management programs.
- Sec. 2. K.S.A. 65-171d is hereby amended to read as follows: 65-171d. (a) For the purpose of preventing surface and subsurface water pollution and soil pollution detrimental to public health or to the plant, animal and aquatic life of the state, and to protect designated uses of the waters of the state and to require the treatment of sewage predicated upon technologically based effluent limitations, the secretary of health and environment shall make such rules and regulations, including registration of potential sources of pollution, as may in the secretary's judgment be

necessary to: (1) Protect the soil and waters of the state from pollution resulting from underground storage of liquid petroleum gas and hydrocarbons, other than underground porosity storage of natural gas; (2) control the disposal, discharge or escape of sewage as defined in K.S.A. 65-164, and amendments thereto, by or from municipalities, corporations, companies, institutions, state agencies, federal agencies or individuals and any plants, works or facilities owned or operated, or both, by them; and (3) establish water quality standards for the waters of the state to protect their designated uses, including establishment of water quality standards variances that may apply to specified pollutants, permittees, or waterbody segments that reflect the highest attainable condition during the specified time period for the variance. In no event shall the secretary's authority be interpreted to include authority over the beneficial use of water, water quantity allocations, protection against water use impairment of a beneficial use, or any other function or authority under the jurisdiction of the Kansas water appropriation act, K.S.A. 82a-701, and amendments thereto

- (b) The secretary of health and environment may adopt by reference any regulation relating to water quality and effluent standards promulgated by the federal government pursuant to the provisions of the federal clean water act, and amendments thereto, as in effect on January 1, 1989, which the secretary is otherwise authorized by law to adopt.
- (c) For the purposes of this act, including K.S.A. 65-161 through 65-171h and K.S.A. 65-1,178 through 65-1,198, and amendments thereto, and rules and regulations adopted pursuant thereto:
- (1) "Pollution" means: (A) Such contamination or other alteration of the physical, chemical or biological properties of any waters of the state as will or is likely to create a nuisance or render such waters harmful, detrimental or injurious to public health, safety or welfare, or to the plant, animal or aquatic life of the state or to other designated uses; or (B) such discharge as will or is likely to exceed state effluent standards predicated upon technologically based effluent limitations.
- (2) "Confined feeding facility" means any building, lot, pen, pool or pond: (A) That is used for the confined feeding of animals or fowl for food, fur or pleasure purposes; (B) that is not normally used for raising crops; and (C) in which no vegetation intended for animal food is growing.
- (3) (A) "Animal unit" means a unit of measurement calculated by adding the following numbers: The number of beef cattle weighing more than 700 pounds multiplied by 1.0; plus the number of cattle weighing less than 700 pounds multiplied by 0.5; plus the number of mature dairy cattle multiplied by 1.4; plus the number of swine weighing more than 55 pounds multiplied by 0.4; plus the number of swine weighing 55 pounds or less multiplied by 0.1; plus the number of sheep or lambs multiplied by

- 0.1; plus the number of horses multiplied by 2.0; plus the number of turkeys multiplied by 0.018; plus the number of laying hens or broilers, if the facility has continuous overflow watering, multiplied by 0.01; plus the number of laying hens or broilers, if the facility has a liquid manure system, multiplied by 0.033; plus the number of laying hens or broilers, if the facility has a dry manure system, multiplied by 0.003; plus the number of ducks multiplied by 0.2. However, each head of cattle will be counted as one full animal unit for the purpose of determining the need for a federal permit. A chicken facility using a dry manure system shall obtain a federal permit if 125,000 or more broilers, or 82,000 or more laying hens, are confined
  - (B) "Animal unit" also includes the number of swine weighing 55 pounds or less multiplied by 0.1 for the purpose of determining applicable requirements for new construction of a confined feeding facility for which a permit or registration has not been issued before January 1, 1998, and for which an application for a permit or registration and plans have not been filed with the secretary of health and environment before January 1, 1998, or for the purpose of determining applicable requirements for expansion of such facility.
  - (C) Except as otherwise provided, animal units for public livestock markets shall be determined by using the average annual animal units sold by the market during the past five calendar years divided by 365. Such animal unit determination may be adjusted by the department if the public livestock market submits documentation that demonstrates that such adjustment is appropriate based on the amount of time in 24-hour increments or partials thereof that animals are at the market.
  - (4) "Animal unit capacity" means the maximum number of animal units that a confined feeding facility is designed to accommodate at any one time.
  - (5) "Habitable structure" means any of the following structures that are occupied or maintained in a condition that may be occupied and, in the case of a confined feeding facility for swine, are owned by a person other than the operator of such facility: A dwelling, church, school, adult care home, medical care facility, child care facility, library, community center, public building, office building or licensed food service or lodging establishment.
  - (6) "Wildlife refuge" means Cheyenne Bottoms wildlife management area, Cheyenne Bottoms preserve and Flint Hills, Quivera, Marais des Cygnes and Kirwin national wildlife refuges.
  - (d) In adopting rules and regulations, the secretary of health and environment, taking into account the varying conditions that are probable for each source of sewage and its possible place of disposal, discharge or escape, may provide for varying the control measures required in each

case to those the secretary finds to be necessary to prevent pollution. If a freshwater reservoir or farm pond is privately owned and where complete ownership of land bordering the reservoir or pond is under common private ownership, such freshwater reservoir or farm pond shall be exempt from water quality standards except as it relates to water discharge or seepage from the reservoir or pond to waters of the state, either surface or groundwater, or as it relates to the public health of persons using the reservoir or pond or waters therefrom.

- (e) (1) Whenever the secretary of health and environment or the secretary's duly authorized agents find that storage or disposal of salt water not regulated by the state corporation commission or refuse in any surface pond not regulated by the state corporation commission is causing or is likely to cause pollution of soil or waters of the state, the secretary or the secretary's duly authorized agents shall issue an order prohibiting such storage or disposal of salt water or refuse. Any person aggrieved by such order may within 15 days of service of the order request in writing a hearing on the order.
- (2) Upon receipt of a timely request, a hearing shall be conducted in accordance with the provisions of the Kansas administrative procedure act.
- (3) Any action of the secretary pursuant to this subsection is subject to review in accordance with the Kansas judicial review act.
- (f) The secretary may adopt rules and regulations establishing fees for plan approval, monitoring and inspecting underground or buried petroleum products storage tanks, for which the annual fee shall not exceed \$5 for each tank in place.
- (g) (1) Prior to any new construction of a confined feeding facility with an animal unit capacity of 300 or more, such facility shall register with the secretary of health and environment. Such registration shall be accompanied by a \$25 fee. The secretary shall acknowledge the receipt of the registration in a form as designated by the secretary and publish a notice of such receipt.
- (2) Such registration shall indicate that the proposed construction will occur within the prescribed tract of land and that the separation distances from the tract boundaries or proposed facility footprint comply with the requirements described in subsections (j), (l) and (m) or exceptions described in (k).
- (3) Within 30 days of receipt of such registration, the department of health and environment shall identify any significant water pollution potential or separation distance violations pursuant to subsection (j).
- (A) (i) If the proposed facility has an animal unit capacity of 1,000 or more, or if a significant water pollution potential is identified for a facility of less than 1,000 but more than 300, such facility shall be required to obtain a permit from the secretary.

- (ii) If there is no identified water pollution potential posed by a facility with an animal unit capacity of 300 or more but less than 1,000, the secretary shall certify that no permit is required.
- (B) If the secretary certifies that no permit is necessary pursuant to subsection (g)(3)(A)(ii), the secretary shall take the following action in regard to separation distances of such facility:
- (i) If the separation distances comply with the requirements for separation distances, the secretary shall certify the registration; or
- (ii) if the separation distances do not comply with the requirements for separation distances, the secretary:
- (a) May reduce the separation distance requirements pursuant to subsection (k) and certify the registration based on such reduction of separation distances; or
- (b) shall report the conditions necessary to receive certification to the registrant.
- (h) (1) Facilities with a capacity of less than 300 animal units may register with the secretary of health and environment. Such registration shall be accompanied by a \$25 fee.
- (2) Within 30 days of receipt of such registration, the department of health and environment shall identify any significant water pollution potential. If there is identified a significant water pollution potential, such facility shall be required to obtain a permit from the secretary. If there is no water pollution potential posed by such facility, the secretary may certify that no permit is required.
- (i) (1) If a facility requires a permit pursuant to subsection (g)(3) or (h)(2), the registrant shall submit an application for such permit not later than 18 months after the date of receipt of registration or the registration shall expire.
- (2) Upon petition by the registrant, the secretary may extend the application period, by no more than an additional 18 months, if the secretary believes such an extension is reasonable under the circumstances.
- (3) Within 30 days of receipt of an application, the secretary shall notify the registrant of whether the application is complete or incomplete. If the application is incomplete, such notice shall state the reasons why such application is incomplete. Once such registrant submits an application properly addressing each reason listed as a basis for the determination that the application is incomplete, the secretary shall issue an acknowledgment of receipt of the completed application within 30 days of properly addressing such reasons.
- (4) Upon expiration of the application period or any extension thereof, the secretary shall not accept any further registrations pertaining to the same location for a period of not less than 180 days.

- (j) (1) Any new construction or new expansion of a confined feeding facility, other than a confined feeding facility for swine, shall meet or exceed the following requirements in separation distances from any habitable structure in existence when the registration is received:
- (A) 1,320 feet for facilities with an animal unit capacity of 300 to 999; and
- (B) 4,000 feet for facilities with an animal unit capacity of 1,000 or more.
- (2) A confined feeding facility for swine shall meet or exceed the following requirements in separation distances from any habitable structure or city, county, state or federal park in existence when the registration is received:
- (A) 1,320 feet for facilities with an animal unit capacity of 300 to 999:
- (B) 4,000 feet for facilities with an animal unit capacity of 1,000 to 3,724:
- (C) 4,000 feet for expansion of existing facilities to an animal unit capacity of 3,725 or more if such expansion is within the perimeter from which separation distances are determined pursuant to subsection (m) for the existing facility; and
- (D) 5,000 feet for: (i) Construction of new facilities with an animal unit capacity of 3,725 or more; or (ii) expansion of existing facilities to an animal unit capacity of 3,725 or more if such expansion extends outside the perimeter from which separation distances are determined pursuant to subsection (m) for the existing facility.
- (3) Any construction of new confined feeding facilities for swine shall meet or exceed the following requirements in separation distances from any wildlife refuge:
- (A) 10,000 feet for facilities with an animal unit capacity of 1,000 to 3,724; and
- (B) 16,000 feet for facilities with an animal unit capacity of 3,725 or more.
- (k) (1) The separation distance requirements of subsections (j)(1) and (2) shall not apply if the registrant obtains a written agreement from all owners of habitable structures that are within the separation distance stating such owners are aware of the construction or expansion and have no objections to such construction or expansion. The written agreement shall be filed in the register of deeds office of the county in which the habitable structure is located.
- (2) (A) The secretary may reduce the separation distance requirements of subsection (j)(1) if: (i) No substantial objection from owners of habitable structures within the separation distance is received in response to public notice; or (ii) the board of county commissioners of the

 county where the confined feeding facility is located submits a written request seeking a reduction of separation distances.

- (B) The secretary may reduce the separation distance requirements of subsection (j)(2)(A) or (B) if: (i) No substantial objection from owners of habitable structures within the separation distance is received in response to notice given in accordance with subsection (n); (ii) the board of county commissioners of the county where the confined feeding facility is located submits a written request seeking a reduction of separation distances; or (iii) the secretary determines that technology exists that meets or exceeds the effect of the required separation distance and the facility will be using such technology.
- (C) The secretary may reduce the separation distance requirements of subsection (j)(2)(C) or (D) if: (i) No substantial objection from owners of habitable structures within the separation distance is received in response to notice given in accordance with subsection (l); or (ii) the secretary determines that technology exists that meets or exceeds the effect of the required separation distance and the facility will be using such technology.
- (l) (1) The separation distances required pursuant to subsection (j)(1) shall not apply to:
- (A) Confined feeding facilities that were permitted or certified by the secretary on July 1, 1994;
- (B) confined feeding facilities that existed on July 1, 1994, and registered with the secretary before July 1, 1996; or
- (C) expansion of a confined feeding facility, including any expansion for which an application was pending on July 1, 1994, if: (i) In the case of a facility with an animal unit capacity of 1,000 or more prior to July 1, 1994, the expansion is located at a distance not less than the distance between the facility and the nearest habitable structure prior to the expansion; or (ii) in the case of a facility with an animal unit capacity of less than 1,000 prior to July 1, 1994, the expansion is located at a distance not less than the distance between the facility and the nearest habitable structure prior to the expansion and the animal unit capacity of the facility after expansion does not exceed 2,000.
- (2) The separation distances required pursuant to subsections (j)(2) (A) and (B) shall not apply to:
- (A) Confined feeding facilities for swine which were permitted or certified by the secretary on July 1, 1994;
- (B) confined feeding facilities for swine which existed on July 1, 1994, and registered with the secretary before July 1, 1996; or
- (C) expansion of a confined feeding facility which existed on July 1, 1994, if: (i) In the case of a facility with an animal unit capacity of 1,000 or more prior to July 1, 1994, the expansion is located at a distance not less than the distance between the facility and the nearest habitable structure

prior to the expansion; or (ii) in the case of a facility with an animal unit capacity of less than 1,000 prior to July 1, 1994, the expansion is located at a distance not less than the distance between the facility and the nearest habitable structure prior to the expansion and the animal unit capacity of the facility after expansion does not exceed 2,000.

- (3) The separation distances required pursuant to subsections (j)(2) (C) and (D) and (h)(3) shall not apply to the following, as determined in accordance with—subsections K.S.A. 65-1,178(a), (e) and (f), and amendments thereto:
- (A) Expansion of an existing confined feeding facility for swine if an application for such expansion has been received by the department before March 1, 1998; and
- (B) construction of a new confined feeding facility for swine if an application for such facility has been received by the department before March 1, 1998.
- (m) The separation distances required by this section for confined feeding facilities for swine shall be determined from the exterior perimeter of any buildings utilized for housing swine, any lots containing swine, any swine waste retention lagoons or ponds or other manure or wastewater storage structures and any additional areas designated by the registrant for future expansion. Such separation distances shall not apply to offices, dwellings and feed production facilities of a confined feeding facility for swine.
- (n) The registrant shall give the notice required by subsections (k)(2) (B) and (C) by certified mail, return receipt requested, to all owners of habitable structures within the separation distance. The registrant shall submit to the department evidence, satisfactory to the department, that such notice has been given.
- (o) All plans and specifications submitted to the department for new construction or new expansion of confined feeding facilities may be, but are not required to be, prepared by a professional engineer or a consultant, as approved by the department. Before approval by the department, any consultant preparing such plans and specifications shall submit to the department evidence, satisfactory to the department, of adequate general commercial liability insurance coverage.
- (p) (1) The secretary shall adopt rules and regulations to establish fees for permitting, monitoring, testing, inspecting and regulating class 1 underground injection control wells, but in no case shall such fees exceed \$400, except any facility fee, which shall not exceed \$4,000:
  - (A) \$6,500 per active, hazardous waste injection well;
  - (B) \$4,500 per active, non-hazardous waste injection well; or
- (C) \$1,000 for any hazardous or non-hazardous waste injection well in monitoring or inactive status.

- (2) The secretary shall provide for a reduction in such fees for facilities already subject to fees under K.S.A. 55-1,117(d), and amendments thereto.
- (q) The secretary shall adopt rules and regulations to establish fees for permitting, monitoring, testing, inspecting and regulating class 5 underground injection control wells, but in no case shall such fees exceed \$2,000 per well,
- (r) The secretary shall remit all moneys collected from—such fees established in subsections (p) and (q) to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the water program management fund established pursuant to K.S.A. 65-166b, and amendments thereto.
- Sec. 3. K.S.A. 65-4513 is hereby amended to read as follows: 65-4513. The secretary shall establish a reasonable schedule of fees, but in no case shall an individual operator fee exceed twenty-five dollars (\$25) in any one year \$125.
- Sec.—3. 4. K.S.A. 65-4514 is hereby amended to read as follows: 65-4514. (a) The secretary shall remit all moneys received by or for the secretary from fees, charges or penalties to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state general fund water program management fund established pursuant to K.S.A. 65-166b, and amendments thereto.
- (b) On July 1, 1983, the director of accounts and reports shall transfer all moneys in the certification of operators of water supply systems and wastewater treatment facilities fee fund to the state general fund. All liabilities of the certification of operators of water supply systems and wastewater treatment facilities fee fund are hereby transferred to and imposed upon the state general fund. The certification of operators of water supply systems and wastewater treatment facilities fee fund is hereby abolished.
- Sec. 4. 5. K.S.A. 2018 Supp. 82a-1206 is hereby amended to read as follows: 82a-1206. (a) Every well contractor desiring to engage in the business of constructing, reconstructing or treating water wells in this state shall make initial application for a license to the secretary. Every contractor making such application shall set out such information as may be required upon forms to be adopted and furnished by the secretary. The secretary shall charge an application fee as established by rules and regulations for the filing of such initial application by a contractor, and the secretary shall not act upon any application until such application fee has

been paid.

- (b) All application fees and license fees collected hereunder shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state general fund. On July 1, 1983, the director of accounts and reports shall transfer all moneys in the water well contractors licensing fund to the state general fund. All liabilities of the water well-contractors licensing fund are hereby transferred to and imposed upon the state general fund. The water well-contractors licensing fund is hereby-abolished water program management fund established pursuant to K.S.A. 65-166(b), and amendments thereto.
- (c) A license to construct water wells shall be issued to any applicant if, under the standards set forth in K.S.A. 82a-1207, and amendments thereto, the secretary shall determine such applicant is qualified to conduct water well construction operations. In the granting of such licenses due regard shall be given to the interest of the state of Kansas in the protection of its underground water resources. Application fees paid hereunder shall be retained by the secretary whether such initial license is issued or denied, but if denied, the license fee shall be refunded.
- (d) Applicants for licenses hereunder who are engaged in business as water well contractors in this state, if incorporated, shall submit evidence of current good standing with the registration requirements for corporations of the secretary of state.
- (e) No fees assessed pursuant to this section shall exceed \$100, except the water well contractor license fee, which shall not exceed \$200.
- 28 Sec.—5. 6. K.S.A. 65-166b, 65-171d, 65-4513—and, 65-4514 and 29 K.S.A. 2018 Supp. 82a-1206 are hereby repealed.
- Sec. 6. 7. This act shall take effect and be in force from and after its publication in the statute book.