

K.A.R. 5-17-7. Contract to deposit water in a safe deposit account. (a) Each person proposing to deposit water into a safe deposit account shall enter into a contract with the water bank on a form prescribed by the water bank and approved by the chief engineer. The contract shall include the following information and provisions and any other provision needed to ensure that the deposit complies with the provisions of the Kansas water banking act and regulations:

- (1) The term of the contract, which shall be for a specific number of calendar years and shall not exceed the length of the water bank charter plus three years;
- (2) the proposed deposit of water, which shall be from a water right that is bankable;
- (3) the water right from which water is being deposited. The water right shall be in good standing and shall be vested or certified;
- (4) the hydrologic unit from which water is being deposited;
- (5) the terms of payment for the deposit and a provision that any fees paid are not refundable if the water user voids the contract, or causes it to be void, for any reason;
- (6) the location of the point of diversion authorized by the water right that is proposed to be deposited;
- (7) the water right file numbers of any linked water rights that are proposed to be deposited; and
- (8) a provision that the contract shall be entered into by December 31 of the year preceding the first year for which the owner desires to make a deposit in the safe deposit account.

(b) The amount of water that may be deposited in any year shall not exceed 25 percent of the quantity of unused water from the preceding year.

(c) At the end of the term of the contract to deposit water in a safe deposit account, including any extensions of time, all water in the account shall be forfeited.

(d) There shall not be multiple safe deposit accounts for any point of diversion.

(e) The term of a safe deposit account may be extended by the chief engineer upon request of the owner for a period not to exceed the length of the water bank charter plus three calendar years. Any water bank may extend a safe deposit account beyond the length of the water bank charter only if both of the following conditions are met:

(1) The water bank charter has a procedure approved by the chief engineer that sets forth how the safe deposit accounts will be administered if the water bank is dissolved.

(2) The bank charter assigns the responsibility and costs of administering the accounts after the water bank is dissolved to a responsible person or entity. (Authorized by K.S.A. 2003 Supp. 82a-769; implementing K.S.A. 2003 Supp. 82a-763 and K.S.A. 2003 Supp. 82a-769; effective Aug. 13, 2004.)