

2013

LEGISLATIVE BILL SUMMARIES

NATURAL RESOURCES COMMITTEE

NEBRASKA LEGISLATURE

ONE HUNDRED THIRD LEGISLATURE
FIRST SESSION

NATURAL RESOURCES COMMITTEE MEMBERS

Senator Tom Carlson, Chairperson
Senator Lydia Brasch, Vice-Chairperson
Senator Annette Dubas
Senator Ken Haar
Senators Jerry Johnson
Senator Rick Kolowski
Senator Ken Schilz
Senator Jim Smith

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COMMITTEE STAFF

Laurie Lage, Legal Counsel
Barb Koehlmoos, Committee Clerk

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Natural Resources Committee 2012
103rd Legislature

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LB 635 (Wallman) Provide powers and duties regarding hydraulic fracturing to the Nebraska Oil and Gas Conservation Commission. *Held in Committee* (p. 32)

LR 40 (Davis) Request the United States Forest Service to reconsider its original decision not to pay a proportionate share of the replacement costs of fences destroyed by wildfires between private and public lands in certain counties. *Advanced* (p. 19)

LR 171 (Dubas) Support the development and designation of a continuous Chief Standing Bear Trail from Nebraska to Oklahoma. *Advanced* (p. 19)

2013 NATURAL RESOURCES COMMITTEE BILLS

Bills by Hearing Date

Updated 7/12/13

Hearing	Bill	Introducer	One-Liner	Status
BILLS BY HEARING DATE				
WED. 1-23-13				
	16	Christensen	Change provisions relating to title to Champion Mill State Historical Park	Approved by Gov. 2-15-13
	102	Watermeier	Change requirements for certain water permit applications	Approved by Gov. 2-15-13
THURS. 1-24-13				
	91	Haar	Change provisions regarding geologists	Approved by Gov. 2-15-13
	203	Scheer	Change provisions relating to solid waste under the Environmental Protection Act - Sen. Scheer priority bill	Approved by Gov. 4-24-13
FRI. 1-25-13			No Hearings	
WED. 1-30-13				
	186	Christensen	Restrict rule and regulation authority of natural resources districts	IPP
	353	Christensen	Restrict rule and regulation authority of natural resources districts	In Comm
THURS. 1-31-13				
	322	Karpisek	Require the Department of Natural Resources to conduct an environmental study relating to the Blue River	IPP
FRI. 2-1-13				
	388	NRC	Change provisions relating to public power and provide for construction of certain transmission lines	Approved by Gov. 4-24-13 <i>Committee Priority Bill #1</i>
WED. 2-6-13				
	340	NRC	Change a hearing requirement related to the Nebraska Power Review Board	Approved by Gov. 4-3-13
	622	Haar	Change provisions relating to a report filed with the Nebraska Power Review Board	In Comm
THURS. 2-7-13				
	94	Dubas	Change hunting permit provisions	Approved by Gov. 4-3-13
	362	Avery	Change state park entry permit provisions and provide for a	GF w/AM

			motor vehicle registration fee - Sen. Avery priority bill	
FRI. 2-8-13				
	499	Brasch	Change powers and duties of Game and Parks Commission	Approved by Gov. 4-3-13
WED. 2-13-13				
	517	Carlson	Create the Water Sustainability Project Task Force – Sen. Carlson priority bill	Approved by Gov. 6-4-13
THURS. 2-14-13				
	57	Larson	Change provisions relating to grants from the Nebraska Environmental Trust Fund – Sen. Larson priority bill	SF
	325	Brasch	Change provisions relating to approval of natural resources district boundary changes	In Comm
WED. 2-20-13				
	272	Carlson	Change provisions relating to chemigation permits and fees	GF w/AM
	493	Davis	Authorize transfer of portions of the Cowboy Trail	Approved by Gov. 5-7-13
THURS. 2-21-13				
			HEARINGS CANCELLED	
FRI. 2-22-13				
	391	Davis	Change water law provisions relating to water storage	In Comm
	634	Davis	Adopt the Wildfire Control Act of 2013 – Sen. Davis priority bill	Approved by Gov. 6-3-13
	LR40	Davis	Request the United States Forest Service to reconsider its original decision not to pay a proportionate share of the replacement costs of fences destroyed by wildfires between private and public lands in certain counties	Signed by Speaker 5-31-13
WED. 2-27-13				
	514	Carlson	Provide for new funding mechanisms under the Wastewater Treatment Facilities Construction Assistance Act	GF w/AM
	549	Schilz	Change scrap tire recycling sunset provision and fees	Approved by Gov. 5-7-13
THURS. 2-28-13				
	635	Wallman	Provide powers and duties regarding hydraulic fracturing to the Nebraska Oil and Gas Conservation Commission	In Comm
	454	Haar	Adopt the Electronics Extended Producer Responsibility and Job Creation Act	In Comm
FRI. 3-1-13				
	567	Haar	Change provisions relating to approval of electric generation facilities and transmission lines	In Comm

	402	Mello	Change power purchase agreement provisions relating to rural community-based energy development	SF <i>Committee Priority Bill #2</i>
TUES. 3-5-13				
	557	McGill	Change provisions relating to net metering and authorize community solar gardens	In Comm
	598	Larson	Change provisions relating to net metering	In Comm
WED. 3-6-13				
	477	Carlson	Change sunset for the Riparian Vegetation Management Task Force	Approved by Gov. 5-7-13
	513	Carlson	Change notice provisions under the Nebraska Ground Water Management and Protection Act	GF
	494	Davis	Change number of districts and members of Game and Parks Commission	In Comm
THURS. 3-7-13				
	522	Christensen	Provide state financial assistance to irrigation districts to compensate water appropriators - Sen. Christensen priority bill	SF
	601	Bloomfield	Require notice for natural resources district subcommittee meetings	In Comm
MON. 5-20-13				
	LR 171	Dubas	Support the development and designation of a continuous Chief Standing Bear Trail from Nebraska to Oklahoma.	Signed by Speaker 6-4-13

SUMMARIES OF ENACTED BILLS

LB 16

LB 16 contains a reversion clause in the statute authorizing the Game and Parks Commission to convey a public park to Chase County.

Details of Final Bill

Section 1 amends 90-278, which authorizes the Game and Parks Commission to convey Champion Mill State Historical Park to Chase County, by adding language requiring that the title to the property remain with Chase County unless the property is no longer operated as a public park, or if the park becomes financially detrimental to the county. In either case, title shall then revert to the Game and Parks Commission.

Section 2 repeals the original section.

The Governor signed the bill on February 5, 2013.

LB 91

LB 91, introduced on behalf of the Board of Geologists, makes several revisions to the Geologists Regulation Act relating to requirements of the professional license designation.

Details of Final Bill

Section 1 amends 81-3520 by revising the requirement that one member of the Board of Geologists represent the faculty of the geology departments within the University of Nebraska to a requirement that such board member be on the professional faculty of a geology or geoscience department of a Nebraska college.

Sections 2 and 8 amend 81-3527 and 81-3539 by revising the reciprocity provisions of the act by allowing the board to waive the minimum requirements for a license applicant who has maintained a license and has practiced geology lawfully for at least 15 years in another state, as long as that state's regulations do not conflict with Nebraska's requirements.

Section 3 amends 81-3528 by removing the requirement that technical submissions by an organization involving the practice of geology be provided with a signature for public records.

Section 4 amends 81-3529 by removing signature requirements on certificates of licensure and updating the language relating to the seal on the certificate. Further allows the board to adopt

and promulgate rules and regulations regarding the seal.

Section 5 amends 81-3530 by correcting terminology as it relates to the seal on the certificate of licensure.

Section 6 amends 81-3531 by adding a requirement on a renewal application that a statement be made under oath showing the applicant's fitness to maintain licensure and providing procedural options for renewals.

Section 7 amends 81-3537, relating to violations of the act, by requiring that civil penalties collected be distributed to education in accordance with the State Constitution.

Section 9 amends 81-3540 by clarifying that, at the board's discretion, the exam for professional licensure may be taken by an applicant who has substantially completed his or her educational requirements.

Section 10 repeals the original sections.

The Governor signed the bill on February 15, 2013.

LB 94

LB 94 makes changes to the big game hunting statutes related to how permits are issued.

Details of Final Bill

Section 1 amends 37-447, which authorizes the Game and Parks Commission to regulate deer hunting, by authorizing the commission to issue nonresident permits in management units after providing residents with at least 85% of the available permits.

Section 2 amends 37-450, which authorizes the Game and Parks Commission to regulate elk hunting, by allowing an applicant to be issued a resident elk permit once every five years. The policy that a person may harvest only one antlered elk in his or her lifetime remains, but this bill allows an exception if one is hunting with a limited permit to hunt elk on his or her own property within an elk management unit, or with a permit from an auction or lottery.

Section 3 amends 37-455, which allows limited deer, antelope, wild turkey, or elk permits to be issued to qualifying landowners or leaseholders and their immediate families, by expanding who is eligible for permits under this section. New language would allow the commission to designate one qualifying landowner among a partnership or corporation or trust, who owns or leases at least 80 acres of the land for agricultural purposes, to be considered for a deer,

antelope, wild turkey or elk permit.

Section 4 repeals the original sections.

The Governor signed the bill on April 3, 2013.

LB 102

LB 102 removes a requirement that a social security number be provided on certain water permit applications. The Department of Natural Resources requested that the bill be introduced to alleviate the administrative burden of blocking the number from the public to ensure an applicant's privacy and because it does not believe that the social security number requirement in the water permit statutes falls under the intention of the original act.

The requirement was put into statute after the Legislature passed LB 752 in 1997, a bill that resulted in changes to several state statutes due to federal laws on the use of social security numbers for tracking individuals who failed to pay child support. LB 752 required social security numbers to be provided on all applications for a "professional license, commercial driver's license, occupational license, or marriage license."

Details of Final Bill

Section 1 amends 46-297, relating to underground water storage permits from the Department of Natural Resources, by deleting the requirement that a permit applicant provide his or her social security number on an application to modify a permit for intentional underground water storage.

Section 2 amends 46-637, relating to groundwater pumping for irrigation purposes, by deleting the requirement that a permit applicant provide his or her social security number on an application to modify a permit for intentional underground water storage.

Section 3 repeals the original sections.

The Governor signed the bill on February 15, 2013.

LB 203

LB 203 excludes "slag" from being defined as solid waste under the state's Environmental Protection Act.

Details of Final Bill

Section 1 amends 81-1502, the definitions portion of the Environmental Protection Act, subsection (26), which defines "solid waste". New language adds that solid waste does not include slag, a product that is the result of the steel manufacturing process and is managed as an item of value in a controlled manner and not as a discarded material.

The Governor signed the bill on April 24, 2013.

LB 340

LB 340 provides the Nebraska Power Review Board with the authority to waive a "special generation application" hearing if, in its judgment, the required findings can be made without a hearing and the required consents to the waiver are filed by the interested parties.

Details of Final Bill

Section 1 amends 70-1013, relating to electric generation or transmission applications to the Power Review Board, by adding reference to 70-1014.01, the statute governing special generation applications. The addition means that the board may grant the application without notice of hearing, if the required waivers are filed, and the findings required under the special generation statute can be made without a hearing.

Section 2 repeals the original section.

The Governor signed the bill on April 3, 2013.

LB 388

LB 388 preserves state authority over transmission lines in light of Federal Energy Regulatory Commission (FERC) Order 1000, which would change the way Regional Transmission Organizations (RTOs) select electric transmission project builders. Under the order, RTOs are required to open access to building transmission to any qualifying entity, rather than simply deferring to incumbent utilities.

FERC has, however, recognized that if a state law provides for a right of first refusal for incumbent utilities, the RTO must adhere to the state law. All transmission in the state is publicly-owned and operated. The public power industry believes that the first right to expand RTO-ordered transmission in Nebraska should be held by known entities with a track record in Nebraska and which are subject to known regulatory processes.

Details of Final Bill

Section 1 contains new language stating that the incumbent owner of electric transmission facilities already existing in Nebraska has 90 days to decide whether it intends to construct, own or maintain the approved transmission line if the line will connect with the existing one. Notice has to be provided to the Power Review Board of the incumbent owner's decision within 90 days of the new transmission line's approval by a regional transmission organization. If no notice is provided, the "first right" is surrendered, and any other incumbent transmission owner can file for the right within 24 months after the first right notice is provided.

The Governor signed the bill on April 24, 2013.

LB 477

LB 477 extends the sunset date of the Riparian Vegetation Management Task Force by two years.

Details of Final Bill

Section 1 amends 2-967, which creates the Riparian Vegetation Management Task Force, by changing the task force's termination date from June 30, 2013 to June 30, 2015.

Section 2 amends 2-968, which provides the duties of the Riparian Vegetation Management Task Force, by requiring a final report to be provided to the Governor and the Legislature prior to June 30, 2015 rather than June 30, 2013, and changes the termination date of this section from 2013 to 2015.

Section 3 repeals the original sections.

The Governor signed the bill on May 7, 2013.

LB 493

LB 493 allows the Game and Parks Commission to lease, sell or otherwise transfer portions of the Cowboy Trail to a certain local county or certain towns or to a nonprofit organization.

Details of Final Bill

Section 1 authorizes the commission to lease or otherwise transfer portions of the trail to a political subdivision, and allows the commission to lease portions to a nonprofit organization. Requires the lessee or transferee to maintain the property at its own expense and states that the transfer or lease is subject to the federal National Trails System Act.

The Governor signed the bill on May 7, 2013.

LB 499

LB 499 authorizes the Game and Parks Commission to pass "commission orders" for purposes of conservation orders, seasons, open and closed areas, and bag limits. Commission orders may be passed after due investigation and consideration of a number of hunting and fishing circumstances to affect a change.

Details of Final Bill

Section 1 amends 37-304, which authorizes the commission to adopt and promulgate rules and regulations, by adding language that would allow the commission to pass "commission orders" to govern conservation orders, seasons, open and closed areas, and bag limits.

Section 2 amends 37-314, which authorizes the commission to set hunting seasons, by eliminating language that specifies that seasons, bag limits, type of game and other conditions are to be considered when making rules and regulations, and inserting new language authorizing the commission to pass "commission orders". Such orders may be made on conservation orders; open and closed and permanent or temporary seasons; bag limits; or the taking of any wildlife. Also:

- Commission orders may be passed after due investigation and consideration of a number of hunting and fishing circumstances to affect a change. Orders may be amended, modified or repealed, and must be based on investigation and reliable data.
- Public hearings on commission orders and rules and regulations are required, with proper notice provided.
- Adds that consideration of grave danger to bird, fish or wild animal populations may be a reason for the commission to use a special season closing or reopening provision.
- Adds that violation of commission orders passed are the same as violations of rules and regulations.

Sections 3 through 16 amend 37-321 (taking of fish); 37-422 (daily fishing permits); 37-447 (deer hunting permits); 37-448 (special deer depredation season permits); 37-455 (limited deer, antelope, wild turkey or elk permits); 37-490 (closed seasons); 37-492 (game breeding limitations and controlled shooting areas); 37-4,107 (taking of bullfrogs); 37-501 (bag and possession limits); 37-503 (illegal possession of game); 37-543 (fishing offenses); 37-546 (baitfish offenses); 37-604 (game law enforcement); and 37-614 (revocation and suspension of permits),

by adding reference to "commission orders." The addition would mean that "commission orders", in addition to rules and regulations adopted and promulgated, have to be followed as part of the law governing each topic.

Section 17 repeals the original sections.

The Governor signed the bill on April 3, 2013.

LB 517

LB 517 creates the Water Funding Task Force.

Details of Final Bill

Section 1 states legislative findings.

Section 2 creates the Water Funding Task Force, consisting of:

- the members of the Nebraska Natural Resources Commission;
- the director of the Department of Natural Resources, the chairperson of the Natural Resources Committee or designees and five additional legislative members selected by the Executive Board (nonvoting, ex-officio); and
- 11 additional members, appointed by the Governor, one representing each category listed in the bill.

Section 3 authorizes the Water Funding Task Force to:

- consult with a variety of governmental and educational entities;
- hire a consultant or consultants to facilitate its work; and
- use working groups or subcommittees.

Further, requires that the task force be housed within the Department of Natural Resources for administrative purposes.

Section 4 requires the task force to provide a report to the Legislature on or before December 31, 2013, which contains the following:

- recommendations for a strategic plan which prioritizes water programs, projects, and activities in need of funding, giving equal consideration to and classified as follows:
 - research, data and modeling;
 - rehabilitation, restoration or creation of infrastructure and infrastructure maintenance;
 - conjunctive management, storage, and integrated water management;
 - compliance with interstate compacts or agreements;

- recommendations for ranking criteria to identify funding priorities, giving consideration to the extent to which the program, project or activity:
 - provides increased water productivity and maximizes the beneficial use of water;
 - assists the state in meeting its obligations under interstate compacts or agreements;
 - utilizes objectives described in the department's water planning process report;
 - has been approved for, but has not received, funding through an established program;
 - contributes to the state's ability to leverage state dollars with government or other partners to maximize the use of its resources; and
 - contributes to multiple water supply management goals, including flood control, agricultural uses, recreation benefits, wildlife habitat, conservation of water resources, and preservation of water resources; and
 - the task force shall also consider the cost effectiveness of the program, project or activity.
- recommendations for legislation on a permanent structure and process through which programs, projects or activities will be provided with funding. Recommendations are to include:
 - a permanent governing board structure;
 - an application process;
 - a statewide distribution mechanism; and
 - a time frame for funding allocations.
- recommendations for the annual funding amount and a start date; and
- recommendations for statutory changes to current regulatory authorities, programs and funds.

The task force is to make every effort to identify and consult with all water use stakeholder groups in Nebraska on the development of its recommendations.

Section 5 requires the department to notify the Natural Resources and Appropriations Committees regarding the projected unexpended and uncommitted balance remaining in the separate budget subprogram by February 1, 2014.

Section 6 contains an emergency clause.

The Governor signed the bill on June 4, 2014.

LB 549

LB 549 increases the annual grant limit of the Waste Reduction and Recycling Incentive Fund,

increases the fee imposed per tire under the program, and extends the program's sunset date.

Details of Final Bill

Section 1 amends 81-15,160, which creates the Waste Reduction and Recycling Incentive Fund, by changing the annual grant limit from \$1 million to \$1.5 million, and changes the sunset date from 2014 to 2019.

Section 2 amends 81-15,162, which sets the new tire fee imposed under the Waste Reduction and Recycling Incentive Act, by requiring that fees collected in excess of \$1.5 million, rather than \$1 million, be available for political subdivision grants for Integrated Solid Waste Management Act purposes.

Section 3 repeals the original sections.

The Governor signed the bill on May 7, 2013.

LB 634

LB 634 adopts the Wildfire Control Act of 2013, which requires action by the Nebraska Emergency Management Agency (NEMA) and the Nebraska Forest Service in light of wildfires in the state in 2012.

Details of Final Bill

Sections 1 and 2 name the Wildfire Control Act and state legislative findings recognizing the harmful effects of wildfires in Nebraska.

Section 3 requires the NEMA to contract for the cost of placing one single-engine air tanker in Nebraska so that NEMA may deploy the tanker quickly in response to wildfires. Also requires NEMA to report annually to the Governor and Legislature information relating to tanker deployment, or lack of deployment.

Section 4 requires the Nebraska Forest Service to work on thinning forests to reduce wildfire risk, provide expanded training programs in fire suppression tactics, expand federal excess property programs, oversee forest rehabilitation for areas damaged by wildfires, and construct at least two tanker bases and one or more mobile tanker bases and manage such bases and operations in Nebraska.

Section 5 contains an emergency clause.

The Governor signed the bill on June 3, 2013.

LR 40

According to the cooperative extension office in Chadron, the U.S. Forest Service declined to provide financial assistance to replace fence that was destroyed in the 2012 wildfires in Dawes, Sioux and Sheridan Counties, because the density of the population did not justify the expense. The effect of this resolution would be to have the Legislature make a statement of support for federal funding. It would have no other effect of law.

Details of Resolution

This legislative resolution proposes that the Legislature request that the United States Forest Service reconsider its original decision to pay a proportionate share of the replacement costs of fences between private and public property destroyed by wildfires in Dawes, Sioux and Sheridan Counties, and that the Legislature support a collaborative partnership with the U.S. government. A copy of the resolution is to be sent to the President, the Forest Service and to our congressional delegation.

The Speaker signed the resolution on May 31, 2013.

LR 171

Details of Resolution

LR 171 states historical and background information on Chief Standing Bear and proclaims that the Legislature supports the development and designation of a continuous trail from Nebraska to Oklahoma in recognition of Chief Standing Bear.

This May marks the 134th Anniversary of the landmark case *Standing Bear v. Crook* decision in which the U.S. District Court in Omaha ruled that Native Americans are “persons” within the meaning of the law. The Nebraska Commission on Indian Affairs is working on a plan with a variety of partners for a trail in honor of Chief Standing Bear that will run from Nebraska to Oklahoma.

The Speaker signed the resolution on June 4, 2013.

SUMMARIES OF BILLS ADVANCED

LB 57

LB 57 would require Nebraska Environmental Trust board approval of subsequent purchases of real property if the real property was originally purchased using grant funds or revolving funds. The bill would also require board approval of property transfers to federal land management agencies that resulted in removal of the property from the county tax rolls. The board, if approval was granted, would also be required to approve the deposit of funds equal to the property's taxable value in a trust fund of the affected county to be used for any governmental purpose.

The bill has been amended and the current version can be found in amendment ER36. On a motion by Sen. Larson, the body bracketed the bill until January 10, 2014. It is currently on Select File.

LB 272

LB 272 would raise the caps on chemigation permit fees to help offset the costs to the natural resources districts and the Department of Environmental Quality of administering the permit program. The bill would also change the time period that a natural resources district has to review and decide on an emergency chemigation permit from 48 hours to two working days.

Sections 1 and 2 amend 46-1101, which cites the sections included in the Nebraska Chemigation Act, and 46-1103, which cites the location of the definitions in the act, by adding reference to the new language in section 3.

Section 3 creates new language defining a "working day" as Monday through Friday, not Saturday, Sunday or federal or state holidays. Further states that when computing "two working days", the day of receipt of the permit is not to be included.

Section 4 amends 46-1119, which describes how emergency chemigation permits are to be handled, by changing the time period that a natural resources district has to review and decide on such a permit from 48 hours to two working days.

Also changes the emergency permit fee from \$100 to \$500, and allows \$400 (instead of \$90) to be retained by the district and \$100 (instead of \$10) to be paid to the Department of Natural Resources.

Section 5 amends 46-1121, which creates and authorizes the use of the Chemigation Costs Fund, by adding new language requiring the natural resources district to collect initial

application, special permit, and annual renewal fees not to exceed \$250 to help defray the cost of administering the act. The fees, to be set by the Environmental Quality Council through rules and regulations, are to cover the costs of the natural resources districts and the department, but are not to exceed the amount necessary to pay reasonable costs of administering the program.

Further eliminates the specific fees set for initial applications, special permits, and permit renewals, and allows the Environmental Quality Council to require that up to 20% of the fee be paid to the department.

Section 6 repeals the original sections.

If adopted, the committee amendment would replace the \$500 emergency permit fee with a fee cap of \$500; reinstate the existing fee portions to be paid to the Department of Environmental Quality; allow the natural resources districts to establish permit fees, which are to be sufficient to cover the reasonable ongoing administrative and inspection program costs; and set permit fee caps at \$150 for regular and special permits, and \$100 for renewal permits.

The bill is on General File.

LB 362

LB 362, currently on General File, would eliminate the permit that Nebraska residents are now required to purchase for entry into state parks and would place a \$7 registration fee on certain motor vehicles to replace the revenue from the permit fees. The bill would provide open access to state parks for all Nebraska residents, and would provide a revenue stream to be used for repairs, updates and maintenance of state park facilities. Non-residents would still be required to purchase park entry permits.

The Committee amendment, AM 455, clarifies the vehicles that would be exempt from the motor vehicle registration fee and makes technical adjustments to allow the Department of Motor Vehicles to administer their duties under the bill.

The bill, as amended, would do the following:

Section 1 amends 37-434, the Game and Parks statute requiring that permit fees be set for entry into state parks, by making the provision applicable only to vehicles not registered in Nebraska or exempt under current statute. Also states that a registration fee will be imposed on Nebraska residents via the Motor Vehicle Registration Act.

Section 2 amends 37-436, which lists the motor vehicles exempt from the permit requirement,

by clarifying that only motor vehicles not registered in Nebraska are required to get entry permits.

Section 3 amends 37-438, which provides for the annual and temporary permit fees, by eliminating the Nebraska resident fee language, making it clear that there is only one fee for annual permits and one fee for temporary permits, with no reference to residency.

Section 4 amends 37-441, which authorizes the commission to designate permit areas, by adding that the commission may designate permit areas only for non-resident and non-exempt vehicles.

Section 5 amends 37-442, which requires the commission to post signs at the permit areas, by clarifying that the signs are to state that motor vehicles not registered in Nebraska and not exempt are to display a permit.

Section 6 amends 37-443, which makes it unlawful to not display a permit, by clarifying that it is unlawful for motor vehicles not registered in Nebraska and not exempt to fail to display a permit.

Sections 7 and 8 amend 37-446, which directs permit fees to the State Park Cash Revolving Fund, and 60-301, which cites the Motor Vehicle Registration Act, by adding reference to the new language.

Section 9 amends 60-3,156, which lists the fees collectable in addition to the motor vehicle registration fees authorized under the Motor Vehicle Registration Act, by adding a fee of \$7 for each certificate issued for motor vehicles, unless otherwise exempted, that is to be credited to the State Park Cash Revolving Fund. However, for calendar year 2014, 2 percent of the fee is to be credited to the Department of Motor Vehicles Cash Fund.

Section 10 creates new language that exempts the following motor vehicles from the registration fee:

- * those with handicapped or disabled plates (60-3,113)
- * those with Pearl Harbor plates (60-3,122)
- * those with Gold Star plates (60-3,122.01 and 60-3,122.02)
- * those with Prisoner of War plates (60-3,123)
- * those with Disabled Veteran plates (60-3,124)
- * those with Purple Heart plates (60-3,125)
- * those with historical antique and vintage plates (60-3,130)
- * school buses 60-3,144
- * local trucks, farm trucks, and trucks exceeding 5 tons (60-3,145, 60-3,146, 60-3,147 3(d)(e)(f))
- * soil and water conservation vehicles (60-3,149)
- * well-boring/well-servicing equipment (60-3,155)

- * government vehicles (60-3,160)
- * those exempt from motor vehicle taxes: disabled or blind veterans, owned by Indians as defined by federal law, U.S. Armed Forces members from other states if serving in official capacity, owned by the state and its governmental subdivisions, owned by tax-exempt societies or organizations (60-3,185)
- * ambulances/hearses if the owner files an application for exemption with the county treasurer (60-152)
- * taxicabs, if the owner files an application for exemption with the county treasurer (60-3,154)

Section 11 amends 60-1513, which creates the Motor Vehicles Cash Fund, by requiring the Department of Motor Vehicles to use money credited to the fund through this bill to be used for point-of-collection activities associated with implementing the bill's provisions.

Section 12 provides an operative date of January 1, 2014.

Section 13 repeals the original sections.

LB 402

LB 402 would amend the Rural Community-Based Energy Development Act (C-BED) to encourage more local ownership of renewable energy generation projects that would contribute to local economic development. The C-BED act allows a sales and use tax exemption on materials used for C-BED projects as long as 33% of the gross project revenues flow to qualified Nebraska individuals or businesses.

The bill would expand what can be considered "payments to the local community," reduces the percentage of payments required to go to the qualified owners, and allows domestic or cooperative corporations domiciled in Nebraska to be qualified owners.

The committee amendment, AM 684 replaces the bill and makes clarifications and redefines a C-BED project as including a low-emission fuel source. It would do the following:

Section 1 amends 70-1903, which defines the Rural Community-Based Energy Development Act, by allowing a C-BED project to use solar, biomass, landfill gas, or a low-emission fuel source that reduces overall carbon emissions, in addition to wind, as a fuel source. Also eliminates the current ownership structure, qualified owner status, and ownership percentage requirements. Allows a C-BED project if at least 25% of the gross power purchase agreement payments go back to the qualified owners or as payments to the local community. Also eliminates the definition of "debt financing", changes the term of gross power purchase agreement payments from life to 20 years, and defines what "payments to the local community" are to include. Such payments may include lease and easement payments;

contract payments for components, equipment materials or services; other payments for physical parts, materials or components made in Nebraska.

Section 2 amends 70-1904, which states how power purchase agreements are to be handled for C-BED projects, by clarifying how equity partners may be utilized.

Section 3 amends 70-1909, which allows an electric supplier to limit its power of eminent domain, by eliminating language limiting a C-BED project to wind as an energy source.

Section 4 amends 77-2704.57, which states the sales and use tax structure for C-BED projects, by eliminating the current C-BED ownership and funding structure and adding reference to the new definitions described in Section 1.

Section 5 repeals the original sections.

The bill is on Select File.

LB 513

In response to the problem of domestic wells going dry this past year, one of the natural resources districts proposed controls through rules and regulations to address the conflicts between domestic well owners and irrigation well owners who were found to be competing for use of the groundwater from their wells. The NRD declared certain areas of the district that have had groundwater declines as “quantity subareas” and imposed certain water management requirements, which could lead to cease and desist orders from the NRD for noncompliance. The new requirements became effective on February 25, 2013.

LB 513 was sought to reduce the notice required from 10 to three days before a cease and desist order could be issued because of the potential harm that could happen in ten days, particularly in dry years. A district's authority to require compliance during the notice period is very limited. This bill would help districts to more effectively implement and manage through rules and regulations.

Section 1 amends 46-707, which lists the natural resources districts' powers under the Nebraska Ground Water Management and Protection Act, by changing the notice that must be provided to affected persons before a cease and desist order may be issued from ten to three days.

Section 2 amends 46-708, which states the natural resources districts' power to control or prevent runoff of groundwater runoff, by changing the notice that must be provided to the affected person before a cease and desist order may be issued under this section from ten to

three days.

Section 3 repeals the original sections.

The bill is on General File.

LB 514

LB 514 would allow the creation of a linked deposit program under the Wastewater Treatment Facilities Construction Assistance Act to promote projects for water quality.

The Department of Environmental Quality would be authorized to create and regulate the linked deposit program and promote loans for the construction, rehabilitation, and enhancement of nonpoint source control systems. The bill would further authorize a portion of loan funds to be deposited with eligible financial institutions in low-yielding deposit accounts, certificates of deposit, or other agreed upon deposits, for loans at a rate lower than the prevailing rate for such loans. The bill would further authorize the department to buy or refinance debt of municipalities for wastewater treatment works.

If adopted, the committee amendment would add to the definition of "eligible financial institution" to ensure that banks chartered in other states and authorized to do business in Nebraska are included.

Section 1 amends 81-15,147, which cites the Wastewater Treatment Facilities Construction Assistance Act, by adding reference to the new material in LB 514.

Section 2 amends 81-15,148, which states legislative findings, by adding a statement that the Legislature finds that a linked deposit program will improve water quality in the state.

Section 3 amends 81-15,149, which contains the Act's definitions, by adding that "director" means the Department of Environmental Quality director, and that "eligible financial institution" means a Nebraska-chartered bank or any bank authorized to do business in Nebraska that agrees to participate in the program. Also defines "linked deposit program" as being associated with the Wastewater Treatment Facilities Construction Assistance Act.

Section 4 amends 81-15,151, which creates the Wastewater Treatment Facilities Construction Loan Fund, by authorizing the director to designate linked-deposit program amounts that are to be deposited with eligible financial institutions. Also provides authorization for the funds to be deposited as provided by the linked deposit program and to buy or refinance debt of municipalities for wastewater treatment works and cleans up obsolete language.

Section 5 creates new language that authorizes the department to establish and administer the linked deposit program and to promote loans for the construction, rehabilitation, and enhancement of nonpoint source control systems. Further authorizes the director to deposit a portion of the loan fund with eligible financial institutions in low-yielding deposit accounts, CDs, or other agreed upon deposits. Loans are to be at a rate lower than the prevailing rate for construction, rehabilitation and enhancement of nonpoint source control systems. Both public and private owners are eligible for onsite wastewater and private septic systems, local water protection projects, and eligible nonpoint source activities under the Livestock Waste Management Act.

Section 6 amends 81-15,152, which lists the powers and duties of the Environmental Quality Council, by adding the power to adopt and promulgate rules and regulations on the linked deposit program and for refinancing debt obligations of municipalities.

Section 7 amends 81-15,153, which lists the power and duties of the Department of Environmental Quality, by adding the power to establish a linked deposit program and to refinance debt obligations of municipalities in accordance with the Wastewater Treatment Facilities Construction Assistance Act and the applicable rules and regulations.

Section 8 repeals the original sections.

The bill is on General File.

LB 522

LB 522 would require the state to provide financial assistance to irrigation districts affected by the Department of Natural Resources' adoption of a regulation prohibiting surface water appropriators from storing or diverting instream flows in order to comply with an interstate compact.

Amendments adopted on General File require the state to provide reasonable compensation based on acre-feet of water not stored or diverted for affected surface water users, in the event closing notices are issued by the department, and requires that the funds, not to exceed \$10 million in a fiscal year, come from the General Fund.

The amendment also defines reasonable compensation as the dollar amount of compensation for dry-year leases in the applicable natural resources district where acres are converted from irrigated acres to dry-land acres for a period of one year, but not exceeding \$300 per acre. The amendment further authorizes a transfer from the General Fund to the Water Resources Cash Fund to be made for \$5 million in FY2013-14, and \$5 million in FY2014-15 and authorizes the state treasurer to transfer \$1.7 million from the General Fund to the Water Resources Cash

Fund on the effective date of the act, but no later than July 15, 2014.

The bill is on Select File.

SUMMARIES OF BILLS HELD IN COMMITTEE

LB 325

LB 325 would change the approval process for natural resources districts' boundary changes.

Section 1 amends 2-3211, which requires certain notifications after a hearing to change natural resources districts' boundaries, by deleting the requirement that a boundary change can only take place if the affected district boards are in favor of the change.

Section 2 repeals the original section.

LB 353

LB 353 would limit a natural resources district's authority to require the use of groundwater irrigation in order to maintain the right to irrigate such acres.

Section 1 amends 2-3228, which lists the powers and duties of the natural resources districts, by prohibiting a district from promulgating rules and regulations requiring the use of ground water irrigation in order to maintain a ground water irrigation right.

Section 2 repeals the original section.

LB 391

LB 391 would address the issues affecting federal reservoirs, when the Nebraska Department of Natural Resources issues a notice to prohibit the storage of water.

Section 1 would amend 46-241, which states how surface water irrigation rights are to be handled for storage reservoirs, by stating that the owner of an underground water storage facility does not have the right to store water when the water is required downstream in ditches for irrigation or for a senior right holder.

Section 2 repeals the original section.

LB 454

LB 454 would create the Electronics Extended Producer Responsibility and Job Creation Act.

The introducer, Sen. Haar, provided the committee with AM 408, which would do the

following:

Sections 1 through 14 of the bill propose new language that would:

- create the Electronics Extended Producer Responsibility and Job Creation Act as a comprehensive electronics recycling program;
- include computer monitors and peripherals, video display devices, televisions, portable digital video disc players, small electronics and small-scale servers, but not include motor vehicle components; industrial, commercial, governmental or medical setting uses; devices in appliances; certain telephones; or commercial mobile radio hand-held devices;
- exclude manufacturers of less than 1,000 units annually of covered electronic equipment, and used and refurbished manufacturers;
- specifically define to whom the bill applies, technical terms, and the details of types of equipment that are covered;
- require manufacturers to accept electronic waste which it manufactured, accept one piece of electronic waste of another manufacturer, and accept “the manufacturer's acceptance standard” beginning July 1, 2015;
- set statewide recycling or reuse goals based on a formula provided in the bill;
- require manufacturers to pay a registration fee based on unit sales;
- require manufacturers to include compliance, sales data, and unit content information on their registration forms;
- list the components of an electronic waste acceptance program, which is to include collection, handling and recycling methods, information on how to destroy data, and public education programs;
- require a manufacturer to keep compliance records, to pay for all associated costs, and allow them to participate in collective program with other manufacturers;
- require retailers to provide program information to consumers and only sell a manufacturer's product if it is registered under the program;
- require a manufacturer to identify itself using labels on its equipment;
- set compliance dates;
- require solid or hazardous waste facilities to educate facility users and manually separate and recycle covered equipment;
- require waste collection site operators, electronic waste consolidation facility operators, and electronic waste recycling facility operators to register with the Department of Environmental Quality, meet certain regulatory and practice standards, pay reporting fees, and file annual reports containing detailed information;
- require the department to maintain registrations, provide for fee waivers, establish public education standards and post manufacturers' reports;
- remit fees to the Waste Reduction and Recycling Incentive Fund for grants for jobs, education, infrastructure development, and recycling covered equipment; and

- provide penalties for noncompliance.

The remaining sections of the bill amend sections of statute dealing with solid waste, the Environmental Protection Act, and the Waste Reduction and Recycling Incentive Fund by providing references to the new act.

LB 494

LB 494 would create a new district for the Nebraska Game and Parks Commission.

Section 1 amends 37-101, which lists the membership requirements of the Game and Parks Commission, by changing the number of commissioners from nine to 10, changing the number of districts from eight to nine, and providing a term of representation for the ninth commissioner.

Section 2 amends 37-102, which describes the districts of the Game and Parks Commission, by adding a new District No. 9 consisting of Box Butte, Cherry, Dawes, Sheridan, and Sioux Counties, and removing those counties from their current district assignments.

Section 3 amends 37-104, which states the requirements of Game and Parks Commission meetings, by changing the number of commissioners required for a quorum from four to six.

Section 4 repeals the original sections.

LB 557

LB 557 creates a structure for the creation and maintenance of solar gardens in Nebraska.

Section 1 amends 70-2002, the definitions portion of Nebraska's net metering law, by adding a definition of "community solar garden" as a two megawatts or less solar electric generation facility that serves and belongs to its subscribers. Adds reference to community solar gardens in the definitions of "customer-generator" and "interconnection agreement" and "qualified facility". Also adds a definition of "subscriber" as an end-use electricity customer identified with a physical location owning a subscription.

Section 2 adds new language authorizing a subscriber organization, whether for-profit or nonprofit, to own a community solar garden. Its sole purpose must be to own and operate a community solar garden. Also allows a third party to build, own and operate a community solar garden. Authorizes the Nebraska Power Review Board or the distribution utility to adopt

and promulgate rules and regulations, including regulations on financing such community solar gardens. Authorizes subscriber/customer transfers of premises, and clarifies that community solar garden owners and subscribers and rates are not utilities subject to regulation by the "commission".

Section 3 creates new language allowing a "subscription organization" to provide net metering credit information to the local distribution utility and requiring the utility to purchase unsubscribed renewable energy from the community solar garden at the utility's average hourly incremental cost.

Section 4 amends 70-2003, which requires utilities to interconnect with customer-generator qualified facilities, by adding reference to community solar gardens which are qualified facilities under this act.

Section 5 repeals the original sections.

LB 567

LB 567 requires the Nebraska Power Review Board to consider additional factors when approving power generation applications.

Section 1 amends 70-1014, which provides procedures for approval or denial of electric generation or transmission line applications, by making the process applicable to generation applications involving more than \$100 million of investment or more than 20 MW in capacity, and adding to the criteria that is to be considered by the Power Review Board when deciding on the application. New criteria includes consideration of whether the benefits outweigh the risks of (1) health and environmental impacts, (2) economic impacts, (3) water usage impacts, (4) life-cycle costs, and (5) economic impacts related to obtaining fuels from out of state.

Section 2 repeals the original section.

LB 598

LB598 would raise the rated capacity limits for qualified facilities that are permitted to participate in Nebraska's net metering program from at or below 25 kilowatts to at or below 100 kilowatts.

Section 1 amends 70-2002, the definitions portion of Nebraska's net metering law, by changing the allowable rated capacity of a qualified facility from 25 to 100 kilowatts.

Section 2 amends 70-2003, which requires utilities to interconnect with customer-generator

qualified facilities, by changing the rated capacity of a renewable customer-generated unit with which a utility is authorized to enter into net metering agreements, from 25 to 100 kilowatts.

Section 3 repeals the original sections.

LR 601

LB 601 would require that the meeting of a subcommittee created by a natural resource district be open to the public and that notice of the meeting be given.

Section 1 amends 2-3219, which provides natural resources district meeting requirements, by adding a requirement that any meeting of a subcommittee be open to the public and notice be provided as required under the Open Meetings Act.

Section 2 repeals the original section.

LB 622

LB 622 adds a requirement to an existing report by the Nebraska Power Association to the Nebraska Power Review Board.

Section 1 amends 70-1026, which contains the required contents of a biennial power supply plan to the Power Review Board, by adding that information is to be included on areas where renewable energy projects less than 20 MW could be added without additional transmission.

Section 2 repeals the original section.

LR 635

LB 635 would put new requirements in statute relating to hydraulic fracturing.

Section 1 amends 57-903, which defines terms for purposes of the oil and gas conservation statutes, by adding reference to the new language proposed in this bill.

Section 2 amends 57-905, which lists the Oil and Gas Conservation Commission's powers and duties, by providing the commission with the authority to:

- require one who transports water produced due to oil or gas production to possess

- documents containing details of the transport and of the water content and disposition;
- consider as permitted under an already issued drilling permit any chemical stimulations done to complete a well as long as the permit indicates the type of chemical stimulation to be used;
- adopt, promulgate and enforce rules and regulations.

Section 3 creates new language that would require hydraulically fractured wells to be suitable and safe for such stimulation, require the operator to evaluate the well, test casings and repair or replace casings if necessary, and require the operator to post all applicable information to a web site designated by the commission.

Sections 4, 5 and 6 amend various oil and gas and well statutes by making reference to this bill's provisions.

Sections 7 and 8 assign the new language to the oil and gas conservation statutes and repeal the original sections.

SUMMARIES OF BILLS INDEFINITELY POSTPONED

LB 186

LB 186 would have prohibited natural resources districts from adopting and promulgating rules and regulations to require an irrigation water right to apply manure to land.

Section-by-section description:

Section 1 amends 2-3228, which lists the powers and duties of the natural resources districts, by prohibiting districts from promulgating rules and regulations requiring an irrigation water right to apply manure to land.

Section 2 repeals the original section.

LB 322

LB 322 would have required the Department of Natural Resources to conduct an environmental study on the impact of a flood control dam on the Blue River.

Section-by-section description:

Section 1 creates new language directing the Department of Natural Resources to conduct an environmental study on the impact of a flood control dam on the Blue River. The study is to be completed by December 1, 2013, and reported to the Legislature and Governor. Also allows the department to enter into contracts to carry out the study.

Section 2 contains an emergency clause.

INTERIM STUDY RESOLUTIONS

<u>Resolution No.</u>	<u>Subject</u>
205	Interim study to examine the mission and financing options as authorized by current law of the Game and Parks Commission
214	Interim study to examine Nebraska's statutes, rules and regulations relating to the permitting process for small surface water storage reservoirs
345	Interim study to examine whether the Nebraska Ground Water Management and Protection Act should be amended relating to designating or determining the appropriation status of river basins
319	Interim study to examine issues relating to Omaha's federally mandated combined sewer overflow project
302	Interim study to examine the generation of energy in Nebraska through the use of renewable energy sources and to provide a comparison with other states
255	Interim study to examine the concept of moving surface water-only irrigated acres to ground water acres to help compliance with compacts, agreements and decrees
254	Interim study to examine the concept of regulating commingled acres relating to surface water and ground water
183	Interim study to examine Nebraska's drainage statutes as they apply to drainage by neighboring landowners under section 31-201 and other related statutes
324	Interim study to examine and evaluate the statutory requirements on Nebraska's public power districts
321	Interim study to examine statutes and procedures relating to the State of Nebraska's financial responsibility for oil pipelines
224	Interim study to examine the programs, incentives, and processes used in other states to stimulate renewable energy projects of less than twenty megawatts that can be added without major additional transmission improvements
226	Interim study to examine concerns surrounding the operation of the Papio-Missouri River Natural Resources District
323	Interim study to examine statutes and policies relating to increasing renewable energy development in Nebraska
245	Interim study to examine issues relating to recycling
326	Interim study to examine and evaluate net metering in Nebraska