

E AND R AMENDMENTS TO LB 701

Introduced by Enrollment and Review Committee: McGill, 26,  
Chairperson

1           1. Strike the original sections and all amendments  
2 thereto and insert the following new sections:

3           Section 1. The Riparian Vegetation Management Task Force  
4 is created. The Governor shall appoint the members of the task  
5 force. The members shall include one surface water project  
6 representative from each river basin that has been determined  
7 to be fully appropriated pursuant to section 46-714 or 46-720  
8 or designated as overappropriated pursuant to section 46-713  
9 by the Department of Natural Resources; one representative from  
10 the Department of Agriculture, the Department of Environmental  
11 Quality, the Department of Natural Resources, the office of the  
12 Governor, the office of the State Forester, the Game and Parks  
13 Commission, and the University of Nebraska; two representatives  
14 nominated by the Nebraska Association of Resources Districts; two  
15 representatives nominated by the Nebraska Weed Control Association;  
16 one riparian landowner from each of the state's congressional  
17 districts; and one representative from the Nebraska Environmental  
18 Trust Fund. In addition to such members, any member of the  
19 Legislature may serve as a member of the task force at his or her  
20 option. This section terminates on June 30, 2009.

21           Sec. 2. The Riparian Vegetation Management Task Force, in  
22 consultation with appropriate federal agencies, shall develop and  
23 prioritize vegetation management goals and objectives and develop

1 plans and policies to achieve such goals and objectives. The  
2 task force shall convene within thirty days after the appointment  
3 of the members is complete to elect a chairperson and conduct  
4 such other business as deemed necessary. The efforts of the task  
5 force shall be initially directed toward river basins designated  
6 by the Department of Natural Resources as fully appropriated or  
7 overappropriated. Task force meetings shall be held in communities  
8 within the Republican River and Platte River basins. The task force  
9 shall make preliminary recommendations to the Governor and the  
10 Legislature regarding funding and legislation needed to achieve its  
11 goals on or before December 15, 2007, and each year thereafter,  
12 with a final report due prior to June 30, 2009. It is the  
13 intent of the Legislature that expenses of the task force be paid  
14 from funds appropriated for this legislative bill and shall not  
15 exceed twenty-five thousand dollars per fiscal year. This section  
16 terminates on June 30, 2009.

17           Sec. 3. Section 2-945.01, Revised Statutes Cumulative  
18 Supplement, 2006, is amended to read:

19           2-945.01 Sections 2-945.01 to 2-966 and sections 1 and 2  
20 of this act shall be known and may be cited as the Noxious Weed  
21 Control Act.

22           Sec. 4. Section 2-958.02, Revised Statutes Cumulative  
23 Supplement, 2006, is amended to read:

24           2-958.02 (1) From funds available in the Noxious Weed and  
25 Invasive Plant Species Assistance Fund, the director may administer  
26 a grant program to assist local control authorities and other weed  
27 management entities in the cost of implementing and maintaining

1 noxious weed control programs and in addressing special weed  
2 control problems as provided in this section.

3 (2) The director shall receive applications by local  
4 control authorities and weed management entities for assistance  
5 under this subsection ~~section~~ and, in consultation with the  
6 advisory committee created under section 2-965.01, award grants  
7 for any of the following eligible purposes:

8 (a) To conduct applied research to solve locally  
9 significant weed management problems;

10 (b) To demonstrate innovative control methods or land  
11 management practices which have the potential to reduce landowner  
12 costs to control noxious weeds or improve the effectiveness of  
13 noxious weed control;

14 (c) To encourage the formation of weed management  
15 entities;

16 (d) To respond to introductions or infestations of  
17 invasive plants that threaten or potentially threaten the  
18 productivity of cropland and rangeland over a wide area;

19 (e) To respond to introductions and infestations of  
20 invasive plant species that threaten or potentially threaten the  
21 productivity and biodiversity of wildlife and fishery habitats on  
22 public and private lands;

23 (f) To respond to special weed control problems involving  
24 weeds not included in the list of noxious weeds promulgated by  
25 rule and regulation of the director if the director has approved a  
26 petition to bring such weeds under the county control program;

27 (g) To conduct monitoring or surveillance activities

1 to detect, map, or determine the distribution of invasive plant  
2 species and to determine susceptible locations for the introduction  
3 or spread of invasive plant species; and

4 (h) To conduct educational activities.

5 ~~(2)~~ (3) The director shall select and prioritize  
6 applications for assistance under subsection (2) of this section  
7 based on the following considerations:

8 (a) The seriousness of the noxious weed or invasive plant  
9 problem or potential problem addressed by the project;

10 (b) The ability of the project to provide timely  
11 intervention to save current and future costs of control and  
12 eradication;

13 (c) The likelihood that the project will prevent or  
14 resolve the problem or increase knowledge about resolving similar  
15 problems in the future;

16 (d) The extent to which the project will leverage federal  
17 funds and other nonstate funds;

18 (e) The extent to which the applicant has made progress  
19 in addressing noxious weed or invasive plant problems;

20 (f) The extent to which the project will provide a  
21 comprehensive approach to the control or eradication of noxious  
22 weeds;

23 (g) The extent to which the project will reduce the total  
24 population or area of infestation of a noxious weed;

25 (h) The extent to which the project uses the principles  
26 of integrated vegetation management and sound science; and

27 (i) Such other factors that the director determines to be

1 relevant.

2           (4) The director shall receive applications for grants  
3 under this subsection and shall award grants to recipients and  
4 programs eligible under this subsection. Priority shall be given  
5 to grant applicants whose proposed programs are consistent with  
6 the policy established in section 2 of this act. Beginning in  
7 fiscal year 2007-08, it is the intent of the Legislature to  
8 appropriate two million dollars annually for the management of  
9 vegetation within the banks of a natural stream or within one  
10 hundred feet of the banks of a channel of any natural stream.  
11 Such funds shall only be used to pay for activities and equipment  
12 as part of vegetation management programs that have as their  
13 primary objective improving conveyance of streamflow in natural  
14 streams. Grants from funds appropriated as provided in this  
15 subsection shall be disbursed only to weed management entities,  
16 including local weed control authorities and natural resources  
17 districts, whose territory includes one or more fully appropriated  
18 or overappropriated river basins as designated by the Department of  
19 Natural Resources with priority for the first year given to fully  
20 appropriated river basins that are the subject of an interstate  
21 compact or decree. The Game and Parks Commission shall assist grant  
22 recipients in implementing grant projects under this subsection,  
23 and interlocal agreements under the Interlocal Cooperation Act or  
24 the Joint Public Agency Act shall be utilized whenever possible in  
25 carrying out the grant projects. This subsection terminates June  
26 30, 2009.

27           ~~(3)~~ (5) Nothing in this section shall be construed to

1 relieve control authorities of their duties and responsibilities  
2 under the Noxious Weed Control Act or the duty of a person to  
3 control the spread of noxious weeds on lands owned and controlled  
4 by him or her.

5 ~~(4)~~ (6) The Department of Agriculture may adopt and  
6 promulgate necessary rules and regulations to carry out this  
7 section.

8 Sec. 5. Section 2-3202, Revised Statutes Cumulative  
9 Supplement, 2006, is amended to read:

10 2-3202 For purposes of Chapter 2, article 32, and  
11 sections 6 to 10 and 16 of this act, unless the context otherwise  
12 requires:

13 (1) Commission means the Nebraska Natural Resources  
14 Commission;

15 (2) Natural resources district or district means a  
16 natural resources district operating pursuant to Chapter 2, article  
17 32;

18 (3) Board means the board of directors of a district;

19 (4) Director means a member of the board;

20 (5) Other special-purpose districts means rural  
21 water districts, drainage districts, reclamation districts, and  
22 irrigation districts;

23 (6) Manager means the chief executive hired by a majority  
24 vote of the board to be the supervising officer of the district;  
25 and

26 (7) Department means the Department of Natural Resources.

27 Sec. 6. In order to implement its duties and obligations

1 under the Nebraska Ground Water Management and Protection Act  
2 and in addition to other powers authorized by law, the board  
3 of a district with jurisdiction that includes a river subject  
4 to an interstate compact among three or more states and that  
5 also includes one or more irrigation districts within the compact  
6 river basin may issue negotiable bonds and refunding bonds of  
7 the district and entitled river-flow enhancement bonds, with terms  
8 determined appropriate by the board, payable by (1) funds granted  
9 to such district by the state or federal government for one or more  
10 qualified projects, (2) the occupation tax authorized by section  
11 10 of this act, or (3) the levy authorized by section 2-3225.  
12 The district may issue the bonds or refunding bonds directly,  
13 or such bonds may be issued by any joint entity as defined in  
14 section 13-803 or by any joint public agency as defined in section  
15 13-2503 in connection with any joint project which is to be owned,  
16 operated, or financed by the joint entity or joint public agency  
17 for the benefit of the district. For the payment of such bonds  
18 or refunding bonds, the district may pledge one or more permitted  
19 payment sources.

20       Sec. 7. The authority to issue bonds for qualified  
21 projects granted in section 6 of this act terminates on January 1,  
22 2023, except that any bonds already issued and in existence for  
23 qualified projects shall continue to be authorized for the life of  
24 the bond and any subsequent refunding of a bond or bonds issued  
25 solely for the purposes of the original qualified project.

26       Sec. 8. The board of a district issuing bonds pursuant to  
27 section 6 of this act may agree to pay fees to fiscal agents in

1 connection with the placement of bonds of the district. Such bonds  
2 shall be subject to the same terms and conditions as provided by  
3 section 2-3254.07 for improvement project area bonds and such other  
4 terms and conditions as the board determines appropriate.

5           Sec. 9. The proceeds of bonds issued pursuant to section  
6 6 of this act shall only be used to pay or refinance the costs of  
7 (1) acquisition and ownership of water rights in accordance with  
8 Chapter 46, article 6, pertaining to ground water, and Chapter  
9 46, article 2, pertaining to surface water, including storage  
10 water rights with respect to a river or any of its tributaries,  
11 (2) acquisition by purchase or lease or the administration and  
12 management, pursuant to mutual agreement, of canals and other  
13 works, including reservoirs, constructed for irrigation from a  
14 river or any of its tributaries, (3) vegetation management,  
15 including, but not limited to, the removal of invasive species  
16 in or near a river or any of its tributaries, and (4) the  
17 augmentation of river flows.

18           Sec. 10. (1) The district may levy an occupation tax  
19 upon the activity of irrigation of agricultural lands within  
20 such district on an annual basis, not to exceed ten dollars per  
21 irrigated acre, for the purpose of repaying principal and interest  
22 on any bonds or refunding bonds issued pursuant to section 6 of  
23 this act for one or more projects under section 9 of this act.

24           (2) Acres classified by the county assessor as irrigated  
25 shall be subject to such district's occupation tax unless, on or  
26 before July 1, 2007, and on or before March 1 in each subsequent  
27 year, the record owner certifies to the district the nonirrigation



1 status of such acres.

2 (3) Any such occupation tax shall remain in effect so  
3 long as the district has bonds outstanding which have been issued  
4 stating such occupation tax as an available source for payment.

5 (4) Such occupation taxes shall be collected and  
6 accounted for by the county treasurer at the same time as general  
7 real estate taxes, and such occupation taxes shall be and remain a  
8 perpetual lien against such real estate until paid.

9 (5) Such lien shall be inferior only to general taxes  
10 levied by political subdivisions of the state. When such occupation  
11 taxes have become delinquent and the real property on which the  
12 irrigation took place has not been offered at any tax sale, the  
13 district may proceed in district court in the county in which the  
14 real estate is situated to foreclose in its own name the lien  
15 in the same manner and with like effect as a foreclosure of a  
16 real estate mortgage, except that sections 77-1903 to 77-1917 shall  
17 govern when applicable.

18 Sec. 11. Section 2-3225, Revised Statutes Cumulative  
19 Supplement, 2006, is amended to read:

20 2-3225 (1)(a) Each district shall have the power and  
21 authority to levy a tax of not to exceed four and one-half cents  
22 on each one hundred dollars of taxable valuation annually on all of  
23 the taxable property within such district unless a higher levy is  
24 authorized pursuant to section 77-3444.

25 (b) Each district shall also have the power and authority  
26 to levy a tax equal to the dollar amount by which its restricted  
27 funds budgeted to administer and implement ground water management

1 activities and integrated management activities under the Nebraska  
2 Ground Water Management and Protection Act exceed its restricted  
3 funds budgeted to administer and implement ground water management  
4 activities and integrated management activities for FY2003-04, not  
5 to exceed one cent on each one hundred dollars of taxable valuation  
6 annually on all of the taxable property within the district.

7 (c) In addition to the power and authority granted in  
8 subdivisions (1)(a) and (b) of this section, each district located  
9 in a river basin, subbasin, or reach that has been determined  
10 to be fully appropriated pursuant to section 46-714 or designated  
11 overappropriated pursuant to section 46-713 by the Department of  
12 Natural Resources shall also have the power and authority to  
13 levy a tax equal to the dollar amount by which its restricted  
14 funds budgeted to administer and implement ground water management  
15 activities and integrated management activities under the Nebraska  
16 Ground Water Management and Protection Act exceed its restricted  
17 funds budgeted to administer and implement ground water management  
18 activities and integrated management activities for FY2005-06, not  
19 to exceed three cents on each one hundred dollars of taxable  
20 valuation on all of the taxable property within the district for  
21 fiscal year 2006-07 and ~~not to exceed two cents on each one~~  
22 ~~hundred dollars of taxable valuation annually on all of the taxable~~  
23 ~~property within the district for fiscal years 2007-08 and 2008-09.~~  
24 and each fiscal year thereafter through fiscal year 2011-12.

25 (d) In addition to the power and authority granted in  
26 subdivisions (a) through (c) of this subsection, a district with  
27 jurisdiction that includes a river subject to an interstate compact

1 among three or more states and that also includes one or more  
2 irrigation districts within the compact river basin may annually  
3 levy a tax not to exceed ten cents per one hundred dollars of  
4 taxable valuation of all taxable property in the district for  
5 the payment of principal and interest on bonds and refunding  
6 bonds issued pursuant to section 6 of this act. Such levy is  
7 not includable in the computation of other limitations upon the  
8 district's tax levy.

9           (2) The proceeds of such tax shall be used, together with  
10 any other funds which the district may receive from any source, for  
11 the operation of the district. When adopted by the board, the levy  
12 shall be certified by the secretary to the county clerk of each  
13 county which in whole or in part is included within the district.  
14 Such levy shall be handled by the counties in the same manner  
15 as other levies, and proceeds shall be remitted to the district  
16 treasurer. Such levy shall not be considered a part of the general  
17 county levy and shall not be considered in connection with any  
18 limitation on levies of such counties.

19           Sec. 12. Section 2-3231, Reissue Revised Statutes of  
20 Nebraska, is amended to read:

21           2-3231 Each district shall have the power and authority  
22 to:

23           (1) Contract for the construction, preservation,  
24 operation, and maintenance of tunnels, reservoirs, regulating or  
25 reregulating basins, diversion works and canals, dams, drains,  
26 drainage systems, or other projects for a purpose mentioned in  
27 section 2-3229, and necessary works incident thereto, and to hold

1 the federal government or any agency thereof free from liability  
2 arising from any construction;

3 (2) Contract with the United States for a water supply  
4 and water distribution and drainage systems under any Act of  
5 Congress providing for or permitting such contract;

6 (3) Acquire by purchase, lease, or otherwise mutually  
7 arrange to administer and manage any project works undertaken by  
8 the United States or any of its agencies, or by this state or  
9 any of its agencies; ~~Provided,~~ except that this section shall  
10 not apply to any project being administered or managed by any  
11 public power district, public power and irrigation district, or  
12 metropolitan utilities district; and ~~reclamation district, or~~  
13 ~~irrigation district, and~~

14 (4) Act as agent of the United States, or any of its  
15 agencies, or for this state or any of its agencies, in connection  
16 with the acquisition, construction, operation, maintenance, or  
17 management of any project within its boundaries.

18 Sec. 13. Section 13-808, Revised Statutes Cumulative  
19 Supplement, 2006, is amended to read:

20 13-808 (1) Any joint entity may issue such types of bonds  
21 as its governing body may determine subject only to any agreement  
22 with the holders of outstanding bonds, including bonds as to which  
23 the principal and interest are payable exclusively from all or a  
24 portion of the revenue from one or more projects, from one or more  
25 revenue-producing contracts, including securities acquired from any  
26 person, bonds issued by any qualified public agency under the  
27 Public Facilities Construction and Finance Act, or leases made by

1 the joint entity with any person, including any of those public  
2 agencies which are parties to the agreement creating the joint  
3 entity, or from its revenue generally or which may be additionally  
4 secured by a pledge of any grant, subsidy, or contribution from any  
5 person or a pledge of any income or revenue, funds, or money of the  
6 joint entity from any source whatsoever or a mortgage or security  
7 interest in any real or personal property, commodity, product, or  
8 service or interest therein.

9 (2) Any bonds issued by such joint entity shall be  
10 issued on behalf of those public agencies which are parties to  
11 the agreement creating such joint entity and shall be authorized  
12 to be issued for the specific purpose or purposes for which  
13 the joint entity has been created. Such specific purposes may  
14 include, but shall not be limited to, joint projects authorized by  
15 the Public Facilities Construction and Finance Act; solid waste  
16 collection, management, and disposal; waste recycling; sanitary  
17 sewage treatment and disposal; public safety communications;  
18 correctional facilities; water treatment plants and distribution  
19 systems; drainage systems; flood control projects; fire protection  
20 services; ground water quality management and control; river-flow  
21 enhancement; education and postsecondary education; hospital and  
22 other health care services; bridges, roads, and streets; and law  
23 enforcement.

24 (3) As an alternative to issuing bonds for financing  
25 public safety communication projects, any joint entity may enter  
26 into a financing agreement with the Nebraska Investment Finance  
27 Authority for such purpose.

1           (4) Any joint entity formed for purposes of providing or  
2 assisting with the provision of public safety communications may  
3 enter into an agreement with any other joint entity relating to  
4 (a) the operation, maintenance, or management of the property or  
5 facilities of such joint entity or (b) the operation, maintenance,  
6 or management of the property or facilities of such other joint  
7 entity.

8           Sec. 14. Section 13-2530, Revised Statutes Cumulative  
9 Supplement, 2006, is amended to read:

10           13-2530 (1) Any joint public agency may issue such types  
11 of bonds as its board may determine subject only to any agreement  
12 with the holders of outstanding bonds, including bonds as to which  
13 the principal and interest are payable exclusively from all or  
14 a portion of the revenue from one or more projects, from one  
15 or more revenue-producing contracts, including securities acquired  
16 from any person, bonds issued by any qualified public agency under  
17 the Public Facilities Construction and Finance Act, or leases made  
18 by the joint public agency with any person, including any of  
19 the public agencies which are parties to the agreement creating  
20 the joint public agency, or from its revenue generally or which  
21 may be additionally secured by a pledge of any grant, subsidy,  
22 or contribution from any person or a pledge of any income or  
23 revenue, funds, or money of the joint public agency from any  
24 source whatsoever or a mortgage or security interest in any real  
25 or personal property, commodity, product, or service or interest  
26 therein.

27           (2) Any bonds issued by such joint public agency shall

1 be issued on behalf of the joint public agency solely for the  
2 specific purpose or purposes for which the joint public agency has  
3 been created. Such specific purposes may include, but shall not  
4 be limited to, joint projects authorized by the Public Facilities  
5 Construction and Finance Act; solid waste collection, management,  
6 and disposal; waste recycling; sanitary sewage treatment and  
7 disposal; public safety communications; correctional facilities;  
8 water treatment plants and distribution systems; drainage systems;  
9 flood control projects; fire protection services; ground water  
10 quality management and control; river-flow enhancement; education  
11 and postsecondary education; hospital and other health care  
12 services; bridges, roads, and streets; and law enforcement.

13 (3) As an alternative to issuing bonds for financing  
14 public safety communication projects, any joint public agency may  
15 enter into a financing agreement with the Nebraska Investment  
16 Finance Authority for such purpose.

17 (4) Any joint public agency formed for purposes of  
18 providing or assisting with the provision of public safety  
19 communications may enter into an agreement with any other joint  
20 public agency relating to (a) the operation, maintenance, or  
21 management of the property or facilities of such joint public  
22 agency or (b) the operation, maintenance, or management of the  
23 property or facilities of such other joint public agency.

24 Sec. 15. Section 46-229.04, Revised Statutes Cumulative  
25 Supplement, 2006, is amended to read:

26 46-229.04 (1) At ~~such~~ a hearing held pursuant to section  
27 46-229.03, the verified field investigation report of an employee

1 of the department, or such other report or information that  
2 is relied upon by the department to reach the preliminary  
3 determination of nonuse, shall be prima facie evidence for the  
4 forfeiture and annulment of such water appropriation. If no person  
5 appears at the hearing, such water appropriation or unused part  
6 thereof shall be declared forfeited and annulled. If an interested  
7 person appears and contests the same, the department shall hear  
8 evidence, and if it appears that such water has not been put to a  
9 beneficial use or has ceased to be used for such purpose for more  
10 than five consecutive years, the same shall be declared canceled  
11 and annulled unless the department finds that (a) there has been  
12 sufficient cause for such nonuse as provided for in subsection (2),  
13 (3), or (4) of this section or (b) subsection (5) or (6) of this  
14 section applies.

15 (2) Sufficient cause for nonuse shall be deemed to exist  
16 for up to thirty consecutive years if such nonuse was caused by the  
17 unavailability of water for that use. For a river basin, subbasin,  
18 or reach that has been designated as overappropriated pursuant  
19 to section 46-713 or determined by the department to be fully  
20 appropriated pursuant to section 46-714, the period of time within  
21 which sufficient cause for nonuse because of the unavailability  
22 of water may be deemed to exist may be extended beyond thirty  
23 years by the department upon petition therefor by the owner of  
24 the appropriation if the department determines that an integrated  
25 management plan being implemented in the river basin, subbasin, or  
26 reach involved is likely to result in restoration of a usable water  
27 supply for the appropriation.



1           (3) Sufficient cause for nonuse shall be deemed to exist  
2 indefinitely if such nonuse was the result of one or more of the  
3 following:

4           (a) For any tract of land under separate ownership, the  
5 available supply was used but on only part of the land under the  
6 appropriation because of an inadequate water supply;

7           (b) The appropriation is a storage appropriation and  
8 there was an inadequate water supply to provide the water for the  
9 storage appropriation or less than the full amount of the storage  
10 appropriation was needed to keep the reservoir full; or

11           (c) The appropriation is a storage-use appropriation and  
12 there was an inadequate water supply to provide the water for the  
13 appropriation or use of the storage water was unnecessary because  
14 of climatic conditions.

15           (4) Sufficient cause for nonuse shall be deemed to exist  
16 for up to fifteen consecutive years if such nonuse was a result of  
17 one or more of the following:

18           (a) Federal, state, or local laws, rules, or regulations  
19 temporarily prevented or restricted such use;

20           (b) Use of the water was unnecessary because of climatic  
21 conditions;

22           (c) Circumstances were such that a prudent person,  
23 following the principles of good husbandry, would not have been  
24 expected to use the water;

25           (d) The works, diversions, or other facilities essential  
26 to use the water were destroyed by a cause not within the control  
27 of the owner of the appropriation and good faith efforts to repair

1 or replace the works, diversions, or facilities have been and are  
2 being made;

3 (e) The owner of the appropriation was in active  
4 involuntary service in the armed forces of the United States  
5 or was in active voluntary service during a time of crisis;

6 (f) Legal proceedings prevented or restricted use of the  
7 water; or

8 (g) The land subject to the appropriation is under  
9 an acreage reserve program or production quota or is otherwise  
10 withdrawn from use as required for participation in any federal or  
11 state program or such land previously was under such a program but  
12 currently is not under such a program and there have been not more  
13 than five consecutive years of nonuse on that land since that land  
14 was last under that program.

15 The department may specify by rule and regulation other  
16 circumstances that shall be deemed to constitute sufficient cause  
17 for nonuse for up to fifteen years.

18 (5) When an appropriation is held in the name of an  
19 irrigation district, a reclamation district, a public power and  
20 irrigation district, ~~or~~ a mutual irrigation company or canal  
21 company, or the United States Bureau of Reclamation and the  
22 director determines that water under that appropriation has not  
23 been used on a specific parcel of land for more than five years and  
24 that no sufficient cause for such nonuse exists, the right to use  
25 water under that appropriation on that parcel shall be terminated  
26 and notice of the termination shall be posted on the department's  
27 web site and shall be given in the manner provided in subsection

1 (2), (3), or (4) of section 46-229.03. The district or company  
2 holding such right shall have five years after the determination,  
3 or five years after an order of cancellation issued by the  
4 department following the filing of a voluntary relinquishment of  
5 the water appropriation that has been signed by the landowner and  
6 the appropriator of record, to assign the right to use that portion  
7 of the appropriation to other land within the district or the  
8 area served by the company, to file an application for a transfer  
9 in accordance with section 46-290, or to transfer the right in  
10 accordance with sections 46-2,127 to 46-2,129. The department  
11 shall issue its order of cancellation within sixty days after  
12 receipt of the voluntary relinquishment unless the relinquishment  
13 is conditioned by the landowner upon an action of a governmental  
14 agency. If the relinquishment contains such a provision, the  
15 department shall issue its order of cancellation within sixty days  
16 after receipt of notification that such action has been completed.  
17 The department shall be notified of any such assignment within  
18 thirty days after such assignment. If the district or company does  
19 not assign the right to use that portion of the appropriation to  
20 other land, does not file an application for a transfer within the  
21 five-year period, or does not notify the department within thirty  
22 days after any such assignment, that portion of the appropriation  
23 shall be canceled without further proceedings by the department  
24 and the district or company involved shall be so notified by the  
25 department. During the time within which assignment of a portion  
26 of an appropriation is pending, the allowable diversion rate for  
27 the appropriation involved shall be reduced, as necessary, to avoid

1 inconsistency with the rate allowed by section 46-231 or with any  
2 greater rate previously approved for such appropriation by the  
3 director in accordance with section 46-229.06.

4 (6) When it is determined by the director that an  
5 appropriation, for which the location of use has been temporarily  
6 transferred in accordance with sections 46-290 to 46-294, has not  
7 been used at the new location for more than five years and that  
8 no sufficient cause for such nonuse exists, the right to use that  
9 appropriation at the temporary location of use shall be terminated.  
10 Notice of that termination shall be posted on the department's  
11 web site and shall be given in the manner provided in subsection  
12 (2), (3), or (4) of section 46-229.03. The right to reinitiate  
13 use of that appropriation at the location of use prior to the  
14 temporary transfer shall continue to exist for five years after the  
15 director's determination, but if such use is not reinitiated at  
16 that location within such five-year period, the appropriation shall  
17 be subject to cancellation in accordance with sections 46-229 to  
18 46-229.04.

19 (7) If at the time of a hearing conducted in accordance  
20 with subsection (1) of this section there is an application for  
21 incidental or intentional underground water storage pending before  
22 the department and filed by the owner of the appropriation, the  
23 proceedings shall be consolidated.

24 Sec. 16. (1) Whenever a natural resources district  
25 imposes an immediate temporary stay for one hundred eighty days in  
26 accordance with subsection (2) of section 46-707, the director may  
27 place an immediate temporary stay without prior notice or hearing

1 on the issuance of new surface water natural-flow appropriations  
2 for one hundred eighty days in the area, river basin, subbasin,  
3 or reach of the same area included in the natural resources  
4 district's temporary stay, except that the director shall not place  
5 a temporary stay on new surface water natural-flow appropriations  
6 that are necessary to alleviate an emergency situation involving  
7 the provision of water for human consumption or public health or  
8 safety.

9           (2) The department shall hold at least one public hearing  
10 on the matter within the affected area within the period of  
11 the one-hundred-eighty-day temporary stay, with the notice of  
12 hearing given as provided in section 46-743, prior to making a  
13 determination as to imposing a stay or conditions in accordance  
14 with section 46-234 and subsection (12) of section 46-714. The  
15 department may hold the public hearing in conjunction with the  
16 natural resources district's hearing.

17           (3) Within forty-five days after a hearing pursuant to  
18 this section, the department shall decide whether to exempt from  
19 the immediate temporary stay the issuance of appropriations for  
20 which applications were pending prior to the declaration commencing  
21 the stay but for which the application was not approved prior to  
22 such date, to continue the stay, or to allow the issuance of new  
23 surface water appropriations.

24           Sec. 17. Section 46-601.01, Reissue Revised Statutes of  
25 Nebraska, is amended to read:

26           46-601.01 For purposes of Chapter 46, article 6:

27           ~~(1)~~ (1)(a) Water well means any excavation that is

1 drilled, cored, bored, washed, driven, dug, jetted, or otherwise  
2 constructed for the purpose of exploring for ground water,  
3 monitoring ground water, utilizing the geothermal properties of  
4 the ground, obtaining hydrogeologic information, or extracting  
5 water from or injecting fluid as defined in section 81-1502 into  
6 the underground water reservoir.

7 (b) Water well includes any excavation made for any  
8 purpose if ground water flows into the excavation under natural  
9 pressure and a pump or other device is placed in the excavation  
10 for the purpose of withdrawing water from the excavation for  
11 irrigation. For such excavations, construction means placing a pump  
12 or other device into the excavation for the purpose of withdrawing  
13 water for irrigation.

14 (c) Water well does not include (i) any excavation  
15 made for obtaining or prospecting for oil or natural gas or for  
16 inserting media to repressure oil or natural gas bearing formations  
17 regulated by the Nebraska Oil and Gas Conservation Commission or  
18 (ii) any structure requiring a permit by the Department of Natural  
19 Resources used to exercise surface water appropriation; and

20 (2) Common carrier means any carrier of water including a  
21 pipe, canal, ditch, or other means of piping or adjoining water for  
22 irrigation purposes.

23 Sec. 18. Section 46-602, Revised Statutes Cumulative  
24 Supplement, 2006, is amended to read:

25 46-602 (1) Each water well completed in this state on  
26 or after July 1, 2001, excluding test holes and dewatering wells  
27 to be used for less than ninety days, shall be registered with

1 the Department of Natural Resources as provided in this section  
2 within sixty days after completion of construction of the water  
3 well. The water well contractor as defined in section 46-1213  
4 constructing the water well, or the owner of the water well if  
5 the owner constructed the water well, shall file the registration  
6 on a form made available by the department and shall also file  
7 with the department the information from the well log required  
8 pursuant to section 46-1241. The department shall, by January 1,  
9 2002, provide water well contractors with the option of filing such  
10 registration forms electronically. No signature shall be required  
11 on forms filed electronically. The fee required by subsection (3)  
12 of section 46-1224 shall be the source of funds for any required  
13 fee to a contractor which provides the on-line services for such  
14 registration. Any discount in the amount paid the state by a credit  
15 card, charge card, or debit card company or a third-party merchant  
16 bank for such registration fees shall be deducted from the portion  
17 of the registration fee collected pursuant to section 46-1224.

18 (2)(a) If the newly constructed water well is a  
19 replacement water well, the registration form shall include  
20 (i) the registration number of the water well being replaced,  
21 if applicable, and (ii) the date the original water well was  
22 decommissioned or a certification that the water well will be  
23 decommissioned within one hundred eighty days or a certification  
24 that the original water well will be modified and equipped to  
25 pump fifty gallons per minute or less and will be used only for  
26 livestock, monitoring, observation, or any other nonconsumptive  
27 use or de ~~minimus~~ minimis use approved by the applicable natural

1 resources district.

2 (b) For purposes of this section, replacement water well  
3 means a water well which is constructed to provide water for  
4 the same purpose as the original water well and is operating in  
5 accordance with any applicable permit from the department and any  
6 applicable rules and regulations of the natural resources district  
7 and, if the purpose is for irrigation, the replacement water well  
8 delivers water to the same tract of land served by the original  
9 water well and (i) replaces ~~an abandoned~~ a decommissioned water  
10 well within ~~three years~~ one hundred eighty days after the last  
11 ~~operation~~ decommissioning of the ~~abandoned~~ original water well, and  
12 ~~the original water well is decommissioned either before or within~~  
13 ~~one hundred eighty days after such construction,~~ (ii) replaces a  
14 water well that has not been ~~abandoned~~ decommissioned but will not  
15 be used after construction of the new water well and the original  
16 water well will be decommissioned within one hundred eighty days  
17 after such construction, except that in the case of a municipal  
18 water well, the original municipal water well may be used after  
19 construction of the new water well but shall be decommissioned  
20 within one year after completion of the replacement water well, or  
21 (iii) the original water well will continue to be used but will  
22 be modified and equipped within one hundred eighty days after such  
23 construction of the replacement water well to pump fifty gallons  
24 per minute or less and will be used only for livestock, monitoring,  
25 observation, or any other nonconsumptive or de ~~minimus~~ minimis use  
26 ~~and~~ approved by the applicable natural resources district.

27 (c) No water well shall be registered as a replacement



1 water well until the Department of Natural Resources has received  
2 a properly completed notice of decommissioning for the water well  
3 being replaced on a form made available by the department, or  
4 properly completed notice, prepared in accordance with subsection  
5 (7) of this section, of the modification and equipping of the  
6 original water well to pump fifty gallons per minute or less  
7 for use only for livestock, monitoring, observation, or any other  
8 nonconsumptive or de ~~minimus~~ minimis use approved by the applicable  
9 natural resources district. Such notices, as required, shall be  
10 completed by (i) the water well contractor as defined in section  
11 46-1213 who decommissions the water well or modifies and equips  
12 the water well, (ii) the pump installation contractor as defined  
13 in section 46-1209 who decommissions the water well or modifies  
14 and equips the water well, or (iii) the owner if the owner  
15 decommissions a driven sandpoint well which is on land owned by him  
16 or her for farming, ranching, or agricultural purposes or as his  
17 or her place of abode. The Department of Health and Human Services  
18 Regulation and Licensure shall, by rule and regulation, determine  
19 which contractor or owner shall be responsible for such notice  
20 in situations in which more than one contractor or owner may be  
21 required to provide notice under this subsection.

22 (3) For a series of two or more water wells completed and  
23 pumped into a common carrier as part of a single site plan for  
24 irrigation purposes, a registration form and a detailed site plan  
25 shall be filed for each water well. The registration form shall  
26 include the registration numbers of other water wells included in  
27 the series if such water wells are already registered.

1           (4) A series of water wells completed for purposes  
2 of installation of a ground heat exchanger for a structure  
3 for utilizing the geothermal properties of the ground shall be  
4 considered as one water well. One registration form and a detailed  
5 site plan shall be filed for each such series.

6           (5) One registration form shall be required along with  
7 a detailed site plan which shows the location of each such water  
8 well in the site and a log from each such water well for water  
9 wells constructed as part of a single site plan for (a) monitoring  
10 ground water, obtaining hydrogeologic information, or extracting  
11 contaminants from the ground, (b) water wells constructed as part  
12 of remedial action approved by the Department of Environmental  
13 Quality pursuant to section 66-1525, 66-1529.02, or 81-15,124, and  
14 (c) water well owners who have a permit issued pursuant to the  
15 Industrial Ground Water Regulatory Act and also have an underground  
16 injection control permit issued by the Department of Environmental  
17 Quality.

18           (6) The Department of Natural Resources shall be notified  
19 by the owner of any change in the ownership of a water well  
20 required to be registered under this section. Notification shall be  
21 in such form and include such evidence of ownership as the Director  
22 of Natural Resources by rule and regulation directs. The department  
23 shall use such notice to update the registration on file. The  
24 department shall not collect a fee for the filing of the notice.

25           (7) The water well contractor or pump installation  
26 contractor responsible therefor shall notify the department within  
27 sixty days on a form provided by the department of any pump

1 installation or any modifications to the construction of the water  
2 well or pump, after the initial registration of the well. For  
3 a change of use resulting in modification and equipping of an  
4 original water well which is being replaced in accordance with  
5 subsection (2) of this section, the water well contractor or pump  
6 installation contractor shall notify the department within sixty  
7 days on a form provided by the department of the water well and  
8 pump modifications and equipping of the original water well. A  
9 water well owner shall notify the department within sixty days on  
10 a form provided by the department of any other changes or any  
11 inaccuracies in recorded water well information, including, but not  
12 limited to, changes in use. The department shall not collect a fee  
13 for the filing of the notice.

14 (8) Whenever a water well becomes an illegal water well  
15 as defined in section 46-706, the owner of the water well shall  
16 either correct the deficiency that causes the well to be an  
17 illegal water well or shall cause the proper decommissioning of  
18 the water well in accordance with rules and regulations adopted  
19 pursuant to the Water Well Standards and Contractors' Licensing  
20 Act. The water well contractor who decommissions the water well,  
21 the pump installation contractor who decommissions the water well,  
22 or the owner if the owner decommissions a driven sandpoint well  
23 which is on land owned by him or her for farming, ranching, or  
24 agricultural purposes or as his or her place of abode, shall  
25 provide a properly completed notice of ~~abandonment~~ decommissioning  
26 to the Department of Natural Resources within sixty days. The  
27 Department of Health and Human Services Regulation and Licensure

1 shall, by rule and regulation, determine which contractor or owner  
2 shall be responsible for such notice in situations in which more  
3 than one contractor or owner may be required to provide notice  
4 under this subsection. The Department of Natural Resources shall  
5 not collect a fee for the filing of the notice.

6 (9) Except for water wells which are used solely for  
7 domestic purposes and were constructed before September 9, 1993,  
8 and for test holes and dewatering wells used for less than ninety  
9 days, each water well which was completed in this state before  
10 July 1, 2001, and which is not registered on that date shall be an  
11 illegal water well until it is registered with the Department of  
12 Natural Resources. Such registration shall be completed by a water  
13 well contractor or by the current owner of the water well, shall  
14 be on forms provided by the department, and shall provide as much  
15 of the information required by subsections (1) through (5) of this  
16 section for registration of a new water well as is possible at the  
17 time of registration.

18 (10) Water wells which are or were used solely for  
19 injecting any fluid other than water into the underground water  
20 reservoir, which were constructed before July 16, 2004, and which  
21 have not been properly decommissioned on or before July 16, 2004,  
22 shall be registered on or before July 1, 2005.

23 (11) Water wells described in subdivision (1)(b) of  
24 section 46-601.01 shall be registered with the Department of  
25 Natural Resources as provided in subsection (1) of this section  
26 within sixty days after the water well is constructed. Water wells  
27 described in subdivision (1)(b) of section 46-601.01 which were

1 constructed prior to the effective date of this act shall be  
2 registered within one hundred eighty days after such date.

3           Sec. 19. Section 46-609, Reissue Revised Statutes of  
4 Nebraska, is amended to read:

5           46-609 (1) Except as otherwise provided by this section  
6 or section 46-610, no irrigation water well shall be ~~drilled~~  
7 constructed upon any land in this state within six hundred feet of  
8 any registered irrigation water well and no existing nonirrigation  
9 water well within six hundred feet of any registered irrigation  
10 water well shall be used for irrigation purposes. Such spacing  
11 requirement shall not apply to (a) any water well used to irrigate  
12 two acres or less or (b) any replacement irrigation water well  
13 if it is ~~drilled~~ constructed within fifty feet of the irrigation  
14 water well being replaced and if the water well being replaced was  
15 ~~drilled~~ constructed prior to September 20, 1957, and is less than  
16 six hundred feet from a registered irrigation water well.

17           (2) The spacing protection of subsection (1) of this  
18 section shall apply to an unregistered water well for a period of  
19 sixty days after completion of such water well.

20           (3) No person shall use a water well for purposes other  
21 than its registered purpose until the water well registration has  
22 been changed to the intended new use, except that a person may  
23 use a water well registered for purposes other than its intended  
24 purpose for use for livestock, monitoring, observation, or any  
25 other nonconsumptive or de minimis use approved by the applicable  
26 natural resources district. The change to a new use shall be  
27 made by filing a water well registration modification with the

1 Department of Natural Resources and shall be approved only if the  
2 water well is in conformity with subsection (1) of this section and  
3 with section 46-651.

4           Sec. 20. Section 46-644, Reissue Revised Statutes of  
5 Nebraska, is amended to read:

6           46-644 Permits granted by the Director of Natural  
7 Resources shall be valid for a period of five years after the  
8 granting of a permit and as long thereafter as the water for  
9 which the permit is granted is used. For the purposes of the  
10 Municipal and Rural Domestic Ground Water Transfers Permit Act,  
11 the commencement of construction of facilities to provide water  
12 for beneficial use shall be deemed the date of the commencement of  
13 beneficial use. If it appears that the holder of a permit granted  
14 under the act has not used water for a beneficial purpose and in  
15 accordance with the terms of the permit for more than ~~three~~ five  
16 years, such permit may be revoked or modified by the director. The  
17 procedure for such revocation or modification shall be the same as  
18 that provided for in sections 46-229.02 to 46-229.05.

19           Sec. 21. Section 46-707, Reissue Revised Statutes of  
20 Nebraska, is amended to read:

21           46-707 (1) Regardless of whether or not any portion of  
22 a district has been designated as a management area, in order  
23 to administer and enforce the Nebraska Ground Water Management  
24 and Protection Act and to effectuate the policy of the state to  
25 conserve ground water resources, a district may:

26           ~~(1)~~ (a) Adopt and promulgate rules and regulations  
27 necessary to discharge the administrative duties assigned in the

1 act;

2 ~~(2)~~ (b) Require such reports from ground water users as  
3 may be necessary;

4 ~~(3)~~ (c) Require meters to be placed on any water wells  
5 for the purpose of acquiring water use data;

6 ~~(4)~~ (d) Require decommissioning of water wells that are  
7 not properly classified as active status water wells as defined in  
8 section 46-1204.02 or inactive status water wells as defined in  
9 section 46-1207.02;

10 ~~(5)~~ (e) Conduct investigations and cooperate or contract  
11 with agencies of the United States, agencies or political  
12 subdivisions of this state, public or private corporations, or  
13 any association or individual on any matter relevant to the  
14 administration of the act;

15 ~~(6)~~ (f) Report to and consult with the Department  
16 of Environmental Quality on all matters concerning the entry  
17 of contamination or contaminating materials into ground water  
18 supplies; and

19 ~~(7)~~ (g) Issue cease and desist orders, following ten  
20 days' notice to the person affected stating the contemplated action  
21 and in general the grounds for the action and following reasonable  
22 opportunity to be heard, to enforce any of the provisions of the  
23 act or of orders or permits issued pursuant to the act, to initiate  
24 suits to enforce the provisions of orders issued pursuant to the  
25 act, and to restrain the construction of illegal water wells or the  
26 withdrawal or use of water from illegal water wells.

27 Before any rule or regulation is adopted pursuant to

1 this ~~section~~, subsection, a public hearing shall be held within  
2 the district. Notice of the hearing shall be given as provided in  
3 section 46-743.

4 (2) In addition to the powers enumerated in subsection  
5 (1) of this section, a district may impose an immediate temporary  
6 stay for a period of one hundred eighty days on the construction  
7 of any new water well and on any increase in the number of  
8 acres historically irrigated, without prior notice or hearing, upon  
9 adoption of a resolution by the board finding that such temporary  
10 immediate stay is necessary. The district shall hold at least  
11 one public hearing on the matter within the district during such  
12 one hundred eighty days, with the notice of the hearing given  
13 as provided in section 46-743, prior to making a determination  
14 as to imposing a permanent stay or conditions in accordance with  
15 subsections (1) and (6) of section 46-739. Within forty-five days  
16 after a hearing pursuant to this subsection, the district shall  
17 decide whether to exempt from the immediate temporary stay the  
18 construction of water wells for which permits were issued prior  
19 to the date of the resolution commencing the stay but for which  
20 construction had not begun prior to such date. If construction of  
21 such water wells is allowed, all permits that were valid when the  
22 stay went into effect shall be extended by a time period equal to  
23 the length of the stay and such water wells shall otherwise be  
24 completed in accordance with section 46-738. Water wells listed in  
25 subsection (3) of section 46-714 are exempt from this subsection.

26 Sec. 22. Section 46-715, Revised Statutes Cumulative  
27 Supplement, 2006, is amended to read:



1                   46-715   (1)   Whenever   the   Department   of   Natural  
2   Resources   has   designated   a   river   basin,   subbasin,   or   reach   as  
3   overappropriated   or   has   made   a   final   determination   that   a   river  
4   basin,   subbasin,   or   reach   is   fully   appropriated,   the   natural  
5   resources   districts   encompassing   such   river   basin,   subbasin,   or  
6   reach   and   the   department   shall   jointly   develop   an   integrated  
7   management   plan   for   such   river   basin,   subbasin,   or   reach.   The   plan  
8   shall   be   completed,   adopted,   and   take   effect   within   three   years  
9   after   such   designation   or   final   determination   unless   the   department  
10   and   the   natural   resources   districts   jointly   agree   to   an   extension  
11   of   not   more   than   two   additional   years.

12                   (2)   In   developing   an   integrated   management   plan,   the  
13   effects   of   existing   and   potential   new   water   uses   on   existing  
14   surface   water   appropriators   and   ground   water   users   shall   be  
15   considered.   An   integrated   management   plan   shall   include   the  
16   following:   (a)   Clear   goals   and   objectives   with   a   purpose   of  
17   sustaining   a   balance   between   water   uses   and   water   supplies   so   that  
18   the   economic   viability,   social   and   environmental   health,   safety,  
19   and   welfare   of   the   river   basin,   subbasin,   or   reach   can   be   achieved  
20   and   maintained   for   both   the   near   term   and   the   long   term;   (b)  
21   a   map   clearly   delineating   the   geographic   area   subject   to   the  
22   integrated   management   plan;   (c)   one   or   more   of   the   ground   water  
23   controls   authorized   for   adoption   by   natural   resources   districts  
24   pursuant   to   section   46-739;   (d)   one   or   more   of   the   surface   water  
25   controls   authorized   for   adoption   by   the   department   pursuant   to  
26   section   46-716;   and   (e)   a   plan   to   gather   and   evaluate   data,  
27   information,   and   methodologies   that   could   be   used   to   implement

1 sections 46-715 to 46-717, increase understanding of the surface  
2 water and hydrologically connected ground water system, and test  
3 the validity of the conclusions and information upon which the  
4 integrated management plan is based. The plan may also provide for  
5 utilization of any applicable incentive programs authorized by law.  
6 Nothing in the integrated management plan for a fully appropriated  
7 river basin, subbasin, or reach shall require a natural resources  
8 district to regulate ground water uses in place at the time of  
9 the department's preliminary determination that the river basin,  
10 subbasin, or reach is fully appropriated, but a natural resources  
11 district may voluntarily adopt such regulations. The applicable  
12 natural resources district may decide to include all water users  
13 within the district boundary in an integrated management plan.

14 (3) The ground water and surface water controls proposed  
15 for adoption in the integrated management plan pursuant to  
16 subsection (1) of this section shall, when considered together  
17 and with any applicable incentive programs, (a) be consistent with  
18 the goals and objectives of the plan, (b) be sufficient to ensure  
19 that the state will remain in compliance with applicable state and  
20 federal laws and with any applicable interstate water compact or  
21 decree or other formal state contract or agreement pertaining to  
22 surface water or ground water use or supplies, and (c) protect the  
23 ground water users whose water wells are dependent on recharge from  
24 the river or stream involved and the surface water appropriators on  
25 such river or stream from streamflow depletion caused by surface  
26 water uses and ground water uses begun after the date the river  
27 basin, subbasin, or reach was designated as overappropriated or

1 was preliminarily determined to be fully appropriated in accordance  
2 with section 46-713.

3 (4) (a) In any river basin, subbasin, or reach that is  
4 designated as overappropriated, when the designated area lies  
5 within two or more natural resources districts, the department and  
6 the affected natural resources districts shall jointly develop a  
7 basin-wide plan for the area designated as overappropriated. Such  
8 plan shall be developed using the consultation and collaboration  
9 process described in subdivision (b) of this subsection, shall  
10 be developed concurrently with the development of the integrated  
11 management plan required pursuant to subsections (1) through (3) of  
12 this section, and shall be designed to achieve, in the incremental  
13 manner described in subdivision (d) of this subsection, the goals  
14 and objectives described in subsection (2) of this section. The  
15 basin-wide plan shall be adopted after hearings by the department  
16 and the affected natural resources districts.

17 (b) In any river basin, subbasin, or reach designated  
18 as overappropriated and subject to this subsection, the department  
19 and each natural resources district encompassing such river basin,  
20 subbasin, or reach shall jointly develop an integrated management  
21 plan for such river basin, subbasin, or reach pursuant to  
22 subsections (1) through (3) of this section. Each integrated  
23 management plan for a river basin, subbasin, or reach subject  
24 to this subsection shall be consistent with any basin-wide plan  
25 developed pursuant to subdivision (a) of this subsection. Such  
26 integrated management plan shall be developed after consultation  
27 and collaboration with irrigation districts, reclamation districts,

1 public power and irrigation districts, mutual irrigation companies,  
2 canal companies, and municipalities that rely on water from  
3 within the affected area and that, after being notified of the  
4 commencement of the plan development process, indicate in writing  
5 their desire to participate in such process. In addition, the  
6 department or the affected natural resources districts may include  
7 designated representatives of other stakeholders. If agreement  
8 is reached by all parties involved in such consultation and  
9 collaboration process, the department and each natural resources  
10 district shall adopt the agreed-upon integrated management plan. If  
11 agreement cannot be reached by all parties involved, the integrated  
12 management plan shall be developed and adopted by the department  
13 and the affected natural resources district pursuant to sections  
14 46-715 to 46-718 or by the Interrelated Water Review Board pursuant  
15 to section 46-719.

16 (c) Any integrated management plan developed under  
17 this subsection shall identify the overall difference between  
18 the current and fully appropriated levels of development. Such  
19 determination shall take into account cyclical supply, including  
20 drought, identify the portion of the overall difference between the  
21 current and fully appropriated levels of development that is due  
22 to conservation measures, and identify the portions of the overall  
23 difference between the current and fully appropriated levels of  
24 development that are due to water use initiated prior to July 1,  
25 1997, and to water use initiated on or after such date.

26 (d) Any integrated management plan developed under this  
27 subsection shall adopt an incremental approach to achieve the goals

1 and objectives identified under subdivision (2)(a) of this section  
2 using the following steps:

3 (i) The first incremental goals shall be to address the  
4 impact of streamflow depletions to (A) surface water appropriations  
5 and (B) water wells constructed in aquifers dependent upon recharge  
6 from streamflow, to the extent those depletions are due to water  
7 use initiated after July 1, 1997, and, unless an interstate  
8 cooperative agreement for such river basin, subbasin, or reach is  
9 no longer in effect, to prevent streamflow depletions that would  
10 cause noncompliance by Nebraska with such interstate cooperative  
11 agreement. During the first increment, the department and the  
12 affected natural resources districts shall also pursue voluntary  
13 efforts, subject to the availability of funds, to offset any  
14 increase in streamflow depletive effects that occur after July 1,  
15 1997, but are caused by ground water uses initiated prior to such  
16 date. The department and the affected natural resources districts  
17 may also use other appropriate and authorized measures for such  
18 purpose;

19 (ii) The department and the affected natural resources  
20 districts may amend an integrated management plan subject to this  
21 subsection (4) as necessary based on an annual review of the  
22 progress being made toward achieving the goals for that increment;

23 (iii) During the ten years following adoption of an  
24 integrated management plan developed under this subsection (4)  
25 or during the ten years after the adoption of any subsequent  
26 increment of the integrated management plan pursuant to subdivision  
27 (d)(iv) of this subsection, the department and the affected natural

1 resources district shall conduct a technical analysis of the  
2 actions taken in such increment to determine the progress towards  
3 meeting the goals and objectives adopted pursuant to subsection (2)  
4 of this section. The analysis shall include an examination of (A)  
5 available supplies and changes in long-term availability, (B) the  
6 effects of conservation practices and natural causes, including,  
7 but not limited to, drought, and (C) the effects of the plan  
8 on reducing the overall difference between the current and fully  
9 appropriated levels of development identified in subdivision (4)(c)  
10 of this section. The analysis shall determine whether a subsequent  
11 increment is necessary in the integrated management plan to meet  
12 the goals and objectives adopted pursuant to subsection (2) of this  
13 section and reduce the overall difference between the current and  
14 fully appropriated levels of development identified in subdivision  
15 (4)(c) of this section;

16 (iv) Based on the determination made in subdivision  
17 (d)(iii) of this subsection, the department and the affected  
18 natural resources districts, utilizing the consultative and  
19 collaborative process described in subdivision (b) of this  
20 subsection, shall if necessary identify goals for a subsequent  
21 increment of the integrated management plan. Subsequent increments  
22 shall be completed, adopted, and take effect not more than ten  
23 years after adoption of the previous increment; and

24 (v) If necessary, the steps described in subdivisions  
25 (d)(ii) through (iv) of this subsection shall be repeated until  
26 the department and the affected natural resources districts agree  
27 that the goals and objectives identified pursuant to subsection

1 (2) of this section have been met and the overall difference  
2 between the current and fully appropriated levels of development  
3 identified in subdivision (4)(c) of this section has been addressed  
4 so that the river basin, subbasin, or reach has returned to a fully  
5 appropriated condition.

6 (5) In any river basin, subbasin, or reach that is  
7 designated as fully appropriated or overappropriated and whenever  
8 necessary to ensure that the state is in compliance with an  
9 interstate compact or decree or a formal state contract or  
10 agreement, the department, in consultation with the affected  
11 districts, shall forecast on an annual basis the maximum amount  
12 of water that may be available from streamflow for beneficial  
13 use in the short term and long term in order to comply with  
14 the requirement of subdivision (3)(b) of this section. This  
15 determination shall be made by January 1, 2008, and each January 1  
16 thereafter.

17 Sec. 23. Section 46-1212, Reissue Revised Statutes of  
18 Nebraska, is amended to read:

19 46-1212 Water well shall mean any excavation that is  
20 drilled, cored, bored, washed, driven, dug, jetted, or otherwise  
21 constructed for the purpose of exploring for ground water,  
22 monitoring ground water, utilizing the geothermal properties of  
23 the ground, obtaining hydrogeologic information, or extracting  
24 water from or injecting fluid as defined in section 81-1502 into  
25 the underground water reservoir. Water well shall not include any  
26 excavation made for obtaining or prospecting for oil or natural gas  
27 or for inserting media to repressure oil or natural gas bearing

1 ~~formations regulated by the Nebraska Oil and Gas Conservation~~  
2 ~~Commission. described in subdivisions (1)(b) and (1)(c) of section~~  
3 ~~46-601.01.~~

4 Sec. 24. (1) The Water Resources Cash Fund is created.  
5 The fund shall be administered by the Department of Natural  
6 Resources. Any money in the fund available for investment shall be  
7 invested by the state investment officer pursuant to the Nebraska  
8 Capital Expansion Act and the Nebraska State Funds Investment Act.

9 (2) The State Treasurer shall credit to the fund such  
10 money as is (a) transferred to the fund by the Legislature, (b)  
11 paid to the state as fees, deposits, payments, and repayments  
12 relating to the fund, both principal and interest, (c) donated as  
13 gifts, bequests, or other contributions to such fund from public or  
14 private entities, (d) made available by any department or agency of  
15 the United States if so directed by such department or agency, and  
16 (e) credited to the fund from the excise taxes imposed by section  
17 66-1345.01 beginning January 1, 2013.

18 (3) The fund shall be expended by the department to  
19 (a) aid management actions taken to reduce consumptive uses of  
20 water in river basins, subbasins, or reaches which are deemed  
21 by the department overappropriated pursuant to section 46-713 or  
22 fully appropriated pursuant to section 46-714 or are bound by  
23 an interstate compact or decree or a formal state contract or  
24 agreement and (b) the extent funds are not expended pursuant to  
25 subdivision (a) of this subsection, the department may conduct a  
26 statewide assessment of short-term and long-term water management  
27 activities and funding needs to meet statutory requirements in



1 sections 46-713 to 46-718 and 46-739 and any requirements of an  
2 interstate compact or decree or formal state contract or agreement.  
3 The fund shall not be used to pay for administrative expenses or  
4 any salaries for the department or any political subdivision.

5 (4) It is the intent of the Legislature that two million  
6 seven hundred thousand dollars be transferred each fiscal year from  
7 the General Fund to the Water Resources Cash Fund for FY2009-10  
8 through FY2018-19.

9 (5) (a) Expenditures from the Water Resources Cash  
10 Fund may be made to natural resources districts eligible under  
11 subsection (3) of this section for activities to either achieve a  
12 sustainable balance of consumptive water uses or assure compliance  
13 with an interstate compact or decree or a formal state contract  
14 or agreement and shall require a match of local funding in an  
15 amount equal to or greater than forty percent of the total cost of  
16 carrying out the eligible activity. Any natural resources district  
17 receiving funding from the Water Resources Cash Fund for fiscal  
18 year 2007-08 shall submit a report of its planned expenditures for  
19 the activity to the Legislature by July 15, 2007, and by November  
20 15, 2007, for funding for any subsequent year. The report shall  
21 include:

22 (i) An explanation of how the planned activity will  
23 assure compliance with an interstate compact or decree or a formal  
24 state contract or agreement as required by section 46-715 and  
25 the controls, rules, and regulations designed to carry out the  
26 activity; and

27 (ii) A schedule of implementation of the activity or its

1 components.

2 (b) Any natural resources district receiving funding from  
3 the Water Resources Cash Fund shall agree as a condition to repay  
4 the fund if the Legislature finds that the district failed to  
5 implement and enforce its controls, rules, and regulations as  
6 required by section 46-715.

7 Sec. 25. Section 61-210, Revised Statutes Cumulative  
8 Supplement, 2006, is amended to read:

9 61-210 The Department of Natural Resources Cash Fund  
10 is created. The State Treasurer shall credit to such fund such  
11 money as is specifically appropriated or reappropriated by the  
12 Legislature. The State Treasurer shall also credit such fund with  
13 payments, if any, accepted for services rendered by the department  
14 and fees collected pursuant to subsection (6) of section 46-606  
15 and section 61-209. The funds made available to the Department  
16 of Natural Resources by the United States, through the Natural  
17 Resources Conservation Service of the Department of Agriculture or  
18 through any other agencies, shall be credited to the fund by the  
19 State Treasurer. Any money in the fund available for investment  
20 shall be invested by the state investment officer pursuant to  
21 the Nebraska Capital Expansion Act and the Nebraska State Funds  
22 Investment Act. The Department of Natural Resources shall allocate  
23 money from the fund to pay costs of the programs or activities  
24 of the department. The Director of Administrative Services, upon  
25 receipt of proper vouchers approved by the department, shall issue  
26 warrants on the fund, and the State Treasurer shall countersign  
27 and pay from, but never in excess of, the amounts to the credit

1 of the fund. ~~The State Treasurer shall transfer any money in the~~  
2 ~~Department of Water Resources Cash Fund and in the Nebraska Natural~~  
3 ~~Resources Commission Cash Fund on July 1, 2000, to the Department~~  
4 ~~of Natural Resources Cash Fund.~~

5 Sec. 26. Section 66-1345, Revised Statutes Cumulative  
6 Supplement, 2006, is amended to read:

7 66-1345 (1) There is hereby created the Ethanol  
8 Production Incentive Cash Fund which shall be used by the board  
9 to pay the credits created in section 66-1344 to the extent  
10 provided in this section. Any money in the fund available for  
11 investment shall be invested by the state investment officer  
12 pursuant to the Nebraska Capital Expansion Act and the Nebraska  
13 State Funds Investment Act. The State Treasurer shall transfer to  
14 the Ethanol Production Incentive Cash Fund such money as shall be  
15 (a) appropriated to the Ethanol Production Incentive Cash Fund by  
16 the Legislature, (b) given as gifts, bequests, grants, or other  
17 contributions to the Ethanol Production Incentive Cash Fund from  
18 public or private sources, (c) made available due to failure to  
19 fulfill conditional requirements pursuant to investment agreements  
20 entered into prior to April 30, 1992, (d) received as return on  
21 investment of the Ethanol Authority and Development Cash Fund, (e)  
22 credited to the Ethanol Production Incentive Cash Fund from the  
23 excise taxes imposed by section 66-1345.01, and (f) credited to the  
24 Ethanol Production Incentive Cash Fund pursuant to sections 66-489,  
25 ~~66-4,134,~~ 66-726, 66-1345.04, and 66-1519.

26 (2) The Department of Revenue shall, at the end of each  
27 calendar month, notify the State Treasurer of the amount of motor

1 fuel tax that was not collected in the preceding calendar month  
2 due to the credits provided in section 66-1344. The State Treasurer  
3 shall transfer from the Ethanol Production Incentive Cash Fund to  
4 the Highway Trust Fund an amount equal to such credits less the  
5 following amounts:

6 (a) For 1993, 1994, and 1995, the amount generated during  
7 the calendar quarter by a one-cent tax on motor fuel pursuant to  
8 sections 66-489 and 66-6,107;

9 (b) For 1996, the amount generated during the calendar  
10 quarter by a three-quarters-cent tax on motor fuel pursuant to such  
11 sections;

12 (c) For 1997, the amount generated during the calendar  
13 quarter by a one-half-cent tax on motor fuel pursuant to such  
14 sections; and

15 (d) For 1998 and each year thereafter, no reduction.

16 For 1993 through 1997, if the amount generated pursuant  
17 to subdivisions (a), (b), and (c) of this subsection and the  
18 amount transferred pursuant to subsection (1) of this section are  
19 not sufficient to fund the credits provided in section 66-1344,  
20 then the credits shall be funded through the Ethanol Production  
21 Incentive Cash Fund but shall not be funded through either the  
22 Highway Cash Fund or the Highway Trust Fund. For 1998 and each year  
23 thereafter, the credits provided in such section shall be funded  
24 through the Ethanol Production Incentive Cash Fund but shall not be  
25 funded through either the Highway Cash Fund or the Highway Trust  
26 Fund.

27 If, during any month, the amount of money in the Ethanol

1 Production Incentive Cash Fund is not sufficient to reimburse the  
2 Highway Trust Fund for credits earned pursuant to section 66-1344,  
3 the Department of Revenue shall suspend the transfer of credits by  
4 ethanol producers until such time as additional funds are available  
5 in the Ethanol Production Incentive Cash Fund for transfer to the  
6 Highway Trust Fund. Thereafter, the Department of Revenue shall, at  
7 the end of each month, allow transfer of accumulated credits earned  
8 by each ethanol producer on a prorated basis derived by dividing  
9 the amount in the fund by the aggregate amount of accumulated  
10 credits earned by all ethanol producers.

11 (3) The State Treasurer shall transfer from the Ethanol  
12 Production Incentive Cash Fund to the Management Services Expense  
13 Revolving Fund the amount reported under subsection (4) of section  
14 66-1345.02 for each calendar month of the fiscal year as provided  
15 in such subsection.

16 (4) On December 31, 2012, the State Treasurer shall  
17 transfer ~~one-half~~ of the unexpended and unobligated funds,  
18 including all subsequent investment interest, from the Ethanol  
19 Production Incentive Cash Fund to the ~~Nebraska Corn Development,~~  
20 ~~Utilization, and Marketing Fund and Grain Sorghum Development,~~  
21 ~~Utilization, and Marketing Fund~~ in the same proportion as funds  
22 were collected pursuant to section 66-1345.01 from corn and grain  
23 sorghum. The Department of Agriculture shall assist the State  
24 Treasurer in determining the amounts to be transferred to the  
25 funds. The remaining ~~one-half~~ of the unexpended and unobligated  
26 funds shall be transferred to the General Fund. Water Resources  
27 Cash Fund.

1                   (5) Whenever the unobligated balance in the Ethanol  
2 Production Incentive Cash Fund exceeds twenty million dollars, the  
3 Department of Revenue shall notify the Department of Agriculture at  
4 which time the Department of Agriculture shall suspend collection  
5 of the excise tax levied pursuant to section 66-1345.01. If, after  
6 suspension of the collection of such excise tax, the balance of  
7 the fund falls below ten million dollars, the Department of Revenue  
8 shall notify the Department of Agriculture which shall resume  
9 collection of the excise tax.

10                   (6) On or before December 1, 2003, and each December  
11 1 thereafter, the Department of Revenue and the Nebraska Ethanol  
12 Board shall jointly submit a report to the Legislature which shall  
13 project the anticipated revenue and expenditures from the Ethanol  
14 Production Incentive Cash Fund through the termination of the  
15 ethanol production incentive programs pursuant to section 66-1344.  
16 The initial report shall include a projection of the amount  
17 of ethanol production for which the Department of Revenue has  
18 entered agreements to provide ethanol production credits pursuant  
19 to section 66-1344.01 and any additional ethanol production which  
20 the Department of Revenue and the Nebraska Ethanol Board reasonably  
21 anticipate may qualify for credits pursuant to section 66-1344.

22                   Sec. 27. Section 66-1345.01, Revised Statutes Cumulative  
23 Supplement, 2006, is amended to read:

24                   66-1345.01 An excise tax is levied upon all corn and  
25 grain sorghum sold through commercial channels in Nebraska or  
26 delivered in Nebraska. For any sale or delivery of corn or grain  
27 sorghum occurring on or after July 1, 1995, and before January

1 1, 2000, the tax is three-fourths cent per bushel for corn and  
2 three-fourths cent per hundredweight for grain sorghum. For any  
3 sale or delivery of corn or grain sorghum occurring on or after  
4 January 1, 2000, and before January 1, 2001, the tax is one-half  
5 cent per bushel for corn and one-half cent per hundredweight for  
6 grain sorghum. For any sale or delivery of corn or grain sorghum  
7 occurring on or after October 1, 2001, and before October 1, 2004,  
8 the tax is one-half cent per bushel for corn and one-half cent per  
9 hundredweight for grain sorghum. For any sale or delivery of corn  
10 or grain sorghum occurring on or after October 1, 2004, and before  
11 October 1, 2005, the tax is three-fourths cent per bushel for  
12 corn and three-fourths cent per hundredweight for grain sorghum.  
13 For any sale or delivery of corn or grain sorghum occurring on  
14 or after October 1, 2005, and before October 1, 2010, the tax is  
15 seven-eighths cent per bushel for corn and seven-eighths cent per  
16 hundredweight for grain sorghum. For any sale or delivery of corn  
17 or grain sorghum occurring on or after October 1, 2012, and before  
18 October 1, 2019, the tax is three-fifths cent per bushel for corn  
19 and one-half cent per hundredweight for grain sorghum. The tax  
20 shall be in addition to any fee imposed pursuant to sections 2-3623  
21 and 2-4012.

22           The excise tax shall be imposed at the time of sale or  
23 delivery and shall be collected by the first purchaser. The tax  
24 shall be collected, administered, and enforced in conjunction with  
25 the fees imposed pursuant to sections 2-3623 and 2-4012. The tax  
26 shall be collected, administered, and enforced by the Department of  
27 Agriculture. No corn or grain sorghum shall be subject to the tax

1 imposed by this section more than once.

2           In the case of a pledge or mortgage of corn or grain  
3 sorghum as security for a loan under the federal price support  
4 program, the excise tax shall be deducted from the proceeds of such  
5 loan at the time the loan is made. If, within the life of the loan  
6 plus thirty days after the collection of the excise tax for corn  
7 or grain sorghum that is mortgaged as security for a loan under  
8 the federal price support program, the grower of the corn or grain  
9 sorghum so mortgaged decides to purchase the corn or grain sorghum  
10 and use it as feed, the grower shall be entitled to a refund of  
11 the excise tax previously paid. The refund shall be payable by the  
12 department upon the grower's written application for a refund. The  
13 application shall have attached proof of the tax deducted.

14           The excise tax shall be deducted whether the corn or  
15 grain sorghum is stored in this or any other state. The excise  
16 tax shall not apply to the sale of corn or grain sorghum to the  
17 federal government for ultimate use or consumption by the people  
18 of the United States when the State of Nebraska is prohibited from  
19 imposing such tax by the Constitution of the United States and laws  
20 enacted pursuant thereto.

21           Sec. 28. Section 66-1345.02, Reissue Revised Statutes of  
22 Nebraska, is amended to read:

23           66-1345.02 (1) The first purchaser, at the time of sale  
24 or delivery, shall retain the excise tax as provided in section  
25 66-1345.01 and shall maintain the necessary records of the excise  
26 tax for each sale or delivery of corn or grain sorghum. Records  
27 maintained by the first purchaser shall provide (a) the name and



1 address of the seller or deliverer, (b) the date of the sale or  
2 delivery, (c) the number of bushels of corn or hundredweight of  
3 grain sorghum sold or delivered, and (d) the amount of excise  
4 tax retained on each sale or delivery. The records shall be open  
5 for inspection and audit by authorized representatives of the  
6 Department of Agriculture during normal business hours observed by  
7 the first purchaser.

8 (2) The first purchaser shall render and have on file  
9 with the department by the last day of each January, April, July,  
10 and October on forms prescribed by the department a statement of  
11 the number of bushels of corn and hundredweight of grain sorghum  
12 sold or delivered in Nebraska. At the time the statement is filed,  
13 the first purchaser shall pay and remit to the department the  
14 excise tax.

15 (3) The department shall remit the excise tax collected  
16 to the State Treasurer for credit to the Ethanol Production  
17 Incentive Cash Fund within thirty days after the end of each  
18 quarter through December 31, 2010. Beginning January 1, 2013,  
19 the department shall remit the excise tax collected to the State  
20 Treasurer for credit to the Water Resources Cash Fund within thirty  
21 days after the end of each quarter.

22 (4) The department shall calculate its costs in  
23 collecting and enforcing the excise tax imposed by section  
24 66-1345.01 and shall report such costs to the budget division of  
25 the Department of Administrative Services within thirty days after  
26 the end of the fiscal year. Sufficient funds to cover such costs  
27 shall be transferred from the Ethanol Production Incentive Cash

1 Fund to the Management Services Expense Revolving Fund at the end  
2 of each calendar month, with such transfers ending December 31,  
3 2010. Beginning January 1, 2013, the Department of Agriculture  
4 shall calculate its costs in collecting and enforcing the excise  
5 tax imposed by section 66-1345.01 and shall report such costs to  
6 the budget division of the Department of Administrative Services  
7 within thirty days after the end of the fiscal year. Sufficient  
8 funds to cover such costs shall be transferred from the Water  
9 Resources Cash Fund to the Management Services Expense Revolving  
10 Fund at the end of each calendar month. Funds shall be transferred  
11 upon the receipt of a report of costs incurred by the Department of  
12 Agriculture for the previous calendar month by the budget division  
13 of the Department of Administrative Services.

14           Sec. 29. The State Treasurer shall transfer \$2,700,000  
15 from the General Fund to the Water Resources Cash Fund, on  
16 or before June 30, 2008, on such date as directed by the  
17 budget administrator of the budget division of the Department  
18 of Administrative Services.

19           Sec. 30. The State Treasurer shall transfer \$2,700,000  
20 from the General Fund to the Water Resources Cash Fund, on  
21 or before June 30, 2009, on such date as directed by the  
22 budget administrator of the budget division of the Department  
23 of Administrative Services.

24           Sec. 31. It is the intent of the Legislature that the  
25 Department of Natural Resources may undertake measures in fiscal  
26 year 2006-07 to further facilitate compliance with interstate  
27 compact or decree stipulations.

1           Sec. 32. Section 77-3442, Revised Statutes Cumulative  
2 Supplement, 2006, is amended to read:

3           77-3442 (1) Property tax levies for the support of local  
4 governments for fiscal years beginning on or after July 1, 1998,  
5 shall be limited to the amounts set forth in this section except as  
6 provided in section 77-3444.

7           (2) (a) Except as provided in subdivision (2) (d) of this  
8 section, school districts and multiple-district school systems,  
9 except learning communities and school districts that are members  
10 of learning communities, may levy a maximum levy of one dollar and  
11 five cents per one hundred dollars of taxable valuation of property  
12 subject to the levy.

13           (b) Except as provided in subdivision (2) (d) of this  
14 section, for fiscal year 2008-09 and each fiscal year thereafter,  
15 (i) learning communities may levy a maximum levy for the general  
16 fund budgets of member school districts equal to the ratio of the  
17 aggregate difference of one hundred ten percent of the formula  
18 needs as calculated pursuant to section 79-1007.02 minus the amount  
19 of state aid certified pursuant to section 79-1022 and minus the  
20 other actual receipts included in local system formula resources  
21 pursuant to section 79-1018.01 for each member school district for  
22 such school fiscal year divided by each one hundred dollars of  
23 taxable property subject to the levy, except that such levy shall  
24 not exceed one dollar and two cents on each one hundred dollars  
25 of taxable property subject to the levy, and (ii) school districts  
26 that are members of learning communities may levy a maximum levy  
27 of the difference of one dollar and two cents on each one hundred

1 dollars of taxable property subject to the levy minus the learning  
2 community levy pursuant to this subdivision for purposes of such  
3 school district's general fund budget and special building funds.

4 (c) Excluded from the limitations in subdivisions (a) and  
5 (b) of this subsection are amounts levied to pay for sums agreed to  
6 be paid by a school district to certificated employees in exchange  
7 for a voluntary termination of employment and amounts levied  
8 to pay for special building funds and sinking funds established  
9 for projects commenced prior to April 1, 1996, for construction,  
10 expansion, or alteration of school district buildings. For purposes  
11 of this subsection, commenced means any action taken by the school  
12 board on the record which commits the board to expend district  
13 funds in planning, constructing, or carrying out the project.

14 (d) Federal aid school districts may exceed the maximum  
15 levy prescribed by subdivision (2)(a) or (b) of this section  
16 only to the extent necessary to qualify to receive federal aid  
17 pursuant to Title VIII of Public Law 103-382, as such title existed  
18 on September 1, 2001. For purposes of this subdivision, federal  
19 aid school district means any school district which receives ten  
20 percent or more of the revenue for its general fund budget from  
21 federal government sources pursuant to Title VIII of Public Law  
22 103-382, as such title existed on September 1, 2001.

23 (e) For school fiscal year 2002-03 through school fiscal  
24 year 2007-08, school districts and multiple-district school systems  
25 may, upon a three-fourths majority vote of the school board of  
26 the school district, the board of the unified system, or the  
27 school board of the high school district of the multiple-district

1 school system that is not a unified system, exceed the maximum  
2 levy prescribed by subdivision (2) (a) of this section in an amount  
3 equal to the net difference between the amount of state aid that  
4 would have been provided under the Tax Equity and Educational  
5 Opportunities Support Act without the temporary aid adjustment  
6 factor as defined in section 79-1003 for the ensuing school fiscal  
7 year for the school district or multiple-district school system  
8 and the amount provided with the temporary aid adjustment factor.  
9 The State Department of Education shall certify to the school  
10 districts and multiple-district school systems the amount by which  
11 the maximum levy may be exceeded for the next school fiscal year  
12 pursuant to this subdivision (e) of this subsection on or before  
13 February 15 for school fiscal years 2004-05 through 2007-08.

14 (f) For fiscal year 2008-09 and each fiscal year  
15 thereafter, learning communities may levy a maximum levy of two  
16 cents on each one hundred dollars of taxable property subject to  
17 the levy for special building funds for member school districts.

18 (g) For fiscal year 2008-09 and each fiscal year  
19 thereafter, learning communities may levy a maximum levy of one  
20 cent on each one hundred dollars of taxable property subject to the  
21 levy for the learning community budget and for projects approved by  
22 the learning community coordinating council.

23 (3) Community colleges may levy a maximum levy on each  
24 one hundred dollars of taxable property subject to the levy of  
25 seven cents, plus amounts allowed under subsection (7) of section  
26 85-1536.01, except that any community college whose valuation per  
27 reported aid equivalent student as defined in section 85-1503 was

1 less than eighty-two percent of the average valuation per statewide  
2 reimbursable reported aid equivalent total as defined in section  
3 85-1503 for all community colleges for fiscal year 1997-98 may levy  
4 up to an additional one-half cent for each of fiscal years 2005-06  
5 and 2006-07 upon a three-fourths majority vote of the board.

6 ~~(4)~~ (4) (a) Natural resources districts may levy a maximum  
7 levy of four and one-half cents per one hundred dollars of taxable  
8 valuation of property subject to the levy.

9 (b) Natural resources districts shall also have the power  
10 and authority to levy a tax equal to the dollar amount by which  
11 their restricted funds budgeted to administer and implement ground  
12 water management activities and integrated management activities  
13 under the Nebraska Ground Water Management and Protection Act  
14 exceed their restricted funds budgeted to administer and implement  
15 ground water management activities and integrated management  
16 activities for FY2003-04, not to exceed one cent on each one  
17 hundred dollars of taxable valuation annually on all of the taxable  
18 property within the district.

19 (c) In addition, natural resources districts located in  
20 a river basin, subbasin, or reach that has been determined to  
21 be fully appropriated pursuant to section 46-714 or designated  
22 as overappropriated pursuant to section 46-713 by the Department  
23 of Natural Resources shall also have the power and authority to  
24 levy a tax equal to the dollar amount by which their restricted  
25 funds budgeted to administer and implement ground water management  
26 activities and integrated management activities under the Nebraska  
27 Ground Water Management and Protection Act exceed their restricted

1 funds budgeted to administer and implement ground water management  
2 activities and integrated management activities for FY2005-06, not  
3 to exceed three cents on each one hundred dollars of taxable  
4 valuation on all of the taxable property within the district for  
5 fiscal year 2006-07 and ~~not to exceed two cents on each one~~  
6 ~~hundred dollars of taxable valuation annually on all of the taxable~~  
7 ~~property within the district for fiscal years 2007-08 and 2008-09.~~  
8 and each fiscal year thereafter through fiscal year 2011-12.

9 (5) Educational service units may levy a maximum levy of  
10 one and one-half cents per one hundred dollars of taxable valuation  
11 of property subject to the levy.

12 (6) (a) Incorporated cities and villages which are not  
13 within the boundaries of a municipal county may levy a maximum levy  
14 of forty-five cents per one hundred dollars of taxable valuation  
15 of property subject to the levy plus an additional five cents per  
16 one hundred dollars of taxable valuation to provide financing for  
17 the municipality's share of revenue required under an agreement  
18 or agreements executed pursuant to the Interlocal Cooperation Act  
19 or the Joint Public Agency Act. The maximum levy shall include  
20 amounts levied to pay for sums to support a library pursuant  
21 to section 51-201, museum pursuant to section 51-501, visiting  
22 community nurse, home health nurse, or home health agency pursuant  
23 to section 71-1637, or statue, memorial, or monument pursuant to  
24 section 80-202.

25 (b) Incorporated cities and villages which are within the  
26 boundaries of a municipal county may levy a maximum levy of ninety  
27 cents per one hundred dollars of taxable valuation of property

1 subject to the levy. The maximum levy shall include amounts paid  
2 to a municipal county for county services, amounts levied to pay  
3 for sums to support a library pursuant to section 51-201, a museum  
4 pursuant to section 51-501, a visiting community nurse, home health  
5 nurse, or home health agency pursuant to section 71-1637, or a  
6 statue, memorial, or monument pursuant to section 80-202.

7 (7) Sanitary and improvement districts which have been in  
8 existence for more than five years may levy a maximum levy of forty  
9 cents per one hundred dollars of taxable valuation of property  
10 subject to the levy, and sanitary and improvement districts which  
11 have been in existence for five years or less shall not have  
12 a maximum levy. Unconsolidated sanitary and improvement districts  
13 which have been in existence for more than five years and are  
14 located in a municipal county may levy a maximum of eighty-five  
15 cents per hundred dollars of taxable valuation of property subject  
16 to the levy.

17 (8) Counties may levy or authorize a maximum levy of  
18 fifty cents per one hundred dollars of taxable valuation of  
19 property subject to the levy, except that five cents per one  
20 hundred dollars of taxable valuation of property subject to the  
21 levy may only be levied to provide financing for the county's  
22 share of revenue required under an agreement or agreements executed  
23 pursuant to the Interlocal Cooperation Act or the Joint Public  
24 Agency Act. The maximum levy shall include amounts levied to pay  
25 for sums to support a library pursuant to section 51-201 or museum  
26 pursuant to section 51-501. The county may allocate up to fifteen  
27 cents of its authority to other political subdivisions subject



1 to allocation of property tax authority under subsection (1) of  
2 section 77-3443 and not specifically covered in this section to  
3 levy taxes as authorized by law which do not collectively exceed  
4 fifteen cents per one hundred dollars of taxable valuation on any  
5 parcel or item of taxable property. The county may allocate to  
6 one or more other political subdivisions subject to allocation  
7 of property tax authority by the county under subsection (1) of  
8 section 77-3443 some or all of the county's five cents per one  
9 hundred dollars of valuation authorized for support of an agreement  
10 or agreements to be levied by the political subdivision for the  
11 purpose of supporting that political subdivision's share of revenue  
12 required under an agreement or agreements executed pursuant to the  
13 Interlocal Cooperation Act or the Joint Public Agency Act. If an  
14 allocation by a county would cause another county to exceed its  
15 levy authority under this section, the second county may exceed the  
16 levy authority in order to levy the amount allocated.

17 (9) Municipal counties may levy or authorize a maximum  
18 levy of one dollar per one hundred dollars of taxable valuation  
19 of property subject to the levy. The municipal county may allocate  
20 levy authority to any political subdivision or entity subject to  
21 allocation under section 77-3443.

22 (10) Property tax levies for judgments, except judgments  
23 or orders from the Commission of Industrial Relations, obtained  
24 against a political subdivision which require or obligate a  
25 political subdivision to pay such judgment, to the extent such  
26 judgment is not paid by liability insurance coverage of a  
27 political subdivision, for preexisting lease-purchase contracts

1 approved prior to July 1, 1998, for bonded indebtedness approved  
2 according to law and secured by a levy on property, and for  
3 payments by a public airport to retire interest-free loans from the  
4 Department of Aeronautics in lieu of bonded indebtedness at a lower  
5 cost to the public airport are not included in the levy limits  
6 established by this section.

7 (11) The limitations on tax levies provided in this  
8 section are to include all other general or special levies  
9 provided by law. Notwithstanding other provisions of law, the  
10 only exceptions to the limits in this section are those provided by  
11 or authorized by sections 77-3442 to 77-3444.

12 (12) Tax levies in excess of the limitations in this  
13 section shall be considered unauthorized levies under section  
14 77-1606 unless approved under section 77-3444.

15 (13) For purposes of sections 77-3442 to 77-3444,  
16 political subdivision means a political subdivision of this state  
17 and a county agricultural society.

18 Sec. 33. If any section in this act or any part of any  
19 section is declared invalid or unconstitutional, the declaration  
20 shall not affect the validity or constitutionality of the remaining  
21 portions.

22 Sec. 34. Original sections 2-3231, 46-601.01, 46-609,  
23 46-644, 46-707, 46-1212, and 66-1345.02, Reissue Revised Statutes  
24 of Nebraska, and sections 2-945.01, 2-958.02, 2-3202, 2-3225,  
25 13-808, 13-2530, 46-229.04, 46-602, 46-715, 61-210, 66-1345,  
26 66-1345.01, and 77-3442, Revised Statutes Cumulative Supplement,  
27 2006, are repealed.

1           Sec. 35. Since an emergency exists, this act takes effect  
2 when passed and approved according to law.

3           2. On page 1, strike beginning with "water" in line 1  
4 through line 11 and insert "natural resources; to amend sections  
5 2-3231, 46-601.01, 46-609, 46-644, 46-707, 46-1212, and 66-1345.02,  
6 Reissue Revised Statutes of Nebraska, and sections 2-945.01,  
7 2-958.02, 2-3202, 2-3225, 13-808, 13-2530, 46-229.04, 46-602,  
8 46-715, 61-210, 66-1345, 66-1345.01, and 77-3442, Revised Statutes  
9 Cumulative Supplement, 2006; to create the Riparian Vegetation  
10 Management Task Force; to provide and change powers and duties;  
11 to provide for grants for vegetation management programs; to  
12 provide for bonds for ground water management; to authorize an  
13 occupation tax and an additional property tax levy; to change  
14 and eliminate provisions relating to irrigation and regulation of  
15 water and water wells; to define and redefine terms; to create a  
16 fund; to change excise taxes on certain crops and distribution of  
17 the proceeds of such taxes; to provide for transfers of funds;  
18 to harmonize provisions; to provide severability; to repeal the  
19 original sections; and to declare an emergency."