LEGISLATURE OF NEBRASKA

ONE HUNDREDTH LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 975

Introduced by Wightman, 36.

Read first time January 15, 2008

Committee: Natural Resources

A BILL

- FOR AN ACT relating to natural resources districts; to amend section 2-3226.01, Revised Statutes Supplement, 2007; to change provisions relating to river-flow enhancement bonds; and to repeal the original section.
- Be it enacted by the people of the State of Nebraska,

Section 1. Section 2-3226.01, Revised Statutes

- 2 Supplement, 2007, is amended to read:
- 3 2-3226.01 (1) In order to implement its duties and obligations under the Nebraska Ground Water Management 4 5 Protection Act and in addition to other powers authorized by law, 6 the board of a district with jurisdiction that includes a river 7 subject to an interstate compact among three or more states and 8 that also includes one or more irrigation districts within the 9 compact river basin may issue negotiable bonds and refunding bonds 10 of the district and entitled river-flow enhancement bonds, with 11 terms determined appropriate by the board, payable by (a) funds 12 granted to such district by the state or federal government for 13 one or more qualified projects, (b) the occupation tax authorized 14 by section 2-3226.05, or (c) the levy authorized by section 2-3225. 15 The district may issue the bonds or refunding bonds directly, 16 or such bonds may be issued by any joint entity as defined in section 13-803 whose member public agencies consist only of 17 18 qualified natural resources districts or by any joint public 19 agency as defined in section 13-2503 whose participating public 20 agencies consist only of qualified natural resources districts, in 21 connection with any joint project which is to be owned, operated, 22 or financed by the joint entity or joint public agency for the 23 benefit of its member natural resources districts. For the payment of such bonds or refunding bonds, the district may pledge one or 24

more permitted payment sources.

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1 (2) Within forty-five days after receipt of a written
2 request by the Natural Resources Committee of the Legislature, the
3 qualified natural resources districts shall submit a written report
4 to the committee containing an explanation of existing or planned
5 activities for river-flow enhancement, the revenue source for
6 implementing such activities, and a description of the estimated

benefit or benefits to the district or districts.

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- 8 (3) Beginning on April 1, 2008, if a district uses the 9 proceeds of a bond issued pursuant to this section for the purposes 10 described in subdivision (1) of section 2-3226.04 or the state uses 11 funds for those same purposes, such district shall restrict the use 12 of ground water from water wells used on acres certified for both 13 ground water use and surface water use to no greater than the total 14 ground water allocation previously permitted by district rule or 15 regulation less any surface water purchased, leased, or otherwise 16 acquired for implementation of the project entered into by the 17 district. the following conditions shall apply:
- 18 (a) For a single-year lease or purchase by a natural 19 resources district, such district shall restrict the use of ground 20 water from water wells used on acres served from the purchased 21 or leased water in the year prior to the lease or purchase to no 22 greater than the total ground water allocation previously permitted 23 by district rule or regulation less any surface water and ground 24 water purchased, leased, or otherwise acquired for implementation 25 of the project entered into by the district. The purchased or

1 leased water shall only be used for the intended purpose as defined

- 2 in section 2-3226.04 and as further defined by the parties in the
- 3 agreement or contract for the purchase or lease;
- 4 (b) For a multiyear lease or purchase by a natural
- 5 resources district, and in the year or years the water is leased
- 6 or purchased by the district, such district shall restrict the
- 7 use of ground water from water wells used on acres served from
- 8 the purchased or leased water in the year prior to the lease
- 9 or purchase to no greater than the total ground water allocation
- 10 previously permitted by district rule or regulation less any
- 11 surface water and ground water purchased, leased, or otherwise
- 12 acquired for implementation of the project entered into by the
- 13 district. The purchased or leased water shall only be used for the
- 14 intended purpose as defined in section 2-3226.04 and as further
- 15 defined by the parties in the agreement or contract for the
- 16 purchase or lease;
- (c) For a single-year lease or purchase by the state,
- 18 such district shall restrict the use of ground water from water
- 19 wells used on the acres served from the purchased or leased water
- 20 in the year prior to the lease or purchase to no greater than the
- 21 total ground water allocation previously permitted by district rule
- 22 or regulation less any surface water and ground water purchased,
- 23 leased, or otherwise acquired for implementation of the project
- 24 entered into by the district. The state shall not allow other
- 25 surface water sources to be used on the acres served from the

1 purchased or leased water in the year of the lease or purchase.

- 2 The purchased or leased water shall only be used for the intended
- 3 purpose as defined in section 2-3226.04 and as further defined by
- 4 the parties in the agreement or contract for the purchase or lease;
- 5 and
- 6 (d) For a multiyear lease or purchase by the state, and 7 in the year or years the water is leased or purchased by the state, 8 such district shall restrict the use of ground water from water 9 wells used on acres served from the purchased or leased water in 10 the year prior to the lease or purchase to no greater than the 11 total ground water allocation previously permitted by district rule 12 or regulation less any surface water and ground water purchased, 13 leased, or otherwise acquired for implementation of the project 14 entered into by the district. The state shall not allow other 15 surface water sources to be used on the acres served from the 16 purchased or leased water in the year of the lease or purchase. 17 The purchased or leased water shall only be used for the intended

purposes as defined in section 2-3226.04 and as further defined by
the parties in the agreement or contract for the purchase or lease.

A variance to the restrictions on ground water use under
this subsection may be granted by the natural resources district
during the term of the lease if consumptive use is reduced on

23 an equal amount of acres (1) in the area subject to the lease

24 or purchase and (2) under the administrative control of a person

25 <u>subject to the lease or purchase.</u>

Sec. 2. Original section 2-3226.01, Revised Statutes

2 Supplement, 2007, is repealed.