

E AND R AMENDMENTS TO LB 229

Introduced by Larson, 40, Chairperson Enrollment and Review

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

3 Section 1. Section 61-218, Revised Statutes Cumulative
4 Supplement, 2010, is amended to read:

5 61-218 (1) The Water Resources Cash Fund is created. The
6 fund shall be administered by the Department of Natural Resources.
7 ~~Transfers may be made from the fund to the General Fund at the~~
8 ~~direction of the Legislature.~~ Any money in the Water Resources Cash
9 ~~Fund~~ fund available for investment shall be invested by the state
10 investment officer pursuant to the Nebraska Capital Expansion Act
11 and the Nebraska State Funds Investment Act.

12 (2) The State Treasurer shall credit to the fund such
13 money as is (a) transferred to the fund by the Legislature, (b)
14 paid to the state as fees, deposits, payments, and repayments
15 relating to the fund, both principal and interest, (c) donated as
16 gifts, bequests, or other contributions to such fund from public
17 or private entities, ~~and~~ (d) made available by any department or
18 agency of the United States if so directed by such department or
19 agency, and (e) transferred pursuant to section 81-15,175.

20 (3) The fund shall be expended by the department (a) to
21 aid management actions taken to reduce consumptive uses of water
22 ~~and or~~ to enhance streamflows or ground water recharge in river
23 basins, subbasins, or reaches which are deemed by the department

1 overappropriated pursuant to section 46-713 or fully appropriated
2 pursuant to section 46-714 or are bound by an interstate compact
3 or decree or a formal state contract or agreement, (b) to conduct
4 studies and approve grants to facilitate compliance with the
5 Nebraska Ground Water Management and Protection Act, and (c) and
6 ~~(b)~~ to the extent funds are not expended pursuant to ~~subdivision~~
7 ~~(a)~~ subdivisions (a) and (b) of this subsection, the department
8 may conduct a statewide assessment of short-term and long-term
9 water management activities and funding needs to meet statutory
10 requirements in sections 46-713 to 46-718 and 46-739 and any
11 requirements of an interstate compact or decree or formal state
12 contract or agreement. The fund shall not be used to pay for
13 administrative expenses or any salaries for the department or any
14 political subdivision.

15 (4) It is the intent of the Legislature that ~~two million~~
16 ~~seven hundred thousand~~ three million three hundred thousand dollars
17 be transferred each fiscal year from the General Fund to the Water
18 Resources Cash Fund for ~~FY2009-10~~ FY2011-12 through FY2018-19.

19 (5) (a) Expenditures from the Water Resources Cash
20 Fund may be made to natural resources districts eligible under
21 subsection (3) of this section for activities to either achieve a
22 sustainable balance of consumptive water uses or assure compliance
23 with an interstate compact or decree or a formal state contract
24 or agreement and shall require a match of local funding in an
25 amount equal to or greater than forty percent of the total cost
26 of carrying out the eligible activity. The department shall, no
27 later than August 1 of each year, beginning in 2007, determine the

1 amount of funding that will be made available to natural resources
2 districts from the Water Resources Cash Fund and notify natural
3 resources districts of this determination. The department shall
4 adopt and promulgate rules and regulations governing application
5 for and use of the Water Resources Cash Fund by natural resources
6 districts. Such rules and regulations shall, at a minimum, include
7 the following components:

8 (i) Require an explanation of how the planned activity
9 will assure compliance with an interstate compact or decree or a
10 formal state contract or agreement as required by section 46-715
11 and the controls, rules, and regulations designed to carry out the
12 activity; and

13 (ii) A schedule of implementation of the activity or its
14 components.

15 (b) Any natural resources district that fails to
16 implement and enforce its controls, rules, and regulations as
17 required by section 46-715 shall not be eligible for funding
18 from the Water Resources Cash Fund until it is determined by the
19 department that compliance with the provisions required by section
20 46-715 has been established.

21 (6) The Department of Natural Resources shall submit an
22 annual report to the Legislature no later than October 1 of each
23 year, beginning in the year 2007, that shall detail the use of the
24 Water Resources Cash Fund in the previous year. The report shall
25 provide:

26 (a) Details regarding the use and cost of activities
27 carried out by the department; and

1 (b) Details regarding the use and cost of activities
2 carried out by each natural resources district that received funds
3 from the Water Resources Cash Fund.

4 (7) The Department of Natural Resources shall apply for
5 a three-year grant from the Nebraska Environmental Trust Fund that
6 benefits any river basin determined to be fully appropriated or
7 designated as overappropriated pursuant to the Nebraska Ground
8 Water Management and Protection Act prior to the application
9 deadline beginning with fiscal year 2011-12 through fiscal year
10 2013-14. Funds received from such grants shall be remitted to the
11 State Treasurer for credit to the Water Resources Cash Fund for the
12 purpose of supporting water projects as described in the Nebraska
13 Environmental Trust grant application. It is the intent of the
14 Legislature that the department apply for an additional three-year
15 grant if the following criteria have been met:

16 [XXXX].

17 Sec. 2. Section 81-15,174, Reissue Revised Statutes of
18 Nebraska, is amended to read:

19 81-15,174 The Nebraska Environmental Trust Fund is
20 created. The fund shall be maintained in the state accounting
21 system as a cash fund. Except as otherwise provided in this
22 section, the fund shall be used to carry out the purposes of
23 the Nebraska Environmental Trust Act, including the payment of
24 administrative costs. Money in the fund shall include proceeds
25 credited pursuant to section 9-812 and proceeds designated by
26 the board pursuant to section 81-15,173. Any money in the fund
27 available for investment shall be invested by the state investment

1 officer pursuant to the Nebraska Capital Expansion Act and the
2 Nebraska State Funds Investment Act.

3 The State Treasurer shall transfer nine hundred
4 ~~twenty-five thousand dollars from the Nebraska Environmental Trust~~
5 ~~Fund to the Department of Natural Resources Water Issues Cash Fund,~~
6 ~~as administratively created pursuant to section 81-1111.04, on or~~
7 ~~after July 1, 2003, but no later than July 10, 2003.~~

8 The State Treasurer shall transfer one million dollars
9 from the Nebraska Environmental Trust Fund to the Water Resources
10 Trust Fund on July 1, 2004.

11 The State Treasurer shall transfer two million seven
12 hundred sixty thousand seven hundred sixty dollars from the
13 Nebraska Environmental Trust Fund to the University of Nebraska
14 Central Administration Designated Cash Fund on March 1, 2007,
15 unless LR 259CA is approved by the voters in the November 2006
16 general election, then the transfer shall occur on November 15,
17 2006.

18 Sec. 3. Section 81-15,175, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 81-15,175 (1) The board may make an annual allocation
21 each fiscal year from the Nebraska Environmental Trust Fund to
22 the Nebraska Environmental Endowment Fund as provided in section
23 81-15,174.01. The board shall make annual allocations from the
24 Nebraska Environmental Trust Fund and may make annual allocations
25 each fiscal year from the Nebraska Environmental Endowment Fund
26 for projects which conform to the environmental categories of the
27 board established pursuant to section 81-15,176 and to the extent

1 the board determines those projects to have merit. The board
2 shall establish a calendar annually for receiving and evaluating
3 proposals and awarding grants. To evaluate the economic, financial,
4 and technical feasibility of proposals, the board may establish
5 subcommittees, request or contract for assistance, or establish
6 advisory groups. Private citizens serving on advisory groups shall
7 be reimbursed for their actual and necessary expenses pursuant to
8 sections 81-1174 to 81-1177.

9 (2) The board shall establish rating systems for ranking
10 proposals which meet the board's environmental categories and other
11 criteria. The rating systems shall include, but not be limited to,
12 the following considerations:

13 (a) Conformance with categories established pursuant to
14 section 81-15,176;

15 (b) Amount of funds committed from other funding sources;

16 (c) Encouragement of public-private partnerships;

17 (d) Geographic mix of projects over time;

18 (e) Cost-effectiveness and economic impact;

19 (f) Direct environmental impact; and

20 (g) Environmental benefit to the general public and the
21 long-term nature of such public benefit; ~~and-~~

22 (h) Applications recommended by the Director of Natural
23 Resources and submitted by the Department of Natural Resources
24 totaling three million three hundred thousand dollars annually
25 that benefit any river basin determined to be fully appropriated
26 or designated as overappropriated pursuant to the Nebraska Ground
27 Water Management and Protection Act shall be awarded fifty points

1 in the ranking process if the Legislature appropriates three
2 million three hundred thousand dollars of matching funds annually
3 until July 1, 2014.

4 (3) The board may establish a subcommittee to rate grant
5 applications. If the board uses a subcommittee, the subcommittee
6 shall (a) use the rating systems established by the board under
7 subsection (2) of this section, (b) assign a numeric value to
8 each rating criterion, combine these values into a total score
9 for each application, and rank the applications by the total
10 scores, (c) recommend an amount of funding for each application,
11 which amount may be more or less than the requested amount, and
12 (d) submit the ranked list and recommended funding to the board
13 for its approval or disapproval. A motion to deviate from the
14 subcommittee's recommendations must specify the reason for doing so
15 and be adopted with an affirmative vote of not fewer than eight
16 members of the board.

17 (4) The board may commit funds to multiyear projects,
18 subject to available funds and appropriations. No commitment shall
19 exceed three years without formal action by the board to renew the
20 grant or contract. Multiyear commitments may be exempt from the
21 rating process except for the initial application and requests to
22 renew the commitment.

23 (5) The board shall adopt and promulgate rules and
24 regulations and publish guidelines governing allocations from the
25 fund. The board shall conduct annual reviews of existing projects
26 for compliance with project goals and grant requirements.

27 (6) Every five years the board may evaluate the long-term

1 effects of the projects it funds. The evaluation may assess
2 a sample of such projects. The board may hire an independent
3 consultant to conduct the evaluation and may report the evaluation
4 findings to the Legislature and the Governor.

5 Sec. 4. The State Treasurer shall transfer \$600,000 from
6 the General Fund to the Water Resources Cash Fund on or before June
7 30, 2012, on such date as directed by the budget administrator of
8 the budget division of the Department of Administrative Services,
9 pursuant to section 61-218.

10 Sec. 5. The State Treasurer shall transfer \$600,000 from
11 the General Fund to the Water Resources Cash Fund on or before June
12 30, 2013, on such date as directed by the budget administrator of
13 the budget division of the Department of Administrative Services,
14 pursuant to section 61-218.

15 Sec. 6. Original sections 81-15,174 and 81-15,175,
16 Reissue Revised Statutes of Nebraska, and section 61-218, Revised
17 Statutes Cumulative Supplement, 2010, are repealed.

18 Sec. 7. Since an emergency exists, this act takes effect
19 when passed and approved according to law.

20 2. On page 1, strike beginning with "section" in line
21 1 through line 8 and insert "sections 81-15,174 and 81-15,175,
22 Reissue Revised Statutes of Nebraska, and section 61-218, Revised
23 Statutes Cumulative Supplement, 2010; to change and eliminate
24 provisions relating to the Water Resources Cash Fund and the
25 Nebraska Environmental Trust Fund; to provide an additional
26 consideration for grants from the Nebraska Environmental Trust
27 Fund as prescribed; to provide for fund transfers; to repeal the

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1 original sections; and to declare an emergency.".