LEGISLATURE OF NEBRASKA
ONE HUNDRED THIRD LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 517

Introduced by Carlson, 38.
Read first time January 23, 2013
Committee: Natural Resources

A BILL

FOR AN ACT relating to water management; to amend section 57-705, Reissue Revised Statutes of Nebraska; to state intent; to create and provide duties for the Water Sustainability Project Task Force; to create a fund; to provide for transfers; to provide a termination date; to harmonize provisions; and to repeal the original section.

Be it enacted by the people of the State of Nebraska,
Section 1. The Legislature finds that:

(1) Nebraska's water resources are finite and must be wisely managed to ensure their continued availability for beneficial use;

(2) The state must invest in: (a) Research and data gathering; (b) further integrating the management of Nebraska's water supplies; (c) improving the state's aging and antiquated water supply infrastructure; (d) building new water supply infrastructure; (e) promoting coordination and collaboration among all water users; and (f) providing information to policymakers to justify a stable source of project funds;

(3) To determine the costs of effective conservation, sustainability, and management of Nebraska's water resources, an appraisal of the state's water needs must be conducted utilizing research done by, but not limited to, the natural resources districts, the Department of Natural Resources, and the Legislature through an interim study. Weighting criteria must first be established in order to identify statewide project and research priorities in need of funding; and

(4) To facilitate the creation of criteria to establish priorities, a collaborative effort of experts representing all water interests and areas of the state is necessary to ensure a fair and balanced water funding evaluation.

Sec. 2. (1) The Water Sustainability Project Task Force is created. The task force shall consist of fifteen voting members,
twelve of whom shall be appointed by the Natural Resources Committee of the Legislature and three of whom shall be appointed by the Governor. There shall be four members from each of the state's congressional districts and three at-large members. The voting members shall be appointed within thirty days after the effective date of this act. Voting members of the task force shall demonstrate knowledge and experience with and represent municipal users of water; surface water users; ground water users; agriculture; recreation; and conservation. Members shall begin serving immediately following notice of appointment. The Director of Natural Resources, the chairperson of the Nebraska Natural Resources Commission, and the secretary of the Game and Parks Commission shall be ex officio, nonvoting members of the task force. Members of the task force shall be reimbursed for their actual and necessary expenses incurred in carrying out their duties as members as provided in sections 81-1174 to 81-1177.

(2) For administrative and budgetary purposes only, the task force shall be housed within the Department of Natural Resources. Additional advisory support may be requested from appropriate federal and state agencies.

(3) The task force shall convene within thirty days after appointment of the members to elect a chairperson and a vice-chairperson and conduct such other business as deemed necessary. The task force shall meet as necessary and may hire a consultant to facilitate the work and meetings of the task force and enter into
agreements with the Department of Natural Resources to utilize
planning division staff of the department to achieve the objectives
of the task force.

(4) The task force shall identify water resources
programs, projects, and activities in need of funding to meet the
long-term statewide goals of water sustainability, increased water-
use productivity, and otherwise maximize the beneficial use of
Nebraska's water resources for the benefit of its citizens.

Sec. 3. By January 31, 2014, the Water Sustainability
Project Task Force shall develop and provide a report electronically
to the Legislature which contains the following:

(1) A listing of programs, projects, and activities in
each river basin related to the state's water supply, both ground
water and surface water, in need of funding to meet the long-term
goals described in section 2 of this act;

(2) Such programs, projects, and activities shall be
grouped into four broad areas: (a) Research, data, and modeling
needed to assist the state in meeting its water management goals; (b)
rehabilitation or restoration of water supply infrastructure, new
water supply infrastructure, or water supply infrastructure
maintenance; (c) conjunctive management, storage, and integrated
management of ground water and surface water; and (d) compliance with
interstate compacts or agreements; and

(3) Recommendations for the prioritization of programs,
projects, and activities to be funded. The recommendations shall
consist of three time periods: (a) Programs, projects, and activities
the task force recommends to be funded for implementation during the
period of January 1, 2015, through December 31, 2016; (b) programs,
projects, and activities the task force recommends to be funded for
implementation during the period of January 1, 2017, through December
31, 2021; and (c) programs, projects, and activities the task force
recommends to be funded for implementation during the period of
January 1, 2022, through December 31, 2026.

The task force shall develop a statewide map that
identifies the location of the programs, projects, and activities
identified for funding pursuant to this section.

Sec. 4. To identify recommendations for statewide funding
priorities under section 3 of this act, the Water Sustainability
Project Task Force shall establish criteria based on, but not limited
to, the following factors:

(1) The extent to which the program, project, or activity
assists the state in meeting its obligations under interstate
compacts or decrees or other formal state contracts or agreements;

(2) The cost-effectiveness of the program, project, or
activity relative to achieving the state's water management goals;

(3) The extent to which the program, project, or activity
contributes to the state's ability to leverage state dollars with
local or federal government partners or other partners to maximize
the use of its dollars; and

(4) The extent to which the program, project, or activity
contributes to multiple water supply management goals, including, but not limited to, flood control, recreation benefits, wildlife habitat, conservation of water resources, and preservation of water resources for future generations.

Sec. 5. The Water Sustainability Project Task Force terminates on February 1, 2014.

Sec. 6. The Water Sustainability Project Task Force Cash Fund is created. The fund shall be administered by the Department of Natural Resources and expended at the direction of the Water Sustainability Project Task Force. The fund shall consist of transfers pursuant to section 57-705, other transfers authorized by the Legislature, and money received as gifts, grants, and donations. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

Sec. 7. Section 57-705, Reissue Revised Statutes of Nebraska, is amended to read:

57-705 (1) All severance taxes levied by Chapter 57, article 7, shall be paid to the Tax Commissioner. He or she shall remit all such money received to the State Treasurer. All such money received by the State Treasurer shall be credited to a fund to be known as the Severance Tax Fund. An amount equal to one percent of the gross severance tax receipts, excluding those receipts from tax derived from oil and natural gas severed from school lands, credited to the fund shall be credited by the State Treasurer, upon the first
day of each month, and shall inure to the Severance Tax
Administration Fund to be used for the expenses of administering
Chapter 57, article 7. Transfers may be made from the Severance Tax
Administration Fund to the General Fund at the direction of the
Legislature. The balance of the Severance Tax Fund received from
school lands shall be credited by the State Treasurer, upon the first
day of each month, and shall inure to the permanent school fund.

(2) Of the balance of the Severance Tax Fund received
from other than school lands (a) the Legislature may transfer an
amount to be determined by the Legislature through the appropriations
process up to three hundred thousand dollars for each year to the
State Energy Office Cash Fund, (b) the Legislature may transfer an
amount to be determined by the Legislature through the appropriations
process up to thirty thousand dollars for each year to the Public
Service Commission for administration of the Municipal Rate
Negotiations Revolving Loan Fund, (c) the State Treasurer shall
transfer $XXX from the Severance Tax Fund to the Water Sustainability
Project Task Force Cash Fund on the effective date of this act, or as
soon thereafter as administratively possible, and (d) the
remainder shall be credited and inure to the permanent school fund.

(3) The State Treasurer shall transfer two hundred fifty
thousand dollars from the Severance Tax Administration Fund to the
Department of Revenue Enforcement Fund on July 1, 2009, or as soon
thereafter as administratively possible. The State Treasurer shall
transfer two hundred fifty thousand dollars from the Severance Tax
Administration Fund to the Department of Revenue Enforcement Fund on July 1, 2010, or as soon thereafter as administratively possible.

Sec. 8. Original section 57-705, Reissue Revised Statutes of Nebraska, is repealed.