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FLOOR DEBATE

March 28, 2006 LB 1226

water in the future if there is no further water shortage or no debt owed to Kansas. The easement must be located in an area that's designated as overappropriated or fully appropriated, so it's designed not to deal just with the Republican Valley, but we have overappropriated areas of the Platte River that we're going to need to do something about, and we have fully appropriated areas other than in those two places. The value of the credit was sized by the Revenue Committee at 15 percent of the federal tax deduction, and if the credit exceeds tax liability it will be refundable. So you can...you'll get the credit, one way or the other. You apply for the credit with an application with the Department of Natural Resources, or you apply for the easement or offer the easement, the department reviews the applications for compliance, for...takes a look at the status of easements and liens and that sort of thing, and then there's a sunset on this. No new applications for tax credits will be accepted after December 31, 2012. So the idea is to come back and look at this and see how we've done across the state in assisting irrigators and farmers in adjusting...and NRDs...in adjusting their systems, and go forth from there. And then finally, it anticipates a report on the use of the credit, and that report will be an annual report. So that's basically an outline of what the bill does. Again, it's an effort to assist in this massive problem that's still building out there, as opposed to subsiding, although perhaps we are starting to get serious about getting a handle on it. But one of the ways that we will have...one of the mechanisms that we will have to use to get a handle on it is to have...is to either buy out land or to have permanent easements attached to land that preclude the use of water. All of this is consensual, of course. There's no eminent domain or any forced action associated with this, but it offers the entities a tool by which they can...which they can use, among other tools, to deal with the overappropriation of water. Thank you.

SENATOR BAKER PRESIDING

SENATOR BAKER: Thank you, Senator Beutler. Senator Schrock, you're recognized.

SENATOR SCHROCK: Mr. President, members of the body, I support