

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

March 28, 2006 LB 1226

Compact, this fund would be used to pay Kansas. And the contingency deposit that would be needed to put into that fund would be collected from both surface water and ground water users in the Republican River Basin, as well as from municipalities. The contingency deposit would be based on actual irrigated acres and on actual municipal use, and again, I want to emphasize that this particular idea and mechanism is only applicable to the Republican Basin and to no other place in the state. So how it would work...when it would begin would be with the 2009 irrigation season. Again, the idea is to give the system some support of General Funds and get it going, in terms of getting back in balance, but with the 2009 irrigation season, the contingency deposit would be collected if--if and only if--Nebraska uses more water than is permitted by the compact in a particular year. So every year, under the current system, we will be measuring how much water we use, how much water should have gone to Kansas, and in doing that we will know, on a year-by-year basis, how much, if any, we're short. So if we start with the 2009 irrigation season as a hypothetical, on May 1 of the following year, the...all of the relevant entities, the NRDs, the irrigation districts, would provide information to the Department of Natural Resources regarding actual irrigated acres during the 2009 irrigation season. And then by October 15 of that year, the department would supply counties with information required to include the contingency deposit on the county property tax statements. So the mechanism that would be used wouldn't be a whole new system but would piggyback on the property tax statements. The contingency deposit for the 2009 irrigation season, then, would be due December 31 of 2010, the next year, and then would not be delinquent--following current property tax time lines--would not be delinquent until the following year. So the way in which the mechanism would work would be upon receipt of a report from the compact indicating noncompliance on the part of Nebraska, the department would calculate the deposit in an amount that would be adequate to cover damages, in the event that the state were found liable for such noncompliance, and the amount of the deposit would not exceed \$3 per irrigated acre. The amount with respect to municipalities would be based on the portion of water municipalities use, as compared to total usage, and the amount of the deposit would vary by natural resource districts, because