

PREPARED BY: Jeanne Glenn
 DATE PREPARED: February 05, 2008
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LB 975

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	475,000 to 500,000		475,000 to 500,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	475,000 to 500,000		475,000 to 500,000	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 975 would amend the formula used to restrict ground water usage in natural resources districts (NRDs) where the proceeds of river flow enhancement bonds were used to lease or purchase water rights. LB 975 would establish a formula for each of the following: single-year leases or purchases by NRDs, multi-year leases or purchases by NRDs, single-year leases or purchases by the state, and multi-year leases or purchases by the state. LB 975 would also require that leased water shall only be used for the intended purpose as defined in section 2-3226.04 and as further defined by the parties in the agreement or contract. In the case of water rights leased or purchased by the state, LB 975 requires that the state would not allow other surface water sources to be used on the acres served from the purchased or leased water. Variances on ground water use restrictions could be granted by NRDs during the term of the lease if consumptive use is reduced.

The Department of Natural Resources estimates that it may require an additional 7 FTE staff to determine that leased water is used only for the intended purpose. A total of 7 FTE staff would be hired to carry out ground water and surface water modeling and to ascertain compliance with the provisions of LB 975. Total costs for salaries, benefits and related operating expenses would total \$475,000 to \$500,000 General Funds annually.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Mike Salzwedel	DATE	2/5/08	PHONE	471-2526
COMMENTS					
LOWER PLATTE SOUTH NATURAL RESOURCES DISTRICT: Concur, NFI. PAPIO-MISSOURI RIVER NATURAL RESOURCES DISTRICT: Concur, NFI. UPPER BIG BLUE NATURAL RESOURCES DISTRICT: NFI.					