



One Hundred First Legislature - Second Session - 2010  
**Introducer's Statement of Intent**  
**LB 862**

---

**Chairperson:** Chris Langemeier  
**Committee:** Natural Resources  
**Date of Hearing:** February 3, 2010

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

Legislative Bill 862 would amend sections 2-3226.01 and 2-3226.05, which authorize riverflow enhancement bonds and an occupation tax on the activity of irrigation of agricultural lands.

LB862 would amend similar language in section 2-3226.01 that the district court asserted was closed class language during the litigation of the LB 701 property tax. The new language would allow any Natural Resources Districts (NRDs) in a river basin, where a majority of NRDs use well metering controls in accordance with subdivision (1) (d) of section 46-739, the current authorization to issue riverflow enhancement bonds that could be paid back with proceeds from the current occupation tax.

Mandatory measuring controls (well metering) are essential to accurately managing water within a district that is facing greater demands for water use. When a majority of NRDs in a river basin require well metering, it is necessary for the state to provide eligible NRDs with appropriate funding tools to address water needs within the basin.

In addition, the bill not only would allow the proceeds of the occupation tax in section 2-3226.05 to pay for riverflow enhancement bonds and for the repayment of state financial assistance in section 2-3226.07, but also for all or part of qualified projects in section 2-3226.04.

LB 862, also clarifies that an eligible NRD that has multiple river basins within its jurisdiction as defined in section 2-1504 can confine the occupation tax to the relevant river basin.

Finally, the bill clarifies the procedure in subsection (2) of section 2-3226.05 regarding application for nonirrigation status of acres that lack access to water for irrigation. This would allow the removal of such acres annually or permanently from the list of irrigated acres.

**Principal Introducer:**

\_\_\_\_\_  
**Senator Mark Christensen**