

AMENDMENTS TO LB 950

Introduced by Heidemann

1           1. Strike the original sections and all amendments  
2 thereto and insert the following new sections:

3           Section 1. Section 61-218, Revised Statutes Supplement,  
4 2011, is amended to read:

5           61-218 (1) The Water Resources Cash Fund is created. The  
6 fund shall be administered by the Department of Natural Resources.  
7 Any money in the fund available for investment shall be invested  
8 by the state investment officer pursuant to the Nebraska Capital  
9 Expansion Act and the Nebraska State Funds Investment Act.

10           (2) The State Treasurer shall credit to the fund such  
11 money as is (a) transferred to the fund by the Legislature, (b)  
12 paid to the state as fees, deposits, payments, and repayments  
13 relating to the fund, both principal and interest, (c) donated as  
14 gifts, bequests, or other contributions to such fund from public or  
15 private entities, (d) made available by any department or agency of  
16 the United States if so directed by such department or agency, and  
17 (e) allocated pursuant to section 81-15,175.

18           (3) The fund shall be expended by the department (a)  
19 to aid management actions taken to reduce consumptive uses of  
20 water or to enhance streamflows or ground water recharge in river  
21 basins, subbasins, or reaches which are deemed by the department  
22 overappropriated pursuant to section 46-713 or fully appropriated  
23 pursuant to section 46-714 or are bound by an interstate compact or

1 decree or a formal state contract or agreement, (b) for purposes  
2 of projects or proposals described in the grant application as  
3 set forth in subdivision (2)(h) of section 81-15,175, and (c) to  
4 the extent funds are not expended pursuant to subdivisions (a)  
5 and (b) of this subsection, the department may conduct a statewide  
6 assessment of short-term and long-term water management activities  
7 and funding needs to meet statutory requirements in sections 46-713  
8 to 46-718 and 46-739 and any requirements of an interstate compact  
9 or decree or formal state contract or agreement. The fund shall not  
10 be used to pay for administrative expenses or any salaries for the  
11 department or any political subdivision.

12 (4) It is the intent of the Legislature that three  
13 million three hundred thousand dollars be transferred each fiscal  
14 year from the General Fund to the Water Resources Cash Fund for  
15 FY2011-12 through FY2018-19, except that for FY2012-13 it is the  
16 intent of the Legislature that ten million five hundred thousand  
17 dollars be transferred from the General Fund to the Water Resources  
18 Cash Fund.

19 (5)(a) Expenditures from the Water Resources Cash  
20 Fund may be made to natural resources districts eligible under  
21 subsection (3) of this section for activities to either achieve a  
22 sustainable balance of consumptive water uses or assure compliance  
23 with an interstate compact or decree or a formal state contract  
24 or agreement and shall require a match of local funding in an  
25 amount equal to or greater than forty percent of the total cost  
26 of carrying out the eligible activity. The department shall, no  
27 later than August 1 of each year, beginning in 2007, determine the

1 amount of funding that will be made available to natural resources  
2 districts from the Water Resources Cash Fund and notify natural  
3 resources districts of this determination. The department shall  
4 adopt and promulgate rules and regulations governing application  
5 for and use of the Water Resources Cash Fund by natural resources  
6 districts. Such rules and regulations shall, at a minimum, include  
7 the following components:

8 (i) Require an explanation of how the planned activity  
9 will achieve a sustainable balance of consumptive water uses or  
10 will assure compliance with an interstate compact or decree or a  
11 formal state contract or agreement as required by section 46-715  
12 and the controls, rules, and regulations designed to carry out the  
13 activity; and

14 (ii) A schedule of implementation of the activity or its  
15 components, including the local match as set forth in subdivision  
16 (5)(a) of this section.

17 (b) Any natural resources district that fails to  
18 implement and enforce its controls, rules, and regulations as  
19 required by section 46-715 shall not be eligible for funding  
20 from the Water Resources Cash Fund until it is determined by the  
21 department that compliance with the provisions required by section  
22 46-715 has been established.

23 (6) The Department of Natural Resources shall submit an  
24 annual report to the Legislature no later than October 1 of each  
25 year, beginning in the year 2007, that shall detail the use of the  
26 Water Resources Cash Fund in the previous year. The report shall  
27 provide:

1           (a) Details regarding the use and cost of activities  
2 carried out by the department; and

3           (b) Details regarding the use and cost of activities  
4 carried out by each natural resources district that received funds  
5 from the Water Resources Cash Fund.

6           (7) (a) Prior to the application deadline for fiscal year  
7 2011-12, the Department of Natural Resources shall apply for a  
8 grant of nine million nine hundred thousand dollars from the  
9 Nebraska Environmental Trust Fund, to be paid out in three annual  
10 installments of three million three hundred thousand dollars. The  
11 purposes listed in the grant application shall be consistent with  
12 the uses of the Water Resources Cash Fund provided in this section  
13 and shall be used to aid management actions taken to reduce  
14 consumptive uses of water, to enhance streamflows, to recharge  
15 ground water, or to support wildlife habitat in any river basin  
16 determined to be fully appropriated pursuant to section 46-714 or  
17 designated as overappropriated pursuant to section 46-713.

18           (b) If the application is granted, funds received from  
19 such grant shall be remitted to the State Treasurer for credit to  
20 the Water Resources Cash Fund for the purpose of supporting the  
21 projects set forth in the grant application. The department shall  
22 include in its grant application documentation that the Legislature  
23 has authorized a transfer of three million three hundred thousand  
24 dollars from the General Fund into the Water Resources Cash Fund  
25 for each of fiscal years 2011-12 and 2012-13 and has stated its  
26 intent to transfer three million three hundred thousand dollars to  
27 the Water Resources Cash Fund for fiscal year 2013-14.

1           (c) It is the intent of the Legislature that the  
2 department apply for an additional three-year grant that would  
3 begin in fiscal year 2014-15 if the criteria established in  
4 subsection (4) of section 81-15,175 are achieved.

5           (8) The department shall establish a subaccount within  
6 the Water Resources Cash Fund for the accounting of all money  
7 received as a grant from the Nebraska Environmental Trust Fund as  
8 the result of an application made pursuant to subsection (7) of  
9 this section. At the end of each calendar month, the department  
10 shall calculate the amount of interest earnings accruing to the  
11 subaccount and shall notify the State Treasurer who shall then  
12 transfer a like amount from the Water Resources Cash Fund to the  
13 Nebraska Environmental Trust Fund.

14           Sec. 2. The State Treasurer shall transfer \$7,200,000  
15 from the General Fund to the Water Resources Cash Fund on  
16 or before June 30, 2013, on such date as directed by the  
17 budget administrator of the budget division of the Department  
18 of Administrative Services.

19           Sec. 3. Original section 61-218, Revised Statutes  
20 Supplement, 2011, is repealed.