

One Hundred Second Legislature - First Session - 2011

Introducer's Statement of Intent

LB655

Chairperson: Senator Chris Langemeier

Committee: Natural Resources

Date of Hearing: March 03, 2011

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

Legislative Bill 655 would amend section 2-3226.05 to allow eligible Natural Resources Districts (NRDs) a second option for levying an occupation tax upon the activity of irrigation of agricultural land in lieu of the current occupation tax available to eligible NRDs in this section.

The new optional occupation tax would have a ten dollar per certified acre cap on maximum annual revenue. It would use a projected annual need for an eligible NRD project currently allowed in statute and divide it by the total acre feet of groundwater and surface water used in the previous year within the NRD to calculate the rate per acre foot. This rate would then be multiplied against the irrigator's water use to calculate their proportion of the annual project need, which will be levied for their water use for that year.

There will be an incentive for those who use less. Those who use more water within the district will pay more. In addition, this formula would allow NRDs to maintain their needed annual revenue to meet the projected payment schedule for any of their eligible project.

Principal Introducer: _____

Senator Mark Christensen