

April 23, 2021

TO: NARD Board, NRD Managers and Conservation Partners
FROM: Dean E. Edson, NARD Executive Director
RE: April 23 NARD Update

State Budget Bills Passed

Senators gave final round approval to the state budget bills this week. The bills now await the action of Governor Ricketts.

The \$9.7 billion budget keeps state spending growth at 1.6% for the two-year biennium. The budget includes \$1.45 billion in direct property tax relief over the biennium. The budget includes \$115 million earmarked to address prison overcrowding, including \$100 million appropriated to the capital construction fund and \$15 million set aside for prison alternatives and programs.

Senators set aside funds to replenish the Cash Reserve Fund by including a \$100 million transfer from the General Fund to replenish the Cash Reserve Fund to a balance of \$763 million. The budget leaves \$210 million for pending legislation.

Summaries for bills with provisions impacting natural resources programs are included below. A spreadsheet summarizing budget bills follows on page 7.

LB 379e - Provide, change, and eliminate provisions relating to appropriations. Speaker Hilgers, at the request of the Governor.

The Legislature passed LB 379 on April 20th by a 47-0-2 vote. The bill was presented to the Governor on April 20th.

Previously, the Legislature advanced LB 379 to Final Reading on April 13th on a voice vote. On April 4th the bill was advanced to Select File by a 38-0 vote after adopting AM 392 on a 38-0 vote.

The Appropriations Committee reported LB 379 to General File on April 1st with AM 392.

The amendment (AM 392) becomes the bill. The bill adjusts the budget for the FY 2020-21. There are no adjustments related to natural resources programs.

LB 380e – Appropriate funds for the expenses of Nebraska State Government for the biennium ending June 30, 2023. Speaker Hilgers, at the request of the Governor.

The Legislature passed LB 380 on April 20th by a 47-0-2 vote. The bill was presented to the Governor on April 20th.

Previously, the Legislature advanced LB 380 to Final Reading on April 13th on a voice vote after adopting a series of amendments on Select File. Related to natural resources programs, AM 946 made an adjustment to

increase the appropriation to the Water Sustainability Fund by \$475,000, this removes an earmark to NeDNR that is offset by an equivalent Cash Fund increase of \$475,000 to NeDNR operations.

On April 4th, the Legislature advanced LB 380 to Select File by a 42-0 vote after adopting AM 393 on a 41-0 vote and AM 891 on a 28-12 vote.

The floor amendment (AM 891) increased appropriations for the Nebraska Arts Council from the committee proposal of \$100,000 to \$1,005,346.

Previously, the Appropriations Committee reported LB 380 to General File on April 1st with AM 393. The amendment (AM 393) became the bill.

The bill provides appropriations for operation of state government over the next two fiscal years.

For natural resources programs, the proposal recommends the following:

- **Nebraska Soil and Water Conservation Fund** - Maintains current levels of funding at \$1,806,112 and \$50,000 in Cash Funds for both FY 21-22 and FY 22-23.
- **Water Well Decommissioning** - Appropriates \$70,000 in Cash Funds for both FY 21-22 and FY 22-23.
- **Natural Resources Water Quality Fund** - \$1,187,500 in Cash Funds for both FY 21-22 and FY 22-23.
- **Nebraska Resources Development Fund** - The bill includes no additional appropriations. However unexpended balances existing on June 30, 2021, would be re-appropriated.
- **Nebraska Water Sustainability Fund** – The bill includes an appropriation of \$10,865,033 for both FY 21-22 and FY 22-23. Unexpended balances existing on June 30, 2021, would be re-appropriated
- **Critical Infrastructure Fund** - The bill includes no additional appropriations, however unexpended balances existing on June 30, 2021, would be re-appropriated.
- **Department of Natural Resources operations** - The bill appropriates \$20,134,950 in FY 2021-22 and \$20,108,208 in FY 22-23.
- **Environmental Trust** – The bill includes appropriations of \$20,676,142 for FY 21-22 and \$21,182,946 for FY 22-23.
- **Department of Environment and Energy** - The bill includes appropriations of \$62,487,792 for FY 21-22 and \$62,487,792 for FY 22-23 for Administration, Water Quality, Land Quality and Air Quality programs.
- **Drinking Water Facilities Loan Fund (NDEE)** - Appropriates \$8.5 million for both FY 21-22 and FY 22-23.
- **Nebraska Game and Parks Commission Wildlife Conservation** - Appropriates \$38,105,038 for FY 21-22 and \$38,567,910 for FY 22-23.
- **Nebraska Game and Parks Commission Habitat Development** - Appropriates \$11,482,781 for FY 21-22 and \$11,506,611 for FY 22-23.
- **Nebraska Game and Parks Commission Planning and Trails Coordination** - Appropriates \$1,770,827 for FY 21-22 and \$1,794,710 for FY 22-23.

- **Nebraska Game and Parks Commission Niobrara Council** - Appropriates \$176,000 for both FY 21-22 and FY 22-23. This includes \$125,000 from Federal sources, \$50,000 in General Fund and \$1,000 in Cash Fund for each fiscal year.
- **University of Nebraska Robert B. Daugherty Water for Food Global Institute** - Appropriates \$500,000 in General Funds for both FY 21-22 and FY 22-23.

The bill as amended includes the following transfers impacting natural resources programs:

- Transfers \$11 million from the General Fund to the Water Sustainability Fund in both FY 21-22 and FY 22-23.
- Transfers \$3.3 million from the General Fund to the Water Resources Cash Fund in both FY 21-22 and FY 22-23.

The bill as amended also includes provisions of LB 449 to appropriate funds to NDEE for weatherization and energy efficiency improvements. A summary of LB 449 follows the budget bill summaries.

The Appropriations Committee held hearings for the Nebraska Department of Environment and Energy, Nebraska Department of Natural Resources and Nebraska Game and Parks on February 26th.

Agency 29 – Department of Natural Resources

Director Riley testified in support on behalf of the Department. He noted he fully supports the Governor's recommendation and the committee's preliminary recommendation. He noted that program 334 contains the department's operation budget and that the Governor's recommendation includes a less than 2% increase in each FY - Excluding a one-time appropriation for \$225,000 to support development of the flood mitigation plan.

Director Riley commented that the agency works closely with the Natural Resource Commission on managing cash fund appropriations and he provided an overview of projects funded by the Water Sustainability Fund (WSF). He commented that the department supports the \$475K transfer from the WSF to the cash fund to support maintenance and study of the South Platte River. Director Riley noted that the one-time \$3.8 million appropriation does not need additional funding, but noted it is critical that the existing balance be re-appropriated to support continued work.

Sen. Stinner asked about the fund balance of the \$3.8 million transfer. Director Riley noted that approx. \$2.3 million is unexpended, and that most of the work has been completed and they're working to accelerate the reimbursement process.

Sen. Wishart noted that they have been briefed by the Attorney General's office about water litigation, and asked if the Department works closely with the AG's office, and if so, does the Department have the resources to support that? Director Riley noted that the department works closely with the AG's office and that it is the responsibility of the department to look upstream and protect our resources, further noting that at this point with what is requested the department can support those efforts. Sen. Stinner commented that it is important to monitor and respond to anything Colorado does on the South Platte.

There was no opposition or neutral testimony, and no letters were submitted for the record.

Agency 84 – Department of Environment and Energy

Director Macy testified in support on behalf of the Department. He noted the recommendation includes salary and health insurance increases of less than 1% over the current base appropriation. He commented

that he supports the Governor's proposed budget and the committee's proposed budget, with one exception - He noted the committee didn't include health insurance increases for program 106 and encouraged that be included. Sen. Stinner noted that was likely just an oversight.

Sen. Wishart requested that Director Macy provide the committee a brief on the situation with the AltEn plant at Mead. Director Macy referenced the February 25th briefing with the Natural Resources Committee. He commented that they have been on site since the emergency happened, and that they brought in a contractor and EPA to assist. Macy noted that the spill is contained, and active remediation is occurring with progress, mentioning they are toward the end of emergency phase of cleanup, telling the committee he anticipates we're days, or a week or two from seeing the finality on the emergency part of it. He told the committee the facility has March 1st date to clean up the wet-cake.

Sen. Wishart commented that she has heard the leakage went 30 feet down and asked how that was being addressed. Macy noted that's not part of the cleanup going on now and that the emergency situation is different from long standing compliance efforts of the agency in this case. He commented that according to their current groundwater results, one well had an indication of groundwater impacts. He noted that he can't yet report results of testing going on right now, telling the committee as soon as they get results they'll let them know. He further commented that the one well that showed contamination was not significant, so they're going to go look into it further and report back.

The committee asked further questions about the cost of cleanup and dealing with the situation moving forward. Macy noted there is about 100,000 tons of wet-cake and a lot of water in lagoons that needs mitigated, but noted that's the facilities job, commenting that when the facility gives them a plan he'll know more.

Sen. Wishart asked who is responsible if people's health is impacted, the company or the state? Macy commented that it is the company's responsibility, but commented they're getting into confidentiality and that he can't go further.

The committee further asked Macy if the department has the staff funding to address the situation, or can the committee anticipate a deficit request. Director Macy commented that we're in emergency stage, and he doesn't want to ask for something they haven't evaluated, noting they need to see what tools they have to fit the situation, but at this point there is no additional request for support and that he will be able to talk more about it later on.

A letter in support was submitted for the record by the League of Women Voters. There was no opposition or neutral testimony.

Agency 33 – Nebraska Game and Parks Commission

Director Douglas testified in support on behalf of the Commission. He commented that a majority of budget request was dedicated to state-approved wage and insurance adjustments. He noted there is some increase for increased campground capacity and upgrades, as well as additional staff at Lake McConaughy. He requested the committee give further consideration for agency capital request for program acquisition and management of wildlife areas. The purpose of the request is not for acquisitions, but is focused on capital development for improvements, including fencing projects and construction of a couple of wells.

During questioning, Sen. Erdman had several questions and comments to make about NGPC management. Those comments were not limited to an audit report for tracking of capital improvements, revenue sources and use of program 336, pheasant populations, mountain lion populations, and lengthy discussion over increasing elk populations.

Tanya Storer, Chair of the Niobrara Council, testified in support on behalf of the Council. Storer provided the committee with a detailed overview of the role of the Council and walked through the funding

mechanisms for the council. She commented that money received from federal sources is restricted and that the state appropriation is utilized for administrative costs.

There were no additional proponents, and no opposition or neutral testimony was provided.

LB 383e - Appropriate funds for capital construction. Speaker Hilgers, at the request of the Governor.

The Legislature passed LB 383 on April 20th by a 38-2-9 vote. The bill was presented to the Governor on April 20th.

Previously, the Legislature advanced LB 383 to Final Reading on April 13th on a voice vote. The bill was advanced to Select File on April 9th by a 37-3 vote after adoption of AM 395 by a 37-3 vote and AM 911 by a 32-3 vote.

The major appropriations in the bill are for the proposed new prison, University of Nebraska projects and the State Capitol HVAC repair.

Included in the bill are several capital construction projects for the Nebraska Game and Parks Commission as follows:

- **State Park System Facility Improvements** – Appropriates \$775,000 for FY 21-22 and \$925,000 for FY 22-23.
- **State Parks Facilities Deferred Maintenance** - Appropriates \$4,325,000 for FY 21-22 and \$4,175,000 for FY 22-23.
- **Improvements to State Recreation Areas** - Appropriates \$500,000 for both FY 21-22 and FY 22-23.
- **Emergency Repairs** - Appropriates \$750,000 for both FY 21-22 and FY 22-23.
- **Aquatic Habitat Enhancement and Restoration** - Appropriates \$3,000,000 for both FY 21-22 and FY 22-23 in future cash funds.

LB 384e - Provide for transfers of funds and change permitted use of a fund. Speaker Hilgers, at the request of the Governor.

The Legislature passed LB 384 on April 20th by a 41-0-8 vote. The bill was presented to the Governor on April 20th.

Previously, the Legislature advanced LB 384 to Final Reading on April 13th on a voice vote after adopting AM 962 and 937. The amendments included no adjustments to natural resources programs and reflected compromises on funding to address prison overcrowding and behavioral health.

The bill was advanced to Select File on April 4th by a 44-0 vote after adoption of AM 396 on a 44-0 vote.

The Appropriations Committee reported LB 384 to General File on April 1st with AM 396. The amendment (AM 396) became the bill.

The bill provides for transfers of funds for state operations. Original sections relating to transfers from the General Fund to the Property Tax Credit Fund, the Water Sustainability Fund, and the Water Resources Cash Fund, are now contained in the committee amendment to LB 380.

LB 384 as amended transfers \$475,000 from the Water Sustainability Fund to the Department of Natural Resources Cash Fund in both FY 21-22 and FY 22-23. During General File floor debate, Sen. Stinner noted

an amendment would be brought on Select File to strike the \$475,000 transfer, as the transfer of funds for the study are no longer required.

LB 449 - Appropriate funds to the Department of Environment and Energy. Wishart.

Provisions of LB 449 were incorporated into LB 380, the mainline appropriation bill. LB 380 as amended was passed and presented to the Governor on April 20th, a summary of LB 380 is included above.

The bill appropriates \$100,000 annually from the General Fund for FY2021-22 and FY2022-23, to the Department of Environment and Energy, for the Low-Income Weatherization Assistance Program, to aid in carrying out energy efficiency audits and weatherization improvements.

The Appropriations Committee accepted testimony on LB 449 on February 26th.

Senator Wishart opened by noting the bill would assist households below 200% of federal poverty level to increase energy savings by implementing weatherizing improvements.

Proponents

Britton Gable testified in support on behalf of OPPD and the Nebraska Power Association. He noted OPPD offers cost-assistance programs, but those programs don't address long-term problem. He commented that weatherization improvements can decrease energy costs by up to 25%. He provided an example of a pilot program in partnership with Habitat for Humanity that was completed on 62 homes providing an average annual savings of \$232 per home. He noted that 356 other properties have been done with other funding sources, but there is a long waiting list for projects. He clarified that the OPPD program is for owner-occupied homes, NDEE program can serve some renter occupied homes, but there are federal regulations that NDEE must deal with.

Gable pointed out the \$100,000 in state funds under the proposal would be added to the \$2.6 million in Federal funding provided to NDEE for the weatherization program.

Tracie McPherson testified in support on behalf of Habitat for Humanity of Omaha. She told the committee Habitat for Humanity for Omaha weatherizes on average 116 homes in Douglas county each year. Weatherization of homes helps reduce the energy burden on families by roughly 18%. She commented that weatherization also mitigates deterioration of homes. Tracie provided an example of a current client that has been heating her house with a wood burning stove, noting that in two weeks she will have an energy efficient furnace.

Ashley Frevert testified in support on behalf of Community Action of Nebraska. She noted they use advanced computer software to determine most efficient projects to implement to improve weatherization. She noted they weatherized 356 homes for \$134,000 in annual savings. With the average cost of \$7,500 per home. During questioning, Sen. Hilkeman commented that at an average cost of \$7,500, they're looking at nearly 50-year return on investment.

Letters of support were provided by Nebraska Interfaith Power and Light, Nebraska Sierra Club, and Audubon Society.

There was no opposition or neutral testimony. A letter was submitted by one individual in a neutral capacity.

During closing, Sen. Wishart noted that federal funds are exhausted and there is a waiting list to get funded. She addressed Sen. Hilkeman comments and noted that while there may not be a lot of short-term financial return on investment, it is an investment to improve the lives of people of the state.

		Governor Proposed LB's 380 & 384		Appropriations Committee Proposed Budget AM 393		Committee AM 393 Change From Governors Proposed LB 380		Appropriations AM 393 Change From FY 20-21 Baseline	
		FY 21-22	FY 22-23	FY 21-22	FY 22-23	FY 21-22	FY 22-23	FY 21-22	FY 22-23
Agency 84 - Department Environmental & Energy									
Program 513, 586, 587, 588 - NDEE ¹	General Fund	\$ 3,754,047	\$ 3,778,641	\$ 4,826,993	\$ 4,862,565	\$ 1,072,946	\$ 1,083,924	\$ 1,110,249	\$ 1,145,821
	Cash Fund	\$ 36,918,970	\$ 37,023,644	\$ 38,185,376	\$ 38,345,459	\$ 1,266,406	\$ 1,321,815	\$ 1,434,269	\$ 1,594,352
	Federal Fund est.	\$ 17,304,737	\$ 17,415,411	\$ 19,475,423	\$ 19,635,506	\$ 2,170,686	\$ 2,220,095	\$ 2,338,549	\$ 2,498,632
	Program Total	\$ 57,977,754	\$ 58,223,696	\$ 62,487,792	\$ 62,487,792	\$ 4,510,038	\$ 4,264,096	\$ 4,883,067	\$ 4,883,067
	Salary Limit	\$ 13,769,558	\$ 13,918,726	\$ 16,282,707	\$ 16,519,455	\$ 2,513,149	\$ 2,600,729	\$ 2,775,170	\$ 3,011,918
¹ The increases in the Committees proposal reflect NDEE absorbing water quality programs formally housed at DHHS.									
Program 523 - Wastewater Loan Fund	Cash Fund	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ -	\$ -	\$ -	\$ -
	Federal Fund est.	\$ 6,940,000	\$ 6,940,000	\$ 6,940,000	\$ 6,940,000	\$ -	\$ -	\$ -	\$ -
	Program Total	\$ 7,540,000	\$ 7,540,000	\$ 7,540,000	\$ 7,540,000	\$ -	\$ -	\$ -	\$ -
Program 528 - Drinking Water Facilities Loan Fund	Cash Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Federal Fund est.	\$ 8,500,000	\$ 8,500,000	\$ 8,500,000	\$ 8,500,000	\$ -	\$ -	\$ -	\$ -
	Program Total	\$ 8,500,000	\$ 8,500,000	\$ 8,500,000	\$ 8,500,000	\$ -	\$ -	\$ -	\$ -
Agency 33 - Game & Parks Commission									
Program 162 - Environmental Trust	Cash Fund	\$ 20,675,791	\$ 21,182,401	\$ 20,676,142	\$ 21,182,946	\$ 351	\$ 545	\$ 8,555	\$ 515,359
	Program Total	\$ 20,675,791	\$ 21,182,401	\$ 20,676,142	\$ 21,182,946	\$ 351	\$ 545	\$ 8,555	\$ 515,359
	Salary Limit	\$ 291,891	\$ 295,908	\$ 292,196	\$ 296,460	\$ 305	\$ 552	\$ 5,772	\$ 10,036
Program 330 - Habitat Development	Cash Fund	\$ 7,590,995	\$ 7,625,097	\$ 7,582,108	\$ 7,605,938	\$ (8,887)	\$ (19,159)	\$ (69,341)	\$ (45,511)
	Federal Fund est.	\$ 3,901,998	\$ 3,903,350	\$ 3,900,673	\$ 3,900,673	\$ (1,325)	\$ (2,677)	\$ (3,443)	\$ (3,443)
	Program Total	\$ 11,492,993	\$ 11,528,447	\$ 11,482,781	\$ 11,506,611	\$ (10,212)	\$ (21,836)	\$ (72,784)	\$ (48,954)
	Salary Limit	\$ 1,607,238	\$ 1,628,840	\$ 1,597,748	\$ 1,608,622	\$ (9,490)	\$ (20,218)	\$ 42,011	\$ 52,885
Program 336 - Wildlife Conservation ²	General Fund	\$ 1,817,493	\$ 1,849,409	\$ 1,825,024	\$ 1,867,895	\$ 7,531	\$ 18,486	\$ 399,400	\$ 442,271
	Cash Fund	\$ 27,043,836	\$ 27,430,888	\$ 32,061,087	\$ 32,469,593	\$ 5,017,251	\$ 5,038,705	\$ 6,030,916	\$ 6,439,422
	Federal Fund est.	\$ 4,225,405	\$ 4,243,090	\$ 4,218,927	\$ 4,230,422	\$ (6,478)	\$ (12,668)	\$ 446,774	\$ 458,269
	Program Total	\$ 33,086,734	\$ 33,523,387	\$ 38,105,038	\$ 38,567,910	\$ 5,018,304	\$ 5,044,523	\$ 6,877,090	\$ 7,339,962
	Salary Limit	\$ 16,025,594	\$ 16,295,845	\$ 16,056,219	\$ 16,370,045	\$ 30,625	\$ 74,200	\$ 1,104,923	\$ 1,418,749
² \$5,000,000 Cash Fund increase is included in Committee proposal for wildlife damage reimbursement, which shall only be used for such purpose.									
Program 338 - Niobrara Council	General Fund	\$ 42,011	\$ 42,011	\$ 50,000	\$ 50,000	\$ 7,989	\$ 7,989	\$ 7,989	\$ 7,989
	Cash Fund	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -	\$ -
	Federal Fund est.	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ -	\$ -	\$ -	\$ -
	Program Total	\$ 168,011	\$ 168,011	\$ 176,000	\$ 176,000	\$ 7,989	\$ 7,989	\$ 7,989	\$ 7,989
The unexpended Cash Fund appropriation balance existing on June 30, 2021, is reappropriated.									
Program 550 - Planning & Trails Coordination	General Fund	\$ 494,211	\$ 502,047	\$ 493,544	\$ 500,230	\$ (667)	\$ (1,817)	\$ 4,128	\$ 10,814
	Cash Fund	\$ 1,166,192	\$ 1,181,201	\$ 1,167,922	\$ 1,183,924	\$ 1,730	\$ 2,723	\$ 24,198	\$ 40,200
	Federal Fund est.	\$ 109,414	\$ 110,298	\$ 109,361	\$ 110,556	\$ (53)	\$ 258	\$ 1,450	\$ 2,645
	Program Total	\$ 1,769,817	\$ 1,793,546	\$ 1,770,827	\$ 1,794,710	\$ 1,010	\$ 1,164	\$ 29,776	\$ 53,659
	Salary Limit	\$ 969,988	\$ 983,382	\$ 970,827	\$ 984,299	\$ 829	\$ 917	\$ 24,980	\$ 38,452
Amount expended for development & maintenance of boundary fences along Cowboy Trail limited to \$64,000 CF each FY									
Agency 29 - Department of Natural Resources									
Program 303 - Small Watersheds	Cash Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Program Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Program 304 - Nebraska Soil & Water Conservation Fund	General Fund	\$ 1,806,112	\$ 1,806,112	\$ 1,806,112	\$ 1,806,112	\$ -	\$ -	\$ -	\$ -
	Cash Fund	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -
	Program Total	\$ 1,856,112	\$ 1,856,112	\$ 1,856,112	\$ 1,856,112	\$ -	\$ -	\$ -	\$ -
The unexpended General Fund appropriation balance existing on June 30, 2021, is reappropriated.									
*Program 306 - Water Well Decommissioning	Cash Fund	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ -	\$ -	\$ -	\$ -
	Program Total	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ -	\$ -	\$ -	\$ -
The unexpended Cash Fund appropriation balance existing on June 30, 2021, is reappropriated.									
Program 307 - Nebraska Resources Development Fund - The unexpended General Fund & Cash Fund appropriation balances existing on June 30, 2021, are reappropriated.									
Program 309 - Natural Resources Water Quality Fund	Cash Fund	\$ 1,187,500	\$ 1,187,500	\$ 1,187,500	\$ 1,187,500	\$ -	\$ -	\$ -	\$ -
	Program Total	\$ 1,187,500	\$ 1,187,500	\$ 1,187,500	\$ 1,187,500	\$ -	\$ -	\$ -	\$ -
The unexpended Cash Fund appropriation balance existing on June 30, 2021, is reappropriated.									
Program 313 - Water Sustainability Fund	Cash Fund	\$ 10,865,033	\$ 10,865,033	\$ 10,865,033	\$ 10,865,033	\$ -	\$ -	\$ -	\$ -
	General Fund Transfer	\$ 11,000,000	\$ 11,000,000	\$ 11,000,000	\$ 11,000,000	\$ -	\$ -	\$ -	\$ -
The unexpended Cash Fund appropriation balance existing on June 30, 2021, is reappropriated.									
Program 314 - Critical Infrastructure Facilities -- The unexpended Cash Fund appropriation balance existing on June 30, 2021, is reappropriated									
Water Resources Cash Fund	LB 298 Transfer in	\$ 3,300,000	\$ 3,300,000	\$ 3,300,000	\$ 3,300,000	\$ -	\$ -	\$ -	\$ -
**Program 334 - Soil & Water Conservation (General Operations)	General Fund	\$ 11,017,548	\$ 10,971,400	\$ 11,020,779	\$ 10,972,796	\$ 3,231	\$ 1,396	\$ 484,329	\$ 436,346
	Cash Fund	\$ 7,784,340	\$ 7,788,195	\$ 8,259,150	\$ 8,263,380	\$ 474,810	\$ 475,185	\$ 833,406	\$ 837,636
	Federal Fund est.	\$ 839,193	\$ 845,188	\$ 855,021	\$ 872,032	\$ 15,828	\$ 26,844	\$ 51,950	\$ 68,961
	Program Total	\$ 19,641,081	\$ 19,604,783	\$ 20,134,950	\$ 20,108,208	\$ 493,869	\$ 503,425	\$ 1,369,685	\$ 1,342,943
	Salary Limit	\$ 7,066,469	\$ 7,162,623	\$ 7,086,478	\$ 7,194,701	\$ 20,009	\$ 32,078	\$ 230,338	\$ 338,561
Agency 51 - University of Nebraska									
Robert B. Daugherty Water for Food Global Institute	General Fund	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -
			\$ -					\$ -	\$ -
¹ The increases in the Committees proposal reflect NDEE absorbing water quality programs formally housed at DHHS.									
² \$5,000,000 Cash Fund increase is included in Committee proposal for wildlife damage reimbursement, which shall only be used for such purpose.									

Governor Action

LB 83e - Change the Open Meetings Act to provide for virtual conferencing. Flood. Government Committee Priority Bill.

Governor Ricketts signed LB 83e into law on April 21st. The bill includes the emergency clause and becomes law immediately following approval by Governor Ricketts.

The Legislature gave final round approval to LB 83e on April 15th following a 43-0-6 vote.

Previously, the Legislature advanced LB 83 to Final Reading on April 6th by a voice vote after adopting AM 750 on a 41-0 vote. AM 750 adds Sanitary Improvement Districts to the list of public bodies able to conduct virtual conferencing during emergencies.

The Legislature advanced LB 83 to Select File on March 15th by a 48-0 after adopting AM 127 on a 48-0 vote.

Previously, the Government Committee reported LB 83 to General File with AM 127 on February 16th following an 8-0 vote. The Government Committee declared the bill a priority bill for the session.

The committee amendment (AM 127) adds language to the bill that ratifies actions taken by public bodies in reliance on Governor's executive orders issued during the pandemic. The amendment also adds MUD and regional metropolitan transit authorities to the list of political subdivisions that may utilize virtual conferencing for public meetings. The amendment adds a requirement that when multiple public participation sites are offered that each meeting site be attended by at least one member of the public entity or their designee. The amendment includes a revision clarifying that the documents that must be made available at each meeting site are those documents being considered at the meeting. The amendment requires an emergency declaration by the Governor under section 81-829.39 to trigger emergency meeting procedures under the bill. Lastly, the amendment provides an exception to an address publication requirement in instances where that address requirement may endanger a person's security.

The bill allows for virtual conferencing for the following entities:

- (i) A state agency, state board, state commission, state council, or state committee, or an advisory committee of any such state entity;
- (ii) An organization, including the governing body, created under the Interlocal Cooperation Act, the Joint Public Agency Act, or the Municipal Cooperative Financing Act;
- (iii) The governing body of a public power district having a chartered territory of more than one county in this state;
- (iv) The governing body of a public power and irrigation district having a chartered territory of more than one county in this state;
- (v) An educational service unit;
- (vi) The Educational Service Unit Coordinating Council;
- (vii) An organization, including the governing body, of a risk management pool or its advisory committees organized in accordance with the Intergovernmental Risk Management Act;
- (viii) A community college board of governors;
- (ix) The Nebraska Brand Committee;
- (x) A local public health department;
- (xi) A natural resources district; and
- (xii) The Judicial Resources Commission

To hold such meeting the following criteria must be met:

- (1) Reasonable advance publicized notice is given including providing access to a dial-in number or link to the virtual conference;
- (2) Reasonable arrangements are made to accommodate the public's right to attend at a physical site and participate including seating, in at least one designated site in a building open to the public and identified in the notice, recording of the hearing by audio or visual recording devices, and a reasonable opportunity for input, such as public comment or questions, is provided to at least the same extent as would be provided if virtual conferencing was not used;
- (3) At least one copy of all documents for the meeting is available at any physical site open to the public where individuals may attend the virtual conference. The public body shall also provide links to an electronic copy of the agenda, all documents being considered at the meeting, and the current version of the Open Meetings Act; and
- (4) Except as otherwise provided in this subdivision, no more than one-half of the meetings of the state entities, advisory committees, boards, councils, organizations, or governing bodies are held by virtual conferencing in a calendar year.

The bill also allows for virtual conferencing if an emergency is declared pursuant to the Emergency Management Act. Under this provision, a public body the territorial jurisdiction of which is included in the emergency declaration, in whole or in part, may hold a meeting by virtual conferencing during such emergency if the public body gives reasonable advance publicized notice. The notice shall include information regarding access for the public and news media.

In addition to any formal action taken pertaining to the emergency, the public body may hold such meeting for the purpose of briefing, discussion of public business, formation of tentative policy, or the taking of any action by the public body. The public body shall provide access by providing a dial-in number or a link to the virtual conference.

The public body shall also provide links to an electronic copy of the agenda, all documents being considered at the meeting, and the current version of the Open Meetings Act. Reasonable arrangements shall be made to accommodate the public's right to hear and speak at the meeting and record the meeting.

The nature of the emergency shall be stated in the minutes. Complete minutes of such meeting specifying the nature of the emergency and any formal action taken at the meeting shall be made available for inspection.

The bill also has changes regarding individuals that speak at meetings. The body shall require any member of the public desiring to address the body to identify himself or herself, including an address and the name of any organization represented by such person. Under current law, this is voluntary.

Finally, beginning July 31, 2022, the governing body of a natural resources district, the city council of a city of the metropolitan class, the city council of a city of the primary class, the city council of a city of the first class, the county board of a county with a population greater than twenty-five thousand inhabitants, and the school board of a school district shall make available on such entity's public website the agenda and minutes of the governing body.

The agenda shall be placed on the website at least 24 hours before the meeting of the governing body. Minutes shall be placed on the web site at such time as the minutes are available for inspection under existing law. This information shall be available on the public website for at least six months.

The bill includes the emergency clause so it would become effective as soon as it is approved by the Governor.

The Government Committee accepted testimony on the bill on January 27th.

In his opening, Senator Flood noted this bill is a step toward modernizing the way meetings are done. He stressed that a lot of people have worked together as a coalition to draft this bill and that testimony would be consolidated. During questioning, Senator Flood was asked about the right to declare an emergency, and it was noted that this is a point of contention with the bill, but he noted he feels the local individuals are best positioned to determine the best way to address an emergency.

Proponents

Proponents of the bill included Larry Ruth testifying on behalf NARD and the LPSNRD. Ruth demonstrated the practical need for the bill by outlining the struggles and obstacles the LPSNRD board has had to overcome during the pandemic. During questioning, Senator Halloran raised concern about the issue of rural connectivity and how it could prevent constituents from participating. Senator Lowe raised questions and spoke to the need to add something in the bill to ensure board members stay actively engaged and away from outside influence.

Other proponents included Shelly Sahling-Zart testifying on behalf of the Nebraska Power Association. She told the committee the bill is not changing how ordinary meetings are conducted, it's about continuing to do public business during moments of extraordinary emergencies. She noted the bill is first and foremost about addressing safety and including transparency.

Mike Rogers of Gilmore and Bell testified on behalf of the city of Lincoln. He spoke about the unclarity in the Governor's pandemic executive order and the potential legal challenges it presents, noting that this bill adds clarity.

Lynn Rex testified in support on behalf of the League of Nebraska Municipalities and the Nebraska Association of School Boards. Rex thanked the Governor for his orders allowing for continuation of virtual conferencing. She outlined how the bill merges two sections of statute for video conferencing and teleconferencing into one section for virtual conferencing.

Sean Kelley testifying on behalf of the Douglas County Board of Commissioners told the committee they have successfully utilized virtual meetings during the pandemic and simply wanted their support for the bill on the record.

Edison McDonald testifying for Arc of Nebraska noted the bill would ensure there is more opportunity for engagement for individuals with disabilities.

Danielle Conrad for the ALCU of Nebraska told the committee this is a good government bill with increased transparency and flexibility. She noted the ALCU is pleased to hear there are amendments to offer additional privacy.

There were eleven written testimonies and nineteen position letters submitted from proponents.

Opponents

Lance Molina of Gretna testified in opposition. He testified that the bill would allow the government body to mute any individual they disagree with. He provided an example of a meeting in Gretna where proponents were unlimited in testimony, but opponents were filtered.

Written testimony in opposition to the bill was submitted from the Governor's Office. No opposition position letters were submitted.

Neutral

Neutral testimony was provided by Tim Texel on behalf of the Nebraska Power Review Board. He testified simply to raise questions about three technicalities. Asking for clarification on what does all documents

mean in contrast to current law of all documents considered at the meeting. He also noted he is not clear on what is meant by sites for copies and how an electronic copy of an agenda needs to be made available.

Neutral written testimony was submitted by Media of Nebraska. One neutral position letter was submitted. Senator Flood waived closing.

Final Reading

LB 65 - Change contractual conflict of interest provisions under the Nebraska Political Accountability and Disclosure Act. Williams.

The Legislature passed LB 65 on April 20th by a 48-0-1 vote. The bill was presented to the Governor on April 20th.

Previously, the Legislature advanced LB 65 to Final Reading on April 12th by a voice vote. The bill was advanced to Select File on April 6th by a 41-0 vote.

The Government Committee reported LB 65 to General File on February 16th following an 8-0 vote.

The bill makes minor changes under the conflict of interest statutes for officers to remove the language “a direct pecuniary fee” from the law dealing with contracts. It replaces the term with “a payment or fee”.

The Government Committee accepted testimony on LB 65 on February 10th

During opening, Senator Williams outlined the bill and noted it only proposes a change that is technical in nature.

Proponents

Frank Daley testified in support on behalf of the Nebraska Accountability and Disclosure Commission. He reiterated that the bill is technical in nature and removes a conflicting section of statute.

A letter of support was submitted by the League of Municipalities.

There was no opposition or neutral testimony and Sen. Williams waived closing.

LB 414 - Change provisions of the Political Subdivisions Construction Alternatives Act. Wishart.

The Legislature passed LB 414 on April 20th by a 47-0-2 vote. The bill was presented to the Governor on April 20th.

Previously, the Legislature advanced LB 414 to Final Reading on April 12th on a voice vote. The bill was advanced to Select File on April 6th by a 41-0 vote. The Government Committee reported LB 414 to General File on February 16th following a 7-0-1 vote.

The bill adds natural resources districts to the list of political subdivisions that could use design-build contracts or construction management at risk contracts.

The bill outlines that political subdivisions may use such for a project, in whole or in part, for water, wastewater, utility, or sewer construction.

To use the contract, the governing body of the political subdivision shall adopt a resolution selecting the design-build contract or construction management at risk contract delivery system by an affirmative vote of

at least two-thirds of the governing body of the political subdivision. The resolution shall include a statement that the political subdivision has made a determination that the contract is in the public interest based, at a minimum, on one of the following criteria: (a) Savings in cost or time or (b) requirement of specialized or complex construction methods suitable for the design-build contract or construction management at risk contract delivery system.

The Government, Military & Veterans Affairs Committee accepted testimony on LB 414 on February 4th.

Opening on the bill, Senator Wishart commented that she was carrying the bill for Senator Hilgers, noting this is building off of LB 890 from last session. She commented that the goal is to save time and money by allowing for a more efficient process. The bill would authorize the use of design build for water infrastructure projects. This is a compromise with the only stakeholders who were in opposition last year. She noted that NPPD would like to be added to the list of political subdivisions authorized for design-build, and requested the committee consider that as an amendment.

Proponents

Christy Abraham testified in support on behalf of the League of Nebraska Municipalities. Abraham noted that the use of design-build continues to expand and grow. She suggested that there have been many communities that would like to use design-build for water and wastewater projects.

Elizabeth Elliott testified in support on behalf of the City of Lincoln. Elliott commented that this would offer flexibility and provide cost and time savings. She noted that the City of Lincoln has successfully used design-build for other projects and would like to have the same option for water and wastewater utility projects.

Written testimony was submitted in support by NACO.

The NARD worked with Senator Wishart and submitted written testimony on the bill. The testimony outlined that Nebraska's NRDs operate and provide safe drinking water for 15 rural water systems in Nebraska. This includes more than 2,300 miles of buried water lines, serving over 19,300 people across the state. Primarily, these serve smaller communities that cannot afford to operate systems independently. They also serve many rural customers in between the communities that do not have access to drinking water.

An example would be the Logan East Rural Water & Wau-Col Rural Water system operated by the Lower Elkhorn NRD. This system has 800 miles of buried water lines, serving six communities of Belden, Magnet, McLean, Uehling, Winslow & Herman. There are also rural customers that hook on to the system in between the communities. The total population served is over 6,000.

During the floods of 2019, several rural water systems had breaks in lines and needed emergency repairs. The NRDs were able to hook on to other systems to provide temporary service while the system was repaired. The design-build process proposed in LB 414 could allow NRDs to use a design system that would expedite construction, save money and ultimately provide cost savings for the users. This process could be used in the future to add customers and communities to existing systems and/or new systems.

There was no opposition or neutral testimony and Senator Wishart waived closing. Position letters in support of the bill were submitted by the Association of General Contractors, and MUD.

General File Debate

LB 408 – Adopt the Property Tax Request Act. Briese. Geist Priority Bill.

This week Senators debated LB 408 on General File. Following 8 hours of debate and 21 amendments being filed on the bill, proponents of the bill fell short of the 33 votes needed for Cloture, effectively ending any

additional action on the bill for the session. The vote on cloture was 29 Yes, 8 No, 11 Present and not voting, 1 Excused and not voting.

During floor debate, opponents of the bill voiced concern over the usurping of local control and several senators referenced the fiscal responsibility being demonstrated by locally elected officials. Opponents of the bill also referred to the \$1.45 billion in property tax relief being provided in the budget.

Proponents of the bill repeatedly referenced large increases in property taxes levied by some political subdivisions, in particular community colleges. Some proponents of the bill suggested removing school districts and certain cities and communities and targeting budget restraints to specific regional taxing districts as a compromise, though a deal could not be reached and the bill failed to advance.

Previously, the Revenue Committee reported LB 408 to General File on March 2nd with AM 371 following a 7-1 committee vote. Senator Geist declared the bill as her priority bill for the session. The Committee Amendment (AM 371) becomes the bill to adopt the Property Tax Request Act. Other changes originally proposed in LB 408 are included in the Committee Amendment. The changes from LB 408 with the amendment are outlined below.

- A political subdivision's property tax request in any year shall not exceed its request authority. Request authority shall be equal to the political subdivision's tax request from the prior year multiplied by 103%.
- By a majority vote of a political subdivision's governing board, the political subdivision may exceed the 3% limit for no more than 2 consecutive years. If this situation occurs, the property tax request of the political subdivision shall be reduced to ensure the increase in the property tax request does not exceed 9% over a 3-year period.
- The 3-year period will be measured using the year when the political subdivision exceeds the 3% limit as the first year. If the vote to exceed the 3% limit is for 2 consecutive years, the 3-year period shall be measured twice using each of the 2 consecutive years as the first year of the applicable 3-year period.
- The 3% limit shall not apply to a political subdivision's property tax request that will be derived from the real growth value of the political subdivision.
- A political subdivision that chooses not to increase its property tax request by the full 3% may carry forward one-half of its unused request authority to future years as carryover request authority. Carryover request authority may be used in future years to increase the political subdivision's tax request above the 3% limit.
- The 3% limit shall apply to property tax requests set in 2022 through 2027. The 3% limit shall no longer apply to property tax request set in 2028 and thereafter.
- The presentation required at a budget hearing shall also include information showing the political subdivision is in compliance with the Property Tax Request Act.
- Political subdivision is defined under the proposal as any county, city, village, school district, learning community, sanitary and improvement district, natural resources district, educational service unit, or community college.
- The total amount of property tax revenue raised by a political subdivision in a fiscal year may exceed the limitation in an amount approved by a majority of legal voters. All costs of the election shall be paid by the political subdivision seeking to exceed such limitation.

- The governing body of the political subdivision shall call for the submission of the issue to the voters by passing a resolution, by majority vote of the governing body, calling for exceeding the limit and delivering a copy of the resolution to the county clerk or election commissioner of every county which contains all or part of the political subdivision. The resolution shall include the amount which would be requested in excess of the limit.
- The limitation would not apply to the amount of property tax revenue needed to pay the principal and interest on bonded indebtedness.
- Further, it would not apply to the amount of property tax revenue raised by a political subdivision in any fiscal year on any real growth value within the political subdivision. Real growth value is defined in the proposal as the increase in real property valuation due to (i) improvements to real property as a result of new construction and additions to existing buildings, (ii) any other improvements to real property which increase the value of such property, and (iii) annexation of property by the political subdivision.

(Companion legislation to LR 22 CA)

The Revenue Committee accepted testimony on LB 408 on January 27th.

In his opening remarks, Sen. Briese noted that Nebraskans are angry and that high taxes are choking off growth in rural communities. It is difficult to recruit people to the state and keep them to grow the state because of high taxes. There needs to be an all of the above approach and limiting the growth of taxes is one way to start that. Pertaining to LR22CA, he trusts Nebraskans to do the right thing and make the right decision, but this statutory version allows adjustments for ups and downs in budgets and accommodates concerns.

Proponents

Bud Synhorst, LIBA, testified in support. He noted this bill makes political subdivisions work within their means, which is what businesses have to do. Political subdivisions are building up war chests to pad their budgets and claiming it as theirs, but really, it's the taxpayer's money. He said that political subdivisions claim that the taxes haven't gone up, but it isn't true because property values have increased, and political subdivisions are getting more if the levy is the same. Political subdivisions aren't dropping their ask even though they get more money because land values have increased.

Robert Holstrom, National Federation of Independent Businesses, testified in support. He mentioned that the state's ability to control spending was a benefit in the pandemic and it's important to have that same budget control on the local level, too. He felt the statutory version of this idea is better due to flexibility, but feels the constitutional version (LR22CA) would get passed by voters, because citizens are upset and would make their own change.

Sarah Curry, Platte Institute, testified in support. She noted that the statutory version would advance quicker so Nebraskans can have immediate relief and the constitutional version (LR22CA) would require more time. She suggested waiting for a larger election year to get more participation.

Opponents

Dennis Meyer, Lancaster Co Budget/Fiscal Officer, testified in opposition. He said that the county is open to discussion but worries this legislation is a quick and easy fix without looking at the whole process. There were years the county took less to drive the levies down and not all political subdivisions are raising taxes for no reason. He noted that infrastructure issues are huge, and 3 percent would make projects slower or even nonexistent.

Greg Adams, Nebraska Community College Association, testified in opposition. He mentioned that the five colleges biggest expense is personnel – collective bargaining and health insurance is about 80 percent of the budget. Additionally, over the last few years the community colleges have faced huge increases in property/liability insurances. There are times when the colleges can be within 3 percent, but they lose flexibility.

Sen. Flood during questioning asked why within 10 years, community colleges went from \$22 million to \$49 million in property taxes. He said that is unconscionable and willful, reckless driving at community colleges.

Adams said he wouldn't go so far as to say it was unconscionable, because it was within the law, but agreed that it was a big increase. He said that Northeast Community College has a new president that is reducing administrative staff and trying to bring things more in line with fiscal conservatism. Southeast Community College prided themselves for years on having a low levy but to do that they neglected things and now they are playing catch up to meet requirements. He said SCC is now increasing their tax request to catch up on deferred expenses.

Robert Post, Banner County Commissioner, NACO, and on National County Board, testified in opposition. He highlighted that the public could make their wishes known during county board meetings and every two years during elections if money wasn't spent properly. If the county's other costs go up, they need flexibility to cover those expenses. He noted Banner County keeps inheritance tax money as a reserve and works hard to maintain a reserve to cover costs.

John Spatz, Nebraska Association of School Boards, testified in opposition. He said this legislation takes away a local board's ability to manage their own budget, and local board members already have a vested interest to keep the budget in check, pointing out that 75 percent of Nebraska school board members have some dependency on the ag industry. Since 2011, on average collectively the schools have spent slightly less than the state. Nebraska ranks 49th in the nation for state school support and is the 2nd highest in the nation for the resources being invested in the classroom, where you see the highest rate of return.

Spencer Head, Omaha Public Schools Board Member, testified in opposition. He mentioned this was an intrusion on the local control that schools have with their board. The board should be determining whether they increase or decrease the budget, and there are already caps in place for these budgets.

Renee Fry, Open Sky Policy Institute, testified in opposition. She noted this legislation limits local control and we shouldn't punish all local subdivisions because some have had a high increase. Not all political subdivisions are the same and they take care of different needs for our communities, so we shouldn't treat them all the same. Political subdivisions have a spending limit, there are limits on levies and this bill could lead to unintended consequences. She gave the example of responding to natural disasters if political subdivisions can't adjust their own local budgets.

Kyle Fairbairn, Greater Nebraska Schools Association, testified in opposition. He indicated this could cause major problems with budget evaluation for schools because they can't offset the loss from TEEOSA. If the school has a special education student move into a rural school district and that student costs \$100,000 to educate then that school is over the 3 percent because of this one student.

Christy Abraham, League of Nebraska Municipalities, testified in opposition. She noted cities need the flexibility to deal with emergencies – sewer break, natural disaster, etc.

Don Wesley, Greater Nebraska Cities, testified in opposition. Wesley said direct borrowing is not the same as a voter-approved bond issue. Direct borrowing can be quicker and less expensive than voter-approved bond issue. For local control using direct borrowing might be advantageous to the budget for that local subdivision.

John Cannon, NACO, testified in opposition, noting that counties don't spend money on anything that is not approved, and they don't spend lavishly getting the most expensive snowplows. People are not complaining about the services the county offers, but rather they want more and better services from the county.

Several organizations and individuals submitted written testimony in opposition. Six position letters in opposition were submitted.

Neutral

There was no neutral testimony.

Senator Briese noted in his closing that this is an incremental step that can be made to try and make a difference on property taxes. He said they can make adjustments as problems arise with the local areas.

Committee Action

LB 406 - Create the Lower Platte River Infrastructure Task Force and provide funding. McDonnell. Speaker Priority.

The Natural Resources Committee held a hearing on a proposed amendment (AM 848) to LB 406 on Tuesday, April 20th. After the hearing, the committee advanced AM 1092 which replaces the bill.

The amendment (AM 1092) proposes to create the Statewide Tourism and Recreational Water Access and Resource Sustainability Special Committee of the Legislature.

The committee shall consist of the Speaker of the Legislature, who shall serve as chairperson. Other members would include the chairperson of the Natural Resources Committee, one member of the Appropriations Committee, and at least four other members of the Legislature appointed by the executive board. The appointed members of the special legislative committee shall be members who represent legislative districts comprising portions of the areas under study or who otherwise have knowledge of such areas.

The Executive Board of the Legislative Council shall provide staff as required by the committee from existing legislative staff. In addition, the committee may hire additional staff, make expenditures for travel, and enter into contracts for consulting, engineering, and development studies.

It is the intent of the Legislature to appropriate two million dollars for fiscal year 2021-22 to carry out the purposes of the committee.

Studies shall be conducted on:

- The need to protect public and private property, enhance economic development, and promote private investment and the creation of jobs along the Platte River and its tributaries from Columbus, Nebraska, to Plattsmouth, Nebraska. The study of the Lower Platte River shall not include a study of any dam on a Platte River channel but may include infrastructure options that maintain the integrity of the main channel of the Platte River. The committee may study dams relating to tributaries of the Platte River and levees in such area.
- The need to provide for public safety, public infrastructure, land-use planning, and economic development in the Lake McConaughy region of Keith County, Nebraska.

- The socioeconomic conditions, recreational and tourism opportunities, and public investment necessary to enhance economic development and to catalyze private investment in the region in Knox County, Nebraska, that lies north of State Highway 12 and extends to the South Dakota border and includes Lewis and Clark Lake and Niobrara State Park.
- The studies for Lake McConaughy in Keith County and Lewis and Clark Lake and Niobrara State Park in Knox County shall evaluate the outcomes and the economic benefits of proposed development and improvements to residents, the local region, and state tourism.

The committee shall hold hearings and request and receive reports from state, county, and city agencies regarding matters pertaining to its studies. The committee may hold one or more closed sessions for the receipt of confidential information if at least one-half of the members of the committee vote in open session to hold a closed session. The committee may appoint a subcommittee for the purpose of receiving public input as it relates to protection from flooding along the Platte River from Columbus, Nebraska, to Plattsmouth, Nebraska.

The special legislative committee shall endeavor to complete each study on or before December 31, 2021, but such studies shall be completed no later than December 31, 2022.

The Natural Resources Committee accepted testimony on the Amendment 848 to LB 406 on April 20th.

Opening on the amendment to the bill, Senator McDonnell provided the committee with an overview of the negotiations and discussions that led to a compromise amendment to the issue. He noted the language in the bill specifically outlines the study of the Lower Platte River shall not include a study of any dam on a Platte River channel but may include infrastructure options that maintain the integrity of the main channel of the Platte River. The committee may study dams relating to tributaries of the Platte River and levees in such area. The potential for a dam on the mainstream of the Platte River was the center-point of opposition to the original bill and that has now been alleviated.

Proponents

John Winkler, General Manager of the Papio-Missouri River NRD, testified on behalf of NARD.

Winkler offered the NRDs assistance to formulate proactive options to mitigate the devastating impacts of flooding and drought, create recreational opportunities, foster economic and community development, create jobs and investment, as well as improve the natural environment. The historic flood of 2019 was all about the uncontrolled tributaries of the state like the Platte, Elkhorn, and Loup Rivers. Preliminary analysis illustrates that if a significant reservoir or several reservoirs were in place in the Lower Platte Basin during the March 2019 flood event the certified levee systems south of the mouth of the Platte and Missouri River in Iowa, Nebraska, Kansas, and Missouri would have been within their design capacities and potentially would not have been overtopped or failed.

At a minimum over two and a half billion dollars in damages to critical public and private infrastructure and property could have been prevented. This figure does not include damages to agricultural land, homes, businesses, lost income, entire communities destroyed and the future productivity of thousands of acres of farm ground compromised; all from one single event.

In stark contrast to the impacts of flooding, it is estimated that the duration and intensity of droughts will increase, flash droughts like the one in 2021 may become more frequent. Throughout the state's history there has always been stresses on our drinkable and irrigated water supplies that test their resiliency and sustainability. Several significant reservoirs that could provide enough surface water augmentation on

demand and enhance aquifer recharge all year round would be a tremendous boost to the resiliency of the lower Platte corridor where nearly 70% of the state's population resides.

In fact, the most recent statewide groundwater report published by the University of Nebraska at Lincoln's School of Natural Resources highlighted that groundwater wells near reservoirs and canals continue to show increases as they benefit from seepage or groundwater recharge. Groundwater levels have risen as much as 60 feet near Lake McConaughy due to recharge from the lake. In south-central, central, and western Nebraska, groundwater has risen by more than 100 feet due to the influence of canals and reservoirs. This type of sustainable water supply would be especially beneficial to the City of Lincoln who relies solely on the Platte River Basin for its water needs.

Winkler noted that reservoirs would add a tremendous number of recreational benefits both land and water based to the Omaha/Lincoln metropolitan area. It is consistently reported that the urban areas of our state and country lack sufficient outdoor recreational opportunities. With addition acres of flat-water recreation, that would also provide flood control benefits, it is reasonable to conservatively expect several hundred million dollars in economic impact to the state's economy.

Others testifying in support had a common theme of flood control, recreation, and economic development. Testifiers in support included: Speaker Mike Hilgers; Mark Simpson, Knox County; Deb Schilz, Keith County Visitors Committee; Kelly Hanvey, Knox County Development Agency; Jessop Adams, Keith County Planning and Zoning; Corey Crandall, Keith County Commissioner; Lane Anderson, Keith County Commissioner; Karla Scott, Keith County Chamber; Jeff Davis, BNSF Railway; Patrick Liska, Knox County Supervisor; Kevin Barta, Knox County Road Department; Kristal Stoner, Audubon Society.

Written testimony in support was submitted by Angela Janda-Craig, Nebraska Game and Parks;

Written testimony in a neutral capacity included: Jeff Buettner, Central Nebraska Public Power and Irrigation District; and Jay Ferris, Nebraska Farm Bureau.