



Nebraska's Natural Resources Districts

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Protecting Lives • Protecting Property • Protecting the Future

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April 20, 2016

TO: NARD Board of Directors, NRD Managers and Conservation Partners
FROM: Dean E. Edson, NARD Executive Director
RE: April 20th NARD Sine Die Update

The 104th Legislature, 2nd Session, ends Sine Die -- The Nebraska Legislature adjourned Sine Die April 20, 2016 on day 60 of a 60-day session. The next regular session is scheduled to begin January 4, 2017. Regular sessions generally last 90 legislative days in odd-numbered years and 60 legislative days in even-numbered years. This document contains a summary of the outcome of all 2015-16 Legislative Bills of interest to natural resources districts.

A total of 216 bills were passed this session. In addition, 66 other bills were incorporated by amendment to the bills that passed. No bills are carried forward to the 2017 session, so all bills that did not receive final approval by the Legislature and Governor, were indefinitely postponed on the last day of the session.

The first section lists bills that were passed by the Legislature and approved by Governor Ricketts (Pages 4-14). The second section lists a bill that was vetoed and sustained by the Legislature (Pages 15-16). The third section includes bills that have been indefinitely postponed (Pages 16-41). The fourth section lists Interim Study Resolutions that were introduced in 2016 (Pages 41-47). An index of the page number for each bill can be found below. A spreadsheet is included in the back of the document for a quick reference to all bills of interest to natural resources districts.

Term Limited Senators -- Eleven State Senators finished their last session, as they are term limited out. These include: Heath Mello, Tanya Cook, Dave Bloomfield, Ken Haar, Kathy Campbell, Colby Coash, Mike Gloor, Galen Hadley, Beau McCoy, Kate Sullivan and Ken Schilz. All have done a tremendous job serving the State of Nebraska. Thank you for your public service!

Bill or CA	Description	Sponsor(s)	Page #
LB 19	Change provisions relating to laboratory certification under the Nebraska Safe Drinking Water Safety Act	Krist	4
LB 51	Require disclosures prior to joining a risk management pool under the Intergovernmental Risk Management Act	Scheer	16
LB 86	Change number of districts and members of Game and Parks Commission	Davis	17
LB 130	Change provisions relating to the Water Sustainability Fund	Watermeier	17
LB 143	Provide training cost reimbursement relating to underground storage tanks	Schilz	18
LB 174	Redefine nonpoint source control systems under the Wastewater Treatment Facilities Construction Assistance Act.	Schilz	19

LB 208	Provide an exemption to water storage reservoir permit requirements as prescribed	Schilz	19
LB 344	Provide natural resources districts with the power to issue general obligation bonds	Kolowski	20
LB 374	Direct transfers from the State Recreation Road Fund	Haar	21
LB 404	Provide for evidentiary hearings relating to certain water-use applications	Davis	21
LB 461	Change appropriations for the Nebraska Tree Recovery Program	Pansing Brooks	22
LB 462	Change restrictions on campaigning by certain public officials and public employees	Seiler	23
LB 512	Provide powers and duties to the Nebraska Oil and Gas Conservation Commission regarding certain wastewater and charge an assessment for certain costs	Stinner	24
LB 537	Appropriate funds relating to natural resources	Watermeier	24
LB 585	Change provisions relating to director qualifications and employment of personnel at the Department of Natural Resources	Schilz	26
LB 622	Change provisions relating to the Niobrara Scenic River Act	Larson	26
LB 646	Eliminate provisions for secret ballots for leadership under the Open Meetings Act	Kintner	27
LB 649	Require all votes taken by public officials to be a public record as prescribed	Kintner	28
LB 672	Eliminate fees on tires as prescribed	Krist	28
LB 693	Change limitation of action provisions under the Political Subdivisions Tort Claims Act	Morfeld	28
LB 711	Change provisions of the Noxious Weed Control Act and create the Riparian Vegetation Management Task Force	Hughes	28
LB 714	Provide for and change a provision relating to sufficient cause for nonuse of a water appropriation	Stinner	30
LB 716	Provide and eliminate provisions regarding pedestrians and bicyclists	Kolowski	4
LB 720	Change certain invasion of privacy provisions to include unmanned aircraft or unmanned aircraft systems	Kuehn	31
LB 728	Authorize electronic voting devices for natural resources districts	Johnson	32
LB 737	Change provisions of the Wastewater Treatment Facilities Construction Assistance Act	Friesen	5
LB 802	Create the Health and Climate Resiliency Task Force	Haar	32

LB 806	Adopt the Riverfront Development Act	Mello	34
LB 810	Eliminate the Nebraska Youth Conservation Program and transfer funds to the Cowboy Trail Fund	Davis	35
LB 821	Adopt the Workplace Privacy Act	Larson	6
LB 825	Provide reporting requirements for tax-exempt property	Davis	35
LB 850	Adopt the Paid Family Medical Leave Insurance Act	Crawford	36
LB 876	Authorize electronic voting devices for public bodies in public meetings	Murante	6
LB 887e	Extend sunset of the Petroleum Release Remedial Action Cash Fund	Schilz	7
LB 899	Change lead content provisions relating to the Nebraska Safe Drinking Water Act	Baker	7
LB 935	Change provisions relating to the Auditor of Public Accounts	Schilz	15
LB 940	Adopt the Tax Stabilization Act	Johnson	37
LB 956e	Provide for deficit appropriations	Speaker (Request of Governor)	7
LB 958	Change provisions relating to budgets, the valuation of agricultural land, and levy limitations	Gloor (Request of Governor)	9
LB 992	Provide a restriction on installment contracts for the purchase of real or personal property by political subdivisions	Ebke	37
LB 1019	Change provisions relating to support of the Niobrara Council by the Game and Parks Commission, require legislative confirmation of certain appointments to the council, and require an annual report.	Davis	37
LB 1024	Change a provision of the Nebraska Political Accountability and Disclosure Act relating to an interest in a government contract	Larson	38
LB 1038	Change water appropriation application provisions	Davis	10
LB 1070	Change powers and duties of the Nebraska Oil and Gas Conservation Commission to require liability insurance and restrict permits as prescribed	Haar	38
LB 1082	Change provisions relating to the Nebraska Oil and Gas Conservation Commission and provide for a periodic well fluid analysis, report, and notice as prescribed	Schilz	13
LB 1084	Change and provide duration requirements for certain state agency contracts	Stinner	39

LB 1095	Require employer identification numbers and the use of the federal immigration verification system	Kintner	39
LB 1101	Require the Department of Environmental Quality to examine the status of solid waste management programs	Mello	14
LR 378CA	Constitutional amendment to guarantee the right to engage in certain farming and ranching practices	Kuehn	40
LR 380CA	Constitutional amendment to change the distribution of state lottery proceeds	Bloomfield	41

Section One – Bills Passed by the Legislature and Approved by Governor Ricketts

Most bills passed and approved by the Governor become law three calendar months after the Legislature adjourns unless they have an emergency clause or a specified operative date. The emergency clause is a provision that allows a bill or a portion of a bill to take effect immediately after the Governor signs it or after the Legislature overrides a governor's veto.

LB 19 -- Change provisions relating to laboratory certification under the Nebraska Safe Drinking Water Safety Act. Krist.

Governor Ricketts signed LB 19 into law on March 3, 2016. Senators gave final approval to the bill by a 41-0-8 vote on February 29, 2016. The bill was a carryover bill from the 2015 session and changes procedures for the Director of Public Health to certify and enter into agreements with private laboratories. The bill eliminates the permissive language to enter into agreements with private labs and makes it mandatory.

After being certified by the Director, the laboratories are able to test water that is intended for human consumption, including the tests required by the director for compliance and monitoring purposes, under the Safe Drinking Water Act. They also are able to test samples which are not compliance samples under the Act.

At the hearing in 2015, the NARD submitted a letter of support to encourage the state to certify more private laboratories and certify for a broader scope of tests to assist individuals, municipalities and NRDs with logistical problems of sending samples to one location. For example, total coliform is a standard drinking water test that we encourage all private well owners to perform on a regular basis. For testing purposes total coliform must be lab tested within 30 hours of sampling. Recent changes by the U.S. Postal service make it impossible for most individuals and NRDs to get the samples delivered to the state lab in Lincoln within this holding time, even if they are shipped "Priority - One Day Shipping". Having other testing lab options would be a great help.

LB 716 - Provide and eliminate provisions regarding pedestrians and bicyclists. Kolowski. (Speaker Priority)

Governor Ricketts signed LB 716 into law on April 19, 2016. Senators gave final approval to LB 716 on April 13, 2016 by a 38-3-8 vote. The bill makes several changes to traffic laws related to bicycles.

On General File, senators adopted the Committee Amendment AM 2134 by a 34-4-11 vote. The amendment only made a couple of minor internal corrections to the traffic lights and crossings in the original bill. On Select File, AM 2914 offered by Senator Bloomfield was adopted to address bicyclist responsibilities when riding on sidewalks and crossing roads.

The bill makes several changes to traffic laws related to bicycles as follows:

- At or adjacent to the intersection of two highways at which a path designated for bicycles and pedestrians is controlled by a traffic control signal, a pedestrian who lawfully enters a highway where the path crosses the highway shall have the right-of-way within the crossing with respect to vehicles and bicycles.
- Where a path designated for bicycles and pedestrians crosses a highway, a pedestrian who is in the crossing in accordance with the traffic control signal shall have the right-of-way within the crossing with respect to vehicles and bicycles.
- No bicyclist shall suddenly leave a curb or other place of safety and walk or ride into the path of a vehicle which is so close that it is impossible for the driver to stop.
- A person who is operating a bicycle on a path designated for bicycles and who lawfully enters a highway where the path crosses the highway shall have the right-of-way within the crossing with respect to any vehicle. A bicyclist who enters a crossing with the traffic control signal is lawfully entering the highway. Nothing in the bill relieves the bicyclist or the driver of a vehicle from the duty to exercise care.
- On Select File, Senators adopted AM 2914 offered by Senator Bloomfield to clarify that a bicyclist riding a bicycle on a sidewalk or across a roadway or shoulder in a crosswalk shall have all the rights and duties applicable to a pedestrian under the same circumstances. The bicyclist would also have to yield the right-of-way to pedestrians.
- Eliminates the requirement that bicycles stay off the highways when usable paths are provided adjacent to highways.

The bill was a Speaker Priority Bill for the session.

LB 737 -- Change provisions of the Wastewater Treatment Facilities Construction Assistance Act. Friesen.

Governor Ricketts signed LB 737 into law on February 24, 2016. The Unicameral gave final approval to LB 737 on February 18, 2016 by a 46-0-3 vote. The bill makes a couple changes to loans made under the Wastewater Treatment Facilities Construction Assistance Act made to municipalities or to counties.

First, the bill expands the categories of loan eligibility to include: A) Acquisition of land integral to the treatment process; B) Acquisition of land and interests in land necessary for construction; C) water conservation, efficiency, or reuse; D) energy efficiency; reuse or recycling of wastewater, stormwater, or subsurface drainage water; E) development and implementation of watershed projects; and F) measures to increase the security of treatment works.

Second, the maximum term of the loans are extended from twenty years to thirty years.

On January 20th, the Natural Resources Committee accepted testimony on LB 737.

Jim Macy, director of the Nebraska Department of Environmental Quality, testified in support of the bill. He said changes to the fund are needed to take advantage of provisions of the federal Clean Water Act that could benefit Nebraska communities. The program receives annual grants from the Environmental Protection Agency and state matching funds.

Macy said the program provides \$20 million to \$30 million in loans every year to communities around the state. Increasing the length of the loan terms would help communities facing financial hardship pay for water treatment projects by spreading out their payments.

There was no opposition to the bill at the hearing.

LB 821 -- Adopt the Workplace Privacy Act. Larson. (Larson Priority)

Governor Ricketts signed LB 821 into law on April 19, 2016. Senators gave final approval to LB 821 on April 13, 2016 by a 46-0-3 vote. On General File, senators adopted the Government and Military Affairs Committee Amendment AM 2210 and a floor amendment that eliminated a reference to discrimination under the bill.

The bill adopts the Workplace Privacy Act to prevent employers from demanding passwords to employees' or applicants personal social networking sites or accounts. The bill also prohibits employees from installing personal social networking applications on employer equipment without permission of the employer.

Upon violation of the Workplace Privacy Act, an aggrieved employee or applicant may institute a civil action in district court within one year after the date of the alleged violation or the discovery of the alleged violation, whichever is later.

The bill provides that the district court shall try such case as any other civil action. Any successful complainant would be entitled to appropriate relief, including temporary or permanent injunctive relief, general and special damages, reasonable attorney's fees, and costs.

The bill also added language to address concerns raised by the Nebraska State Patrol at the hearing. The additional language provides that the act does not restrict a law enforcement agency's right to screen employees or applicants in connection with a law enforcement application or law enforcement officer conduct investigation.

The bill also clarifies that the act does not limit an employer's right to the following: (1) promulgate rules governing internet use; (2) request access to operate an electronic device paid for in whole or in part by the employer; (3) restrict an employee's access to certain websites while using a company electronic device; (4) monitor, review, access, or block electronic data stored on a company electronic device; (5) access information that is in the public domain or otherwise obtained in compliance with the act; (6) conduct an investigation, if the employer has specific information, related to wrongful activity, downloading or transferring private proprietary or financial information without permission; (7) take adverse action against an employee for downloading or transferring an employer's private proprietary information to a personal Internet account; (8) comply with requirements to screen employees or applicants before hiring or to monitor communications required by state or federal law; or (9) comply with a law enforcement investigation.

The bill was Senator Larson's Priority Bill for the session.

LB 876 -- Authorize electronic voting devices for public bodies in public meetings. Murante.

Governor Ricketts signed LB 876 into law on February 24, 2016. The Unicameral gave final approval to LB 876 by February 18, 2016 on a 46-0-3 vote. The bill authorizes all public bodies to use electronic voting for roll call and public votes on motions. The law requires the electronic boards to be readily seen by the public.

The Government, Military & Veterans Affairs Committee held a joint public hearing for LB's 728 & 876 on January 21, 2016. LB 728 would add natural resources districts to the list of political subdivisions that can use electronic voting for roll call and public votes on motions. LB 876 allows all public bodies to use electronic voting for roll call and public votes on motions. The law requires the electronic boards to be readily seen by the public.

John Miyoshi, Lower Platte North NRD Manager, presented testimony on behalf of his district and the Nebraska Association of Resources Districts in support of both bills. The bills were also supported by the Nebraska School Boards Association. There were no opponents.

The committee advanced LB 876 as it covers all public bodies.

Previous law only allowed municipalities, city councils, village boards, counties, learning communities, joint entities created pursuant to the Interlocal Cooperation Act, joint public agencies created pursuant to the Joint Public Agency Act, or an agency formed under the Municipal Cooperative Financing Act to use such devices.

LB 887e - Extend sunset of the Petroleum Release Remedial Action Cash Fund. Schilz.

Governor Ricketts signed LB 887e into law on April 7, 2016. Senators gave final approval to LB 887e by a 46-0-3 vote on April 1, 2016. The bill extends the termination date for reimbursements out of the Petroleum Release Remedial Action Cash Fund (leaking underground fuel storage tanks) from June 30, 2016 to June 30, 2020. The bill included the emergency clause so it became effective immediately after Governor Ricketts approval.

The bill was supported at a February 5th hearing by the Nebraska Petroleum Marketers, Nebraska Coop Council and the NARD. There were no opponents to the measure.

Mark Whitehead, representing the Nebraska Petroleum Marketers, told the committee that there are 506 active sites and 360 on the waiting list. The estimated demand for the fund is \$95 million and there is only \$7 million in the fund.

This program has been very beneficial to all areas of the state to help prevent major groundwater quality problems from petroleum leaks. The program was established to help pay for remediation costs for owners/operators of facilities that have leaking petroleum tanks. Costs for both underground and above ground tank releases are eligible for reimbursement.

Those who are determined to be the responsible persons may be eligible for reimbursement through this fund, minus the deductibles in the program. These deductibles vary depending on the size of the operation. This assures that responsible parties are contributing to the remediation cost.

This program helps clean up "orphan" sites, where the person or business that caused the contamination either cannot be identified or does not have the resources to pay for their share of cleanup cost.

The program is funded by a \$90 annual fee on each commercial fuel tank, a nine-tenths of one cent per gallon on motor vehicle fuel, and a three-tenths of one cent per gallon on diesel fuel.

LB 899 - Change lead content provisions relating to the Nebraska Safe Drinking Water Act. Baker.

Governor Ricketts signed LB 899 into law on April 7, 2016. Senators gave final approval to LB 899 by a 45-0-4 vote on April 1, 2016. The bill amends the Nebraska Safe Drinking Water Act and sets maximum standards for lead with respect to solders and flux for pipes, pipe fittings, plumbing fittings, and fixtures of public water supply systems.

Judy Martin, Division of Public Health Deputy Director of DHHS, testified in support of LB 899 at the hearing on February 17th. She summarized that the bill aligns state and federal standards for lead. The direct impact of this bill has already taken place as of January 2014. DHHS also spoke with their stakeholders prior to introducing this bill and there was no concern with their stakeholders. There were no opponents and no neutral testimony on the bill.

Under the bill the definition of "lead free" is: (a) not containing not more than two-tenths percent lead when used with respect to solder and flux and (b) not containing more than a weighted average of twenty-five hundredths percent lead when used with respect to the wetted surfaces of pipes, pipe fittings, plumbing fittings, and fixtures.

LB 956e & LB 957e - Provide for deficit appropriations and authorize additional uses for certain funds and provide for certain transfers. Speaker Hadley, at the request of the Governor.

On March 30, 2016, Governor Ricketts signed LB 956 and LB 957 into law. Senators gave final approval to LB 956 & LB 957 on March 24, 2016, by 46-1 and 47-0 votes, respectively. On General File, senators adopted the Committee Amendment's to the bills. The bills made changes to the appropriations for FY 2015-16 and 2016-17. Both bills included the emergency clause so they became effective after final action of the Governor.

The bills maintain funding for the Department of Natural Resources and the Department of Environmental Quality. The un-expended balances for these agencies are re-appropriated. There are minor adjustments to the Nebraska Game and Parks Commission funding.

In LB 957, the bill made a change to the Water Sustainability Fund to allow the Natural Resources Commission to approve a partial allocation to a program, project, or activity based upon available unallocated funds in the Water Sustainability Fund. However, the amount of unfunded allocations shall not exceed eleven million dollars. This would allow for a multi-year project to be funded annually.

The financial status shown in this section includes the Appropriations Committee budget recommendations for current year adjustments (FY2015-16) and adjustments for FY 2016-17, the second year of the biennial budget. A listing of the most significant General Fund adjustments is shown below. The amount of mid-biennium budget adjustments in the Committee budget is a net \$4,257,472 increase over the two year period. This does not include \$98.9 million reduction in re-appropriation of the prior year unexpended funds.

Revenue estimates for FY2015-16 and FY2016-17 are the February 2015 forecasts from the Nebraska Economic Forecast Advisory Board (NEFAB). These forecasts yield a projected adjusted revenue growth of 4.0% in FY15-16 and 4.0% in FY16-17, an average growth of 4.0%. This two year growth is slightly below the 5% historical average. The average growth for the prior three years was 4.7%

Cash Reserve Fund Transfers

There are three major transfers from the Cash Reserve Fund for matching the one-time nature of the financing source. The projected unobligated cash reserve ending balance under the committee proposal is \$634.2 million

- 1) **Nebraska Capital Construction Fund** -- The first is a \$27.3 million transfer to the Nebraska Capital Construction Fund (NCCF) to cover the three year cost of adding capacity to the Lincoln Community Corrections Center in Lincoln.
- 2) **Transportation Innovation Act** – The second is a transfer to the Transportation Innovation Act, LB 960, as amended by the Appropriations Committee, creates three new programs funded by a \$50 million transfer from the Cash Reserve Fund, and the transfer of LB 610 (2015) fuel tax revenue through June, 2033, to a newly created Transportation Infrastructure Bank Fund. The three new programs are the Accelerated State Highway Capital Improvement Program, County Bridge Match Program, and Economic Opportunity Program.
- 3) **Sarpy County / Offutt AFB Levee Project** -- The third transfer includes a \$13.7 million transfer to the newly created Critical Infrastructure Facilities Cash Fund under the Department of Natural Resources. The fund will be used for state aid to provide a grant to a natural resources district to offset costs related to soil and water improvements intended to protect critical infrastructure facilities within a natural resources district which includes military installments, transportation routes and wastewater treatment facilities.

The grant will provide state funding assistance to complete a project related to the modification of two levee systems originally built by the federal government located in Sarpy County. The urban levee systems are approximately 18.6 miles in total length and protect over 6,700 acres including the following critical infrastructure facilities: 1) Offutt Air Force Base; 2) the Papillion Creek Wastewater Treatment Plant; 3) U.S. Highways 75 and 34; 4) Union Pacific and Burlington-Northern Santa Fe Railroads; and 5) City of Bellevue and Sarpy County development sites.

Modifications to the levee systems are necessary to meet FEMA accreditation requirements and all current design and floodplain management standards. Costs offset by state funding assistance would include professional services to develop the site plan and facilitate land purchase, the acquisition of land rights, and construction of modifications to the levee systems.

Without the modifications to the levee systems, the Offutt Air Force base and surrounding areas would be deemed at risk for future flooding by FEMA. The protection of the base from flooding threats is especially critical because the base is currently seeking \$125,000,000 from the Department of Defense to resurface the Offutt runway, in addition to other capital projects. It is doubtful the Department of Defense would choose to make capital improvements if the base was at risk or perceived to be at risk of flooding. Without the capital improvements to protect the facility, Offutt could be subject to base realignment or closure considerations.

Increased Water Litigation Funding (Attorney General)

The bill included additional General Funds of \$307,900 for FY15-16 and \$921,500 for FY16-17 for the Attorney General's Interstate Water Litigation Program. This funding will be used to address ongoing water litigation issues and arbitration arising from the Republican River. The additional funding covers several new class action suits that have been brought by Nebraska surface water irrigators in the Republican River Basin against the State of Nebraska. The Governor had proposed \$200,000 in FY15-16 and no funding was planned for FY16-17. However, since his budget was submitted, the surface water irrigators filed more legal action.

Bills Incorporated into the Committee Proposal

A total of 28 bills were assigned to the Appropriations Committee most of which contained an appropriation for a specific purpose. Several funding request bills were included into the committee amendment and subsequently into the bill. One of interest to natural resources was LB 810, which eliminates the Nebraska Youth Conservation Program and transfers the funds (\$100,000) to the Cowboy Trail Fund for the development of undeveloped portions of the Cowboy Trail. However, the funds have to be matched both by a public entity and by a private entity before expenditures can be made.

To obtain a full report of the Appropriations Committee Report, go to:

<http://nebraskalegislature.gov/pdf/reports/fiscal/2016proposed.pdf>

LB 958 - Change provisions relating to budgets, the valuation of agricultural land, and levy limitations. Gloor, at the request of the Governor. (Revenue Committee Priority)

On April 19, 2016, Governor Ricketts signed LB 958 into law. Senators gave final approval to LB 958 on April 13, 2016 by a 47-1-1 vote. The bill in its final form provides \$20 million in increased property tax credits for ag land beginning in the 2017 tax year, and freezes credit amounts for all other classes of property.

On General File, and after lengthy debate and several amendments and motions, Senators advanced LB 958 to Select File on March 31st by a 39-2-8 vote after reaching a compromise on the changes. The compromise amendment, AM 2807, modified the Revenue Committee Amendment (AM 2717) to reduce the property tax credit for ag land from an additional \$30 million, to an additional \$20 million. The net result for ag land is a 10 percent increase in property tax credits.

Also part of the compromise offered by Senator Gloor was to offer AM 2814 on Select File, which removed the community college changes originally adopted while the bill was on General File.

On March 24th, the Revenue Committee held a special hearing and accepted testimony on AM 2617. The amendment proposed to replace the original provisions of the bill and only places a limit on community colleges unused budget authorities and increases property tax credits for ag land. On March 29th, the Revenue Committee advanced LB 958 to General File with AM 2717, which had a slight revision from AM 2617.

The original bill proposed significant changes to budget growth limits, levy limits and ag land values. The intent of LB 958 was to slow down the increase in state-wide agricultural and horticultural land valuation and to slow the growth of spending, and therefore property taxes levied by the political subdivisions.

The original bill had three parts that applied to all political subdivisions, except schools, as follows: 1) Limiting the budgeted growth of restricted funds, 2) Eliminating exclusions to the levy limit, and 3) Limiting the state-wide increase in agricultural and horticultural land valuation to 3%.

All of the original provisions of the bill were removed by AM 2717.

Under AM 2717, for tax year 2017 and each tax year thereafter, it would be the intent of the Legislature to sufficiently fund the Property Tax Credit Act so as to increase the total amount of credits for agricultural land and horticultural land above the 2015 credit level by \$30 million and to maintain the total amount of credits for all other real property at the 2015 credit level. This increase was reduced to \$20 million by AM 2807.

Also under AM 2717, the community colleges budget unused restricted funds authority would be limited to three percent of the budget of restricted funds minus the exclusions for the immediately prior fiscal year. This provision was removed on Select File with adoption of AM 2814.

The bill was the Revenue Committee Priority Bill for the session. Slowing the growth of spending by school districts was in LB 959, the companion bill to LB 958, and was given final approval on April 12th by a 47-0-2 vote.

LB 1038 – Implement the Niobrara River MOU. Davis. (Natural Resources Priority)

On April 18, 2016, Governor Ricketts signed LB 1038 into law. Senators gave final approval to LB 1038 on April 12, 2016 by a 48-0-1 vote. The bill included the language needed to implement the Niobrara River Memorandum of Understanding (MOU) between the Nebraska Public Power District (NPPD), the Niobrara NRDs and the Nebraska Game and Parks Commission (NGPC). The bill was the Natural Resources Committee Priority Bill for the session.

The bill changes Nebraska water transfer statutes to allow an appropriation for manufacturing of hydropower to be changed in the full amount to an instream basin-management appropriation to be held jointly by the Game and Parks Commission and any natural resources district or combination of natural resources districts.

On September 10, 2015, after many years of legal battles and negotiations, three Nebraska political subdivisions announced they had reached an agreement on the transfer of the controlling water rights to the Niobrara River in northern Nebraska. This agreement effectively paves the way for a dramatic shift in water management in that basin. The water rights at issue command virtually the entire flow of the Niobrara River for hydropower production at a “run-of-the-river” facility (i.e., no water storage is involved), owned by the NPPD. The agreement sets out a roadmap for the transfer and transformation of those hydropower rights from NPPD to the Niobrara River Basin Alliance (NRBA), which is a coalition of NRDs and the NGPC.

Under the MOU, the NRDs and the NGPC would jointly purchase and hold the water rights from the Spencer Hydroelectric generation facility and convert the rights to provide a protected instream flow for the Niobrara River. The agreement also protects all existing uses of domestic, livestock, municipal, surface water irrigation and groundwater irrigation.

On General File, senators adopted the Committee Amendment (AM 2472) by a 37-1 vote and incorporated two other bills. The Committee Amendment also incorporated provisions of LB 711, to reinstate the Riparian Vegetation Task Force. The two other bills incorporated into the bill on General File were LB 1019 (AM 2675) by Senator Davis and LB 639 (AM 2688) by Senator Garrett.

The Committee Amendment (AM 2472) replaced the original bill and does the following in regards to the Niobrara MOU:

- Allows an appropriation for manufacturing of hydropower to be changed in the full amount to an instream basin-management appropriation to be held jointly by the Game and Parks Commission and any natural resources district or combination of natural resources districts.

- The beneficial use of such change is to maintain the functional stream flow for conservation of fish and wildlife and for recreation that existed by the manufacturing of hydropower and to assist in the implementation of an approved integrated management plan (IMP) of ground water and surface water resources for each natural resources district within the river basin.
- The Priority Date of the Water right would be maintained so that the instream flow portion for the River is protected by a senior date, i.e., a senior priority. This would also address concerns raised by the National Park Service (NPS) that Nebraska's instream flow laws are inadequate for the Niobrara Scenic River. If the priority date is maintained, the NPS has indicated they will not pursue a federal water right for the Niobrara River. If they did secure a federal water right, all water uses in the basin, including livestock wells and surface water irrigation, would be subject to federal approval and regulation.
- Proposes to provide another reason for the director to approve a transfer of a water right if it is to maintain surface water flows. Current law in this section only provides that it is to augment surface water flows.
- Allows the director to review the new uses, just as occurs with other water rights, to assure the beneficial uses are still being achieved.
- Requires that the new appropriation shall be subject to condemnation and subordination agreements that exist under the current NPPD hydropower appropriation and that any person who held a subordination agreement or condemnation award prior to the transfer shall be allowed to enter into a new subordination agreement for terms consistent with the original subordination agreement at no additional cost.
- Places limits on the cost of subordination agreements (compensation) to the cost per acre-foot of water subordinated for the hydropower appropriation at the time of approval of transfer. The amount of compensation may be adjusted annually, except that any increase shall not exceed the annual change in the Consumer Price Index from the time of the approval of the change. If the index is discontinued, a comparable index selected by the Director of Natural Resources shall be used. This protects all existing agreements to their current cost and limits future agreements to the hydropower cost.
- Maintains the preference category of manufacturing so the basin-management appropriation remains behind domestic and agriculture in preference. By doing this, both domestic and agriculture uses are protected and the new use would be subject to condemnation.

LB 711 Incorporated into AM 2472

The Committee Amendment also incorporated provisions of LB 711, which reinstates the Riparian Vegetation Management Task Force. On Select File Senators adopted AM 2743, offered by Senator Hughes at the request of the Governor's Office, which drops the representative from the Governor's Office to the task force, requires NARD to submit ten names to the Governor to pick three NRD representatives, and requires the Nebraska Weed Control Association to submit five names to the Governor to pick two representatives.

As amended, the Governor would appoint the members of the task force, including:

- A. One surface water project representative from each river basin that has ever been determined to be fully appropriated or is designated as over-appropriated;
- B. One surface water project representative from a river basin that has not been determined to be fully appropriated or is not designated as over-appropriated;
- C. One representative each from the Department of Agriculture, the Department of Environmental Quality, the Department of Natural Resources, the office of the State Forester, the Game and Parks Commission, and the University of Nebraska;

- D. Three representatives nominated by the Nebraska Association of Resources Districts selected from a list of ten;
- E. Two representatives nominated by the Nebraska Weed Control Association selected from a list of five;
- F. One riparian landowner from each of the state's congressional districts;
- G. One representative from the Nebraska Environmental Trust.

In addition to such members, any member of the Legislature may serve as a nonvoting, ex officio member of the task force.

For administrative and budgetary purposes only, the task force shall be housed within the Department of Agriculture. The director of the department would be authorized to apply for conservation funding from the USDA-NRCS.

The Riparian Vegetation Management Task Force, in consultation with appropriate federal agencies, shall develop and prioritize vegetation management goals and objectives, analyze the cost effectiveness of available vegetation treatment, and develop plans and policies to achieve such goals and objectives. Any plan shall utilize the principles of integrated vegetation management and sound science.

The task force shall convene within thirty days after the appointment of the members is complete to elect a chairperson and conduct such other business as deemed necessary.

The bill would provide grants only to weed management entities, local weed control authorities and natural resources districts, with priority given to river basins that are subject to an interstate compact or decree.

The bill provides intent language for funding beginning in fiscal year 2016-17 of one million dollars annually for the management of vegetation within the banks of a natural stream or within one hundred feet of the banks of a channel of any natural stream. The funds could only be used to pay for activities and equipment as part of vegetation management programs that have as their primary objective improving conveyance of streamflow in natural streams. The related appropriations bill, LB 1038A, appropriates one million for the program and was given final approval by a 47-0-2 vote on April 12th. Governor Ricketts approved the appropriations bill on April 18, 2016.

An annual report would have to be submitted to the Governor and the Legislature by June 30th each year with the first report due on June 30, 2017. Intent language is added to direct that expenses of the task force not exceed twenty-five thousand dollars of the total appropriation to the program per fiscal year.

LB 1019 added to LB 1038 with AM 2675

On General File, Senators incorporated provisions of LB 1019 (through AM 2675) into LB 1038 by a 34-0 vote. The amendment makes several changes to the Niobrara Scenic River Council.

First, it makes the four governor appointments to the council subject to confirmation by the Legislature. These are: 1) An individual from each of Brown, Keya Paha and Rock Counties; 2) A representative from a recreation business operating within the corridor; 3) A timber industry representative operating within the corridor; and 4) A representative of a recognized, nonprofit environmental, conservation, or wildlife organization.

Second, it proposes to expand the authorized use of NGPC funds from just administrative support to also include budgetary, operational, and programmatic support. The bill also eliminated the \$50,000 cap on expenditures for such.

Finally, it requires that on December 1, 2016, and on each December 1st thereafter, the council shall electronically submit an annual report to the Clerk of the Legislature and the chairperson of the Natural Resources Committee of the Legislature describing expenditures made pursuant to the Niobrara Scenic River Act.

LB 639 added to LB 1038 with AM 2688

Also on General File, Senators incorporated provisions of LB 639 (through AM 2688) into LB 1038 by a 38-0 vote. The amendment provides authority for the Department of Roads to issue permits to control roadside vegetation. The bill was advanced to General File by the Transportation Committee on February 10th with a Committee Amendment which replaced the bill, which was the same language as AM 2688.

The amendment directs the Department of Roads to create a vegetation control program and to establish a procedure that will allow for the issuance of permits to third parties that authorize the cutting or trimming of vegetation that obstructs or obscures lawfully placed advertising signs or devices.

The permit, when issued is valid for thirty days, is applicable to only one sign, device, or display location, and shall be issued upon payment of a fee to be determined by the Department, not to exceed \$50. Any applicant for a permit shall provide to the Department, in an amount to be determined by the Department, a deposit, check, or bond that shall be forfeited if the permittee violates the permit or any requirement established by the Department.

Finally, the permittee has to provide proof of a liability policy of insurance of at least \$1 million along with a signed release agreeing that the permittee assumes all risk and liability for any accident or damage that may result from the work to be performed.

LB 1082 - Change provisions relating to the Nebraska Oil and Gas Conservation Commission and provide for a periodic well fluid analysis, report, and notice as prescribed. Schilz.

Governor Ricketts signed LB 1082 and LB 1082A into law on March 30, 2016. On March 24, 2016, Senators gave final approval to LB 1082 by a 48-0 vote. The bill, as amended, makes several changes to the Oil and Gas Commission authorities.

The Committee Amendment (AM 2292 – adopted on General File), clarifies that the wells that are subject to the new language in the bill are Class II commercial underground injection wells. The amendment also added natural resources districts to the list of local political subdivisions to be notified of new well permit applications. It also removed a requirement that evidence of a bond be presented annually to the commission, as the commission currently is authorized to request such evidence.

First, the bill expands the commission’s authorities to require: 1) Periodic sampling and reporting of injection fluids injected into Class II underground injection wells; 2) Certification and monitoring of produced water transporters; and 3) Periodic evaluation of financial assurance requirements on existing and proposed wells to ensure ability to pay the costs of plugging, abandonment, and surface restoration.

Second, the commission is authorized to conduct public informational meetings and forums for public interaction on permit applications under the jurisdiction of the commission.

Third, after receipt of a Class II commercial underground injection well permit application, the commission is required to provide notice to the county, city, or village within which the proposed well would be located and provide such county, city, or village with copies of all permit application materials. The Committee Amendment, AM 2292, added local natural resources districts to the list to receive notice and copies of the application materials.

Fourth, the bill requires operators of a Class II underground injection well to sample and analyze at least once a year the fluids injected into each disposal well or enhanced recovery project well at sufficiently frequent time intervals to yield data representative of fluid characteristics. A copy of the analysis would have to be submitted to the commission.

Finally, the original bill would have required the owner of the bond currently required under law; 1) To not revoke the bond without providing notice to the commission; and 2) shall annually submit evidence that the required bond is current and in full force and effect. However, the Committee Amendment, AM 2292, removed this obligation.

At the hearing, representatives from the Sierra Club and Bold Nebraska, and several individuals spoke in favor of the bill and urged for more regulation by the Nebraska Oil and Gas Conservation Commission. The Nebraska Association of Resources Districts and South Platte NRD submitted letters of support for the measure.

The Nebraska Petroleum Producers Association said current operating practices provide the needed protection. Several other representatives of the gas and oil industry opposed the bill and stressed that there is no demonstrated need for additional regulation of their operations and no evidence that drilling has led to groundwater contamination in Nebraska.

Senators also gave final approval to LB 1082A by a 46-0 vote. The appropriation to the commission for implementing the bill is \$250 from the Oil and Gas Conservation Fund and \$750 from federal funds for each fiscal year of FY2016-17 and FY2017-18.

LB 1082 was Senator Stinner's Priority Bill for the session.

LB 1101 - Require the Department of Environmental Quality to examine the status of solid waste management programs. Mello.

Governor Ricketts signed LB 1101 into law on April 7, 2016. Senators gave final approval to LB 1101 by a 47-0-2 vote on April 1, 2016. The bill requires the Department of Environmental Quality to conduct a study to examine the status of solid waste management programs operated by the department and make recommendations to modernize and revise such programs.

The study shall include, but not be limited to:

- Whether existing state programs regarding litter and waste reduction and recycling should be amended or merged;
- A needs assessment of the recycling and composting programs in the state, including the need for infrastructure development operating standards, market development, coordinated public education resulting in behavior change, and incentives to increase recycling and composting;
- Methods to partner with political subdivisions, private industry, and private, nonprofit organizations to most successfully address waste management issues in the state;
- Recommendations regarding existing funding sources and possible new revenue sources at the state and local level to address existing and emerging solid waste management issues; and
- Revisions to existing grant programs to address solid waste management issues in a proactive manner.

The bill also requires the Director to establish an advisory committee of no more than nine members to advise the department on findings of the study. The bill requires the department to submit a report, including recommendations, to the Executive Board of the Legislative Council and the Natural Resources Committee, Urban Affairs Committee, and the Appropriations Committee no later than December 15, 2017. Under the bill, costs related to the study are eligible for grant funds.

Section Two – Bills that were vetoed and sustained

LB 935 - Change provisions relating to the Auditor of Public Accounts. Schilz.

Governor Ricketts vetoed LB 935 on April 15, 2016. Upon agreement with the State Auditor and sponsoring Senators, there was no motion and subsequent vote to override the veto. Rather, the parties have agreed to work over the interim to address several issues in the bill for discussion and consideration in the 2017 session.

Senators originally gave final approval to LB 935 by a 37-8-4 vote on April 12, 2016. On General File, senators adopted the Committee Amendment (AM 2386) by a 27-0 vote. The amendment replaced the original bill, making several changes to the provisions in the original bill and incorporated three other bills – LB's 993, 1084 and 1099.

First, AM 2386 made three substantive changes to the original LB 935, which provided penalties if Interlocal agreements were not submitted to the Auditors Office as required.

The amendment changed the date on which the auditor must request information from each applicable governing body from December 1st to August 1st of each year, and changes the date by which the governing bodies must comply from December 31st to September 20th of each year.

It also changed the penalty for noncompliance by a state agency contained in the original bill from \$500 each 30 days to \$20 daily, not to exceed \$2,000 per delinquency. Current law does not contain a penalty. Finally, the amendment gives the responsibility for a remedial fee to the State Auditor, rather than the State Treasurer as contained in the original bill.

The amendment also included provisions from the following three bills.

- **LB 993 - Change provisions related to the Auditor of Public Accounts and require hours of work be recorded on a timesheet. Coash.**

There are two provisions included in the amendment from LB 993. First, it changed the requirement that the Auditor of Public Accounts serve on the Suggestion Award Board. The bill would require the Auditor or his or her designee serve on the board, rather than the Auditor specifically.

Second, it allows the Auditor of Public Accounts to share working papers with the IRS, Tax Commissioner, FBI, NADC, and a law enforcement agency at the Auditor's discretion, during an ongoing audit or after a final audit report is issued. The Auditor may share the same, other than personal information and telephone records, with the Legislative Council, at the Auditor's discretion, subject to the same timing restrictions.

The amendment version did not include the timesheet provision that was in the original bill.

- **LB 1084 - Change and provide duration requirements for certain state agency contracts. Stinner.**

The amendment added provisions of LB 1084 which prevents state agencies and the state purchasing bureau from amending contracts to extend in duration for more than 50% of the initial contract term, and prevents more than one permissible contract duration amendment. It does not prohibit the exercise of a renewal option expressly provided for in the original contract.

- **LB 1099 - Change provisions relating to expense reimbursement. Krist.**

The amendment added provisions of LB 1099 which makes a couple of changes regarding reimbursements for state employees.

First, it limited the itemization requirement for reimbursement requests submitted by persons to meals, travel, and lodging. It also removes the requirements that the license plate number and rate per mile be included in requests for

mileage reimbursement. The bill removed the requirement that reimbursement requests be supported by a receipt for all items.

Second, it removed the ability of the Department of Administrative Services to establish its own rate for reimbursement per mile, and instead adopts the rate established by the federal government.

Section Three – Bills that have been Indefinitely Postponed

All bills not passed by the end of the session, including carry-over bills, were indefinitely postponed at the end the 2016 Legislative Session. Some bills were indefinitely postponed before the session ended. Bills indefinitely postponed of interest to natural resources districts included the following:

LB 51 -- Require disclosures prior to joining a risk management pool under the Intergovernmental Risk Management Act. Scheer

The Banking and Insurance Committee accepted testimony on LB 51 on February 24, 2015. The committee reported no further action on the bill. The bill would have made several changes to the Risk Management Pool Act statutes for new membership agreements.

Before a public agency takes official action to become a member of a risk management pool, the pool shall provide each member of the governing body of the public agency with a separate written disclosure form containing the following information:

- (a) The mandatory term of membership in the pool, if any;
- (b) The name and home office location of any third party administrator providing claims or other insurance services for the pool;
- (c) A list of insurers providing excess insurance coverage or reinsurance coverage for the pool;
- (d) Applicable deductible levels and the maximum level of claims which the pool will self-insure;
- (e) The requirements for voluntary termination of membership in the pool; and
- (f) The following statements:
 - (i) Voluntary or involuntary termination of membership in a pool does not release a member from continued liability for all contractual obligations entered into with the pool on or before the date of termination;
 - (ii) All costs and expenses incurred by a pool may be assessed to its members without regard for proportionality, and members may be held jointly and severally liable for satisfying any financial obligations of the pool;
 - (iii) A pool is not an insurance company and is not a member of the Nebraska Life and Health Insurance Guaranty Association or the Nebraska Property and Liability Insurance Guaranty Association; and
 - (iv) A pool is issued a certificate of authority by the Department of Insurance.

In the event the governing body of a public agency takes official action to become a member of a risk management pool, the public agency's minutes on such action shall reflect that information and be given to each member of the governing body of such public agency. A pool that violates this section may after notice and hearing and upon order of the Director of Insurance be subject to a monetary penalty of not more than one thousand dollars for each violation.

LB 86 -- Change number of districts and members of Game and Parks Commission. Davis

The Natural Resources Committee accepted testimony on LB 86 on January 23, 2015. The committee reported no further action on the bill. The bill would have added one district representative to the Nebraska Game and Park Commission, increasing the total number from nine to ten. The new member would represent the counties of Box Butte, Cherry, Dawes, Sheridan, and Sioux.

Several organizations submitted letters of support, including the Upper Niobrara White NRD and Middle Niobrara NRD. There were two proponents who testified including the Nebraska Travel Association and a resident of Dawes County, both cited the benefits that could be added to the area by adding representation. There were two opponents of the bill, Kent Forney, Nebraska Game and Parks Commission member, and Jim Douglas Director of the Commission. Forney stated its funding limiting the Commission, not underrepresentation, and noted that the area has an opportunity to lobby for the at large position on the commission. The Nebraska Sportsman Foundation provided neutral testimony.

LB 130 - Change provisions relating to the Water Sustainability Fund. Watermeier.

The Natural Resources Committee accepted testimony on LB 130 on February 25, 2015. The committee reported no further action on the bill. The bill would have made projects which funds have been allocated from the Nebraska Resources Development Fund (NRDF) as of March 30, 2014, eligible for funding from the Water Sustainability Fund. The bill would have also required the Natural Resources Commission to develop and utilize a priority ranking system to give priority consideration to projects to which funds have been allocated from the NRDF that are still in need of state funding assistance.

Although the bill remained in committee, the Appropriations Committee included funding in LB 657. The final appropriation for the NRDF includes \$6,187,825 for FY 15-16 and \$6,187,825 for FY 16-17. For each fiscal year, this breaks down to \$3,140,325 in General Fund plus \$3,047,500 in transfers of Cash Funds from a reduction in funding for the Water Sustainability Fund. There is also intent language that \$3,140,325 in General Funds be appropriated for the program through FY 2018-19 which would provide total funding for the program over four years of \$18,656,300 to finish out the six existing projects under the program.

Under the bill, the NRDF project sponsors would be required to file a statement of need to the department in lieu of the application required under the act. Upon receipt of an application or a statement of need, the director shall evaluate and investigate all aspects of the proposed program, project, or activity and the proposed schedule for development and completion of such program, project, or activity, determine eligibility for funding, and make appropriate recommendations to the commission.

John Winkler, Papio Missouri River NRD Manager, presented testimony for the Nebraska Association of Resources Districts in support of the bill. Testimony in support was also provided by Lyndon Vogt, Central Platte NRD Manager; Bob Hilske, Nemaha NRD Manager; Dave Clabaugh, Lower Big Blue NRD manager and John Miyoshi, Lower Platte North NRD Manager. All five of these districts have NRDF projects that are complete or near completion but funding is still lacking from the state. Each manager went through the benefits of the projects with the committee.

There are six NRDF projects that have been approved but are waiting for final funding from the State of Nebraska. These six brings the total projects funded under NRDF to 71. The six projects are Lake Wanahoo in Lower Platte North NRD; Buck and Duck in Nemaha NRD, Lower Turkey Creek Watershed Project in the Lower Big Blue NRD; Pigeon Jones in the Papio Missouri River NRD; Upper Prairie/Silver/Moores Creek Watersheds in the Central Platte NRD and Sarpy County/Clear Creek in the Papio Missouri River NRD. All of these structures provide flood control, and environmental benefits to communities in the state. The Sarpy County/Clear Creek project provides flood protection to communities on the lower Platte River and protects the Lincoln and Omaha well fields. Several of these projects are completed and the remaining will be complete within the next three years.

A total obligation of approximately \$18.8 million remains after FY 2014-15 for these projects which takes into consideration the funding provided last year. Several of the districts have taken out loans to pay for the state's share and are awaiting repayment.

Vogt explained that the approval process from the NRDF is not a problem; rather it is waiting in line for funding. The program funding has gone down from \$3.7 million annually in 2002 to \$1.1 million in 2010. For the last four years the appropriation has been \$3.1 million annually. In the meantime, all costs associated with the projects have gone up significantly. The cost of moving dirt has gone from \$.75 /yard to over \$2.00/yard. Land prices have easily tripled. The lack of funding forced the NRC to impose its own moratorium on applications to the NRDF in 2010.

The Governor's proposed biennial budget proposed \$3.14 million for FY 2015-16 and \$586,510 in FY 2016-17, totaling \$3.7 million over two years. The budget also calls for the end of the program at the end of FY 2016-17. This leaves a shortage for existing NRDF projects of about \$15.1 million.

Legislation passed in 2014 ended new applications for the NRDF. Legislative Bill 1098 created the Water Resources Sustainability Fund and expanded the NRC membership. This revised NRC now oversees the new fund. Another bill passed last year, LB 906, prohibits applications being made to receive funds by grant or loan from the Nebraska Resource Development Fund after April 2014. The appropriations bills last year provided some additional funding to the NRDF to help pay off these projects. However, most of the new funding provided last year went into the new Water Sustainability Fund.

Senator Watermeier pointed out these projects have already gone through an application, review and approval process are now faced with having to go through a second approval process with a new fund, with different criteria and a different NRC to get the remaining funding obligation from the state. It essentially changes the rules of the game after the projects have started and the case of Lake Wanahoo – after it has been completed. If these approved projects have to do such, they should get some bonus points and an expedited approval process. This becomes the reason for the bill.

Currently there is \$21 million in the Water Sustainability Fund. The final budget includes an additional \$8 million each FY for FY's 2015-16 and 2016-17. Final rules are not complete yet for project applications from the new fund. These should be completed in FY 2015-16. The NRC then has to review and approve the applications. Thus, we may be close to the end of FY 2016-17 before an application could receive funding. At the minimum there would be \$29 million available.

Under LB 130, the NRDF project sponsors would be required to file a statement of need to the department in lieu of the application required under the act. Upon receipt of an application or a statement of need, the director shall evaluate and investigate all aspects of the proposed program, project, or activity and the proposed schedule for development and completion of such program, project, or activity, determine eligibility for funding, and make appropriate recommendations to the commission.

The North Platte NRD opposed the bill. The Central Nebraska Public Power and Irrigation District submitted neutral testimony.

LB 143 - Change provisions relating to operator training for underground storage tanks and provide funding. Schilz.

The Natural Resources Committee accepted testimony on LB 143 on January 28, 2015. The committee reported no further action on the bill. The bill proposed to allow funds in the Petroleum Release Remedial Action Cash Fund to be used for reimbursement to a responsible person or his or her qualified trainer for the cost of compliance with the operator training requirements of the federal Energy Policy Act of 2005. The bill also authorizes the State Fire Marshal to establish training and experience requirements for trainers.

LB 174 – Redefine nonpoint source control systems and the Wastewater Treatment Facilities Construction Assistance Act. Schilz

The Natural Resources Committee accepted testimony on LB 174 on January 22, 2015. The committee reported no further action on the bill. The bill proposed to add the following to the definition of the nonpoint control systems under the Wastewater Treatment Facilities Construction Assistance Act:

Projects which establish methods, measures, structures, or practices to protect, remediate, or enhance any waters of the state or aquatic habitat that are impacted by natural or anthropogenic nonpoint sources of pollution. Types of projects include, but are not limited to, projects which minimize or control runoff or leaching from activities in urban, construction, or rural areas, erosion of sediment, atmospheric deposition, or similar causes or hydro-modification projects.

The Nebraska Association of Resources Districts provided testimony in a neutral capacity noting that some NRDs have been talking with NDEQ about expanding the definition of qualifying projects so more projects could be undertaken that would address water quality problems. There were no opponents.

LB 208 -- Provide an exemption to water storage reservoir permit requirements as prescribed. Schilz.

The Natural Resources Committee accepted testimony on LB 208 on February 18, 2015. The committee reported no further action on the bill. The bill proposed to exempt dams with a capacity of 50 acre feet or less and built before 1973 from state regulation, except dam safety regulation, as long as they are not used for irrigation or modified to increase their storage capacity. Dams used for irrigation or modified to increase storage capacity would be subject to a permit.

This bill would have not exempted any person from any requirements of the Safety of Dams and Reservoirs Act or section 46-233 (water rights for groundwater recharge) or 54-2425 (National Pollutant Discharge Elimination System permit).

John Thorburn, Tribasin NRD Manager, testified in support of the bill on behalf of his district and the Nebraska Association of Resources Districts. The issue came to light a couple of years ago when the Republican River Basin was placed in a Compact Call Year forcing water storage facilities to release water from structures for compact compliance.

Thorburn pointed out that several individuals received letters from the department that their facilities were not properly permitted and need to release the water. Most of these dams have been in place for at least fifty years. When they were built, usually with federal government assistance, landowners were motivated to construct these reservoirs because they wanted to be good stewards of the land. Their purpose is to protect their land, and their downstream neighbors, from soil erosion, sedimentation and flash flooding. The dams also provided water for livestock.

An alternative to getting a permit would be to modify the dams so they store less than 15 acre-feet, install release structures or get a permit. Many of these options are not practical for the landowners and would eliminate the other benefits of the structures.

Mike Clements, Lower Republican NRD, also testified in support of the bill. Clements pointed out that these structures are located in livestock pastures and usually in isolated canyons. Because of the remote locations, they are hard to gain access to after a rain event to release the water. Further, because of the drought in 2012 and 2013 that prompted the Compact Call Year, most of these structures were very low or empty at the time. In that condition, there was basically no way to release the water other than to destroy the dam.

The Nebraska Farm Bureau Federation also submitted a letter of support for the measure. The Department of Natural Resources submitted a letter of opposition.

LB 344 -- Provide natural resources districts with the power to issue general obligation bonds. Kolowski.

Senators resumed debate on LB 344 on Monday, March 7, 2016. The bill was bracketed until the end of the session and no further action was taken. Although the Kolowski amendment to limit the bonding to one cent of the existing levy authority was adopted by a 28-3 vote and the Committee Amendment was adopted by a 25-2 vote, the bill ended up being bracketed to the end of the session because there was not 33 votes out of the 45 Senators in the session that day to end the filibuster lead by Senator Schnoor.

Senator Schnoor filed a priority motion to indefinitely postpone the bill before any discussion could occur on the merits of the committee amendment that places parameters on the bonding authority. This prompted several senators to request that the motion be withdrawn so they could discuss the policy issues of how they want the local NRDs to come up with the matching requirements for the Water Sustainability Fund. After about an hour of debate on Senator Schnoor's motion, it was withdrawn.

Senator McCoy filed an amendment, AM 2403, to require a vote of the people before a bond could be issued. Several senators spoke against the amendment because the grant cycle for a Water Sustainability project may not coincide with an election cycle. The amendment failed by a 23-16 vote as follows:

Voting in the affirmative, 23: Bloomfield, Davis, Kintner, Mello, Seiler, Brasch, Ebke, Kolterman, Murante, Sullivan, Coash, Fox, Larson, Scheer, Watermeier, Cook, Garrett, Lindstrom, Schnoor, Craighead, Groene, McCoy, and Schumacher.

Voting in the negative, 16: Baker, Haar, K., Hughes, Morfeld, Campbell, Hadley, Kolowski, Pansing Brooks, Chambers, Harr, B., Krist, Stinner, Gloor, Hilkemann, McCollister and Williams.

Present and not voting, 7: Bolz, Friesen, Johnson, Smith, Crawford, Hansen and Riepe.

Excused and not voting, 3: Howard, Kuehn and Schilz.

That left the Natural Resources Committee Amendment (AM 2112) next in line. The committee advanced LB 344 with AM 2112 to General File on a 5-2-1 vote. The Committee Amendment (AM 2112) replaces the bill and allows for NRDs to issue general obligation bonds to pay for the cost of non-revenue producing water projects authorized by law.

The issuance of the bonds would require two-thirds vote of the board of directors. The levy to pay back the bonds would come from the ad valorem tax revenue and would have to be within the existing levy limitation. The bonds would be limited to water sustainability projects as follows:

- 1) The NRD has submitted an application for funding from the Water Sustainability Fund and such application is eligible for funding as determined by the director of the Department of Natural Resources.
- 2) The NRD has a commitment for approval of matching funds from other governmental entities or other sources prior to the issuance of bonds;
- 3) If such a project is not selected for funding from the Water Sustainability Fund, or is not approved for the amount requested, the NRD may issue bonds in an aggregate amount not to exceed sixty percent of the project cost.
- 4) If such project is selected for funding, the NRD may issue bonds in an aggregate amount not to exceed forty percent of the project cost.
- 5) Bonds must be issued within four years from the date the project application is selected or not selected for funding.
- 6) A sunset date of December 31, 2025 is applied.

Senator Kolowski filed a compromise amendment, AM 2415, to the committee amendment which would limit the bond levy to one cent of the taxing authority and anything beyond that would require a vote of the registered voters in the district. The vote would have to be in conjunction with a statewide primary or general election. The amendment was adopted by a 28-3 vote as follows:

Voting in the affirmative, 28: Baker, Crawford, Harr, B., Krist, Smith, Bolz, Friesen, Hilkemann, McCollister, Stinner, Campbell, Gloor, Hughes, Mello, Sullivan, Chambers, Haar, K., Johnson, Morfeld, Williams, Coash, Hadley, Kolowski, Pansing Brooks, Cook, Hansen, Kolterman, and Seiler.

Voting in the negative, 3: Bloomfield, Groene, and Kintner

Present and not voting, 14: Brasch, Ebke, Lindstrom, Riepe, Schumacher, Craighead, Fox, McCoy, Scheer, Watermeier, Davis, Garrett, Murante and Schnoor.

Excused and not voting, 4: Howard, Kuehn, Larson, and Schilz.

Following, the committee amendment was adopted by a 25-2 vote. Immediately following the vote, Senator Schnoor filed an amendment to change the sunset date from 2025 to 2023 and Senator Kintner filed a Floor Amendment to Schnoor's amendment to change the date to 2021.

When Senator Kolowski realized he did not have 33 votes out of the 45 senators in the chamber that day to end the filibuster, he offered to bracket the bill to the end of the session, essentially ending further debate on the bill. Despite the filibuster there was some very positive discussion about assisting the NRDs with financing water sustainability projects. Senator Kolowski declared the bill his Personal Priority Bill for the session.

LB 374 -- Direct transfers from the State Recreation Road Fund. Haar.

The Appropriations Committee accepted testimony on LB 374 on March 12, 2015. Portions of the bill were incorporated into other bills and the committee reported no further action on the bill. The bill proposed to require that if the balance in the State Recreation Road Fund exceeds \$15,000,000 the State Treasurer shall transfer the amount greater than \$15,000,000 to the Game and Parks State Park Improvement and Maintenance Fund.

The State Recreation Road Fund receives revenue from a \$1.50 fee on each motor vehicle registered. Current statute has the State Treasurer transferring money in the fund to the Department of Roads on the first day of each month for construction and maintenance of dust-less surface roads designated as state recreation roads.

Although the bill remained in committee, the Appropriations Committee included language in the appropriations bills to allow for such transfer when the amount exceeds \$14 million. For illustration purposes, the Recreation Road Fund balance on January 31, 2015 was \$18,218,783. Assuming the transfers occur on the first day of each month, if LB 374 would have been in effect \$4,218,783 would have been transferred to the Game and Parks State Park Improvement and Maintenance Fund on February 1st. If no expenditures occurred during February then the estimated monthly revenue of \$318,000 would have been transferred on March 1. If there were expenditures in February they would have served to reduce or possibly eliminate the March transfer.

LB 404 -- Provide for evidentiary hearings relating to certain water-use applications. Davis.

The Natural Resources Committee accepted testimony on LB 404 on February 27, 2015. The committee reported no further action on the bill. The bill would have allowed a public water manager or user to have standing on water right applications before the department.

A public water manager or user was defined in the bill to mean a natural resources district, a municipality, an irrigation district, a public power and irrigation district, a public power district, a reclamation district, a mutual irrigation company, or a public water supplier.

The bill would have required the Department of Natural Resources to publish a notice of a new application on their website for three consecutive weeks. Within sixty days after the last date the notice of an application described in this section appears on such web site, a public water manager or user may file with the department a written analysis that has been prepared by one or more qualified experts explaining why granting the application will (i)

reduce or diminish the amount of water that will be available to the public water manager or user or its constituents and (ii) be contrary to the public interest.

The department shall not grant the application without first granting the public water manager or user a hearing to present evidence to demonstrate the positions set forth in the written analysis. The public water manager or user may waive the hearing. By waiving the hearing, the public water manager or user also waives the right to appeal.

For each application, the department shall conduct a single evidentiary hearing to adduce evidence from all of the parties who provided a written analysis.

Senator Davis noted in his opening that the bill is a result of an interim study working group over the summer that met several times in person and on conference calls to work out a solution to the question on standing. This included surface water irrigation districts, public power districts and NRDs. At the last conference call, there were no further issues brought forth to discuss.

Don Blankenau testified in support of the bill on behalf of the Nebraska Association of Resources Districts. Blankenau reminded the committee that years ago the Department of Natural Resources used to allow for public participation in water rights cases. The bill was drafted similar to the way the process used to work. Blankenau was legal counsel for the Department of Water Resources which later became the Department of Natural Resources.

Vanessa Silke, testifying in support for the Nebraska Water Resources Association, pointed out that Nebraska is the only state that does not allow for public participation on a water right. This bill would allow for public participation.

Mike Murphy presented testimony in support of the measure on behalf of the Middle Niobrara NRD. Murphy stressed that currently non-applicants are only able to offer comments to NDNR as to the public interest. Such comments are not evidence, and do not provide any right of review for a political subdivision whose duties and responsibilities are triggered by NDNR's actions.

Others testifying in support included the Nebraska Farmers Union and former Senator Norm Wallman.

Opponents included the Nebraska State Irrigation Association who claimed that the appeals process should be granted to all decisions made by the Department and NRDs, including Integrated Water Management Plans and permits for groundwater uses.

Brain Barels testified in opposition for the Nebraska Public Power District, outlining that none of their concerns were ever addressed by the working group over the summer.

When Senator Davis closed on the bill, he expressed disappointment with the opponents as they participated in the interim study process, never brought issues to the table, never provided any language for suggested solutions or objected to the final language until the hearing.

LB 461 - Change appropriations for the Nebraska Tree Recovery Program. Pansing Brooks.

The Appropriations Committee accepted testimony on LB 461 on March 12, 2015. The committee reported no further action on the bill. The bill proposed to increase the annual fund for the Nebraska Tree Recovery grant program from \$250,000 per year to \$3 million per year. The purpose of the bill was to increase funding for the program to help combat the Emerald Ash Borer.

The grant program is operated by the Nebraska Forest Service to fund tree removal, disposal, and replacement costs. The Nebraska Community Forestry Council acts as an advisory body in administration of the program.

Proponents of the bill included several cities and communities and stressed the importance of the ash tree to Nebraska's communities. Supporters also noted that the ash borer is fatal to native ash trees because they have no defense against it. Within about two years of death, the ash trees become brittle and prone to breaking apart. A

confirmed colony has been discovered within 100 miles of Omaha in Creston, Iowa, and infestations have been found in the Kansas City and Lawrence, Kansas, areas. Colorado also has a confirmed detection.

There were no opponents to the bill. Scott Josiah, Nebraska Forest Service, presented neutral testimony on the bill and explained how the program works and answered technical questions regarding the impact of Emerald Ash Borer. The committee never reported any action on the measure and no funds were added for the program in the mainline appropriations bill.

LB 462 - Change restrictions on campaigning by certain public officials and public employees. Seiler.

The Government Committee accepted testimony on LB 462 on February 26, 2015. The committee reported no further action on the bill. The bill proposed to change the definitions of campaign and campaigning to mean disseminating any communication which:

- (i) Refers to a ballot question, refers to a candidate by name, nickname, photograph, or drawing appearing in the communication, or makes the identity of the candidate otherwise apparent through an unambiguous reference or through an unambiguous reference to the candidate's status as a candidate; and
- (ii) Is aired, broadcast, cablecast, printed, or otherwise disseminated through the facilities of a television station, newspaper, periodical, radio station, cable television system, web site, satellite system, or other electronic means within or directed at the district of the office sought by the candidate or the area to be impacted by the ballot question, or
- (iii) Is broadcasted by any other means not described in subdivision.

Existing law prohibits public funds to be used to disseminate information about candidates or ballot questions.

The bill was supported by two testifiers from the Nebraska Rural Electric Association and one individual employed by the Nebraska Power Review Board. The testimony focused on delivering information to the public about energy issues while using public resources and not identifying a candidate.

The issue that brought the bill to the legislature is a case that involves two public power district employees using public resources to campaign against a board candidate. In 2012, the Accountability and Disclosure Commission found that the two had violated the law and ordered each to pay a \$2,000 civil penalty. The two employees appealed to the Lincoln County District Court, which overturned the commission's findings. The case was appealed to the Nebraska Supreme Court and the Court sent it back to the lower court in the fall of 2014 with directions.

According to the ruling, the two authorized a series of radio advertisements in the month leading up to the 2010 general election that criticized wind energy. The advertisements were paid for with district funds. They did not mention the name of the candidate, a wind energy proponent who was running for a spot on the power district board at the time. But the advertisements attacked his key campaign issues and each of the three aired more than 70 times during October 2010. The candidate went on to win election, and was the only candidate running on wind energy issues.

The Nebraska Supreme Court said the lower court's definition of campaigning was too narrow and the lower court should determine whether the ads were run with the intent to influence public support for or against a particular candidate, ticket or measure. The Court instructed that determining intent requires looking at more than the content of the radio ads and must include all relevant factors, such as whether the radio ads took a position for or against the issues central to the candidate's campaign, the timing and frequency of the ads and how the ads compared to the district's prior public service announcements or ads. Final action from the lower court is still pending.

Opponents of the bill included the Don Nelson and Frank Daily for the Nebraska Accountability and Disclosure Commission. Both stated the bill tries to provide a different remedy that will impact all state and local subdivisions rather than waiting until the court rules on the case. Nelson also expressed concern authorizing public power

entities to do more advertisements against alternative energy sources. He suggested that an interim study would be more appropriate on the issue.

Several committee members raised questions whether under the proposal if any information provided by the Nebraska Unicameral Update would have to end because it provides information about Senators, legislative issues and ballot questions and is paid for by the state.

LB 512 - Provide powers and duties to the Nebraska Oil and Gas Conservation Commission regarding certain wastewater and charge an assessment for certain costs. Stinner.

The Natural Resources Committee accepted testimony on LB 512 on March 11, 2015. The committee reported no further action on the bill. The committee allowed for testimony via video-conference from Scottsbluff. The bill proposed to create the Oil and Gas Regulatory Cost Recovery Cash Fund. The purpose of the fund was to recover the costs of monitoring and regulating oil and gas wastewater disposal in this state. The fund shall consist of a new assessment on wastewater related to the operation of oil and gas wells.

The bill would have given the commission authority to monitor and regulate the disposal of wastewater generated from oil and gas well production, including wastewater generated from oil and gas well production in other states that is injected into commercial salt water injection wells in Nebraska.

The assessment would amount to twenty cents per barrel of wastewater disposed in Nebraska in a commercial salt water injection well, except for wastewater produced where taxes are already on the severance of oil and gas.

The purpose of the assessment is to offset the costs of monitoring and regulating oil and gas wastewater disposal, to offset the costs of damage to roads used for transporting the wastewater, and to provide additional transportation infrastructure funding necessary for the design and construction of additional roads and bridges

The bill would have required the State Treasurer to credit fifty percent of the assessment to the Oil and Gas Regulatory Cost Recovery Cash Fund and fifty percent to the Highway Trust Fund.

There were twenty six proponents for the bill. Some of the key points stressed by proponents were about protecting groundwater and addressing road and infrastructure damage caused by the trucks that haul the water which is putting an increased strain on local infrastructure. Opponents of the bill raised concerns over water quality and asked for a moratorium on importing such production water until adequate safeguards can be put in place to protect groundwater.

T-Rex Oil Inc. of Broomfield, Colorado, is seeking a permit to operate the commercial disposal well on private property in the Nebraska Panhandle. A hearing on the permit application is scheduled March 24 before the Oil and Gas Commission in Sidney.

There were 2 testifiers in the neutral position. Steven Sibray explained there are several safeguards in place with the process and the risk of contamination to the aquifer is very minimal. Stan Belieu with the Nebraska Oil and Gas Commission noted that rules and regulations in place in Nebraska are as stringent as any state, and that commission diligently tests wells to ensure they are in compliance. He stated that this is the safest form of disposal and that he was not aware of any contamination events in Nebraska or in the country.

LB 537 - Appropriate funds relating to natural resources. Watermeier.

The Appropriations Committee held a hearing on LB 537 on March 12, 2015. The issue was incorporated into other bills and the committee reported no further action on the bill. The bill proposed to add \$15,054,000 to the Natural Resources Development Fund (NRDF) to finish projects that have been approved as of March 30, 2014. This would pay off the remaining projects when added to the appropriations request of \$3,726,835 over the next biennium. The total for the biennium would be \$18,780,835.

Although the bill remains in committee, the Appropriations Committee included funding in LB 657. The final appropriation for the NRDF includes \$6,187,825 for FY 15-16 and \$6,187,825 for FY 16-17. For each fiscal

year, this breaks down to \$3,140,325 in General Fund plus \$3,047,500 in transfers of Cash Funds from a reduction in funding for the Water Sustainability Fund. There is also intent language that \$3,140,325 in General Funds be appropriated for the program through FY 2018-19 which would provide total funding for the program over four years of \$18,656,300 to finish out the six existing projects under the program.

There are six NRDF projects that have been approved but are waiting for final funding from the State of Nebraska. These six brings the total projects funded under NRDF to 71. The six projects are Lake Wanahoo in Lower Platte North NRD; Buck and Duck in Nemaha NRD; Lower Turkey Creek Watershed Project in the Lower Big Blue NRD; Pigeon Jones in the Papio Missouri River NRD; Upper Prairie/Silver/Moores Creek Watersheds in the Central Platte NRD and Sarpy County/Clear Creek in the Papio Missouri River NRD. All of these structures provide flood control, and environmental benefits to communities in the state. The Sarpy County/Clear Creek project provides flood protection to communities on the lower Platte River and protects the Lincoln and Omaha well fields. Several of these projects are completed and the remaining will be completed within the next three years.

John Winkler, Papio Missouri River NRD Manager, presented testimony for the Nebraska Association of Resources Districts and the Papio-Missouri River NRD in support of the bill. Testimony in support was also provided by Lyndon Vogt, Central Platte NRD Manager; Dave Clabaugh, Lower Big Blue NRD manager and John Miyoshi, Lower Platte North NRD Manager. All of these districts have NRDF projects that are complete or near completion but funding is still lacking from the state. Each manager went through the benefits of the projects with the committee.

The bill was also supported by former Senator Tom Carlson, the Nebraska Water Resources Association, Nebraska Ethanol Association, Nebraska Sportsman Foundation and the North Platte NRD.

A total obligation of approximately \$18.8 million remains after FY 2014-15 for these projects which takes into consideration the funding provided last year. Several of the districts have taken out loans to pay for the state's share and are awaiting repayment.

Senator Carlson urged the committee to fully fund these projects through the General Fund and not start the practice of tapping into the Water Sustainability Fund to pay off other obligations.

The Governor's proposed biennial budget in LB 657 provides \$3.14 million for FY 2015-16 and \$586,510 in FY 2016-17, totaling \$3.7 million over two years. The budget also calls for the end of the program at the end of FY 2016-17. This leaves a shortage for existing NRDF projects of about \$15.1 million. Senator Watermeier offered an amendment at the hearing on LB 537 that would extend the funding for the NRDF for the next five years in the mainline budget and also add \$1 million per year for three years from either the Water Sustainability Fund or General Fund. This would take care of the obligations of the NRDF.

Legislative Bill 1098 passed in 2014 created the Water Resources Sustainability Fund and expanded the NRC membership. This revised NRC now oversees the new fund. Another bill passed last year, LB 906, prohibits applications being made to receive funds by grant or loan from the Nebraska Resource Development Fund after April 2014. The appropriations bills last year provided some additional funding to the NRDF to help pay off these projects. However, most of the new funding provided last year went into the new Water Sustainability Fund. Legislation passed in 2014 ended new applications for the NRDF. However, the Natural Resources Commission has had a moratorium on new applications to the fund since November 2010.

Senator Carlson pointed out these NRDF projects have already gone through an application, review and approval process and are now faced with the possibility of having to go through a second approval process with a new fund, with different criteria and a different NRC to get the remaining funding obligation from the state. It essentially changes the rules of the game after the projects have started, and in the case of Lake Wanahoo – after it has been completed.

Currently there is \$21 million in the Water Sustainability Fund. The final budget includes an additional \$8 million each FY for FY's 2015-16 and 2016-17. Final rules are not complete yet for project applications from the new fund. These should be completed in FY 2015-16. The NRC then has to review and approve the applications. Thus,

we may be close to the end of FY 2016-17 before an application could receive funding. At the minimum there would be \$29 million available.

LB 585 - Change provisions relating to director qualifications and employment of personnel at the Department of Natural Resources. Schilz.

The Natural Resources Committee accepted testimony on LB 585 on February 4, 2015. The committee reported no further action on the bill. Current law limits the qualifications for the Director of Natural Resources to a registered professional engineer with five years' experience in water resources management. The bill would have expanded the qualifications of the Director of Natural Resources to include having a doctorate degree in civil or hydraulic engineering, hydrology, or geology.

The bill would have also authorized the Director of Natural Resources to employ a professional engineer registered under the Engineers and Architects Regulation Act as necessary to carry out the duties required of the director.

Jim Bendfeldt, NARD Vice-President, provided testimony in support of the bill. The requirement that the director be an engineer has its roots in the early 20th century, when the duties of the DNR were performed by the Department of Roads and Irrigation. At that time, the director not only supervised construction of roads across Nebraska but also approved construction of surface-water projects.

Bendfeldt pointed out the director of the Department of Roads, who is the state engineer and continues to be involved in significant engineering projects, need not hold an engineering degree. Not surprisingly, most other states have abandoned the engineering requirement for similar positions.

Dave Cookson testified in support of the measure on behalf of the Nebraska Appropriated Basin Coalition. The coalition is a group of NRDs in central and Western Nebraska that are working together on educational efforts on efficient water uses. Cookson is the former Deputy Attorney General who has defended Nebraska water laws and defended Nebraska in the Kansas v. Nebraska Republican River Compact case.

Cookson pointed out the primary role of the DNR director today is significantly different. Under Nebraska's new water laws, the director has to negotiate water use plans developed from input of water users that represent all users. While accomplishing that task, the director also must keep Nebraska in compliance with state laws and interstate compacts, which are legal in nature and not necessarily mathematical or irrigation related. While doing these tasks, the director also has to oversee the revamped Natural Resources Commission and administer state funds.

Bendfeldt relayed that a person that can balance of all those interests and tasks needs to have a skill set that may not include having an engineering degree. Open competition always brings out the best candidates.

A letter of support was submitted by the Upper Republican NRD.

The bill was opposed by the surface water users, notably, Central Nebraska Public Power and Irrigation District, Frenchman Cambridge Irrigation District and the Nebraska State Irrigation Association. Nebraska Farm Bureau Federation also opposed the bill.

Ann Bleed and Karen Amen, both from Lincoln, opposed the bill but spoke in favor of it if the criteria were changed to a registered geologist.

Nebraska Public Power District testified in a neutral capacity and asked for a new State Water Engineer position to be created in the Department of Natural Resources to administer water laws.

LB 622 – Change provisions relating to the Niobrara Scenic River Act. Larson.

The Natural Resources Committee accepted testimony on LB 622 on February 12, 2015. The committee reported no further action on the bill. The bill proposed to expand the boundaries of the Niobrara Scenic River designation.

With the change up to 6,000 more acres of private land would fall under the restrictions of the Scenic River designation.

The initial corridor designated a 1/4 mile stretch of land alongside the river for several miles and restrictions were placed on the landowners within that region. In 1996, an Advisory Commission worked with local residents and a 6 mile stretch was added to connect the 2 segments for a total of 76 miles of scenic river designation from Cornell Bridge to North of Newport. This is the current boundary that the council/state recognizes. The local counties then apply zoning restrictions on development to protect the scenic river.

The 2007 NPS boundary change would entail up to 6,000 more private landowner acres that would be controlled by federal oversight. The local concern of landowners and the public is that NPS will continue to try and regulate both the uses of the river and the land within the boundary, create new requirements through the use of a Superintendent's Compendium, develop a Commercial Use Authorization Permit program for less than a dozen river outfitters, and if necessary use of easements and fee title acquisition of property of up to 100 acres per mile within the boundary.

Mike Murphy, Manager of the Middle Niobrara NRD, spoke in opposition of the bill on behalf of the Nebraska Association of Resources Districts. Others testifying in opposition included Mike Tuerk, Chairman of the Niobrara Council; Tanya Storer, Cherry County Commissioner on behalf of Nebraska Farm Bureau Federation and Dean Jochem, Brown County Zoning Administrator. All pointed out this suggested change was reviewed by the Council working with Senator Davis and Larson over the interim but was rejected by the council as something to pursue. The Council has been successfully working with the National Forest Service under the 1996 map since 2007 and there has not been a need to change the boundaries in state law.

Supporters of the bill included Lance Cook, Rock County landowner; Nebraska Game and Parks Commission, Nebraska Sportsman's Foundation, Friends of the Niobrara and the Nebraska Sierra Club. All argued that the federal government would take away the funds from the Niobrara Scenic River Council if the additional acres were not restricted.

Tuerk, the Chair of the Council, reported that the National Park Service has made no such threat and has been cooperative with the local residents and counties on using the existing map. He further explained that the federal government only puts \$100,000 annually toward the protection efforts.

The bill also requires the members appointed by the Governor to the Niobrara Scenic River Council be approved by the Legislature.

There was an interim study resolution, LR 272, introduced by Senator Haar that called for a study of the boundary issues.

LB 646 -- Eliminate provisions for secret ballots for leadership under the Open Meetings Act. Kitner.

The Government Committee accepted testimony on LB 646 on February 25, 2015. The committee reported no further action on the bill. The bill proposed to eliminate the ability of public bodies to elect leadership by secret ballot. Current law allows for such if the total number of votes for each candidate is recorded in the minutes.

Senator Kitner made it clear at the hearing this would apply to all state and local office holders. This issue re-ignites that vote taken early in the session on the Legislature's own rules that allow for secret ballots for leadership positions of the Legislature. Senator Kitner and others tried to change the rules to require such but lost in both the Rules Committee and on the floor in mid-January.

That proposed change was killed January 14th by the Rules Committee on a 5-0 vote and was offered again by Senator Kintner on the floor of the legislature the following day. The proposed change would have required a roll call vote to elect the speaker of the Legislature, chairperson of the Executive Board and leadership of the 14 standing committees. Senator Kintner's proposal was defeated by a 12-33 vote.

A couple of individuals spoke in favor of the bill. Several organizations and entities spoke against the bill or submitted letters pointing out leadership ballots should remain secret.

LB 649 -- Require all votes taken by public officials to be a public record as prescribed. Kintner.

The Legislature bracketed LB 649 until June 5, 2015 on April 10th by a 31-15 vote, ending further discussion on the issue for the session, and no further debate occurred on the bill during the 2016 session. The bill would have required that all votes taken by public officials in the course of their public duties shall be considered public record.

On March 12, 2015, the Government Committee advanced LB 649 to General File on a 5-3 vote with Committee Amendment AM 821. Senators Craighead, Groene, Larson, McCoy, and Murante voted for advancement of the bill. Senators Bloomfield, Garrett, and Hansen voted against advancement of the bill.

The Committee Amendment, AM 821, replaces the bill and would require that each vote cast by a public official for a leadership position in the body in which he or she serves shall be recorded and preserved as a public record, except that a procedure may be used to permit the vote to be cast secretly so long as the public officials vote is recorded after the tally.

Senator McCoy declared LB 649 as his personal Priority Bill for the 2015 session.

LB 672 -- Eliminate fees on tires as prescribed. Krist.

The Natural Resources Committee accepted testimony on LB 672 on January 21, 2016. Senator Krist introduced the bill for the purposes of gaining discussion on the program. He had planned to not pursue the ending the program. The bill would have eliminated the \$1/tire fee on tires sold in Nebraska on October 1, 2016. The bill also would have repealed the Tire Recycling Act on January 1, 2017.

Several organizations testified in opposition of the bill, including the League of Municipalities, the Nebraska Association of County Officials, several local recycling organizations and individuals. The Department of Environmental Quality provided neutral testimony and outlined the program.

NARD also provided neutral testimony as the organization has not taken a position on the bill as of the hearing date. The testimony outlined the successes of several NRDs that participate with local communities across the state on tire collection and recycling programs. The testimony also included an offer to work with Senator Krist and members of the Natural Resources Committee on changes that may be needed to the program.

At the end of the hearing, Senator Krist suggested that an interim study should be introduced to look at changes that may improve the program.

LB 693 -- Change limitation of action provisions under the Political Subdivisions Tort Claims Act. Morfeld.

The Judiciary Committee accepted testimony on LB 693 on January 28, 2016. The bill extends the time for a claim against a political subdivision, or employee of a political subdivision, for wrongful acts from one year to two years after such claim accrued.

Several organizations testified against the bill. The committee did not take any further action on the proposal.

LB 711 -- Change provisions of the Noxious Weed Control Act and create the Riparian Vegetation Management Task Force. Hughes.

Provisions of LB 711 were incorporated into LB 1038 with AM 2472. The Natural Resources Committee accepted testimony on LB 711 on February 18, 2016. The original bill as drafted proposed to re-create the Riparian Vegetation Management Task Force that operated from 2007-12. For administration and budgeting purposes, the task force would be under the Nebraska Department of Agriculture.

Senator Hughes mentioned he is working with interested parties to improve the bill to allow for funds to be used in all river basins and modify language regarding grant applications to the Nebraska Environmental Trust would be permissive and not mandatory. Hughes submitted a request to make the bill a Speaker Priority Bill. At the hearing he stated his plans that if that does not materialize, he would like to have it incorporated into other bills that may be moving across the floor of the legislature.

Brent Meyer, Lancaster County Noxious Weed Superintendent testified in support of the bill on behalf of NACO and the Nebraska Weed Control Association. He stated the NRD's are their base funding source and the NRD's are great partners on weed control management.

Former State Senator Tom Carlson of Holdrege spoke to the success of the previous task forces work, noting previous projects improved streamflow capacity of the Republican River downstream from Harlan from 300 cfs prior to task force work to 1100 cfs following. Carlson told the committee that results of the previous task force work have saved thousands of acre-feet of water in the state.

Charles Brooks, President of the Platte Valley Weed Management Area, testified on behalf of Platte Valley Weed Management Area & West Central Weed Management Area. He spoke to the ability of weed management areas to leverage funds from the task force. He also highlighted for the committee the decrease in funding from the Nebraska Environmental Trust, noting an obvious decrease in funding for weed management control in recent application periods.

Mike Clements, General Manager Lower Republican NRD, testified in support of the measure on behalf of his NRD. Clements noted the success of the task force in reducing phragmites on the Republican River, which increased stream conveyance to ensure water can efficiently be delivered to Kansas under the compact. He noted that before the river was cleared, vegetation choked stream flow to a max of 300 cfs flow, which caused flooding because the water backed up. Now the river can handle 1,100 cfs without flooding. He also highlighted the ongoing continuous maintenance that is necessary to ensure that we don't end up right back where we were. Clements told the committee with the aggressive nature of the noxious weeds, just a couple years of deferred maintenance could erase the gains made.

Terry Julesgard, General Manager Lower Niobrara NRD, spoke in favor of the bill and noted that all areas of the state need assistance with keeping rivers clear of invasive species and noxious weeds.

Lyndon Vogt, Central Platte NRD Manager, testified on behalf of Nebraska Association of Resources Districts. He noted that the state and local NRDs need to stay on top of these issues so we don't end up the way it was prior to 2007. Vogt reported the Central Platte NRD has been involved in noxious weed control and riparian vegetation management for over a decade. Central Platte NRD was active in such matters before and during the timeframe of the original Riparian Vegetation Management Task Force (2007-2012) and continues to work within our boundaries and beyond to address this ongoing problem. The CPNRD is an active member of the Platte Valley Weed Management Area workgroup and budget for and contribute significant funds annually for their operation (\$551,000 since 2008). The group is active in the Platte Basin in the planning and implementation of a variety of weed management endeavors. These efforts are an integral component of overall water management in the Platte River valley.

Others submitting testimony or letters of support included, the Nebraska Farmers Union, Central Nebraska Public Power and Irrigation District, the Nature Conservancy, the Nebraska Water Resources Association, Douglas County Commissioners and the Upper Niobrara White NRD

There were no opponents to the bill.

Under the bill the Governor appointed membership of the task force would be the same membership as the previous task force and would include the following:

- A) One surface water project representative from each river basin that has ever been determined to be fully appropriated or over-appropriated;

- B) One representative from the Department of Agriculture, the Department of Environmental Quality, the Department of Natural Resources, the office of the Governor, the office of the State Forester, the Game and Parks Commission, and the University of Nebraska;
- C) Two representatives nominated by the Nebraska Association of Resources Districts;
- D) Two representatives nominated by the Nebraska Weed Control Association;
- E) One riparian landowner from each of the state's congressional districts; and
- F) One representative from the Nebraska Environmental Trust.

The Riparian Vegetation Management Task Force, in consultation with appropriate federal agencies, would be required to develop and prioritize vegetation management goals and objectives, analyze the cost effectiveness of available vegetation treatment, and develop plans and policies to achieve such goals and objectives. Any plan shall utilize the principles of integrated vegetation management and sound science.

The bill would require the efforts of the task force to be initially directed toward river basins designated by the Department of Natural Resources as fully appropriated or over-appropriated. Task force meetings would have to be held in communities within the Republican River and Platte River basins. Senator Hughes is working on an amendment to allow for the funds to be used statewide and allow the meetings to be held across the state.

The bill provided intent language for funding beginning in fiscal year 2016-17 of two million dollars annually for the management of vegetation within the banks of a natural stream or within one hundred feet of the banks of a channel of any natural stream. The funds could only be used to pay for activities and equipment as part of vegetation management programs that have as their primary objective improving conveyance of streamflow in natural streams.

Grants from funds appropriated as provided in this subsection could only be disbursed to weed management entities, local weed control authorities, and natural resources districts, whose territory includes one or more fully appropriated or over-appropriated river basins with priority given to fully appropriated river basins that are the subject of an interstate compact or decree.

Under the bill the Director of the Department of Agriculture is also instructed to apply annually for a Nebraska Environmental Trust Grant and funds from NRCS under the bill, but the amounts are not specified. Senator Hughes is working on an amendment to make this permissive. Intent language is added to direct that the expenses of the task force not exceed twenty-five thousand dollars per fiscal year.

An annual report would have to be submitted to the Governor and the Legislature by June 30 each year with the first report due on June 30, 2017.

LB 714 -- Provide for and change a provision relating to sufficient cause for nonuse of a water appropriation. Stinner.

The Natural Resource Committee accepted testimony on LB 714 on January 22, 2016. The bill would have added two changes to the list of sufficient causes to maintain a surface water right for nonuse.

The first change proposed to add participation in any local program.

The second proposed change was if the appropriation is temporarily transferred to a natural resources district or other competent authority for the purpose of depletion offsets, aquifer recharge, stream augmentation, or maintenance of instream flows.

Under this section of statute, sufficient cause for nonuse shall be deemed to exist for up to fifteen consecutive years.

Current law allows for a surface water right to be maintained if the land subject to the appropriation is under an acreage reserve program, production quota or is otherwise withdrawn from use as required for participation in any federal or state program, or such land previously was under such a program but currently is not under such a program and there have been not more than five consecutive years of nonuse on that land since that land was last under that program.

The bill was supported by the North Platte NRD, Nebraska Water Resources Association and the Nebraska State Irrigation Association.

Jeff Fassett, Director of the Department of Natural Resources, testified in a neutral capacity. His testimony pointed out that all of these changes are not needed as the transfers are already protected in current statute. Further, once the transfer is no longer used, current law reverts the right back to the previous use.

The committee did not report action on the bill.

LB 720 - Change certain invasion of privacy provisions to include unmanned aircraft or unmanned aircraft systems. Kuehn.

The Judiciary Committee accepted testimony on LB 720 on Thursday, February 25, 2016. The bill proposed to add to the right of action for invasion of privacy for unmanned aircrafts or aircraft systems.

Under the bill, a person would be presumed to be liable for invasion of privacy if he or she operates an unmanned aircraft or unmanned aircraft system:

1. Within the airspace overlaying privately owned real property less than two hundred feet above the ground level of such real property.
2. Without the express permission of the owner of the real property or the owner's agent, and
3. While capturing any type of visual image, sound recording, or other representation or physical impression of the plaintiff.

The individual would also be liable for reasonable damages for the invasion of privacy.

The bill included language that this new section shall not impair or limit any otherwise lawful activities of law enforcement personnel or employees of governmental agencies or other public or private entities that have the right to enter land by operating an unmanned aircraft or unmanned aircraft system within the airspace overlaying the real property of another.

Senator Kuehn during his introduction noted the legislation is a starting point for discussion and much more open dialog needs to occur.

There was no one testifying in support of the bill. However, a letter of support was submitted by the Nebraska Cattlemen.

Adam Houston, University of Nebraska, Associate Professor testified in opposition on behalf of himself. He testified that his weather research team uses the drones and flies them lower than 200 feet over private property to collect research. He told the committee that it would not be feasible to seek permission from each private property owner over an area they would be flying.

Matt Weite, University of Nebraska, Professor of Journalism also testified in opposition, highlighting that Nebraska's privacy laws already address the concerns UAV's might bring.

Several testified in a neutral capacity. Shawn Renner, a Lincoln attorney, testified in a neutral capacity noting that the intersection between state and federal law is still unclear. The Nebraska Rural Electric Association noted that their members can utilize drones to monitor rural distribution lines in a less expensive and more efficient manner.

Several insurance companies highlighted the commercial value drones can play as a safe and viable alternative for examining property losses.

The Committee did not report any action on the measure.

LB 728 -- Authorize electronic voting devices for natural resources districts. Johnson.

Authorization for LB 728 was included in LB 876 which was passed and signed by the Governor. The Government, Military & Veterans Affairs Committee held a joint public hearing for LB's 728 & 876. LB 728 proposed to add natural resources districts to the list of political subdivisions that can use electronic voting for roll call and public votes on motions. LB 876 allows all public bodies to use electronic voting for roll call and public votes on motions. The law requires the electronic boards to be readily seen by the public.

John Miyoshi, Lower Platte North NRD Manager, presented testimony on behalf of his district and the Nebraska Association of Resources Districts in support of both bills. The bills were also supported by the Nebraska School Boards Association. There were no opponents.

After the hearing, the committee advanced LB 876 to General File.

Existing law allowed only municipalities, city councils, village boards, counties, learning communities, joint entities created pursuant to the Interlocal Cooperation Act, joint public agencies created pursuant to the Joint Public Agency Act, or an agency formed under the Municipal Cooperative Financing Act to use such devices.

LB 802 -- Create the Health and Climate Resiliency Task Force. Haar

The Health and Human Services Committee accepted testimony on February 3, 2016. The bill proposed to create the Health and Climate Resiliency Task Force to create a strategic plan for the State of Nebraska related to the impacts of climate change on the health and well-being of Nebraskans that includes:

- (1) Measurable goals and benchmarks, including actions needed to meet the goals and benchmarks for addressing the negative impacts of climate change on human health, opportunities to improve health and well-being and increase resilience, including strategies for adaptation and mitigation; and
- (2) Recommendations for new policies and changes to policies and programs that support the goals and benchmarks based on the information and data collected and generated under the act, including funding needs and recommendations for legislation.

In his opening, Senator Haar said he is optimistic that Nebraskans see the need to plan for climate change and to find ways to lessen the impact on residents' health.

Proponents of the bill included Glynnis Collins, representing Audubon Nebraska. David Corbin, Professor Emeritus of Public Health at the University of Nebraska at Omaha, also supported the bill. Proponents highlighted the connection between climate change and public health. No one testified in opposition.

Under the bill, the task force shall consist of two voting members of each the following Legislative Committees (Appointed by the chair of that committee): Agriculture, Appropriations, Education, Health and Human Resources and Natural Resources.

The task force would also have included the following nonvoting, ex officio members:

- The Director of Agriculture or his or her designee;
- The Director of Environmental Quality or his or her designee;
- The chief executive officer of the Department of Health and Human Services or his or her designee;

- The Director of Insurance or his or her designee;
- The Director of Natural Resources or his or her designee;
- The Director of the Nebraska Emergency Management Agency or his or her designee;
- The Director of the State Energy Office or his or her designee;
- The Director of the Bureau of Business Research of the University of Nebraska-Lincoln or his or her designee;
- The Director of the National Drought Mitigation Center of the University of Nebraska-Lincoln or his or her designee;
- The State Climatologist of the Nebraska Climate Office of the University of Nebraska-Lincoln or his or her designee;
- The Director of the High Plains Regional Climate Center of the University of Nebraska-Lincoln or his or her designee;
- The Director of the College of Public Health of the University of Nebraska Medical Center or his or her designee;
- The State Forester of the Nebraska Forest Service of the University of Nebraska or his or her designee; and
- The Director of the Daugherty Water for Food Institute of the University of Nebraska or his or her designee.

The voting members of the task force shall appoint a non-voting advisory committee using an application and selection process. The advisory committee members shall be appointed to represent (a) academic experts in issues related to public health and climate change, (b) advocacy groups that work on issues related to climate change, (c) advocacy groups that work on public health issues, (d) business organizations, (e) counties, (f) municipalities, (g) natural resource districts, (h) public health officials, (i) public power districts, (j) state and federal agencies, and (k) such other members as deemed appropriate.

In development of the strategic plan required by this proposal, the task force would have been required to gather, share, examine, and analyze data and information related to the impacts of climate change on human health and well-being, including assessments of vulnerability, risks, economic impacts, and adaptation and mitigation actions.

Issues to be examined would have included the implications of climate change on the following:

- Extreme events such as blizzards, droughts, fires, floods, heatwaves, and tornadoes;
- Food and food security, including changes to agricultural production;
- Vector borne illnesses;
- Air pollution;
- Water quantity and quality and resulting impacts to agriculture, domestic use, and power production;
- Energy production and use;
- Ecosystems, including forests, wildlife, and habitat;
- Rural and urban communities;
- Mental health, including social change and migration;

- Insurance;
- National and local security; and
- The extent that the public is being provided accurate and current information about climate change and its impacts on health and well-being.

The task force would also have had to examine opportunities related to climate change, including:

- Strategies for adaptation and mitigation that will improve the health and well-being of the people of Nebraska;
- Economic opportunities with a particular emphasis on development and adoption of new methods and management strategies in support of the agricultural economy of the state, methods of generating power, or beneficial use of land and water that can be used to adapt to and mitigate the impacts of climate change on human health and well-being that will provide jobs and economic return to Nebraskans; and
- Opportunities for public education and outreach.

To accomplish its duties language was included that the task force may hold public meetings and request information from any state or local governmental entity or institution, including academic reports.

The committee has reported no action on the bill.

LB 806 - Adopt the Riverfront Development District Act. Mello.

The Urban Affairs Committee accepted testimony on LB 806 on February 16th. The bill proposed to allow for the creation of Riverfront Development Districts to provide a means by which cities may fund, manage, promote, and develop riverfronts within their corporate limits. The bill as written was limited to cities that are on major rivers in the state.

Those testifying in support of the legislation included representatives of Omaha by Design, an urban design and environmental nonprofit organization. Other supporters included the League of Nebraska Municipalities and the Norfolk Development Group. It was reported at the hearing that approximately 25 municipalities would be eligible to utilize the bill's provisions. Several cities have expressed an interest in using a riverfront development district to enhance their community for residents and tourists

Stan Staab, co-chairperson of the Norfolk Development Group, reported that a riverfront development district could help Norfolk continue to develop the area along the Elkhorn River.

The City of Omaha provided neutral testimony on the proposal and raised a couple of issues that may need to be addressed relating to existing financing authorities.

Mello said several technical issues and concerns had arisen since the bill was introduced. He said he would be offering an amendment to clarify a cap on bonding authority and address a potential overlap of levies with business improvement districts.

No one testified in opposition to the bill. The Committee advanced the bill to General File on a 6-0-1 vote with Committee Amendment 2137, which Senator Mello was working on. The Amendment replaced the bill.

Under the Committee Amendment, a city may create a riverfront development district by the adoption of an ordinance which specifies the following:

- (a) The name of the river or rivers along which the district will be created;
- (b) The boundaries of the district, a map of which shall be incorporated by reference in the ordinance;
- (c) The qualifications and terms of office of members of the authority;

- (d) A statement that the businesses and users of space in the district shall be subject to the general business occupation tax or that the real property in the district will be subject to the special assessment authorized under the act;
- (e) The proposed method of assessment to be imposed within the district or the initial rate of the occupation tax to be imposed; and
- (f) Any penalties to be imposed for failure to pay the occupation tax or special assessment.

The bill proposed to require that the ordinance shall recite that the method of raising revenue shall be fair and equitable. In the use of a general business occupation tax, the tax shall be based primarily on the square footage of the owner's and user's place of business. In the use of a special assessment, the assessment shall be based upon the special benefit to the property within the district. The district would also have bonding authority.

The boundaries of any district created under the bill would have to be wholly contained within the corporate limits of the city and shall not extend more than one-half mile from the edge of the river or rivers along which the district is created. The city creating the authority may limit the powers that may be exercised by the new entity.

The projects undertaken by the new district would include, but not be limited to:

- To create and implement plans for improvements and redevelopment within the boundaries of the district, in conjunction with the city or other public and private entities;
- To develop, manage, and coordinate public activities and events taking place within the boundaries of the district;
- To acquire, construct, maintain, and operate public off-street parking facilities for the benefit of the district;
- To improve any public place or facility within the boundaries of the district, including landscaping, physical improvements for decoration or security purposes, and plantings;
- To construct or install pedestrian shopping malls or plazas, sidewalks or moving sidewalks, parks, meeting and display facilities, bus stop shelters, lighting, benches or other seating furniture, sculptures, trash receptacles, shelters, fountains, skywalks, pedestrian and vehicular overpasses and underpasses, and any other useful or necessary public improvements within the boundaries of the district.

LB 810 -- Eliminate the Nebraska Youth Conservation Program and transfer funds to the Cowboy Trail Fund. Davis.

Provisions of LB 810 were incorporated into LB 956. The Appropriations Committee originally took testimony on LB 810 on February 3, 2016. The bill proposed to eliminate the Nebraska Youth Conservation Program and transfers the funds to the Cowboy Trail Fund for the development of undeveloped portions of the Cowboy Trail. However, the funds would have to have been matched both by a public entity and by a private entity before expenditures could be made.

Proponents of the bill included Kent Forney Commissioner NGPC, Michelle Stryker NGPC, and Andy Pollock of the Nebraska Travel Association. Proponents spoke to the wide range of uses the trail sees and highlighted the economic benefits it brings to the area. It was discussed that the Youth Conservation Program fund is an appropriate resource as it is not being utilized due to insufficient funds to achieve its original purpose.

LB 825 - Provide reporting requirements for tax-exempt property. Davis.

The Revenue Committee accepted testimony on LB 825 on February 18, 2016. The bill proposed to require owners of exempt property to file a report with the county assessor every year that would include the organization that owns the property, legal description, date of acquisition, list of improvements, whether it is leased or has been leased in the last two years and the estimated market value.

The counties would have then been required to submit a report to the Nebraska Department of Revenue on the fair market value amount of exempt property. The reporting requirements would not have applied to exempt property owned by the state and political subdivisions.

Renee Fry with Open Sky testified in support of the bill requesting that the state needs to develop a better data base of exempt property in Nebraska.

The Platte County Assessor spoke against the bill for the Nebraska Association of County Officials. He outlined the difficulty in trying to determine the value of a church. Further, he questioned what the purpose would be of gathering such information. He mentioned the Nebraska Department of Revenue already files a report every four years of the estimated value of all exempt property and personal property.

Tip O'Neil, from the Independent Colleges Association spoke in opposition to the bill, noting that the independent colleges, such as Wesleyan, would have to report values of all buildings, facilities and sporting venues, while the state operated systems would not. O'Neil also questioned the value and use of the data.

The committee did not report any action on the proposal.

LB 850 -- Adopt the Paid Family Medical Leave Insurance Act. Crawford.

The Business and Labor Committee indefinitely postponed LB 850 on March 9, 2016, by a 6-0-1 vote. The bill proposed to create the Paid Family Medical Leave Act for all employees in Nebraska to be operated by the Department of Labor. The act would have applied to all employers subject to the Employment Security Law. Self-employed individuals would be eligible to participate as well. The program would have been funded by a payroll tax of up to one-half of one percent of payroll as determined by the Commissioner of Labor.

Proponents to the bill included Ken Smith, with Nebraska Appleseed. Dr. Sofia Jawed-Wessel, an assistant professor at the University of Nebraska at Omaha, also supported the bill.

Coby Mach, president of the Lincoln Independent Business Association, opposed the bill, noting it could be devastating to small businesses.

The bill would have required that covered employees be entitled to take up to twelve weeks of paid family medical leave for the following reasons:

- To care for a new child of the covered individual during the first year after the birth, adoption, or placement through foster care of that child (Eight Weeks);
- Because the covered individual has a serious health condition, including pregnancy, that makes the covered individual unable to perform the functions of the position held by such covered individual (Twelve Weeks);
- To care for a family member of the covered individual who has a serious health condition (Eight Weeks);
- To care for a covered service member who is the covered individual's next of kin (Eight Weeks); or
- For qualifying exigency leave (Eight Weeks).

Exigency leave relates to leave for active duty individuals and family members of active duty individuals.

The individual that would be taking paid leave under the act would apply to the Commissioner of Labor for approval. If approved, the Commissioner of Labor would make the payments on a pro-rated amount of the existing individual's wages. Up to 95 percent of the wages would be paid if the wage is less than 20 percent of the Nebraska's average wages. The maximum amount would be 65% of the wage at 50% of the Nebraska average wages.

All other benefits due to the employee would have to be paid by the employer and all other benefits offered to the employee (vacation, sick leave, etc.) would have to accrue during the leave if they are allowed to accrue for any other type of leave granted by the employer.

LB 940 - Adopt the Tax Stabilization Act. Johnson.

The Revenue Committee heard testimony on LB 940 on February 4, 2016. During his introduction of the bill, Senator Johnson stated he introduced the bill as a placeholder bill only to be pushed should other property tax reform measures fail.

Proponents of the bill included Ken Herz, with Nebraska Cattlemen and Bruce Reiker for the Nebraska Farm Bureau. Opponents included Larry Dix representing county officials and Renee Fry with OpenSky Policy Institute. Both opponents expressed concern over language which would potentially counteract the bills intent.

The stated purpose of the Tax Stabilization Act was to provide property tax relief to property owners across the state and to give the Legislature time to consider appropriate changes to state law that would reduce the reliance on property taxes for the funding of school districts. The stabilization period would be from January 1, 2017 to December 31, 2019.

During the stabilization period, the bill would have frozen all real property tax values at assessed values as of January 1, 2016. In addition, the state property tax credits would also have been frozen at 2016 levels.

During the stabilization period the maximum amount of property tax levy, subject to the levy limitations, a political subdivision could increase would have been by the percentage growth in the state budget. If the state budget would decrease, the property tax levies would have to decrease by the same percentage.

LB 992 - Provide a restriction on installment contracts for the purchase of real or personal property by political subdivisions. Ebke.

The Government Committee accepted testimony on LB 992 on February 17, 2016. The bill would have prohibited counties, cities, villages, school districts, NRDs or other political subdivision of the State of Nebraska from entering into installment contracts for the purchase of real or personal property from having outstanding obligations under such installment contracts that exceed twenty-five million dollars.

The measure was supported by the Lincoln Independent Business Association who urged support for the measure to provide tax relief.

Several municipalities testified against the measure. It was reported that the cities use installment contracts for many capital purchases such as street lights, sidewalk repairs, parking garages/lots, etc. It was reported that some suppliers will offer capital items on installment payments that provide a lower cost than issuing a bond to pay for the item. Also, it is easier to pay out over time rather than budgeting all of the tax money for a project in one year.

The Nebraska Public Power District (NPPD) submitted a letter in opposition to the current draft as it could apply to contracts entered into by NPPD. As owner of the state's largest transmission network and one of the larger generation fleets in the region, NPPD invests more than \$25 million each year for fuel and equipment renewals and replacements. These fuel contracts cover multiple years and are paid in installments as fuel is delivered. There are also instances where major projects involve the purchase of personal property (equipment) for a power plant or transmission line that is paid for in multiple installments as equipment is delivered or as progress payments are made on a major piece of equipment.

No committee action was reported on the bill.

LB 1019 - Change provisions relating to support of the Niobrara Council by the Game and Parks Commission, require legislative confirmation of certain appointments to the council, and require an annual report. Davis, Haar.

Provisions of LB 1019 were incorporated into LB 1038 through AM 2675. The Natural Resources Committee accepted testimony on LB 1019 on February 24, 2016. The original bill proposed to make several changes to the Niobrara Scenic River Council.

First the bill makes the four governor appointments to the council subject to confirmation by the Legislature. These are: 1) an individual from each of Brown, Keya Paha and Rock Counties; 2) A representative from a recreation business operating within the corridor; 3) A timber industry representative operating within the corridor; and 4) A representative of a recognized, nonprofit environmental, conservation, or wildlife organization.

Second, the bill proposed to expand the authorized use of NGPC funds from just administrative support to also include budgetary, operational, and programmatic support. The bill also proposed to eliminate the \$50,000 cap on expenditures for such.

Finally, the bill would have required that on December 1, 2016, and on each December 1 thereafter, the council shall electronically submit an annual report to the Clerk of the Legislature and the chairperson of the Natural Resources Committee of the Legislature describing expenditures made pursuant to the Niobrara Scenic River Act.

Mike Murphy, Middle Niobrara NRD Manager, testified in support of the measure on behalf of the Nebraska Association of Resource Districts (NARD) and the Middle Niobrara NRD. Murphy noted the changes make needed improvements to the council and will help with the overall operation. He noted the deeper need of continuing local representation on the council to showcase what the local people and landowners want, need, and are willing to allow on their private property. It is the landowners that provide use and access of their property and the water that flows through it for public use. Without them the public use would be greatly limited.

Murphy noted the council continues to be that voice, the avenue for locals, outfitters, landowners to convey their issues and concerns with the National Park Service to try and bring reason and common sense to the management of the river and related activities. This avoids the heavy handed regulatory approach that we commonly see from the Federal agencies involved with the Wild and Scenic Rivers.

Others testifying in support included Mike Tuerk, Keya Paha County Commissioner and Chairman of the Scenic River Council, Kallie Kieborz, Executive Director of the Niobrara Scenic River Council, and two other individuals. There were no opponents. The committee did not report action on the LB 1019 but provisions were passed with AM 2675 to LB 1038.

LB 1024 - Change a provision of the Nebraska Political Accountability and Disclosure Act relating to an interest in a government contract. Larson.

The Government Committee accepted testimony on LB 1024 on February 25, 2016. The bill proposed to increase the maximum amount of a contract from two thousand dollars to ten thousand dollars that a public official or public employee, a member of that individual's immediate family, or business with which the individual is associated can enter into with government body unless the contract is awarded through an open and public process.

The bill also proposed that the maximum amount be adjusted for inflation annually based on an amount equal to the percentage change in the Consumer Price Index for All Urban Consumers as published by the Federal Bureau of Labor Statistics. The increased amount would have to be rounded to the next highest one-thousand-dollar amount.

As a side note, this section of statute does not apply to conservation cost share programs for NRD directors, employees or immediate families as other sections of law address those situations.

No action was taken by the committee.

LB 1070 - Change powers and duties of the Nebraska Oil and Gas Conservation Commission to require liability insurance and restrict permits as prescribed. Haar.

The Natural Resources Committee indefinitely postponed LB 1070 on February 25, 2016, by a 6-0-2 vote. The bill would have required liability insurance for recovery injection wells.

The hearing on the bill was February 17th. Representatives from the League of Women Voters, Sierra Club, Bold Nebraska, and several individuals urged support for the bill to provide protection of groundwater aquifers and assure that funds are available in case of a spill or contamination.

Several representatives of the gas and oil industry testified in opposition to the bill and stated that there is no demonstrated need for additional liability insurance and there is no evidence that drilling has led to groundwater contamination in Nebraska.

Bill Sydow, director of the Nebraska Oil and Gas Conservation Commission, testified in a neutral capacity. He reported that most of the 150 well operators in Nebraska already have liability insurance and that it should be left to businesses to determine the amount of insurance they carry.

Under provisions of the bill, before a permit could be issued for any underground enhanced recovery injection well or disposal well, the applicant would have had to provide proof of liability insurance in an amount of not less than \$1 million. For a permit to any commercial disposal facility which disposes of more than five hundred barrels per day of injection well-produced wastewater, the applicant would have had to provide proof of liability insurance in an amount of not less than \$5 million.

LB 1084 - Change and provide duration requirements for certain state agency contracts. Stinner.

Provisions of LB 1084 were incorporated into LB 935 with AM 2386. The Government Committee accepted testimony on LB 1084 on February 19, 2016. The original bill proposed to change the duration requirements for contracts for services and purchases or lease of personal property by State agencies. No contract for services, purchase or lease could be amended to extend the contract for a period of more than fifty percent of the initial contract term.

Following the adoption of any amendment to extend the contract for a period of fifty percent or less of the initial contract term, no further extensions of the original contract would be permitted. This would not prohibit exercising any renewal option provided in the original contract.

Proponents at the hearing included Russ Karpisek who testified on behalf of the State Auditor's office. He noted the underlining purpose for the bill is to encourage contracts to be sent out for bid instead of agencies automatically renewing contracts.

There were no opponents. Bo Botelho testified in a neutral capacity for the Department of Administration Services, and he reiterated the testimony of Russ Karpisek. Botelho highlighted that that this legislation does not impact or negate the renewal of contracts when the renewal periods are outlined in the original contract.

The Committee reported no action on the bill, however provisions of the bill were incorporated into LB 935.

LB 1095 - Require employer identification numbers and the use of the federal immigration verification system. Kintner.

The Revenue Committee accepted testimony on LB 1095 on Thursday, February 25, 2016. The bill proposed to require all employers making any payment of wages subject to withholding to register annually with the Tax Commissioner for identification numbers. The bill also would have required each employer to register with and use the federal immigration verification system (e-verify) to verify each employees employment eligibility and sign a sworn affidavit with the Tax Commissioner confirming employer compliance.

Several individuals testified in support of the measure. Most comments were in regards to making sure employees are legal residents.

The Nebraska State Chamber of Commerce testified against the proposal noting that it will require many employers to get duplicative identification numbers and would be required to renew these annually. Further, there is already forms for e-verify for many employers. The current e-verify system does not require annual registration or annual

reports. Others submitting letters of opposition included the Nebraska COOP Council, the Appleseed Center and the American Civil Liberties Union.

The committee did not report any action on the measure.

LR 378CA - Constitutional amendment to guarantee the right to engage in certain farming and ranching practices. Kuehn. (Kuehn Priority)

After several hours of debate, Senator Kuehn made a motion to bracket his proposed Constitutional Amendment to the last day of the session, essentially ending further debate on the proposal for the year. The motion was accepted by the senators by unanimous consent.

During debate, a motion to indefinitely postpone the measure by Senator Chambers failed by a 15-23 vote. A second motion to bracket the bill to the end of the session by Senator Chambers failed by an 18-24 vote. Several senators mentioned they supported the right to farm, but had concerns over the language that was proposed to accomplish such. Others raised questions about the lack of definitions of agriculture technology, livestock production and ranching practices and how the courts might interpret them.

Questions were also raised about how zoning by counties and cities may be impacted. After several hours of debate, Senator Kuehn asked to bracket the bill and work on the language during the interim.

The Agriculture Committee advanced LR 378 CA on March 9, 2016, by a 5-2-1 vote with Committee Amendment, AM 2251. The proposed Constitutional Amendment would have guaranteed forever the rights of citizens and lawful residents of Nebraska to engage in farming and ranching practices. The amendment would have prohibited the Legislature from passing a law which abridges the right of citizens and lawful residents of Nebraska to employ agricultural technology, livestock production and ranching practices without a compelling state interest.

The amendment included language that the proposal shall not be construed to modify any provision of law relating to trespass, eminent domain, dominance of mineral interests, easements, rights of way, or any other property rights.

The Committee Amendment (AM 2251) added language that the amendment not be construed to modify:

- 1) Any water use for beneficial purposes, water diversions or appropriations.
- 2) Any statute enacted by the Legislature,
- 3) Any ordinance adopted by any political subdivision on or before December 31, 2015.
- 4) Any statute enacted by the Legislature to implement or maintain federally delegated environmental protection programs.

In his opening at the February 27th committee hearing, Senator Kuehn mentioned that the main issue that led him to introduce the measure was a 2015 New York Times story that alleged abuse and neglect at the U.S. Meat Animal Research Center in Clay County, which is in his legislative district. This prompted a social media firestorm calling for stricter oversight and a temporary halt to new research projects there. One of the leading critics of the center has been the Humane Society of the United States.

At the hearing, Kuehn said the story was not true and blamed the Humane Society and other groups of fueling misconceptions about modern agriculture.

The proposed Constitutional Amendment was supported by the Nebraska Cattlemen, Nebraska Pork Producers, the Nebraska Corn Growers Association, the Nebraska Department of Agriculture, and several individuals. All urged for protection of farming and ranching practices from environmentalists, animal rights groups and other outside threats.

Those opposed included several individual farmers and the Nebraska Farmers Union. Because there is no definition of farming and ranching practices that would be protected, they called the proposal unnecessary, confusing and full of un-intended consequences.

Robert Bernt, a farmer and rancher from north-central Nebraska, warned lawmakers not to trust other farmers who claim to care about the environment but oppose regulations intended to protect it.

Several questions arose during the hearing from Ag Committee members Senator Ernie Chambers and Senator Burke Haar about the lack of definitions of “farming practices” that would be protected and leaving it up to the courts for interpretation or existing laws that would be subject to change. Further, questions were raised about the definition of a “compelling state interest” and how future rules and regulations by state agencies and local NRD regulations might meet that standard.

LR 380 CA - Constitutional amendment to change the distribution of state lottery proceeds. Bloomfield.

The General Affairs Committee voted 7-1 to indefinitely postpone LR 380 CA on February 5, 2016. The proposed Constitutional Amendment would have reduced the amount of funding from net lottery proceeds to the Nebraska Environmental Trust by 40% (from 44.5% to 26.5% of net proceeds) and the Nebraska State Fair 25% (from 10% to 7.5% of net proceeds). The funding for education would have increased 46% (from 44.5% to 65% of net proceeds).

The Nebraska Environmental Trust funds conservation projects in all of Nebraska’s 93 counties, and consistently must turn down grant requests due to lack of funds. Voters approved a constitutional amendment in 2004 to allocate 10 percent of lottery proceeds to the state fair which helps with the construction and maintenance of the new facility in Grand Island.

The measure was supported by a couple of individuals at the hearing on January 25th. The opponents included the Nebraska Environmental Trust, representatives of the Nebraska State Fair, NARD, several individual NRDs and several individuals.

Joseph McDermott, executive director of the Nebraska State Fair, also spoke against the proposal. McDermott said the fair board has used that money to construct facilities in Grand Island and to promote the fair statewide. This funding has contributed greatly to the success and momentum that the state fair currently enjoys. The proposed reduction would result in the fair losing \$1 million annually.

Mark Brohman, executive director of the Nebraska Environmental Trust, testified in opposition to the measure. All of the dollars currently in the fund are allocated to ongoing projects aimed at preserving the state’s natural resources.

Section Four – Interim Study Resolutions Introduced in 2016

The following are the list of Interim Study Resolutions introduced in 2016 that are of interest to natural resources districts. These are sorted by Committee. A complete list can be found at: <http://www.nebraskalegislature.gov/session/interim.php>.

Agriculture Committee

LR 498 -- Interim study to examine the Nebraska Right to Farm Act. Johnson.

The purpose of this interim study is to examine the Nebraska Right to Farm Act. In examining the act, the study committee should:

- (1) Review the purposes of the act;
- (2) Compile an analysis of the case law interpreting the act and the history of the act's application in Nebraska; and
- (3) Compare the provisions of the act with similar statutes from other states and review the case law interpreting those statutes. In particular, the study committee should examine case law that defines the scope of protections offered by other states' laws and case law addressing the constitutionality of such laws.

The study committee should also examine whether the Nebraska Right to Farm Act should be amended to reflect changes in farming practices that are resulting from changing market conditions, advances in farming technology, and innovations in cropping and livestock husbandry. The study committee should examine whether the act should be amended to address the conflicts and issues arising from these changing farm practices and to afford reasonable protections for such practices.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FOURTH LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Agriculture Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.
2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.

LR 536 -- Interim study to complete the work of the LR 309 committee which investigated ways to avoid and mitigate conflicts arising from herbicide drift damage to sensitive crops. Johnson.

In 2013, the Legislature enacted LR 309, which called upon the Agriculture Committee of the Legislature to conduct an interim study to investigate ways to avoid and mitigate conflicts arising from herbicide drift damage to sensitive crops. The purpose of this resolution is to complete the work of the LR 309 study committee. This study committee shall complete any updates to the LR 309 interim draft report and finalize recommendations to the Legislature.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FOURTH LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Agriculture Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.
2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.

LR 612 -- Interim study to examine issues within the jurisdiction of the Agriculture Committee. Johnson.

The purpose of this resolution is to examine any issues within the jurisdiction of the Agriculture Committee of the Legislature.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FOURTH LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Agriculture Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.
2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.

Appropriations Committee

LR 509 -- Interim study to examine the funding history, programs, and services offered by the Cooperative Extension Service of the University of Nebraska. Mello.

The purpose of this resolution is to study the funding history, programs, and services offered by the Cooperative Extension Service of the University of Nebraska. The Smith-Lever Act of 1914 established a system of cooperative extension services connected to land-grant universities in order to inform citizens about current developments in agriculture, home economics, public policy and government, leadership, 4-H activities, and economic development. Extension services are found throughout Nebraska in 83 county or multi-county offices that serve all 93 counties, and at four Research and Extension Centers across the state.

This study shall examine the following:

- (1) The funding history of extension services in Nebraska, including federal, state, and county contributions;
- (2) A history of programs and services offered;
- (3) A history of funding for such programs and services;
- (4) The number of staff employed by the Cooperative Extensive Service by area or location; and
- (5) A history of the funding of, and the programs and services offered by, the Rural Futures Institute at the University of Nebraska.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FOURTH LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Appropriations Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.
2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.

LR 552 -- Interim study to develop a plan to address funding and budgetary issues relating to climate change. Haar.

WHEREAS, well-managed budgetary decisions and appropriation of state funds are vital to the health of Nebraska's economy through maintaining infrastructure, supporting educational systems, assisting political subdivisions, and providing for the necessary operations of state government; and

WHEREAS, vision and far-sighted fiscal and budgetary planning have helped Nebraska maintain a vibrant economy, an excellent educational system, and a strong infrastructure and support the necessary functions of state government and its political subdivisions; and

WHEREAS, climate change is already having impacts on revenue generation and the funding and budgetary needs of the state and its agencies, including, but not limited to, emergency management, natural resources, agriculture, game and parks, health and human services, forestry, education, economic development, and insurance. The state's fiscal and budgetary process is also affected by the impact of climate change on infrastructure, educational systems, and political subdivisions, including, but not limited to cities, counties, and natural resource districts; and

WHEREAS, future climate change is likely to have even more significant impacts on revenue generation and the funding and budgetary needs of the state and its agencies, infrastructure, educational systems, and aid to political subdivisions; and

WHEREAS, there exist opportunities for economic development and revenue generation arising from efforts to adapt to or mitigate the impacts of climate change that impact the budgetary process. These include budgetary decisions that support development of Nebraska's abundant wind and solar resources, biofuel development, changes to health systems and the insurance industry, investment in new technology, and development of opportunities that will benefit Nebraska's agricultural economy, including new crops and livestock; and

WHEREAS, vision and far-sighted fiscal and budgetary planning are needed to attract new businesses to Nebraska and attract and keep young people in the state; and

WHEREAS, the fiscal and budgetary process needs to consider the funding needed to enable academic and business research to develop the innovations to meet the challenges of the 21st century; and

WHEREAS, it is necessary to create the framework for a plan to address the economic, revenue, and budgetary implications of climate change on the State of Nebraska.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FOURTH

LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Appropriations Committee of the Legislature shall be designated to conduct an interim study to develop a plan to address funding and budgetary issues related to climate change.
2. That the study shall examine the funding and budgetary impact of climate change on state agencies, including, but not limited to, issues related to the following areas: (a) Public health; (b) Agriculture; (c) Emergency management; (d) Natural resources; (e) Game and parks; (f) Forestry; (g) Water resources; (h) Education; (i) Insurance; and (j) Economic development.
3. That the study shall examine the funding and budgetary impact of climate change on the following: (a) Public infrastructure; (b) Rural and urban communities; (c) Colleges and universities; (d) Natural resource districts; and (e) Other political subdivisions.
4. That the study shall examine the funding and budgetary impact of climate change on efforts to take advantage of opportunities related to climate change, including, but not limited to, issues related to the following: (a) Academic research; (b) Business research; and (c) Economic development opportunities.
5. That the committee shall examine any other issues necessary for a complete examination of this matter.
6. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.

LR 577 -- Interim study to examine issues under the jurisdiction of the Appropriations Committee. Mello.

The purpose of this resolution is to investigate and review the issues within the jurisdiction of the Appropriations Committee of the Legislature.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FOURTH

LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Appropriations Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.
2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.

Executive Board

LR 455 -- Provide the Executive Board of the Legislative Council appoint a special committee to examine issues related to the impacts of climate change on the State of Nebraska. Haar.

Senators adopted a study resolution on April 13th calling for the Executive Board of the Legislative Council to appoint a special committee to examine issues related to the impacts of climate change on the State of Nebraska and its residents, including assessments of vulnerability, risks, and economic impacts.

The committee would be required to examine opportunities, including methods of producing food, generating power, or protecting land and water that can be used to adapt and mitigate the impacts of climate change and that will provide jobs and economic benefits to Nebraskans. The committee would consist of the chairperson of the Appropriations Committee, the chairperson of the Natural Resources Committee and five at-large Senators appointed by the Executive Board of the Legislature. The committee members would select co-chairpersons from the membership of the committee.

Other duties of the committee include:

- To gather, share, examine, and analyze data and information related to the impacts of climate change on the State of Nebraska and its resources and people.

- To examine laws, policies, and planning efforts related to climate change in other states, and current laws, programs, and policies in the State of Nebraska that are related to climate change.
- To examine funding opportunities including grant programs and opportunities to work with state agencies, political subdivisions, and educational institutions.
- To establish a framework for a plan for the State of Nebraska related to the impacts of climate change on Nebraskans that includes: (a) Measurable goals for addressing the negative impacts of climate change and opportunities to benefit Nebraskans, including strategies for adaptation and mitigation; and (b) Recommendations for new policies and changes to policies and programs that support such goals based on the information and data collected and generated, as well as funding needs and recommendations for legislation.
- To seek information and encourage participation from state agencies, political subdivisions, educational institutions, academic experts, advocacy organizations, and members of the public in exploring methods to address issues of climate change as well as opportunities to adapt, mitigate, and create resiliency related to climate change.

The committee may conduct one or more public hearings to gather the information and would be required to submit a framework for a climate plan together with its findings and recommendations to the Legislature on or before December 31, 2016.

Government Committee

LR 504 -- Interim study to examine the numerous deadlines involved in the election process. Murante.

The purpose of this resolution is to examine the numerous deadlines involved in the election process. The study committee should examine how these deadlines work together, whether these deadlines are set appropriately, and any other issues related to election deadlines. In conducting this study, the study committee should seek the assistance of the Secretary of State and should consider the input of other interested persons as the committee deems necessary and beneficial.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FOURTH LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Government, Military and Veterans Affairs Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.
2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.

LR 596 -- Interim study to examine issues within the jurisdiction of the Government, Military and Veterans Affairs Committee. Murante.

The purpose of this resolution is to examine the issues within the jurisdiction of the Government, Military and Veterans Affairs Committee of the Legislature.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FOURTH

LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Government, Military and Veterans Affairs Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.
2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.

LR 597 -- Interim study to examine financing mechanisms available to various political subdivisions to issue bonds or assume future payment obligations without a direct vote of taxpayers. Murante.

The purpose of this resolution is to study the financing mechanisms available to counties, cities, villages, school districts, natural resource districts, public building commissions, and other political subdivisions of the State of Nebraska by which such entities issue bonds or assume future payment obligations without a direct vote of taxpayers that would be required for most general obligation bonds, as well as the authority allowing the use of such mechanisms. The mechanisms to be studied and the issues surrounding each shall include, but not be limited to, the following:

- (1) Installment contracts entered into by political subdivisions for the purchase of real or personal property, the statutory or other authority by which such contracts are entered into, the outstanding amount of any payments to be made by political subdivisions that have entered into such contracts, any accompanying bonds issued for such contracts or future payments, and the statutory or other authority by which such bonds are issued and authorized;
- (2) Certificates of participation issued by political subdivisions, the statutory or other authority by which such certificates are issued, and the outstanding amount of any payments to be made by political subdivisions issuing such certificates;
- (3) Lease-purchase agreements entered into by political subdivisions, the authority by which such agreements are entered into, and the outstanding amount of any payments to be made by political subdivisions that have entered into such agreements; and
- (4) Any other financing mechanisms that obligate political subdivisions to make future payments for a number of years, the authority by which such mechanisms are employed, and the outstanding payments to be made by political subdivisions using such mechanisms.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FOURTH
LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Government, Military and Veterans Affairs Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.
2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.

Nebraska Retirement Systems Committee

**LR 571 -- Interim study to examine local political subdivision retirement plans for public employees.
Nebraska Retirement Systems Committee.**

The purpose of this study is to examine local political subdivision retirement plans for public employees. The study will examine issues relating to benefits, contributions, plan structures, fees, funding, and the administration of such plans.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FOURTH
LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Nebraska Retirement Systems Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.
2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.

Revenue Committee

LR 593 -- Interim study to examine the structure, compliance, and administration of real and personal property taxes. Gloor.

The purpose of this resolution is to examine the structure, compliance, and administration of real and personal property taxes.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FOURTH
LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Revenue Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.
2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.

Transportation and Telecommunications Committee

LR 519 -- Interim study to examine whether the One-Call Notification System Act should be updated. Smith.

The purpose of this interim study is to examine whether the One-Call Notification System Act should be updated. In order to carry out the purpose of this resolution, the study committee should seek the assistance and input of the board of directors of the statewide one-call notification center, the State Fire Marshal, the Attorney General, members of the underground construction industry, and operators of underground utility facilities.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED FOURTH
LEGISLATURE OF NEBRASKA, SECOND SESSION:

1. That the Transportation and Telecommunications Committee shall be designated to conduct an interim study to carry out the purpose of this resolution.
2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.