

## Republican River Talking Points and Q&A for NRDs

- Q1: As a person who doesn't live in the Republican Basin, why should I care about this issue?  
A1: Delaying implementing the NRD's long-term plans in 2007 could increase potential taxpayer financial obligations to Kansas; Maintaining water supplies for residential, manufacturing and agricultural uses is critical to our quality of life.
- Q2: Why can't the State just demand that irrigators stop pumping?  
A2: Shutting down every irrigation well in the Republican Basin will not keep Nebraska in compliance with the settlement agreement with Kansas. Other steps must be taken to maintain compliance.
- Q3: Isn't this whole problem the irrigators or NRDs fault?  
A3: The state of Nebraska encouraged rural economic development through irrigation for decades and did not give NRDs all of the authority necessary to restrict irrigation in a responsible and timely manner.
- Q4: Why should my tax dollars (general fund tax dollars) be used to pay farmers not to grow corn?  
A4: The state funds requested are not necessarily to "pay farmers not to grow corn." The funds may be used to put water into the Republican River for immediate compliance with Kansas for 2007. Funds may also be used to clear the river of overgrown vegetation which is using water that would stay in the river, or for other uses.
- Q5: Why aren't the local people paying for any of this?  
A5: They are! They are currently decreasing water use and increasing property taxes to deal with the problem. Additionally, Republican River Basin NRDs have requested the authority from the State to raise their property tax levies even more, or charge a per-acre fee to farmers to help pay for the costs of maintaining Nebraska's compliance. Investing in Nebraska now will be cheaper than paying the fines to Kansas in the long-run. These funds, however, cannot be collected until a system for collecting them is put in place, which would be in 2008. That is why the State has been asked to contribute money up front.
- Q6: What happens if the State doesn't provide any money?  
A6: A couple of things: 1) Nebraska could end up out of compliance with the Kansas agreement which means the state will have to pay Kansas a large fine; 2) Other means to achieve compliance may have to be implemented which would be drastic reductions in irrigated production acres. This would drastically reduce property valuations in the area cutting off local funds to schools, communities, community colleges, and counties in the region. Under the state aid formula, the state would have to pay more to those local governments. 3) Fewer acres farmed means less seed, fertilizer, fuel and other goods and services associated with production agriculture would be purchased, which would severely cripple the local economy of the region.
- Q7: What are the good things that would happen if the State provides the necessary funding?  
A7: There are several: 1) Nebraska could achieve compliance with Kansas in 2007; 2) Delaying implementing the NRD's long-term plans in 2007 could increase potential taxpayer financial obligations to Kansas; 3) With corn reaching \$4/bu, taking advantage of this opportunity means the potential state revenue from income taxes is significant; 3) State funds would maintain the rural economy at several levels and reduce the need for larger amounts of state aid; 4) State funds would allow property valuations to remain at current levels and would reduce the need for state aid; 5) Help protect the State's investment in the growing ethanol industry, as well as the livestock industry; 6) The State will be setting a precedent for fair and reasonable water policy throughout for all Nebraskans.