

Task Force Recommendations Already Made:

1. Fund implementation and operation costs for LB 962 (\$7.5 million)
 - \$3.5 million in state funds (\$1.5 million—DNR; \$2.0 million—state aid NRDs)
 - \$4.0 million local funds
2. Recommend NRDs in over appropriated basins and in basins subject to an interstate compact be provided 3 cents additional property tax levy authority to be used specifically for integrated plans implementation cost and water use reduction programs.

Possible Funding Subcommittee Recommendations to Executive Committee:

3. Additional Funding for data/technical studies/modeling (\$2-2.5 million)
 - Technical study needs identified by DNR and University in cooperation with NRDs *and approved*
 - ~~Continued COLYST~~ modeling efforts *new and existing*
 - General funds from state—NRDs can offer financial assistance
4. Water Use Reductions (\$5-10 million)
 - a) Specific activities/pilot projects in Republican as identified by DNR, NRDs and irrigation districts to be initiated in the next 1-2 years to help with compliance. Items under discussion include:
 - Surface water leases
 - Riparian management
 - EQIP in the quick response area
 - Additional CREP acres
 - Water Claim transfer idea
 - Groundwater pumping
 - Permanent retirement of CREP
 - b) Identify activities/pilot projects in the Platte Basin to begin work towards reducing impacts to stream flows to 1997 levels in over appropriated area. Possible activities could include:
 - Pumpkin Creek EQIP
 - Permanent retirement of CREP
 - CNPPID proposal
 - Catalog/identify use reductions since 1997
5. Recommend the state and local governments explore possible federal programs and means to leverage federal dollars to assist with programs.
6. Recommend state funding come from (the list generated earlier by the committee):
 - Earmarking state tax receipts
 - General fund appropriations
 - Annual fees on property records (\$1/record generates \$1 million)

Funds to do studies needed to make some program decisions.

- Equitable fees on all water use (in the Legislature's charge to DNR)
 1. 25 cent/acre fee on irrigated land (\$2 million)
 2. Fees on municipal/industrial water use and fertilizer tax
 - Tax credits on conservation easements
 - Redirect hydro tax receipts
 - Environmental Trust Fund signature project
7. Recommend that it is the Task Force's best estimate that the state's portion for the above types of activities related to LB 962 implementation and compact compliance into the foreseeable future will remain at the above levels (\$10-15 million). Thus, the Legislature should work with partners to explore the potential for a successful ballot referendum to create a dedicated source of funding for the long-term stewardship of our ground and surface water resources.
8. (Statement on use of Regulations?) The Task Force recognizes regulations will play a role in bringing water-short areas into balance. The Task Force believes the severity of regulations should be reduced to the extent possible through incentive programs to help lessen economic hardship in areas that have already paid the high price of the prolonged drought.