A Proposed Plan to Keep Nebraska in Compliance with The Republican River Compact

Jointly Developed by Republican River Natural Resources Districts and The Nebraska Department of Natural Resources 2/22/07

Introduction: Nebraska has been challenged to stay in compliance with the terms of the Republican River Compact and the *Kansas v Nebraska* lawsuit settlement because of the severe drought that has plagued southwest Nebraska since 2000. The state and basin Natural Resources Districts (NRDs) have completed all the tasks called for in the lawsuit settlement, including establishing a moratorium on development of new wells, limiting and certifying all irrigated cropland and regulating diversions of surface water below Harlan County Dam to protect streamflows for Kansas Bostwick Irrigation District. In spite of these regulatory actions and the voluntary efforts of basin residents to conserve irrigation water and enroll over 50,000 irrigated acres in conservation programs like CREP and EQIP, Nebraska is still in danger of being unable to maintain compliance with its legal obligations to the State of Kansas.

Drought has diminished streamflows, drastically reducing Nebraska's allocation of Republican River water. Nebraska's allocation of Republican River water supplies set consecutive record lows in 2004 and 2005. Preliminary data indicate that it is likely to remain at record low levels in 2006. The Nebraska Department of Natural Resources (DNR) and Republican Basin NRDs are committed to work together to insure that Nebraska remains in compliance with the compact. NRDs recognize that they have roles to play in both implementation and financing compact compliance programs. The NRDs and DNR also recognize that additional regulation of water users will may be necessary to achieve the goal of maintaining compact compliance.

Maintaining compact compliance will be costly. Republican Basin NRDs are near or at their levy limits, so they are unable to raise additional funds unless they are given additional taxing authority. Governor Heineman has proposed creation of a Water Resources Cash Fund to provide state money to assist local government with water resources management. Increases in both state and local funding will be critical to insure Nebraska's continued compliance with the interstate compact. Following are lists of regulatory and voluntary actions that can be taken over the next six years to maintain compact compliance.

Plan Goal: The State of Nebraska and Republican Basin Natural Resources Districts will work together to reach a sustainable balance between water use in Nebraska's portion of the Republican River Basin and the amount of water allocated to Nebraska by the Republican River Compact by the year 2012.

2007 Plan objectives

Legislative Actions

- 1. Extend the 3 cent levy (from LB 1226) for five years

 2. Assess an additional law.

 Extend the 3 cent levy (from LB 1220) for live years
 Assess an additional levy and/or fees. - WOW 150ML. Don / lock in the example of the levy and/or fees. - WOW 150ML. The total amount of funds derived from local sources should be capped annually at no more than 1/3 of 1% of the total district's valuation. This funding would be used for activities that would enable the State to comply with the Compact.

Request that the state match local funds at a rate of 80 State/ 20 local (50/50) for five years during the transition period until Nebraska reaches a sustainable balance between allocations and consumptive use so that we are able to insure consistent compliance with the Compact.

- This combination of state and local funds will be used to:
 - 1. Reduce existing groundwater and surface water uses.
 - 2. Construction of augmentation projects that import water or retime the use of water in the basin;
 - 3. Manage vegetation to increase channel capacity and reduce nonbeneficial consumptive use of water;
 - 4. Implement other water management activities that will enable the DNR and or the NRDs to achieve the goals of an Integrated Management Plan or Ground Water Management Plan.

Regulatory Actions

Republican Basin NRDs and DNR will continue to enforce existing moratoriums on new water uses and limits on groundwater pumping.

Voluntary Actions

- Continue and expand projects to control vegetation in the Republican River and tributary stream channels. (\$750,000)
- Continue and expand programs to inform and educate landowners about irrigation best management practices and encourage additional water conservation. (\$50,000)

2008-2012 Plan objectives

Legislative Actions

Regulatory Actions

Voluntary Actions

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Near Term Plan

Recognize that regardless of efforts of NRDs, without contributions and recognition by the State that compliance is not likely going to happen in a timely manner.

To that end we propose to ask the legislature for statutory authority for the NRDs if they so chose to:

- Extend the 3 cent levy (from LB 1226) for five years
- Authority to assess an additional levy and/or fees.

The total amount of funds derived from local sources should be capped annually at no more than 1% of the total district's valuation. This funding would be used for activities that would enable the State to comply with the Compact.

We would request that the state contribute matching funds at a 80 State/ 20 local NRD for five years during the transition period until we come into a balance between allocations and consumptive use so that we are in compliance with the Compact.

This funding could be used to:

- augment water supplies in the basin through:
 - to reduce water use in existing surface water and ground water areas;
 - the construction of augmentation projects that import water or retime the use of water in the basin;
 - manage vegetation to increase channel flow capacity or reduce nonbeneficial consumptive use of water with the result of increasing stream flow; John T to give details
- compensate those water areas subjected to greater regulation than others if that option is chosen by an NRD;
- implement any other water management activities that will enable the DNR and or the NRD to achieve the goals of an Integrated Management Plan or Ground Water Management Plan.
- The NRDs will achieve a balance between their allocation and consumptive use within five years.

To develop a plan to present to Kansas for 2007 year we would need:

- \$.75 M for the initial herbicide treatment of vegetation in the river channel below Harlan County Lake to be applied this summer:
- Up to \$12 M to reduce water use in existing surface water and ground water areas;

Managers will get together Monday morning and massage document. Comments from NRDs back to DNR by 8:00 a.m. February 27.