

STATE OF NEBRASKA
DEPARTMENT OF NATURAL RESOURCES



NOTICE OF RULEMAKING HEARINGS

NOTICE IS HEREBY GIVEN THAT THE State of Nebraska, Department of Natural Resources, will hold public rule-making hearings pursuant to *Neb. Rev. Stat.* § 84-907. The hearings will be held hourly beginning at 9:00 a.m. on Wednesday, December 11, 2019, in Room C on the lower level of the Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska.

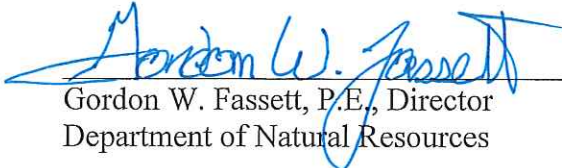
The purpose of the hearings is to take public comments concerning adoption of the Department's amendments to these rules: *Neb. Admin. Code Title 454* entitled "Rules of Practice and Procedure," *Title 456* entitled "Ground Water Rules," *Title 457* entitled "Surface Water Rules," *Title 460* entitled "Rules Governing the Water Resources Trust Fund," and *Title 461* entitled "Rules Governing the Water Resources Cash Fund." The proposed amendments to the rules and their hearing times are:

- 9:00 a.m. - Title 454, repeal Chapters 8, 12, and 14
- 10:00 a.m. - Title 456, repeal Chapters 3, 7, 8, 9, and 10
- 11:00 a.m. - Title 457, repeal Chapter 20
- 1:00 p.m. - Title 460, repeal in entirety
- 2:00 p.m. - Title 461, Chapters 1, 2 and 3 amended

The proposed rules as amended are available at the offices of the Secretary of State, Regulations/Licensing Division, Room 1305, State Capitol, Lincoln, Nebraska 68509, and on the Department's website at <http://dnr.nebraska.gov/rules>. The description of the fiscal and other impacts may be inspected and obtained at the Department of Natural Resources, 4th Floor, State Office Building, 301 Centennial Mall South, Lincoln, Nebraska 68509. There will be no fiscal impact from the changes.

All interested persons are invited to attend and make oral or written comments at the hearings. Interested persons may also submit written comments prior to the hearings which will be made part of the hearing record at the time of hearing if received by the Department of Natural Resources on or before Tuesday, December 10, 2019. If auxiliary aids or reasonable accommodations are needed to participate in the hearing or if hearing impaired, please call Ron Theis at (402) 471-1113 by Tuesday, December 6, 2019.

Date: October 31, 2019


Gordon W. Fassett, P.E., Director
Department of Natural Resources

DRAFT/FINAL FISCAL IMPACT STATEMENT

Agency: Natural Resources	
Title: 460	Prepared by: Ron Theis
Chapter: 1 & 2	Date prepared: Aug. 19, 2019
Subject: Administration of Water Resources Trust Fund	Telephone: 402 471 0577

Type of Fiscal Impact:

	State Agency	Political Sub.	Regulated Public
No Fiscal Impact	(x)	(x)	(x)
Increased Costs	()	()	()
Decreased Costs	()	()	()
Increased Revenue	()	()	()
Decreased Revenue	()	()	()
Indeterminable	()	()	()

Provide an Estimated Cost & a Description of Impact:

State Agency: zero

Political
Subdivision: zero

Regulated
Public: zero

If indeterminable, explain why:

~~NEBRASKA ADMINISTRATIVE CODE~~

~~TITLE 460, NEBRASKA ADMINISTRATIVE CODE~~

~~NEBRASKA DEPARTMENT OF NATURAL RESOURCES~~

~~Rules Governing the Administration of the Water Resources Trust Fund~~

~~Adopted xx/xx/xx~~

NEBRASKA ADMINISTRATIVE CODE

~~TITLE 460~~ ~~DEPARTMENT OF NATURAL RESOURCES~~
~~RULES GOVERNING THE ADMINISTRATION OF THE WATER RESOURCES TRUST~~
~~FUND~~

ALPHABETICAL TABLE OF CONTENTS

<u>SUBJECT OR TITLE</u>	<u>STATUTORY AUTHORITY</u>	<u>CODE SECTION</u>
Allocation and Distribution of Funds	Section <u>§</u> 46-753, R.R.S.2004	Chapter 2
General Provisions	Sec. <u>§</u> 46-753, R.R.S.2004	Chapter 1

NEBRASKA ADMINISTRATIVE CODE

TITLE 460 --- DEPARTMENT OF NATURAL RESOURCES
RULES GOVERNING THE ADMINISTRATION OF THE WATER RESOURCES TRUST FUND

NUMERICAL TABLE OF CONTENTS

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NEBRASKA ADMINISTRATIVE CODE

TITLE 460 - DEPARTMENT OF NATURAL RESOURCES

~~RULES GOVERNING THE ADMINISTRATION OF THE WATER RESOURCES~~

~~TRUST FUND~~

~~Chapter~~HAPTER 1 - ~~GENERAL PROVISIONS~~ (Repealed)

~~001. Purpose of Rules~~PURPOSE OF RULES. These rules are adopted for the purpose of administering the Water Resources Trust Fund governed by Neb. Rev. Stat. ~~§46-753~~ (Reissue 2004), as amended.

~~002. General Availability of Funds~~GENERAL AVAILABILITY OF FUNDS. In accordance with Neb. Rev. Stat. ~~§46-753~~ (Reissue 2004), as amended, the Department of Natural Resources is authorized to make expenditures from the Fund for costs incurred by the Department, by Natural Resources Districts, or by other political subdivisions in (a) determining whether river basins, subbasins, or reaches are fully appropriated in accordance with Neb. Rev. Stat. ~~§46-713~~ (Reissue 2004), as amended, (b) developing or implementing integrated management plans for such fully appropriated river basins, subbasins, or reaches or for river basins, subbasins, or reaches designated as overappropriated in accordance with Neb. Rev. Stat. ~~§46-713~~ (Reissue 2004), as amended, (c) developing or implementing integrated management plans in river basins, subbasins, or reaches which have not yet become either fully appropriated or overappropriated, or (d) attaining state compliance with an interstate water compact or decree or other formal state contract or agreement. Notwithstanding such general authority, moneys from the Fund are to be allocated and expended only in accordance with these rules and regulations.

~~003. Definitions~~DEFINITIONS. As used in these rules and regulations, unless the context otherwise requires:

~~003.01. "Agreement" shall mean the Nebraska Department of Natural Resources Application/Agreement to Participate in Supplemental Program to United States Department of Agriculture Natural Resources Conservation Services Environmental Quality Incentives Program (EQIP)" completed and executed by the Landowner.~~

~~003.02. "Department" shall mean the Nebraska Department of Natural Resources created by Neb. Rev. Stat. ~~§81-101~~ (Reissue 2003), as amended;~~

~~003.03. "Director" shall mean the individual holding the position of Director of Natural Resources created by Neb. Rev. Stat. ~~§81-102~~ (Reissue 2003), as amended;~~

~~003.04. "District" or "Natural Resources District" shall mean a district created and operating in accordance with Chapter 2, Article 32, Reissue Revised Statutes of Nebraska;~~

~~003.05. "Fund" shall mean the Water Resources Trust Fund created by Neb. Rev. Stat. ~~§46-751~~ (Reissue 2004), as amended;~~

TITLE 460 NEBRASKA ADMINISTRATIVE CODE
CHAPTER 1

~~003.06. "Landowner" shall mean the owner of land who has been approved by the Natural Resources Conservation Service as a participant in the NRCS EQIP,~~

~~003.07. "NDNR EQIP Payment" shall mean an incentive payment of one hundred dollars (\$100) per acre for each acre placed in the NRCS EQIP, to be paid by the Department within one hundred twenty (120) days of the Department's acceptance and execution of the Landowner's Agreement.~~

~~003.08. "NRCS" shall mean the United States Department of Agriculture, Natural Resources Conservation Service, and~~

~~003.09. "NRCS EQIP" shall mean that portion of the Natural Resources Conservation Service's Environmental Quality Incentive Program for which the objective is the elimination, for four years, of irrigation on up to 10,000 acres of previously irrigated land in the Republican River Basin.~~

~~003.10. "Person" shall be as defined pursuant to Title 454, Chapter 1 of the Nebraska Administrative Code.~~

NEBRASKA ADMINISTRATIVE CODE

TITLE 460 - DEPARTMENT OF NATURAL RESOURCES

~~RULES GOVERNING THE ADMINISTRATION OF THE WATER RESOURCES~~

~~TRUST FUND~~

Chapter~~HAPTER~~ 2 - ~~ALLOCATION AND DISTRIBUTION OF FUNDS~~ (Repealed)

~~001. Initial Allocation and Distribution of Funds Appropriated for FY 2004-2005. INITIAL ALLOCATION AND DISTRIBUTION OF FUNDS APPROPRIATED FOR FY 2004-2005. Up to one hundred percent (100%) of the money appropriated to the Fund for state fiscal year 2004-2005 shall be utilized by the Department to fund incentive payments to Landowners and tenants who are participants in NRCS EQIP. Such use of the fund shall be for the purpose of implementing integrated management plans in the portions of the Republican River Basin previously determined to be fully appropriated in accordance with Neb. Rev. Stat. §§ 46-713 and 46-720 (Reissue 2004), as amended, or for the purpose of attaining state compliance with the Republican River Compact.~~

~~001.01. Eligibility for Funds. ELIGIBILITY FOR FUNDS. A Landowner shall be entitled to receive the NDNR EQIP Payment from the Fund if such Landowner has entered into the Agreement with the Department, and complies with the terms and conditions specified in Rule 001.02 and Rule 001.03. Such payment shall be made by the Department within one hundred twenty (120) days of the Department's acceptance and execution of the Landowner's Agreement. Unless the Landowner directs that all or a portion of the payment is to be made to one or more tenants on the land described in the Agreement, such payment shall be made solely to the Landowner. If the Agreement indicates that a portion of such payment shall be made to one or more tenants, such portion shall be paid to such tenant or tenants in accordance with the percentages prescribed in the Agreement.~~

~~001.02. Terms and Conditions for Eligibility. TERMS AND CONDITIONS FOR ELIGIBILITY. A Landowner and, if applicable, tenant(s) designated by the Landowner will be eligible for the NDNR EQIP Payment only if: the Landowner has entered into an agreement with NRCS placing the lands for which the NDNR EQIP Payment is sought in the NRCS EQIP; at least 50% of the Landowner's lands to be placed in the NRCS EQIP are within the "quick response area" as identified in the Republican River Model and as depicted on the maps available in Republican Basin NRCS offices; all lands to be placed in the NRCS EQIP have been previously certified as irrigated acreage in full compliance with rules and regulations of the Natural Resources District within which the land lies, or shall have a valid surface water appropriation; and the Landowner has completed and signed the Department-provided Agreement required by Rule 001.03. If specified by the Landowner in the Agreement, the tenant(s) may be designated as an additional Person to be subject to the terms and conditions of the Agreement, and to receive a specified percentage of the NRCS EQIP Payment.~~

~~001.03. Agreement/AGREEMENT. The Agreement will include, but not necessarily be limited to, the following terms and conditions which the Landowner will be bound by for the time period for which the Agreement, if approved by the Department, is in effect:~~

~~001.03(A). No water from any source will be used to apply water to the lands described in the Agreement;~~

~~001.03(B). The surface water right or ground water well previously used to irrigate the lands described in the Agreement will not be used to apply water for irrigation or other purposes to any other lands except to the extent that such surface water right or ground water well was used for such other purposes on such other lands in at least two out of the five years prior to the date of the Agreement, provided such surface water right or ground water well use has not been transferred from the lands described in the Agreement;~~

~~001.03(C). If all or part of the water used to irrigate the land subject to the Agreement has been provided by an irrigation district, reclamation district, public power and irrigation district, or mutual irrigation or canal company, the Landowner, in order to prevent such district or company from assigning the rights to use such water to another water user, shall take such actions as are necessary to maintain the Landowner's right to use such water during the period covered by the Agreement.~~

~~001.03(D). If there is a violation of the terms of the Agreement with the Department or of the federal EQIP agreement or if the Agreement or the federal EQIP agreement is terminated, the Landowner agrees to repay to the Department the entire amount of the NDNR EQIP Payment paid by the Department pursuant to the Agreement;~~

~~001.03(E). If either the land described in the Agreement or control over the source of water used to irrigate the land described in the Agreement is sold, leased or otherwise transferred during the period covered by the Agreement, the Landowner shall continue to be responsible for ensuring compliance with the Agreement and for the consequences of any violation unless the responsibility therefore is assumed by the buyer, lessee, or other applicable party through the completion and filing with the Department of a Department-approved form documenting such party's acceptance of the assignment of those responsibilities;~~

~~001.03(F). In the event Landowner's NRCS EQIP agreement is terminated, the Agreement with the Department shall be terminated for cause and none of the obligations of the Department shall survive such termination;~~

~~001.03(G). The Department is not responsible for any monetary obligations of the NRCS to the Landowner;~~

~~001.03(H). The Landowner will not take any action with regard to the lands described in the Agreement which tends to defeat the purposes of the Agreement, as determined by the Department, and~~

~~001.03(I). The Landowner will authorize the NRCS to provide the Department and the applicable Natural Resources District with a copy of the NRCS map of the lands described in the Agreement and will further authorize the NRCS to provide the Department with a copy of the fully executed federal agreement between NRCS and the Landowner, once available.~~

~~002. Alternative Allocation and Distribution of Funds Appropriated for FY 04-05 ALTERNATIVE ALLOCATION AND DISTRIBUTION OF FUNDS APPROPRIATED FOR FY 04-05. In the event there are insufficient Agreements to utilize all of the funds appropriated for FY 04-05 in accordance with Rule 001 of this Chapter, the Director may, in his or her discretion, make any funds not required for payments pursuant to those Agreements available to Natural Resources Districts in the Republican River Basin for purposes of assisting such Districts in paying for costs expended in developing or implementing integrated management plans or attaining state compliance with an interstate water compact or decree or other formal state contract or agreement.~~

~~002.01. If the Director determines that funds are available for the purposes specified in Rule 002, a District with land area in the Republican River Basin may make an application to the Department describing the costs for which assistance is being requested. If the Director finds that such costs, if expended by the District, would be for activities consistent with Rule 002, the Director may approve funding for that District. In order to be eligible for such funds, the District shall enter into a contract with Department specifying the terms and conditions for receipt of such financial assistance. The Director shall have sole discretion to determine whether an expense qualifies for funding pursuant to Rule 002.~~

~~002.02. Access to Files and Compliance with Agreement and Rules and Regulations ACCESS TO FILES AND COMPLIANCE WITH AGREEMENT AND RULES AND REGULATIONS. Each Natural Resources District receiving funds in accordance with Rule 002 shall maintain records adequate to document that the District had expenditures qualified pursuant to these rules in amounts equal to or exceeding the amount provided from the Fund plus any matching funds as required by the contract between the District and the Department. Such files shall be available for inspection by personnel of the Department and by representatives of the State Auditor's office during normal business hours of the Department. In the event that the Director becomes aware of a violation of the contract between the District and the Department or of these rules and regulations, the Director may terminate the contract and/or demand reimbursement of any state funds related to such violation.~~

NEBRASKA ADMINISTRATIVE CODE

TITLE 460 – Department of Natural Resources

CHAPTERS 1 – 2 - (Repealed)