

Agency 29 - Department Of Natural Resources

Statutory Authority:

Authority for the Department of Natural Resources (DNR) is contained in: Nebraska Constitution (Article XV, Sections 4, 5, 6 and 7); Nebraska Statutes (Chapter 2, Articles 15,32 and 46; Chapter 11, Article 1; Chapter 16, Article 6; Chapter 31, Articles 4, 5 and 10; Chapter 33, Article 1; Chapter 37, Article 7; all of Chapter 46 with the exception of Article 11; Chapter 54 Article 24; Chapter 56, Article 1; Chapter 61, Article 2; Chapter 66, Article 11; Chapter 81, Articles 1, 15 and 26; and Chapter 84, Articles 2, 3, 7, 9, 10 11, 12 and 14); and Reissue Revised Statutes of Nebraska including the Cumulative Supplements for 2002 through 2005 and the yet to be published 2006 Supplement.

Vision Statement:

The Department of Natural Resources is dedicated to working with Nebraska's citizens and leaders to plan, establish and administer policies and programs for the effective management and conservation of the state's water and land resources. We are committed to providing the data and analyses needed to make wise resource decisions for the benefit of all Nebraskans, both now and in the future. This is accomplished through providing high quality services with a professional workforce devoted to the management and conservation of the water and land resources of the State of Nebraska.

Mission Statement:

Natural resources have always played an important role in the lives of Nebraskans. The Department of Natural Resources will work diligently to perform its statutory obligations effectively and efficiently, including: Administering and regulating surface water; directing floodplain management and dam safety programs; maintaining the state's extensive stream gaging program; assembling and share data on Nebraska's natural resources in a user friendly manner; providing natural resources planning assistance and working closely with local natural resources interests; registering ground water wells and issuing permits; managing state cost-share programs to assure proper use and protection of Nebraska's water, land, and related resources.

Goals:

1. Administer surface water rights fairly and expeditiously.
2. Work with NRD's and others to implement interrelated surface and ground water management plans.
3. Ensure the enforcement of interstate water compacts and decrees, and the implementation of the Platte River Cooperative Agreement.
4. Continue to implement an effective floodplain management program.
5. Ensure the safety of dams within the state.
6. Maintain the stream gaging program to provide stream and canal flow data necessary for water administration, flood warnings, and water resource planning and management activities.
7. Conduct planning activities that will enable the state to make informed decisions regarding the best long-term uses of its water and land resources.
8. Perform staff functions for the Natural Resources Commission to ensure fair and equitable distribution of funds managed by the Commission.
9. Further improve business processes throughout the department.
10. Continue efforts and support initiative related to making Geographic Information Systems (GIS), the Nebraska Hydrologic Dataset and other natural resources-related information repositories and tools available to serve information needs of all Nebraskans.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	13,820,143	20,055,284	17,526,893	17,554,676	17,542,912	17,727,469
Cash Fund	2,527,219	2,943,512	2,943,512	2,947,434	2,943,512	2,951,076
Federal Fund	1,453,812	942,771	693,733	705,274	693,733	716,257
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	17,801,174	23,941,567	21,164,138	21,207,384	21,180,157	21,394,802

Agency 29 - Department Of Natural Resources Program 303 - Small Watersheds Flood Control Fund

Program Objectives:

The Small Watersheds Flood Control Fund was established in 1963 to provide state financial assistance for the acquisition of the necessary land rights for flood control structures. Land rights can be in the form of easements, rights of way or purchases. The fund can financially participate in only 25% of the number of land rights involved. When land is purchased for a project it must be sold within ten years with proceeds of the sale being returned to the fund for reuse. A special provision of the law allows any political subdivision to acquire any fee title property at appraised value, provided that the property is utilized for public purposes such as recreation or fish and wildlife enhancement. To date a total of 31 tracts have been retained for public use.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	0	0	0	0	0	0
Cash Fund	0	500,000	500,000	500,000	500,000	500,000
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	0	500,000	500,000	500,000	500,000	500,000

Performance Measures:

1. Maintain the asset value of the Fund (cash and real estate) at a minimum of \$1,000,000.
2. Make funds available for sponsors in order to expedite the construction of cost effective flood control projects.
3. Assist project sponsors in their utilization of the fund and management of lands.
4. Sell lands acquired in fee title on a timely basis to maximize the revolving nature of the fund.

Project sponsors have provided us with their estimated funding needs for FY2007 and 2008, which total \$461,773 for easements and \$732,000 for fee title. Because the expected requests will result in assignment of nearly all available funds, funding requests for FY2009 are expected to be negligible.

Agency 29 - Department Of Natural Resources Program 304 - Soil & Water Conservation Fund

Program Objectives:

The Soil and Water Conservation Fund was created in 1977 to provide financial assistance to private landowners for the installation of soil and water conservation practices. Various conservation practices are eligible for cost-share assistance. The Natural Resources Commission determines the list of eligible practices, establishes the operating procedures for the fund and annually allocates the funds among the 23 Natural Resource Districts (NRDs). The USDA Natural Resources Conservation Service provides technical assistance needed in planning and installing the conservation measures. NRDs are responsible for the administration of the program at the local level.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	2,665,087	2,688,454	2,688,454	2,688,454	2,688,454	2,688,454
Cash Fund	140,540	405,000	405,000	405,000	405,000	405,000
Federal Fund	58,272	100,000	100,000	100,000	100,000	100,000
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	2,863,899	3,193,454	3,193,454	3,193,454	3,193,454	3,193,454

Performance Measures:

	Planned in FY2006	Estimated FY2007	Request FY2008-09
Claims Paid	1,787	2,500	2,500
Feet of Terraces	787,819	750,000	750,000
Feet of Terrace Outlets	189,699	175,000	175,000
Dams	7	10	10
Grade Structures	7	10	10
Reuse Pits	1	5	5
Diversions	25	20	20
Acres of Waterways	131	400	400
Water Control Basins	29	20	20
Dugouts	11	10	10
Acres of Grass Seeding	3,691	3,600	3,600
Acres of Windbreaks	428	500	500
# of Planned Grazing Systems	282	300	300
Acres of Grazing Systems	89,431	100,000	100,000
# of Irrigation Water Mgt. Sys.	297	300	300
Acres of Irrigation Management	30,401	35,000	35,000
Water Meters	574	0	0

Agency 29 - Department Of Natural Resources Program 306 - Water Well Decommissioning Fund

Program Objectives:

The Water Well Decommissioning Fund was established in 1994 to provide cost-share assistance to encourage the decommissioning or plugging of water wells that are unused or abandoned. The source of funding is presently \$21.50 from each well registration fee received by the department. Participating NRDs (21 of 23 participate) administer the program at the local level and receive an allocation of state funds based on the annual average number of wells decommissioned by the NRD over the previous three years as compared to the total number decommissioned by all participating NRDs. A total of 1054 wells were decommissioned in FY2007.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	0	0	0	0	0	0
Cash Fund	145,452	240,840	240,840	240,840	240,840	240,840
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	145,452	240,840	240,840	240,840	240,840	240,840

Performance Measures:

The only performance measure is the number of water wells decommissioned. Well registration activity is expected to taper off. This will reduce funds available for distribution from the program which will, in turn, result in lower numbers of wells being decommissioned.

- FY2006	Actual	1054
- FY2007	Estimated	1163
- FY2008	Estimated	1100
- FY2009	Estimated	1050

Agency 29 - Department Of Natural Resources

Program 307 - Resources Development Fund

Program Objectives:

The Resources Development Fund provides grant and/or loan funds to political subdivisions for natural resources projects. Natural Resources Districts are the most common project sponsors, but cities, counties and irrigation districts have also been sponsors. Projects are generally multipurpose in nature, but often include flood damage reduction, sediment and erosion control, recreational development, groundwater recharge, improved irrigation water management and fish and wildlife enhancement. Projects must be economically and financially feasible, and development plans must be satisfactory and minimize impact to the natural environment. Since the inception of the fund in 1974, a total of 65 projects totaling over \$81.5 million have been approved across the state.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	2,943,462	3,588,368	3,588,368	3,588,368	3,588,368	3,588,368
Cash Fund	0	50,000	50,000	50,000	50,000	50,000
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	2,943,462	3,638,368	3,638,368	3,638,368	3,638,368	3,638,368

Performance Measures:

The primary objectives for this program relate to the efficient operation of the fund and the use of state dollars to leverage other available funds for each project. This can best be achieved by keeping an even flow of new projects, projects under construction and projects nearing completion. Therefore, the performance measures presented relate to the number of projects in various stages and the dollars involved. The specific goals and objectives for the program are as follows:

1. To meet the projected financial need of approved projects and to allocate funds to project sponsors that makes the most efficient use of the fund while allowing each project to proceed in an orderly and efficient manner.
2. To assist sponsors in the preparation of project proposals and applications.
3. To act on project proposals and applications in a timely manner.
4. To administer the program in a fair and efficient manner.
5. To ensure that all reimbursements made through the program are correct, properly documented, and authorized.
6. To continually monitor completed projects to ensure that they are being properly maintained and that the projected benefits are being achieved.
7. Utilize the available funds to leverage other available funds so as to make the best use of available state dollars.

Agency 29 - Department Of Natural Resources Program 308 - Soil Survey Fund

Program Objectives:

The Soil Survey Fund was established in 1976 to provide state funds to accelerate the completion and updating of soil surveys for all counties in the state. The goals of this program are to maintain a modern, usable soil survey for the entire state and to make quality soils information available in a digital format. Funds appropriated are passed through in their entirety to the Conservation & Survey Division of UNL to supplement their soil survey program which is being performed in cooperation with the Natural Resources Conservation Service of USDA. Conservation & Survey and the Natural Resources Conservation Service do the actual field soil survey work, and DNR works in cooperation with both entities to make the information available to the public in digital format.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	93,427	143,051	143,051	143,051	143,051	143,051
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	93,427	143,051	143,051	143,051	143,051	143,051

Performance Measures:

Field work for the modern soil surveys for all counties is now completed. Revised soil survey to provide updated information to better complement today's technology and provide the best information to use with current applications are being completed on a priority basis. Sarpy, Gage, Kimball, and Hall counties are completed. Survey work is also being updated in the entire Central Platte Natural Resources District. Preparation of soil survey information in digital format to meet national standards is now complete in all counties.

Agency 29 - Department Of Natural Resources Program 309 - Natural Resources Water Quality Fund

Program Objectives:

The Natural Resources Water Quality Fund was established by the Legislature in 2001 to provide funds to Natural Resource Districts (NRDs) for support of their water quality programs. The sources of funds are pesticide registration fees and pesticide applicators license fees collected by the Nebraska Department of Agriculture. DNR serves as the administrative body for passing funds through to NRDs. Funds are allocated among the NRDs and administered based on rules and regulations established by the Natural Resources Commission. Annual allocations are expected to be about \$1,000,000 and districts must provide three dollars of local matching money for each two dollars from the fund.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	0	0	0	0	0	0
Cash Fund	1,002,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	1,002,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000

Performance Measures:

Distribution of the funds is based on a formula adopted by the Natural Resources Commission that provides for twenty percent of the available funds to be divided equally among the NRDs, twenty percent divided based on the proportion of groundwater management areas in each NRD, and the remaining sixty percent based on the amount of fertilizer sales in each NRD based on records from the Nebraska Department of Agriculture.

Agency 29 - Department Of Natural Resources

Program 310 - Planning & Review Process

Program Objectives:

Program 310 was created in 2004 to provide funding for implementing the provisions of LB962. This legislation was the product of the Water Policy Task Force which was created by legislation in 2002 for the purpose of studying Nebraska's ground and surface water laws and recommending needed changes. LB962 makes the state and its 23 Natural Resource Districts (NRDs) much more proactive in anticipating and preventing conflicts between groundwater and surface water users. In those portions of the state where such conflicts already exist, the legislation also establishes principles and guidelines for resolving those conflicts. Funding to date has been directed toward incentive programs to reduce certain water usage as well as for hydrologic studies and modeling.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	1,369,823	3,951,540	886,261	1,257,299	886,261	1,264,348
Cash Fund	478,682	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	1,848,505	3,951,540	886,261	1,257,299	886,261	1,264,348

Performance Measures:

LB 962 outlines some specific requirements of the Department and for Natural Resources Districts in order to accomplish the objectives of the act. Those general measures and their timeline are outlined in the supporting information for this section. In addition to these measures LB 962 made some amendments to existing law to better facilitate this process and to make some other changes in water and related statutes.

- On July 16, 2004, the operative date of LB 962, all or portions of eight NRDs were considered "fully appropriated" and subject to the provisions of the bill that relate to basins with that designation. On or before September 15, 2004, the Director of DNR began designating "over appropriated" basins, subbasins, and reaches in the state. In January 2006, DNR made the first annual determination of which basins, sub-basins or river reaches not previously designated as "fully appropriated" or "over appropriated" have since become "fully appropriated".
- When a basin is declared "over appropriated" or "fully appropriated" immediate stays on new uses of groundwater and surface water have been issued.
- In basins designated as either "fully appropriated" or "over appropriated" the DNR and the NRDs involved will be required to jointly develop and implement an Integrated surface water and groundwater Management Plan (IMP) within 3 to 5 years of that designation. This process is well underway at NRDs which have basins designated as either "fully appropriated" or "over appropriated."
- By statute, a key goal of each IMP will be to manage all hydrologically connected groundwater and surface water for the purpose of sustaining a balance between water uses and water supplies.
- If disputes arise between the DNR and NRDs over the development or implementation of an IMP that the entities cannot resolve, a five member Interrelated Water Review Board (IWRB) will make the final decision.

Agency 29 - Department Of Natural Resources Program 311 - Interrelated Water Mgmt Plan

Program Objectives:

The Interrelated Water Management Plan Program Fund was established in 2006 with the passage of LB 1226 Section 20 for the purpose of facilitating and funding the duties of Natural Resource Districts arising under the Nebraska Ground Water Management and Protection Act. It functions as a grant program administered by the Nebraska Resources Commission and DNR. DNR staff evaluates and ranks requests submitted to the commission based on established guidelines. A local revenue match of 20 percent of total project costs is required. The Legislature appropriated \$2.5 million to fund the program for FY2007 with an additional \$2.5 million for FY2008.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	0	2,500,000	2,442,541	2,500,877	2,442,541	2,501,773
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	0	2,500,000	2,442,541	2,500,877	2,442,541	2,501,773

Performance Measures:

DNR is responsible for developing effective and efficient processes for receiving and recording NRD requests, assembling appropriate review team members, evaluating and ranking requests in accordance with Natural Resources Commission (Commission) guidelines, documenting results and presenting the review results to the Commission for final disposition.

In FY2007, fourteen applications totalling just over \$2.6 million have been received for consideration. 22 of the 23 NRDs are participants in one or more applications. Technical reviews were conducted by a review team comprised of experts from several state and local entities to evaluate the feasibility of each proposed project. The DNR review committee then reviewed and ranked the applications and will submit their findings and conclusions to the Commission at its September meeting.

In addition, the department is presently developing processes and procedures for tracking committed funds and payments by project, assuring that recipients' quarterly reporting requirements are met, and auditing project records. DNR will report fund status at each Commission meeting.

Agency 29 - Department Of Natural Resources Program 331 - Nebraska Water Rights

Program Objectives:

This program contains funding to implement settlements of two major lawsuits: (1) Nebraska v. Wyoming in which the two parties reached a settlement in 2002 that called for each state to perform a number of duties and abide by certain conditions. That settlement was approved by the Special Master and the US Supreme Court; and (2) Kansas v. Nebraska & Colorado which has also been settled by the parties involved and approved by the Special Master and the US Supreme Court. In both cases the primary objective is to carry out the provisions of the settlement and to work with officials in the other states involved to make certain that the settlement is properly implemented.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	929,854	1,054,749	572,283	1,067,873	572,283	1,084,140
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	929,854	1,054,749	572,283	1,067,873	572,283	1,084,140

Performance Measures:

Objective measures do not exist for inputs, outputs, efficiencies and quality. More subjective but perhaps more important, one could monitor the nature of the interstate relationships with and without compliance. Successful implementation of the settlements and cooperation between the parties involved over the longer term of years will be the best measure of successful performance. The two settlements have clearly saved significant amounts of money and time for all parties involved.

Agency 29 - Department Of Natural Resources Program 334 - Soil & Water Conservation

Program Objectives:

This program represents the majority of the agency's functions and nearly all personnel. The nineteen subprograms included in the budget request within this program area comprise the core of the agency's functions and encompass all state-funded personnel within the agency, including those associated with other programs. Only the seven "funds" controlled by the Natural Resources Commission, financial support for the North Platte and Republican Basin settlements, and the funds appropriated for the implementation of LB 962 are not included.

Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	5,818,490	6,129,122	7,205,935	6,308,754	7,221,954	6,457,335
Cash Fund	760,545	497,672	497,672	501,594	497,672	505,236
Federal Fund	1,395,540	842,771	593,733	605,274	593,733	616,257
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	7,974,575	7,469,565	8,297,340	7,415,622	8,313,359	7,578,828

Performance Measures:

Only a minimal number of empirical performance measures are available in this program. Most of the employees in this program are involved in work that cannot be easily quantified, such as database development and integration, hydrology studies, computer modeling, GIS tools and applications development, program administration, floodplain delineations, floodplain administration, review of dam construction plans, and cooperative work with NRDs, irrigation districts and other natural resource interests. The empirical measures presented below represent only a small portion of the work being accomplished by the employees in this program.

	2004-05	2005-06	2006-07 (estimated)
Water Rights Actions *	8,327	16,392	16,000
Water Rights Applications	90	221	200
Water Rights Hearings	4	4	20
Well Registrations	8,578	8,644	7,700
Dam Safety Inspections	812	355	518
Dam Plans Reviewed	37	60	55
Stream and Canal Gages Managed:			
Annual	70	87	87
Seasonal	95	95	95
Databases **	52	45	45
Website/network - # visits	650,000	750,000	850,000
CREP, EQIP, & PC EQIP	559	225	200