

# EDITORIAL: SELLING OFF N-CORPE LAND A BAD IDEA

BY RUSS PANKONIN, THE IMPERIAL REPUBLICAN

I get it. North Platte Senator Mike Groene campaigned hard on the issue of the Lincoln County stream augmentation project launched in 2012 by the Nebraska Cooperative Republican Platte Enhancement Project (N-CORPE).

That's why he introduced LB 218 in this year's session of the Legislature. The primary purpose of his bill would be to force the sale of the N-CORPE land.

Four natural resources districts (NRDs) comprise the interlocal agency known as N-CORPE. They include the Upper, Middle and Lowe Republican NRDs in the Republican River Basin and the Twin Platte NRD in the Platte River Basin.

Together, they bought 19,000 acres of irrigated land in Lincoln County to develop a large-scale augmentation project. The plan called for retiring crop irrigation on the entire tract.

A number of new high-capacity wells were drilled to pump ground water into a pipeline. This pipeline delivers water into the Medicine Creek watershed, which eventually empties into the Republican River and then into Harlan County Reservoir.

This augmentation helps Nebraska remain in compact compliance with Kansas over water use in the Republican River Basin.

Plans also call for building a pipeline to the Platte River to augment river flows there. This will enable the Twin Platte NRD to meet obligations in the Platte River Recovery Implementation Program and bring water use back to 1997 ground water pumping levels.

During a hearing Sen. Groene held on N-CORPE in 2015, several testified this water should remain in Lincoln County. They also contested the fact that this land would be removed from the tax rolls because it was now owned by a government entity.

One of the unintended consequences of the N-CORPE project and the Upper Republican's Rock Creek augmentation project in Dundy County was the removal of the land, assessed at irrigated values, from the tax rolls. That meant the loss of about \$1.3 million in property taxes in Lincoln County.

The intention of the URNRD and N-CORPE was to reimburse the loss of tax revenue to those counties. However, the state constitution does not allow one taxing entity to pay taxes to another taxing entity.

Dundy County has appealed the issue to Nebraska's Tax Equalization and Review Commission (TERC). That issue has been struck in TERC for more than two years without a ruling. Once TERC provides some clarity on the issue, it may be possible to make those counties and their tax entities whole again.

The taxes that would have been paid are being set aside in escrow by URNRD and N-CORPE in the event some resolution is found to allow those monies to go back to the respective counties.

Groene's bill would require N-CORPE to sell off the 19,000 acres to private individuals with N-CORPE retaining the right to the ground water. That separation of water from the land defies common sense and goes against the principles of how water is managed in Nebraska.

It would be well to note that without the N-CORPE project, Nebraska would not be able to remain in compact compliance with Kansas and would likely owe Kansas millions.

In addition, without N-CORPE, irrigation in the Middle Republican NRD would have probably been forced to shut down wells in quick-response areas for compact compliance, their rules require that, in fairness, all irrigation would be shut down in the district.

Imagine the magnitude of economic impact a shutdown would create, not just within the MRNRD but in Southwest Nebraska and the state of Nebraska. The \$1.3 million in lost taxes from N-CORPE land would be small beans compared to the economic devastation a shutdown would have.

Another flaw in Groene's bill is the separation of water from the land. In Nebraska, ground water belongs to all the people of Nebraska for beneficial use goes with the land above it.

Separating one from the other sets a dangerous precedent for water management in Nebraska going forward.

Converting irrigation ground water to streamflow augmentation hasn't been without controversy but the benefits far outweigh the downside.

Certainly, augmentation aids Nebraska's compact compliance efforts. But far more importantly, augmentation has allowed farmers in the Republican River Basin to continue to use ground water irrigation as an important tool in their job of feeding the world.

Let's face it—without irrigation, Nebraska would be a small skeleton of itself.

Right now, LB 218 remains stuck in the Natural Resources Committee. A vote to indefinitely postpone the bill, which essentially kills the bill, fell short of the needed five committee votes. But the bill does not have the needed five committee votes to advance it out on the floor either.

Sen. Groene chose not to prioritize the bill this session, which means that it's likely stuck in committee this year. However, it will carry over to the 60-day session next year so continued vigilance will be needed to insure this bill never sees the light of day.

LB 218 represents knee-jerk legislation that should never be allowed to become law!