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COMMITTEE ON NATURAL RESOURCES
APRIL 7, 2005
CONFIRMATION HEARINGS

The Committee on Natural Resources met at 1:30 p.m. on Thursday, April 7, 2005, in Room 1525 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on confirmations. Senator present: Ed Schrock, Chairperson; Elaine Stuhr, Vice Chairperson; Carol Hudkins; Gail Kopplin; Bob Kremer; LeRoy Louden; Vickie McDonald; and Adrian Smith. Senators absent: None.

SENATOR SCHROCK: Sorry, for being late, but I appreciate Jeanette being with us today, so. For the record, my name is Ed Schrock; I chair the Legislature's Natural Resources Committee, and we're going to have a hearing today on three names to be forwarded to the floor for the Environmental Trust, and I will introduce the senators that are here with me. Senator Louden, from Ellsworth; to my far right, Senator Kopplin, from Gretna; Senator Hudkins, from Malcolm; to my immediate left, Senator Stuhr, vice chair of the committee, from Bradshaw; Senator McDonald from St. Paul; Senator Adrian Smith, from Gering and Senator Kremer, from Aurora. If you have a cell phone, please silence it, and don't think we need to worry about too many other things today. And we're going to have a hearing on Paul Dunn, Gloria Erickson, Susan Seacrest, and Paul, would you like to come forward and tell us a little about yourself and are you a reappointment?

CONFIRMATION HEARING ON
PAUL DUNN TO THE
ENVIRONMENTAL TRUST BOARD

PAUL DUNN: Good morning, to you all. My name is Paul Dunn, I'm from Omaha, Nebraska, do you need address, as well?

SENATOR SCHROCK: No, that's all right.

PAUL DUNN: Green paper, fine. I work for the city of Omaha. I have served on the Environmental Trust Board for now one term. I'm currently the chair of the board, this will be my second go around as chair of the board. It's been a real enjoyable time and I think we have had a lot of growth over the last six years and a lot of changes, and we appreciate the support that's come from this committee and

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from the entire Legislature over the, at least my term and I know over the whole length of the life of the Environmental Trust. I serve as Recycling Coordinator for the city of Omaha, and I've been in the recycling field for approaching 20 years now, and done that for Omaha for a little bit more than ten years. And we're also, I've been working on household hazardous waste, is another area of mine that I have great interest in, and have been working toward a facility that's going to be opening very shortly in Omaha for collecting household hazardous waste, and it's a facility that we built on the intent that we have the ability and we can serve as a hub for a large region of eastern Nebraska, and we hope to be in many counties around Omaha and serving those communities as well. I'll be glad to answer any questions you have about my service or my background.

SENATOR SCHROCK: Thank you, Paul. Are there questions?
Senator Louden.

SENATOR LOUDEN: Paul, since I see you've been in recycling, what's the best way to get rid of old tires?

PAUL DUNN: You're basically asking me should we be burning them up at Ash Grove probably. That may be one of the intents. I think that is something we have to look at. Basically, we are generating one tire per capita, per year; that's the national standard. So, we've got a million and a half tires every single year we need to find something to do with. There have been a number of products, there are only so many tires you can grind up and make playground matting out of. Otherwise, Nebraska would end up one big playground. Well, some people may say it is, but we need to look at a diverse approach. I think a controlled burn and a study of it is well warranted, since we have that accessible there at Ash Grove. But there's other things, as well, erosion control methods, et cetera, that can be used for tires. It's a big problem and unless we want to go back to before radial tires, steel-belted radials, and we start retreading our tires and have a rougher ride, we're going to have a million and a half tires every year no matter what.

SENATOR LOUDEN: Do you feel that we're probably making more used tires than what we're recycling them, I mean, are we getting ahead of the game on recycling, or are they coming

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out, used tires showing up faster than what we can get rid of?

PAUL DUNN: There are some states that have, and this is certainly a valid other approach, and they are taking tires and they are creating monofills. It's a landfill strictly of tires. Any time you have a tire pile, you know, there are concerns about catching fire, and with a monofill, then you have that concern, but you also, through daily cover, minimize that. They are, those states, that is, they, are hoping that some day there'll be some miracle product or miracle methodology of dealing with those tires. But that's a hope. I think we need to be working both on the hope and looking for new products and new ways, but we also have to work on the immediate. We need to be dealing with them now. The current legislation in place that assesses the...essentially, advanced disposal fee that tire tax, and having those grants available, which can stimulate markets and get people thinking in many different ways about tires, I think, is progressing, and we're moving forward and it is an issue that's going to continue and be there. Just be glad we're not California; think how many tires California has. Tires are a nationwide problem. It's not just Nebraska, but it's one we still have to deal with ourselves.

SENATOR LOUDEN: Well, that's my concern, that I compare it, old tires to nuclear waste, if you have a pile of old tires, I'm sure they'll be there for 500 years, and that's what brought my question was the Ash Grove concrete plant, but I don't think they can make enough concrete to balance out on our tires. Thank you.

PAUL DUNN: The BTUs that are in tires, invested in that rubber, are very high, and I think, you know, we do have to look at that, and in a controlled situation, to protect the health and the environment.

SENATOR SCHROCK: Senator Smith.

SENATOR SMITH: What is...what do you think the state policy should be about land that is purchased perhaps with Environmental Trust Fund dollars that removes the land from the tax rolls?

PAUL DUNN: Well, we have had, actually, a number of...we've

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gone down and changed our policy on that a couple of times. You know, we were holding money in escrow and paying in lieu of taxes for organizations that do remove it from tax rolls. Some don't, and continue and pay those taxes. We are currently studying, we had a...I appointed a committee to look at our purchase of land and sort of long term issues, who we should have holding land, whether it should only be a public agency, whether it should be a nonprofit, et cetera, the variety of ones that there are. That's on our agenda for this afternoon. We have a meeting this afternoon; we're getting a report back from them, and I think we'll continue and be working through it.

SENATOR SMITH: Is there a great need to acquire more land from the state's perspective?

PAUL DUNN: There are, acquired, there are actually a couple of ways that we can acquire. We can just have the natural resource rights or, you know, removing, you know, particular things, you know, whether it be corners for wildlife, where they're not farming the corners of a center pivot area, and that turns into a natural area, and so that's a potential way. And in those cases, we are basically encouraging that to happen through supplemental payments. But we're not acquiring the land; it's still staying in the owner's hands. There's many different people and organizations who own land, whether it be the Game and Parks Commission, there is one that we have assisted buying land, and they deal with the tax issue in their way. And then other organizations do remove it from taxes. We have, one of the ways that we did change is instead of holding the money in escrow and paying it out in lieu of every year, we made a lump sum payment in advance to the county that was effected, for a period of time, to give them time to adjust of this was land that was going to be off of the tax rolls after a period of time. There are also measurements of benefits that happen from getting the land, whether it be turning something back into a prairie land or some place that might be for bird observations, travel and tourism sort of impacts that are available, or hunting.

SENATOR SCHROCK: Other questions? Senator Kremer.

SENATOR KREMER: Paul, you're the first one up here, so you're probably getting the brunt of all the questions.

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PAUL DUNN: That's fine, I'm chair this year, I guess it's my...

SENATOR KREMER: I do support the Trust Fund and much of what they do, but every once in a while I see money going to, and you've mentioned a little bit, the restoration of prairie lands. And I always kind of wonder how much more do they want, just a little more, all the state or what, because I see, really, value in restoring some and kind of leave it to see how it was, but I know some money sometimes has gone to...just to more and more and more, then wonder what the really objective is, or how much, do you ever turn back. So I have a question once in a while where the money goes to. Of course, I suppose everybody does because all of us have our pet projects and things. But as far as what Senator Smith said, too, is all, it takes it off the tax roll, and also availability to, many times the young farmers that can't get started is because of availability of land, and just more comes out of production, even though we over produce, so that doesn't hurt that much of it then. Just what the goal really is as far as restoration, I don't know if you look at that at all, or not, when you decide?

PAUL DUNN: Absolutely, we look at both the location, what particular flora and fauna or, you know, what is the nature of that land, whether it be, if you look at a saline wetland, which would be around here in Lancaster County a very salty or something that would be Sandhills or something that would be western, arid, those are the things that we look at. And we have, in our...a committee does the primary reviewing of all the grant applications and they make the recommendations to the full board. But they don't do that alone. They rely on experts outside that we farm out. We have a lot of smart people on our board, and I'm thrilled to work with all of them, but we have a limited amount of expertise. We have people, I'm a recycling person, we have other people who are other areas that they have expertise in, but there are other people, you know, from the university, from Game and Parks, or wherever, whose technical expertise is much greater. And we rely on their opinions of what they think that the proposal is and if that will give the greatest benefit.

SENATOR KREMER: Do you ever call in people from the area of

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what impact that it might have on their, maybe on the tax roll or on the availability of land or what the quality of land is, if it's farmable or not or things like that?

PAUL DUNN: We don't call in somebody, we do look at applications, we hope and one of the components that we're judging, a criteria that we're using, is that there is buy in from the local community, that there is, hopefully, a diverse group, you know, that it is not just one organization, heading it up. There may be one lead organization, but they are supplanted with others that are, have their own or parallel interests, and brings it into that area.

SENATOR KREMER: Thank you.

PAUL DUNN: You bet.

SENATOR SCHROCK: Are there questions for Paul? Thank you for being with us, Paul.

PAUL DUNN: Thank you, Senator.

SENATOR SCHROCK: Are there people who would testify in favor of Paul's confirmation? Is there people who would testify in opposition of Paul's confirmation? If not, we will take our next victim. And that would be Gloria Erickson. And I noticed you used me for a reference. That doesn't get you very far in this committee.

CONFIRMATION HEARING ON
GLORIA ERICKSON TO THE
ENVIRONMENTAL TRUST BOARD

GLORIA ERICKSON: Good morning. Thank you for holding this hearing at a bright and early time of the day when everybody's fresh. I was...I did drive in this morning, so I had noticed that you get up real early when you do that, but it's fine. It's like it's 10 o'clock, and that's my better time of the day, anyway, so. So my name is Gloria Erickson, I live at 315 18th Avenue in Holdrege. My husband and I farm and feed cattle. I'm, personally, I'm a former high school science teacher. I taught biology, chemistry, physics and the life sciences. And then when my

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husband and I got married, I do everything, number one go-fer in our farming operation. I...this is my second appointment to the Environmental Trust; Governor Johanns appointed me soon after his election to his first term, and I think that the Trust is an entity that is very beneficial to this state, as far as the creation of habitat, the promotion of water conservation, of soil conservation, of some of the newer technology dealing with conservation issues, and also it allows us to leverage a lot of both federal money, as well as other foundation money, to come into the state to partner with the money that the Environmental Trust produces. We're very fortunate, as compared to other states that don't have that nongovernmental match that is required for many federal grants, for example, and other foundation grants. So, and I do thank you for your support over the years for the Trust. It's always an issue, when there are lots of needs in the state and that pot of money sits there, and of course, that's the reason that it's so important, is because there are so many important things to do in this state, and so many mandates that we have to do, whether it comes with the school funding or medicaid and some of these. And creating habitat is never going to match the medical care for children. And so, oftentimes if you just put it on a case by case basis there becomes no funding for conservation issues, because there's always these immediate needs over here. And you know, it's kind of a, I always thing about, you know, your house can fall down around you while you are making your...fulfilling your immediate needs. So I think the Trust has been very good at kind of maintaining our conservation base and our environmental base, in this state.

SENATOR SCHROCK: Questions for Gloria? Senator McDonald.

SENATOR McDONALD: Gloria, I have, I was reading your resume and I have some concerns and also some congratulations, and I see you taught in Wolbach Public School...

GLORIA ERICKSON: Yes. Yes.

SENATOR McDONALD: ...chemistry, biology, physics and in 19 years. And I see, one of my concerns is one of your references, is our honorable Ed Schrock, our senator, and I did see that you attended a class one school, so you are a product of class ones, I admire that.

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GLORIA ERICKSON: Yes. Yes, yes. And I admire the class one schools, I will tell you that. Now, when they finally closed my school, District 57 in Adams County, there were three children left, my brother and I and another girl, and I will always say that that was...in the fifth grade was my last year. And we had a teacher with three kids, and that's when you learn your states and capitals and I'll tell you what, I will know that when the rest of my brain has gone to mush.

SENATOR McDONALD: Congratulations for Woman of the Year, Business and Professional Women, what year was that?

GLORIA ERICKSON: That must have been around ten years ago.

SENATOR McDONALD: Congratulations.

SENATOR SCHROCK: Senator Stuhr, did you have a question?

SENATOR STUHR: I too, just want to thank you for all of your service and Gloria also served on the Water Policy Task Force, and we thank you for your work there. So you've been very involved in...

GLORIA ERICKSON: And I'm very pleased that the Trust has put water as one of their issues that they really pay special attention to, water conservation and we have been helpful, in particularly, the Republican Valley area. And the other night this big, I noticed on the radar this big orange, yellow mass of radar sat right over Harlan County Reservoir, so I hope that they have a lot of runoff in there today, because that is an issue, and you talk about land and land values and that is an issue that those people are having to make some very difficult, very difficult choices. And I hope that, you know, that the Trust, at some time, can come in and help, you know, individual folks or especially the NRDs to help people in making some of these decisions.

SENATOR SCHROCK: Senator Louden.

SENATOR LOUDEN: Yeah, Gloria, I see where you went to Colorado State University, but I won't hold that against you. I presume none of that front range environmentalist rubbed off completely on you.

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GLORIA ERICKSON: I was taking wildlife management classes, so that was...not many of those in there.

SENATOR LOUDEN: Okay. Going along that line of questioning, how much land do you think the Environmental Trust should buy? In my district, you know, they've bought a ranch or something like that, way over a million dollars, put it out of...I mean this ranch isn't buying stuff downtown anymore. Do you think that should be continued, or do you think that's...that was a one-time lesson maybe or because, in the whole process there were some folks that made a whole bunch of money out of that deal? Do you think the Environmental Trust should get involved in something like that again? Buying large tracts of land?

GLORIA ERICKSON: Well, I think that that is...I think within this statute itself that founded the Trust, that that is allowed, we're allowed to, in fact, purchase land with the criteria that it has to be for the public good. And that's where I think that the Trust kind of wrestles with this from time to time, and the issue that you're referring to, we are having a time to discuss that at our meeting this afternoon. And I would say that in a state where 97 percent of the land is in private ownership, I think it's all right that for certain kinds of properties that will be turned over so that there is some public access to those properties, so that the public good, in fact, is taken care of, I think that there's a place for that. But...because, you know, it's very difficult for people to come out of the living in the cities or in urban settings and have any appreciation for the land itself, for the people who live on it, and particularly in your part of the state where a lot of people don't get up into those areas. The one bridge that brings urban people out into the rural areas to see and appreciate what this state has, and how well it's been taken care of, that one bridge is recreation. And so I know that people say, gee, we don't want all these people out here, but by the same token, if you get them out there, that's where they're going to see the value of private ownership that it does get well managed. So, I think to me, to me it's all right for us to purchase some land that can be used by the public. So that would be my criteria.

SENATOR LOUDEN: When you mentioned 97 percent of the land,

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which is three percent state or federally owned, for instance like, the problem is like Dawes County is getting over ten percent now is that state and federally owned because they're a county. And course, as you keep buying that land in Dawes County, that keeps being less places for people to operate farms and ranches on them. And that was, I guess, my concern, if a trend like that should continue, or should you look at the amount of federally and state owned land in a county before you make a decision on purchasing any more?

GLORIA ERICKSON: I think that is absolutely something we should look at.

SENATOR LOUDEN: Thank you.

SENATOR SCHROCK: Senator Hudkins.

SENATOR HUDKINS: Gloria, thank you so much for agreeing to serve the second term. And my question is, in 1999, you were named the Outdoorsman, a terrible word of the year, and you had a rather large grant to be used on conservation projects of your choice. Where did that money go?

GLORIA ERICKSON: Okay. Well, I'm happy to say that part of it went to a project that was just starting and just developing south of Holdrege, called Lake Seldom. And the reason they called it Lake Seldom is because it was seldom a lake, but it was...but at the same time, when you really wanted a crop out of it, it was a lake, and so it was...people battled that, farming that piece of property for many, many years. And finally, of the family that owned it, said that they would sell it. And it was, now this is the way some of these purchases go that are kind of complex. And I think the Trust was...helped with the initial purchase from the Nature Conservancy, and then the Nature Conservancy turned around and gave it to the city of Holdrege. So the city of Holdrege actually owns that, and now they have reestablished the wetland in there, there is now a bike-hike trail, through that. And you know when cities want to make application for grants, one of the questions that's often asked is, if you have...does the city have some green space. Well, in Holdrege now, we have a really wonderful piece of green space that can be utilized, not only by wildlife, but by their citizens. It was kind of a win-win. So that's

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where some of it went, and some of it went for mule deer conservation in Wyoming; some of it went to the Rainwater Basin projects in south central Nebraska; and then some went for conservation education; and then I also donated some to the Nebraska Game and Parks for wild sheep efforts.

SENATOR HUDKINS: Thank you.

SENATOR SCHROCK: Other questions? A tract of land was once known as Schrock Lagoon, and I prefer Lake Seldom.

GLORIA ERICKSON: Yeah, that was actually known as Schrock Lagoon, and they actually used to be a source of ice for Holdrege.

SENATOR SCHROCK: It was also a source of mosquitoes for Holdrege. Thank you for being with us, Gloria. Are there people who would testify in proponent capacity? Opponent capacity? If not, that will close the confirmation hearing on Gloria Erickson, and we will open the hearing on Susan Seacrest.

CONFIRMATION HEARING ON
SUSAN SEACREST TO THE
NEBRASKA ENVIRONMENTAL TRUST BOARD

SUSAN SEACREST: Thank you, Senator Schrock and committee, it's a pleasure to be with you this morning. I thank you for your support and service to the state, and particularly your strong support for the Environmental Trust and our projects over the years. I did not prepare remarks either, and unlike Gloria, I don't even have the excuse of having driven and gotten up particularly early. I would like to just, perhaps, visit a little bit about why I'm seeking renomination, because I am sort of an old hand here at the Trust. And I did think long and hard about whether this was appropriate from me, because I have served with the Environmental Trust, actually, since Governor Ben Nelson established the Trust. And in thinking this over, it was interesting because I was also reflecting on my current work with the Groundwater Foundation. The Groundwater Foundation is the main reason why I've been serving on the Trust, although I'd also like to think that my background and interest in education is another reason. The Groundwater

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Foundation is 20 years old this year, and I could honestly say that in the 20 plus years that I've been interested in Nebraska's groundwater and water issues in the state I've never experienced either the interest in water resources, the potential, I think, for positive progress in water resources, and at the same time, some of the tension and potential for conflict that we have in the state right now over water resources. And although the Groundwater Foundation has been fortunate enough to grow and works now nationally, the real thing that gets my heart beating fast is Nebraska's water resources. I started the foundation because of the love I have for this state, and for me right now, my engagement with my work, I find it growing, not waning. At a time when maybe I should be thinking about either stepping down or doing less, my inclination is to become more engaged, more involved, more knowledgeable myself. So that was the reason why I chose to continue my service. I also want to thank Paul and Gloria. I think they've given you some really good information this morning and I thank you for your questions. This is my third confirmation hearing, and I can honestly tell you that I don't think we've ever had many questions, and I thought your questions were excellent, and I like this idea of really having a dialogue. But I also think it's indicative of how all of us, even our unicameral members, have become much more, I think, engaged in some of these natural resources issues. And finally, I'd just like to touch on something Gloria said, which I think is so important. She talked about the fact that there's so many competing uses and priorities for our always scarce resources. One of the things I'm most proud of that the Trust has done through the years is that I think they've taken a stand to prevent problems from happening. The Trust has done this through promoting land stewardship, educating school children, and helping people make conservation improvements on their privately owned land. It's very difficult to invest in prevention, whether you're talking about crime or other issues, because it's hard to measure something bad that didn't happen. So I think it's a particularly courageous state and a particularly courageous people that are willing to step up to the plate and say, we know there may not be obvious A to B benefit, but we believe that preventing problems from developing in the first place is something that's worthy of our time and attention. And I think the Trust has done this. So with that, I would close, and I

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thank you for your time this morning.

SENATOR SCHROCK: Thank you, Susan. Questions from Senator Smith.

SENATOR SMITH: Something just popped into my head, but, do you believe that the state should be forbidden to use Environmental Trust dollars for litigation relating to the environment?

SUSAN SEACREST: Can you, that we would use Environmental, I want to make sure that I understand your question, that we would use Environmental Trust dollars to participate in litigation?

SENATOR SMITH: Defend ourselves in litigation?

SUSAN SEACREST: Well, Mary is here, and she's kind of the expert on the statute. My sense is, is that no, that would not be an appropriate use of our dollars.

SENATOR SMITH: It would not be an appropriate.

SUSAN SEACREST: It would not be an appropriate use of our dollars. I personally don't believe that litigation is the, I believe it's the method of last resort, and that those states, especially in the west, whose water policies had been formed by a series of court decisions, rather than citizen involvement, have water policy that doesn't work as well as when it really is a truly collaborative effort.

SENATOR SMITH: Okay. Thank you.

SENATOR SCHROCK: Senator Kremer.

SENATOR KREMER: Susan, did you know what you were getting into when you started the foundation and everything?

SUSAN SEACREST: Had no idea, had no idea. I was in my kitchen, thought I'd just do this nice little education service for Nebraska, I had...I did not have any inkling of where this would all lead to, but actually, I shouldn't be surprised because Nebraska's a state where sometimes ideas grow and take root, and I would just say one thing about that relating to our state. I always like to say that

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Nebraska's a state that is rich not only in its groundwater, but also in its human resources. We're big enough to have that, but we're small enough to know each other and work together. So I think that's one of the reasons it grew.

SENATOR KREMER: Well, you've done a great service, and even the Groundwater Festival is just growing, I think, in Grand Island and communities...

SUSAN SEACREST: It's continuing to grow, and I actually have some great news, in that direction, Senator Kremer. You know, this year, the Groundwater Foundation participated in the Grand Island festival but not as its leader. We passed the torch of the leadership of the festival on to a partnership of community organizations. And I think that's the greatest compliment that I can pay to the community in and around Grand Island, and of the program itself.

SENATOR KREMER: They picked it up. I'd like to little, talk, ask your philosophy just a little bit, about, maybe, some of the issues that we've been talking about before...

SUSAN SEACREST: Sure.

SENATOR KREMER: ...and I remember Senator Kristensen standing on the floor here a few years back, and talking about whether appropriate is for the...all of these moneys from the lotteries going to Environmental Trusts, and I remember his saying some of these things that we would never support, and I see, and I probably hear the greatest criticism when I do see purchasing more land...

SUSAN SEACREST: Um-hum. Um-hum.

SENATOR KREMER: ...or putting more back into, we do have some into natural habitat and all that was good, but how much do we really want.

SUSAN SEACREST: Sure.

SENATOR KREMER: But I remember the first tour I took that Mary kind of arranged going down through with the Joint Venture. Now, I was so encouraged by how they were working together with farmers to accomplish something

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SUSAN SEACREST: It's a good project.

SENATOR KREMER: ...and everybody coming together, and Steve, and the work that he's done with that. I'm finding every once in a while, I see \$200,000 going to something, and I like whoa, what is that coming from? And that doesn't seem like in the best interest of all the state. So, I guess I'd like to hear your philosophy...

SUSAN SEACREST: Sure.

SENATOR KREMER: ...just a little bit about what's appropriate. I know there's some, it's just like we've got a vote on some things, we can see both sides to, and it's very, very tough, sometimes, but maybe a little bit of your philosophy.

SUSAN SEACREST: Well, I think the, the whole question of land acquisition and conservation easements is a very tough issue, and I want to be honest with you, it's not a, an area of our activity in which I have very much expertise. I mean, my interest is more in educating citizens and I've learned some, though, as the years have gone past, about what we have done and how those projects have turned out. I think that there is a lot of concern amongst Trust board members, right now, about the direction that we're going with land acquisition. So much so, and when Paul referenced this, that we have a special committee that was formed to take a look at studying the land acquisition policies of the Trust, and where we may want to go in the future. And I think that this was at a juncture for the very issues, Senator, that you are referencing. The folks that are working on that are people on our board that do have a great deal of experience and expertise in this arena. The other thing that was great that was said earlier, is that we've been very fortunate to have at our disposal some technical advisers. Our technical advisers that advise us on grants are also available to us to provide expertise when we want to study an issue, both from the state, from public and private sectors, we've been very fortunate to access that expertise. This committee has been busy working, and we're going to hear from them this afternoon and discuss these issues. I guess, what I would say is that, you know, we really welcome input from people all across the state. I think the point that Senator Louden made was very excellent.

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I think that one size fits all. We don't like it on the federal level, we don't even like it on the state level. We like to take our issues and our policies one community, one area at a time, because every county, every community has its own priorities, its own way of doing things. And I guess that's what we would like to honor. And perhaps with our deliberations with our committee, we can put together a process where those local conditions, local priorities, and local leadership are respected and valued, perhaps to a larger extent than they have been. So, you know, I agree with Gloria, it's in our statute, we are going to continue from time to time, to have this sort of activity. It doesn't mean we can't get better at it and become more sensitive to the needs of locals.

SENATOR KREMER: Okay. I think there are times that it is appropriate, but I think of the criticism I hear, that one issue, probably, environmentalism is something that I think we all are, but it almost...

SUSAN SEACREST: Absolutely.

SENATOR KREMER: ...takes on a bad connotations sometimes from some other areas, and so...

SUSAN SEACREST: Sure. I think we can be justifiably proud of the incredible commendment to private stewardship we do have in the state. I know I've led tours, not just ones that have been associated with the Trust, but ones that the Groundwater Foundation had taken out, and we've had people from the coast from larger urban areas, and people are just amazed at the degree to which our land is managed in a very environmentally friendly way.

SENATOR KREMER: Thank you, thank you for all your service and the energy that you put in this.

SUSAN SEACREST: You're very welcome, it's a pleasure.

SENATOR SCHROCK: Senator Stuhr.

SENATOR STUHR: Yes, I just, too, wanted to thank you for your work...

SUSAN SEACREST: Oh, that's very kind, thank you.

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SENATOR STUHR: ...and the groundwater particularly, educating our youth...

SUSAN SEACREST: Thank you very much.

SENATOR STUHR: ...and now, more than ever, we all know that water is such an important resource, so thank you.

SUSAN SEACREST: Well, thank you for that, Senator Stuhr, and I would also tell you, not to be doing some unpaid or paid advertising here, but we have a new program, called "H2O on the Go", that we're implementing. We're getting that launched this year, and this program is going to bring water education for youth all across the state of Nebraska. So instead of us having a singular event like Groundwater University or the festival, and making the students come to us, we want to form partnerships with local groups and take our own expertise on the road, so if any of you have summer camps, summer programs, or your own local school district that you think would be interested, in partnering with us, please keep us in mind, because we are ready to hit the road, and get out there and really bring the water education to the youth.

SENATOR SCHROCK: Senator Louden.

SENATOR LOUDEN: Yes, Susan, this question I'd have, I don't know if it's anything that pertains to Environmental Trust, but I see since you're, I would say, probably an expert on groundwater and working in that area, the federal standards, now, are something that's a concern into, in the district that I represent, and that's the arsenic...

SUSAN SEACREST: Yes. A very big issue.

SENATOR LOUDEN: ...when it went from, what, 50 parts per billion, now it's down to less than ten parts per billion. Do you think that is something, I guess, for want of a better explanation, an overkill, considering the fact a lot of those people have been drinking that water for probably, way over a hundred years out there?

SUSAN SEACREST: Well, I promise that I didn't coach Senator Louden to ask me this question, this happens to be

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something I'm very interested in, and very concerned about, and I'll keep my remarks brief. I had the privilege of serving two terms on the National Drinking Water Advisory Council when the 1996 amendments to the Safe Drinking Water Act were being considered and discussed. And unfortunately, I was just one member of that council from Nebraska, and it's a tremendous concern for me that Nebraska is always, it seems like, is not in the mental map of the folks that are actually promulgating and finalizing these regulations. What they look at when these regulations are being, I guess, put together after congress says this is what we want you to do, they have a mental map of a surface water reservoir serving one million customers, and a lot of the economics are calculated that way. They really are very inexperienced in thinking about our small systems that have multiple well fields or multiple wells, and those wells serve customers that many times are living quite a distance away. So I share your concern, and I wish I had better news for you. I think that the arsenic standard is going to be a real tough one for certain Nebraska communities and the only glimmer of, I guess, good news is that the enforcement activity and compliance activity will be centered in Kansas City, rather than Washington, D.C. And it's been my experience that alternative paths to compliance are something that many of those folks there are willing to take a look at. So I would encourage our Nebraska communities that are struggling to meet the new standard to reach out to the regulators, both at the state and regional level, and see if we can come up with something that makes sense for them, so that they don't have to go out of business as a public water system. Very frankly, my concern is that these regulations are so onerous that very small systems, they'll say well, the heck with it, we'll just unhook everybody and we'll become a series of private wells. And when you have a series of private wells, then no one's monitoring the water. So I really share your concern and I thank you, I think there's something that we might want to, you know, take a look at, and again, probably not at the Environmental Trust level, but certainly the Groundwater Foundation educating people about some of these concerns. I do have a little piece of good news for you, though. One of my real concerns was the groundwater rule, or the groundwater disinfection rule, as it was called, which was primed to mandate disinfection of all public, groundwater-based, public water supplies, and that rule has been withdrawn. We think temporarily, but it has been

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withdrawn.

SENATOR LOUDEN: Thank you.

SENATOR SCHROCK: Othe : questions?

SUSAN SEACREST: Sorry to go on and on about that.

SENATOR SCHROCK: Thank you, Susan.

SUSAN SEACREST: Thank you, committee, I appreciate it.

SENATOR SCHROCK: Is there people that would testify in a proponent capacity?

MARY HARDING: Good morning, Chairman Schrock, members of the committee. My name is Mary Harding, H-a-r-d-i-n-g, I'm the executive director of the Nebraska Environmental Trust, and I'd like to take the liberty of testifying in support of all three of these candidates at this time. We feel so very, very fortunate to have this caliber of individual available to us. The kind of expertise that you've heard a little bit about today is fantastic that the citizens of Nebraska can benefit from this, on a volunteer basis. We've got national and internationally recognized expertise available to us. So, simply wanted to speak on behalf of the remainder of the board that's not able to be here. I'm sure you're all aware the impact of term limits and what happens to institutional knowledge, so we feel very fortunate to have some continuing institutional knowledge. Some of the issues you've raised really are difficult to grasp without the history of what's happened over the years, because we've learned from it. So I wanted to say that. I wanted to also answer a couple of questions really quickly. I know that time is running short. But as far as property tax payment goes, every acquisition project, every land acquisition project pays property taxes, period. That policy's being brought before the board again today to be beefed up, so that it goes even beyond what we do now. But tax exempt, nonprofit organizations are required by their grant contract to pay full property taxes to their counties in perpetuity, and we get a copy of the receipt every year, and we present a report to the board every year to assure that this is happening. State and federal agencies pay according to the statute that governs them. So you've

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decided, in your wisdom what the Game and Parks Commission should pay in lieu of, for example, and we require that to be ongoing. NRDs are an unusual situation because they are strictly funded by property taxes, and they do not have statutory authority to pay property tax. And this is where we make a payment, a one-time payment, to the county for 15 times the value of the current assessment of a property when it's coming off the tax rolls going into NRD hands. A couple other things I'd like to point out about land acquisition. Less than 20 percent of our funding has gone into this over the entire 12 years of grants. If I'm correctly informed, Ted Turner owns 380,000 acres in Nebraska now. The Nebraska Environmental Trust has assisted in the acquisition of less than 38,000 acres, so we're still ten times behind Ted.

SENATOR KREMER: Don't try to catch up.

MARY HARDING: We won't, we won't. I think there's some things that don't, don't hit your awareness just at first glance when you look at a grant, for example, that would go to Ducks Unlimited or the Nature Conservancy, that is called a land acquisition grant. We have an arrangement with Ducks Unlimited for them to buy parcels of land, with their own money, then, go in and make improvements in the habitat, and then they place an easement on the land and sell it back into production. So some of these projects that look like they are taking land off...out of production, truly do not, on a permanent basis. Today, the board will hear a request from the Nature Conservancy to sell a property that we helped them acquire back into ranching utilization with some easements, and so that kind of thing does happen. And I just want you to be aware that when we talk about 38,000 acres that we've helped acquire, either through easements or fee title, that those numbers stay that high because it was acquired, but then many times those things go back into a production roll as well. So I thought I'd provide that clarification.

SENATOR SCHROCK: Questions for Mary? It never hurts to say a kind word about your bosses.

MARY HARDING: It's easy in my case, it's very easy.

SENATOR SCHROCK: Is there other people that would testify

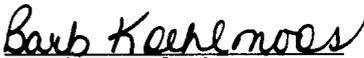
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in a proponent capacity? Opponent capacity? On behalf of the committee, I think I can speak on behalf of the committee, I appreciate the service that the three of you have given to the Trust, and I appreciate your willingness to serve in the future and all three of you bring a unique expertise to the Environmental Trust, and the state of Nebraska appreciates it. That will conclude the hearings and if we may have a brief exec session. You want to do it upstairs?



Chairperson



Committee Clerk