

## LEGISLATIVE BILL 544

Approved by the Governor May 25, 1971

Introduced by J. W. Burbach, 19th District; Maurice A. Kremer, 34th District; Rudolf C. Kokes, 41st District; Irving F. Wiltse, 1st District; E. Thome Johnson, 15th District; Herb Nore, 22nd District; George Syas, 13th District

AN ACT to amend sections 2-3201, 2-3205, 2-3206, 2-3213, and 2-3261, Reissue Revised Statutes of Nebraska, 1943, and sections 31-101.01, 31-301.01, 31-401.01, 46-614.01, and 46-1001.01, Revised Statutes Supplement, 1969, relating to natural resources districts; to postpone the time when natural resources districts become operational; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 2-3201, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

2-3201. The Legislature hereby recognizes and declares that it is essential to the health and welfare of the people of the State of Nebraska to conserve, protect, develop, and manage the natural resources of this state. The Legislature further recognizes the significant achievements that have been made in the conservation, protection, development and management of our natural resources, and declares that the most efficient and economical method of accelerating these achievements is by creating natural resources districts encompassing all of the area of the state, as provided by this act. The Legislature further declares that the functions heretofore performed by soil and water conservation districts, watershed conservancy districts, watershed districts, watershed advisory boards, watershed planning boards and mosquito abatement districts shall be consolidated and made functions of natural resources districts or natural resources divisions of public power and irrigation districts; and the governing boards of such districts and boards shall complete, before January July 1, 1972, the necessary transfers and other arrangements so that such boards may, on or before that date, begin the operation of natural resources districts, as provided by this act. The Legislature further declares that when a public power and irrigation district provides irrigation service, drainage, flood control and ground water

recharge for more than one hundred twenty-five thousand acres of land, such a district, subject to approval of the commission, may organize a natural resources division by merging with those districts in its chartered area as outlined in this section, if the chartered area of the public power and irrigation district fits the criteria as outlined in section 2-3203. The Legislature further declares that other special purpose districts, including rural water districts, ground water conservation districts, drainage districts, reclamation districts, and irrigation districts, are hereby encouraged to cooperate with and, where appropriate, to merge with natural resources districts or natural resources divisions created or allowed by this act.

Sec. 2. That section 2-3205, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

2-3205. The commission shall complete the formation of natural resources districts as authorized by section 2-3203 on or before January July 1, 1972, and all such districts shall commence operation on that date with full authority to exercise the powers, duties, and responsibilities provided by this act. The commission shall notify the Secretary of State as to its determination in the formation of these districts. The Secretary of State shall prepare and forward a certificate of organization to each of the districts so formed.

Sec. 3. That section 2-3206, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

2-3206. (1) Each district established pursuant to this act shall assume, on January July 1, 1972, all assets, liabilities, and obligations of any soil and water conservation district, watershed conservancy district, watershed district, watershed advisory board, watershed planning board, and mosquito abatement district, whose territory is included within the boundaries of such natural resources district. When the jurisdiction of any soil and water conservation district, watershed conservancy district, watershed district, watershed advisory board, watershed planning board, or mosquito abatement district is included within two or more natural resources districts, the commission, in its order establishing such districts, shall determine the apportionment of any assets, liabilities, and obligations. Such apportionment shall be based on

the proportionate land area included in each district. Physical assets attached to the land shall be assumed by the district in which they are located. The value of attached physical assets shall be considered in the apportionment of the assets, liabilities and obligations, and any such assets may be encumbered or otherwise liquidated by the assuming district to effect the proper apportionment. When any other special purpose district is merged with a natural resources district as contemplated by section 2-3201 and in the manner provided in sections 2-3207 to 2-3212, the assets, liabilities, and obligations of such special purpose district shall similarly be assumed by the natural resources district.

(2) All taxes levied in 1971 by the counties of this state pursuant to sections 31-827 and 2-1560 for watershed districts and watershed conservancy districts shall be treated as assets of such watershed districts and watershed conservancy districts and when funds are not available or paid to such districts on account of such levies until after January July 1, 1972, such funds shall be paid to the order of the natural resources district or districts within the boundaries of which such watershed district or watershed conservancy district lies, and in the proportionate amounts as other assets are to be divided. Tax funds in possession of or payable to each watershed district and watershed conservancy district at the time of merger shall be put in a special fund of the natural resources district or districts receiving the assets of such watershed district or watershed conservancy district and such funds shall be expended within the boundaries of such watershed district or watershed conservancy district and for projects begun or planned by such districts.

Sec. 4. That section 2-3213, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

2-3213. (1) Beginning on the first Thursday after the first Tuesday in January, 1975, each district shall be governed by a board of directors of five, seven, nine, eleven, thirteen, fifteen, seventeen, nineteen, or twenty-one members, the number to be recommended to the commission by the first board of directors before January 1, 1974. The commission shall determine the number of directors, and in making such determination shall consider the number recommended by the first board, the complexity of the foreseeable programs, and the population and land area of the district. To insure continuity in completing existing

programs and to promote the efficient and effective transition of powers and programs of existing soil and water conservation districts, watershed conservancy districts, watershed districts, watershed advisory boards, watershed planning boards, and mosquito abatement districts, as provided by this act, all directors or supervisors of such districts and members of the boards on January July 1, 1972, shall comprise the first board of the natural resources districts within which they reside, except when the natural resources district includes a city of the metropolitan class the first board shall consist of the resident members of the board of directors of soil and water conservation districts and members of watershed advisory improvement boards. These individuals shall be officially convened as boards of the respective districts by the commission prior to January July 1, 1972, at which time they shall elect officers. This first board shall serve until the first Thursday after the first Tuesday in January, 1975, when successor board members shall have been elected and qualified as provided by this act. The conduct of the affairs of this first board, including initiation of plans for operation and administration of the district, and creation of subdistricts for nomination of candidates for directors, shall be in accordance with rules and regulations promulgated by the commission. Vacancies on such boards during the period of January July 1, 1972, to the first Thursday after the first Tuesday in January, 1975, shall be filled through appointment by the Governor. Natural resources districts established pursuant to this act shall be given names by the commission based on evidence presented at the hearing. Such districts shall be political subdivisions of the state, shall have perpetual succession, and may sue and be sued in the name of the district. To facilitate the task of administration of the first boards of natural resources districts and in recognition that many such boards will have a large number of members, it is hereby provided that when the first board is composed of more than thirty-nine members an executive committee may be appointed by approval of a majority vote of the board to conduct the business of the board. Such executive committee must include representation from each soil and water conservation district, watershed conservancy district, watershed district, watershed advisory board, watershed planning board and mosquito abatement district which has representation on the first board of the natural resources district and the executive committee shall be composed of not to exceed twenty-one members, except where necessary to have representation for each such represented district or board. Executive

committees shall be empowered to act for the board in all matters within its purview unless specifically limited by the establishment and appointment.

(2) Whenever the land area of an irrigation district, reclamation district, or public power and irrigation district lies wholly or in part within a natural resources district, a person appointed by the board of such irrigation district, reclamation district, or public power and irrigation district, shall sit as a nonvoting member of the board of the natural resources district.

(3) When soil and water conservation districts, watershed conservancy districts, watershed districts, watershed advisory boards, watershed planning boards, and mosquito abatement districts are merged with a public power and irrigation district as provided in section 2-3201, all directors or supervisors of such districts and boards on January July 1, 1972, shall comprise the governing body of the public power and irrigation district's natural resources division and shall serve in that capacity until the first Thursday after the first Tuesday in January, 1975, when the public power and irrigation district's regularly elected board of directors shall assume control over its natural resources division.

Sec. 5. That section 2-3261, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

2-3261. Whenever the words soil and water conservation district, watershed conservancy district, watershed district, watershed advisory board, watershed planning board, or mosquito abatement district appear in sections hereinafter listed in this section, they shall, after January July 1, 1972, be construed to mean and apply to the natural resources districts created pursuant to this act. The sections wherein existing functions, powers, and duties are transferred and allocated to the natural resources districts are:

- (1) Section 2-1529;
- (2) Sections 23-320.01, 23-320.06, 23-320.08, 23-320.09, and 23-320.12;
- (3) Sections 31-551, 31-552, and 31-553;
- (4) Sections 46-604 and 46-629;

- (5) Section 60-330;
- (6) Sections 71-2901 to 71-2918;
- (7) Sections 72-222 and 72-1304; and
- (8) Section 85-163.04.

Sec. 6. That section 31-101.01, Revised Statutes Supplement, 1969, be amended to read as follows:

31-101.01. After ~~December--31,--1974~~ June 30, 1972, no drainage ditches or other improvements shall be initiated under the provisions of sections 31-101 to 31-134. All drainage ditches or other improvements which have been approved as provided for by section 31-107 before January July 1, 1972, shall not be affected by this section, and the legality of any such ditch or other improvement shall not be subject to any legal action based upon this section. Attempted initiations of drainage ditches or improvements under sections 31-101 to 31-134 which have not been completed before January July 1, 1972, shall be null, void and of no effect.

Sec. 7. That section 31-301.01, Revised Statutes Supplement, 1969, be amended to read as follows:

31-301.01. After ~~December--31,--1974~~ June 30, 1972, no new drainage districts shall be organized under the provisions of sections 31-301 to 31-377. Attempted formations of drainage districts under sections 31-301 to 31-377 which have not been completed before January July 1, 1972, shall be null, void and of no effect for the purpose of organizing such district. All drainage districts having valid corporate existence before January July 1, 1972, shall enjoy all rights, duties, powers and authorities conferred by sections 31-301 to 31-377 and shall not be affected by this section, nor shall the legality of formation, organization, or operation of any such district be subject to any legal action based on this section.

Sec. 8. That section 31-401.01, Revised Statutes Supplement, 1969, be amended to read as follows:

31-401.01. After ~~December--31,--1974~~ June 30, 1972, no new drainage districts shall be organized under the provisions of sections 31-401 to 31-451. Attempted

formations of drainage districts under sections 31-401 to 31-451 which have not been completed before January July 1, 1972, shall be null, void and of no effect for the purpose of organizing such district. All drainage districts having valid corporate existence before January July 1, 1972, shall enjoy all rights, duties, powers and authorities conferred by sections 31-401 to 31-451 and shall not be affected by this section, nor shall the legality of formation, organization, or operation of any such district be subject to any legal action based on this section.

Sec. 9. That section 46-614.01, Revised Statutes Supplement, 1969, be amended to read as follows:

46-614.01. After ~~December 31, 1974~~ June 30, 1972, no new ground water conservation districts shall be organized under the provisions of sections 46-614 to 46-634. Attempted formations of ground water conservation districts under sections 46-614 to 46-634 which have not been completed before January July 1, 1972, shall be null, void and of no effect for the purpose of organizing such district. All ground water conservation districts having valid corporate existence before January July 1, 1972, shall enjoy all rights, duties, powers and authorities conferred by sections 46-614 to 46-634 and shall not be affected by this section, nor shall the legality of formation, organization, or operation of any such district be subject to any legal action based on this section.

Sec. 10. That section 46-1001.01, Revised Statutes Supplement, 1969, be amended to read as follows:

46-1001.01. After ~~December 31, 1974~~ June 30, 1972, no new rural water districts shall be organized under the provisions of sections 46-1001 to 46-1020. Attempted formations of rural water districts under sections 46-1001 to 46-1020 which have not been completed before January July 1, 1972, shall be null, void and of no effect for the purpose of organizing such district. All rural water districts having valid corporate existence before January July 1, 1972, shall enjoy all rights, duties, powers and authorities conferred by sections 46-1001 to 46-1020 and shall not be affected by this section, nor shall the legality of formation, organization, or operation of any such district be subject to any legal action based on this section.

LB544

Sec. 11. That original sections 2-3201, 2-3205, 2-3206, 2-3213, and 2-3261, Reissue Revised Statutes of Nebraska, 1943, and sections 31-101.01, 31-301.01, 31-401.01, 46-614.01, and 46-1001.01, Revised Statutes Supplement, 1969, are repealed.