## Senate Bill 285

In The Senate

January 26, 1981 Introduced and referred to Committee on Agriculture, Livestock and Irrigation.

February 4, 1981 Committee recommend bill do pass.

February 5, 1981 Bill printed and placed on members' desks.

February 6, 1981 Second reading do pass.

February 7, 1981 Correctly engrossed.

February 9, 1981 Third reading passed.

In The House

February 10, 1981

March 28, 1981

In The Senate

March 31, 1981

Returned from House not concurred.

Introduced and referred

Committee recommend bill

to Committee on Water.

not concurred.

Sime BILL NO. 385 1 INTRODUCED BY 2 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROHIBIT THE BOARD 5 OF NATURAL RESOURCES AND CONSERVATION FROM GRANTING A 6 MINIMUM FLOW RESERVATION A PREFERENCE OVER OR PRIORITY DATE 7 EARLIER THAN AN AGRICULTURAL RESERVATION CONSIDERED 8 CONCURRENTLY; TO REQUIRE THE BOARD TO CONFORM PRESENT 9 RESERVATIONS TO THAT PROVISION; AMENDING SECTION 85-2-316, 10 MCA+"

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12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: Section 1. Section 85-2-316, MCA, is amended to read: 13 #85-2-316. Reservation of waters. (1) The state or any 14 political subdivision or agency thereof or the United States 15 16 or any agency thereof may apply to the board to reserve 17 waters for existing or future beneficial uses or to maintain a minimum flow, level, or quality of water throughout the 18 19 year or at such periods or for such length of time as the 20 board designates.

(2) Upon receiving an application, the department
shall proceed in accordance with 85-2-307 through 85-2-309.
After the hearing provided in 85-2-309, the board shall
decide whether to reserve the water for the applicant. The
department's costs of giving notice, holding the hearing.

conducting investigations, and making records incurred in
 acting upon the application to reserve water, except the
 cost of salaries of the department's personnel, shall be
 paid by the applicant.

5 (3) The board may not adopt an order reserving water 6 unless the applicant establishes to the satisfaction of the 7 board:

8 (a) the purpose of the reservation;

9 (b) the need for the reservation;

10 (c) the amount of water necessary for the purpose of11 the reservation;

12 (d) that the reservation is in the public interest.

13 (4) If the purpose of the reservation requires 14 construction of a storage or diversion facility, the 15 applicant shall establish to the satisfaction of the board 16 that there will be progress toward completion of the 17 facility and accomplishment of the purpose with reasonable 18 diligence in accordance with an established plan.

19 (5) The board shall limit any reservations after May 20 9, 1979, for maintenance of minimum flow, level. or quality 21 of water that it awards at any point on a stream or river to 22 a maximum of 50% of the average annual flow of record on 23 gauged streams. Ungauged streams can be allocated at the 24 discretion of the board. The board may not grant a 25 reservation\_for\_maintenance\_of\_minimum\_flow\_level.or 26 INTRODUCED\_BILL

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1 quality of water a preference over or an earlier priority 2 date\_than\_a\_reservation\_for\_agricultural\_purcoses\_if\_the reservations are acted on concurrently. The board shall. 3 4 pursuant\_\_to\_\_subsection\_\_(10): modify a reservation\_granted 5 prior to [the effective date of this act] as necessary to 6 bring\_\_\_it\_\_\_into\_\_conformity\_\_with\_\_this\_\_subsection.\_\_Ibat 7 modification does not count against the limit on the 8 frequency of reallocation in subsection (10).

9 (6) After the adoption of an order reserving waters, 10 the department may reject an application and refuse a permit 11 for the appropriation of reserved waters or may, with the 12 approval of the board, issue the permit subject to such 13 terms and conditions it considers necessary for the 14 protection of the objectives of the reservation.

(7) Any person desiring to use water reserved to a 15 conservation district for agricultural purposes shall make 16 17 application for such use with the district, and the district 18 upon approval of the application must inform the department 19 of the approved use. The department shall maintain records of all uses of water reserved to conservation districts and 20 21 be responsible for rendering technical and administrative assistance within the department's staffing and budgeting 22 23 limitations in the processing of such applications for the 24 conservation districts.

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(8) A reservation under this section shall date from

the date the order reserving the water is adopted by the
 board and shall not adversely affect any rights in existence
 at that time.

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4 (9) The board shall, periodically but at least once 5 every 10 years, review existing reservations to ensure that 6 the objectives of the reservation are being met. Where the 7 objectives of the reservation are not being met, the board 8 may extend, revoke, or modify the reservation.

9 (10) The board may modify an existing or future order originally adopted to reserve water for the purpose of 10 11 maintaining minimum flow, level, or quality of water, so as to reallocate such reservation or portion thereof to an 12 13 applicant who is a qualified reservant under this section. 14 Reallocation of reserved water may be made by the board 15 following notice and hearing wherein the board finds that all or part of the reservation is not required for its 16 purpose and that the need for the reallocation has been 17 shown by the applicant to outweigh the need shown by the 18 19 original reservant. Reallocation of reserved water shall not 20 adversely affect the priority date of the reservation, and the reservation shall retain its priority date despite 21 22 reallocation to a different entity for a different use. The board may not reallocate water reserved under this section 23 on any stream or river more frequently than once every 5 24 25 years.

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1 (11) Nothing in this section vests the board with the authority to alter a water right that is not a reservation." 2 3 Section 2. Severability. If a part of this act is 4 invalid, all valid parts that are severable from the invalid 5 part remain in effect. If a part of this act is invalid in 6 one or more of its applications, the part remains in effect 7 in all valid applications that are severable from the invalid applications. 3

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47th Legislature

Approved by Committee on Agrigulture Livestock & Irrigation

1 BILL NO. 285

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(2) Upon receiving an application, the department
shall proceed in accordance with 85-2-307 through 85-2-309.
After the hearing provided in 85-2-309, the board shall
decide whether to reserve the water for the applicant. The
department's costs of giving notice, holding the hearing.

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 acting upon the application to reserve water, except the
 cost of salaries of the department's personnel, shall be
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5 (3) The board may not adopt an order reserving water 6 unless the applicant establishes to the satisfaction of the 7 board:

8 (a) the purpose of the reservation;

9 (b) the need for the reservation;

10 (c) the amount of water necessary for the purpose of 11 the reservation;

12 (d) that the reservation is in the public interest.

13 (4) If the purpose of the reservation requires 14 construction of a storage or diversion facility, the 15 applicant shall establish to the satisfaction of the board 16 that there will be progress toward completion of the 17 facility and accomplishment of the purpose with reasonable 18 diligence in accordance with an established plan.

19 (5) The board shall limit any reservations after May 20 9, 1979, for maintenance of minimum flow, level, or quality 21 of water that it awards at any point on a stream or river to 22 a maximum of 50% of the average annual flow of record on 23 gaugad streams. Ungauged streams can be allocated at the 24 discretion of the board. <u>The board may not grant a</u> 25 <u>reservation for maintenance of minimum flow, levels or</u>

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SECOND READING 5 B 285 1 quality of water a preference over or ap earlier priority 2 date that a reservation for agricultural purposes if the reservations are acted on concurrently. The board shalls 3 pursuant to subsection (10), modify a reservation granted 4 prior to [the effective date of this act] as necessary, to 5 ing it into conformity with this subsection. That 6 7 modification does not count against the limit on the в frequency\_of\_reallocation\_in\_subsection\_(10).

9 (6) After the adoption of an order reserving waters, 10 the department may reject an application and refuse a permit 11 for the appropriation of reserved waters or may, with the 12 approval of the board, issue the permit subject to such 13 terms and conditions it considers necessary for the 14 protection of the objectives of the reservation.

15 (7) Any person desiring to use water reserved to a 16 conservation district for agricultural purposes shall make 17 application for such use with the district, and the district upon approval of the application must inform the department 18 19 of the approved use. The department shall maintain records 20 of all uses of water reserved to conservation districts and 21 be responsible for rendering technical and administrative 2Z assistance within the department's staffing and budgeting 23 limitations in the processing of such applications for the 24 conservation districts.

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the date the order reserving the water is adopted by the
 board and shall not adversely affect any rights in existence
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4 (9) The board shall, periodically but at least once 5 every 10 years, review existing reservations to ensure that 6 the objectives of the reservation are being met. Where the 7 objectives of the reservation are not being met, the board 8 may extend, revoke, or modify the reservation.

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(8) A reservation under this section shall date from

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1 (11) Nothing in this section vests the board with the 2 authority to alter a water right that is not a reservation.\* 3 Section 2. Severability. If a part of this act is 4 invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this act is invalid in 5 6 one or more of its applications, the part remains in effect 7 in all valid applications that are severable from the 8 invalid applications.

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