

In the last five years, the Water Court has received a number of petitions for enforcement of the decrees by water commissioners under the supervision of local district court judges. Because of the importance of testing how the decrees would function and to provide streams under stress a mechanism for administration, the court placed a priority on this task. These actions have taken numerous hours from our existing staff to prepare accurate indexes for water commissioners. These decrees have allowed for the orderly allocation of water in these basins, a major step forward, and a reminder of the value of completing the adjudication.

Without the adjudication the uncertainty about water rights in Montana is a significant complicating factor in economic development. Given a choice between building an agricultural product refinery in Montana where questions cannot be easily answered and building in a state with certainty, the state with certainty has an insurmountable advantage.

Without completing the adjudication, Montana is in a significantly weaker position in protecting our water use against demands and diversions by to our neighbor states, both upstream and downstream, as well by Canada.

### **Conclusion**

HB 22 accelerates the adjudication program in both claims examination and the issuance of decrees. It is written with many safeguards, including a sunset date, firm but achievable production benchmarks, the requirement for continued supplemental funding, and a cap on the revenues. It reads like a contract, and the DNRC will treat it like a contract.

It is critical that Montana's water rights be determined expeditiously to protect the state's interest in international and interstate negotiations and to protect these property rights and their asset values in order to facilitate economic development.

DNRC urges the committee to give HB22 a "Do Pass" recommendation.