

HOUSE BILL NO. 433

INTRODUCED BY G. BENNETT, MILLER, REICHNER, CONNELL, JACKSON, HOWARD, CUFFE,  
BLASDEL, LONEY

A BILL FOR AN ACT ENTITLED: "AN ACT DEFINING THE TERM "COMBINED APPROPRIATION" FOR  
WATER WELLS THAT ARE EXEMPT FROM WATER RIGHT PERMITTING; AMENDING SECTIONS 85-2-102  
AND 85-2-306, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A TERMINATION DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 85-2-102, MCA, is amended to read:

**"85-2-102. Definitions.** Unless the context requires otherwise, in this chapter, the following definitions  
apply:

(1) "Appropriate" means:

(a) to divert, impound, or withdraw, including by stock for stock water, a quantity of water for a beneficial  
use;

(b) in the case of a public agency, to reserve water in accordance with 85-2-316;

(c) in the case of the department of fish, wildlife, and parks, to change an appropriation right to instream  
flow to protect, maintain, or enhance streamflows to benefit the fishery resource in accordance with 85-2-436;

(d) in the case of the United States department of agriculture, forest service:

(i) instream flows and in situ use of water created in 85-20-1401, Article V; or

(ii) to change an appropriation right to divert or withdraw water under subsection (1)(a) to instream flow  
to protect, maintain, or enhance streamflows in accordance with 85-2-320;

(e) temporary changes or leases for instream flow to maintain or enhance instream flow to benefit the  
fishery resource in accordance with 85-2-408;

(f) a use of water for aquifer recharge or mitigation as provided in 85-2-360 and 85-2-362; or

(g) a use of water for an aquifer storage and recovery project as provided in 85-2-368.

(2) "Aquifer recharge" means either the controlled subsurface addition of water directly to the aquifer or  
controlled application of water to the ground surface for the purpose of replenishing the aquifer to offset adverse  
effects resulting from net depletion of surface water.

1 (3) "Aquifer storage and recovery project" means a project involving the use of an aquifer to temporarily  
2 store water through various means, including but not limited to injection, surface spreading and infiltration, drain  
3 fields, or another department-approved method. The stored water may be either pumped from the injection well  
4 or other wells for beneficial use or allowed to naturally drain away for a beneficial use.

5 (4) "Beneficial use", unless otherwise provided, means:

6 (a) a use of water for the benefit of the appropriator, other persons, or the public, including but not limited  
7 to agricultural, stock water, domestic, fish and wildlife, industrial, irrigation, mining, municipal, power, and  
8 recreational uses;

9 (b) a use of water appropriated by the department for the state water leasing program under 85-2-141  
10 and of water leased under a valid lease issued by the department under 85-2-141;

11 (c) a use of water by the department of fish, wildlife, and parks through a change in an appropriation right  
12 for instream flow to protect, maintain, or enhance streamflows to benefit the fishery resource authorized under  
13 85-2-436;

14 (d) a use of water through a temporary change in appropriation right or lease to enhance instream flow  
15 to benefit the fishery resource in accordance with 85-2-408;

16 (e) a use of water for aquifer recharge or mitigation as provided in 85-2-360 and 85-2-362; or

17 (f) a use of water for an aquifer storage and recovery project as provided in 85-2-368.

18 (5) "Certificate" means a certificate of water right issued by the department.

19 (6) "Change in appropriation right" means a change in the place of diversion, the place of use, the  
20 purpose of use, or the place of storage.

21 (7) "Combined appropriation" means an appropriation of water from the same source aquifer by two or  
22 more wells or developed springs for the same beneficial use that are physically connected through a distribution  
23 system.

24 ~~(7)~~(8) "Commission" means the fish, wildlife, and parks commission provided for in 2-15-3402.

25 ~~(8)~~(9) "Correct and complete" means that the information required to be submitted conforms to the  
26 standard of substantial credible information and that all of the necessary parts of the form requiring the  
27 information have been filled in with the required information for the department to begin evaluating the  
28 information.

29 ~~(9)~~(10) "Declaration" means the declaration of an existing right filed with the department under section  
30 8, Chapter 452, Laws of 1973.

1           ~~(10)~~(11) "Department" means the department of natural resources and conservation provided for in Title  
2 2, chapter 15, part 33.

3           ~~(11)~~(12) "Developed spring" means any artificial opening or excavation in the ground, however made,  
4 including any physical alteration at the point of discharge regardless of whether it results in any increase in the  
5 yield of ground water, from which ground water is sought or can be obtained or through which it flows under  
6 natural pressures or is artificially withdrawn.

7           ~~(12)~~(13) "Existing right" or "existing water right" means a right to the use of water that would be protected  
8 under the law as it existed prior to July 1, 1973. The term includes federal non-Indian and Indian reserved water  
9 rights created under federal law and water rights created under state law.

10          ~~(13)~~(14) "Ground water" means any water that is beneath the ground surface.

11          ~~(14)~~(15) "Late claim" means a claim to an existing right forfeited pursuant to the conclusive presumption  
12 of abandonment under 85-2-226.

13          ~~(15)~~(16) "Mitigation" means the reallocation of surface water or ground water through a change in  
14 appropriation right or other means that does not result in surface water being introduced into an aquifer through  
15 aquifer recharge to offset adverse effects resulting from net depletion of surface water.

16          ~~(16)~~(17) "Municipality" means an incorporated city or town organized and incorporated under Title 7,  
17 chapter 2.

18          ~~(17)~~(18) "Permit" means the permit to appropriate issued by the department under 85-2-301 through  
19 85-2-303 and 85-2-306 through 85-2-314.

20          ~~(18)~~(19) "Person" means an individual, association, partnership, corporation, state agency, political  
21 subdivision, the United States or any agency of the United States, or any other entity.

22          ~~(19)~~(20) (a) "Political subdivision" means any county, incorporated city or town, public corporation, or  
23 district created pursuant to state law or other public body of the state empowered to appropriate water.

24          (b) The term does not mean a private corporation, association, or group.

25          ~~(20)~~(21) "Salvage" means to make water available for beneficial use from an existing valid appropriation  
26 through application of water-saving methods.

27          ~~(21)~~(22) "State water reservation" means a water right created under state law after July 1, 1973, that  
28 reserves water for existing or future beneficial uses or that maintains a minimum flow, level, or quality of water  
29 throughout the year or at periods or for defined lengths of time.

30          ~~(22)~~(23) "Substantial credible information" means probable, believable facts sufficient to support a

1 reasonable legal theory upon which the department should proceed with the action requested by the person  
2 providing the information.

3 ~~(23)~~(24) "Waste" means the unreasonable loss of water through the design or negligent operation of an  
4 appropriation or water distribution facility or the application of water to anything but a beneficial use.

5 ~~(24)~~(25) "Water" means all water of the state, surface and subsurface, regardless of its character or  
6 manner of occurrence, including but not limited to geothermal water, diffuse surface water, and sewage effluent.

7 ~~(25)~~(26) "Water division" means a drainage basin as defined in 3-7-102.

8 ~~(26)~~(27) "Water judge" means a judge as provided for in Title 3, chapter 7.

9 ~~(27)~~(28) "Water master" means a master as provided for in Title 3, chapter 7.

10 ~~(28)~~(29) "Watercourse" means any naturally occurring stream or river from which water is diverted for  
11 beneficial uses. It does not include ditches, culverts, or other constructed waterways.

12 ~~(29)~~(30) "Well" means any artificial opening or excavation in the ground, however made, by which ground  
13 water is sought or can be obtained or through which it flows under natural pressures or is artificially withdrawn."

14

15 **Section 2.** Section 85-2-306, MCA, is amended to read:

16 **"85-2-306. Exceptions to permit requirements.** (1) (a) Except as provided in subsection (1)(b), ground  
17 water may be appropriated only by a person who has a possessory interest in the property where the water is  
18 to be put to beneficial use and exclusive property rights in the ground water development works.

19 (b) If another person has rights in the ground water development works, water may be appropriated with  
20 the written consent of the person with those property rights or, if the ground water development works are on  
21 national forest system lands, with any prior written special use authorization required by federal law to occupy,  
22 use, or traverse national forest system lands for the purpose of diversion, impoundment, storage, transportation,  
23 withdrawal, use, or distribution of water under the certificate.

24 (c) If the person does not have a possessory interest in the real property from which the ground water  
25 may be appropriated, the person shall provide to the owner of the real property written notification of the works  
26 and the person's intent to appropriate ground water from the works. The written notification must be provided to  
27 the landowner at least 30 days prior to constructing any associated works or, if no new or expanded works are  
28 proposed, 30 days prior to appropriating the water. The written notification under this subsection is a notice  
29 requirement only and does not create an easement in or over the real property where the ground water  
30 development works are located.

- 1 (2) Inside the boundaries of a controlled ground water area, ground water may be appropriated only:  
2 (a) according to a permit received pursuant to 85-2-508; or  
3 (b) according to the requirements of a rule promulgated pursuant to 85-2-506.
- 4 (3) (a) Outside the boundaries of a controlled ground water area, a permit is not required before  
5 appropriating ground water by means of a well or developed spring with a maximum appropriation of 35 gallons  
6 a minute or less, not to exceed 10 acre-feet a year, except that a combined appropriation ~~from the same source~~  
7 ~~from two or more wells or developed springs~~ exceeding this limitation requires a permit.
- 8 (b) (i) Within 60 days of completion of the well or developed spring and appropriation of the ground water  
9 for beneficial use, the appropriator shall file a notice of completion with the department on a form provided by the  
10 department through its offices.
- 11 (ii) Upon receipt of the notice, the department shall review the notice and may, before issuing a certificate  
12 of water right, return a defective notice for correction or completion, together with the reasons for returning it. A  
13 notice does not lose priority of filing because of defects if the notice is corrected, completed, and refiled with the  
14 department within 30 days of notification of defects or within a further time as the department may allow, not to  
15 exceed 6 months.
- 16 (iii) If a notice is not corrected and completed within the time allowed, the priority date of appropriation  
17 is the date of refileing a correct and complete notice with the department.
- 18 (c) A certificate of water right may not be issued until a correct and complete notice has been filed with  
19 the department, including proof of landowner notification or a written federal special use authorization as  
20 necessary under subsection (1). The original of the certificate must be sent to the appropriator. The department  
21 shall keep a copy of the certificate in its office in Helena. The date of filing of the notice of completion is the date  
22 of priority of the right.
- 23 (4) An appropriator of ground water by means of a well or developed spring first put to beneficial use  
24 between January 1, 1962, and July 1, 1973, who did not file a notice of completion, as required by laws in force  
25 prior to April 14, 1981, with the county clerk and recorder shall file a notice of completion, as provided in  
26 subsection (3), with the department to perfect the water right. The filing of a claim pursuant to 85-2-221 is  
27 sufficient notice of completion under this subsection. The priority date of the appropriation is the date of the filing  
28 of a notice, as provided in subsection (3), or the date of the filing of the claim of existing water right.
- 29 (5) An appropriation under subsection (4) is an existing right, and a permit is not required. However, the  
30 department shall acknowledge the receipt of a correct and complete filing of a notice of completion, except that

1 for an appropriation of 35 gallons a minute or less, not to exceed 10 acre-feet a year, the department shall issue  
2 a certificate of water right. If a certificate is issued under this section, a certificate need not be issued under the  
3 adjudication proceedings provided for in 85-2-236.

4 (6) A permit is not required before constructing an impoundment or pit and appropriating water for use  
5 by livestock if:

6 (a) the maximum capacity of the impoundment or pit is less than 15 acre-feet;

7 (b) the appropriation is less than 30 acre-feet a year;

8 (c) the appropriation is from a source other than a perennial flowing stream; and

9 (d) the impoundment or pit is to be constructed on and will be accessible to a parcel of land that is owned  
10 or under the control of the applicant and that is 40 acres or larger.

11 (7) (a) Within 60 days after constructing an impoundment or pit, the appropriator shall apply for a permit  
12 as prescribed by this part. Subject to subsection (7)(b), upon receipt of a correct and complete application for a  
13 stock water provisional permit, the department shall automatically issue a provisional permit. If the department  
14 determines after a hearing that the rights of other appropriators have been or will be adversely affected, it may  
15 revoke the permit or require the permittee to modify the impoundment or pit and may then make the permit  
16 subject to terms, conditions, restrictions, or limitations that it considers necessary to protect the rights of other  
17 appropriators.

18 (b) If the impoundment or pit is on national forest system lands, an application is not correct and  
19 complete under this section until the applicant has submitted proof of any written special use authorization  
20 required by federal law to occupy, use, or traverse national forest system lands for the purpose of diversion,  
21 impoundment, storage, transportation, withdrawal, use, or distribution of water under the permit.

22 (8) A person may also appropriate water without applying for or prior to receiving a permit under rules  
23 adopted by the department under 85-2-113."

24

25 NEW SECTION. Section 3. Effective date. [This act] is effective on passage and approval.

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27 NEW SECTION. SECTION 4. TERMINATION. [THIS ACT] TERMINATES JULY 1, 2013.

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