

SENATE BILL NO. 187
INTRODUCED BY K. BALES

A BILL FOR AN ACT ENTITLED: "AN ACT RATIFYING THE UNITED STATES OF AMERICA, DEPARTMENT OF AGRICULTURE, AGRICULTURAL RESEARCH SERVICE, FORT KEOGH LIVESTOCK AND RANGE RESEARCH LABORATORY-MONTANA COMPACT."

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

NEW SECTION. **Section 1. United States of America, Department of Agriculture, Agricultural Research Service, Fort Keogh Livestock and Range Research Laboratory-Montana compact ratified.** The Compact entered into by the State of Montana and the United States of America, Department of Agriculture, Agricultural Research Service, Fort Keogh Livestock and Range Research Laboratory and filed with the Secretary of State of the State of Montana under the provisions of 85-2-702, MCA, on [date of filing] is ratified. The compact is as follows:

WATER RIGHTS COMPACT
STATE OF MONTANA
UNITED STATES OF AMERICA, DEPARTMENT OF AGRICULTURE,
AGRICULTURAL RESEARCH SERVICE,
FORT KEOGH LIVESTOCK AND RANGE RESEARCH LABORATORY

This Compact is entered into by the State of Montana and the United States of America to settle for all time any and all claims existing on the Effective Date of This Compact to reserved water rights in the State of Montana for the United States Fort Keogh Livestock and Range Research Laboratory administered by the U.S. Department of Agriculture, Agricultural Research Service.

RECITALS

WHEREAS, the State of Montana, in 1979, pursuant to Title 85, chapter 2, of the Montana Code Annotated, commenced a general adjudication of the rights to the use of water within the State of Montana including all federal reserved and appropriative water rights;

WHEREAS, 85-2-703, MCA, provides that the State may negotiate compacts concerning the equitable division and apportionment of water between the State and its people and the federal government with claims to non-Indian reserved water rights within the State of Montana; WHEREAS, the United States wishes to quantify

and have decreed the amount of water necessary to fulfill the purposes of the reservation of lands for the United States Fort Keogh Livestock and Range Research Laboratory in the State of Montana;

WHEREAS, the United States Attorney General, or a duly designated official of the United States Department of Justice, has authority to execute this Compact on behalf of the United States pursuant to the authority to settle litigation contained in 28 U.S.C. 516-17 (1968);

WHEREAS, the Secretary of the Agriculture, or a duly designated official of the United States Department of the Agriculture, has authority to execute this Compact on behalf of the United States Department of Agriculture pursuant to 7 U.S.C. 2201 note, Section 1(a);

NOW THEREFORE, the State of Montana and the United States agree as follows:

ARTICLE I - DEFINITIONS

For purposes of this Compact only, the following definitions shall apply:

(1) "Abstracts" mean the copy of the documents entitled "Abstracts of United States Fort Keogh Livestock and Range Research Laboratory Water Rights" referenced in this Compact as Appendices 2, 3, 4, 6, and 7.

(2) "Acre-Feet per Year" means an annual quantity of water measured in acre-feet over a period of a year. "Acre-foot" or "Acre-feet" means the amount of water necessary to cover 1 acre to a depth of 1 foot and is equivalent to 43,560 cubic feet of water.

(3) "Animal Unit" means a measure of livestock numbers, where one Animal Unit equals 1 beef cow, 1 beef cow and calf, 3 pigs, 5 sheep, or 300 chickens. One dairy cow or 1 horse equals 1.5 Animal Units.

(4) "Consumptive" means a use of water which removes water from the source of supply such that the quality or quantity is reduced or the timing of return delayed, making it unusable or unavailable for use by others, and includes evaporative loss from impoundments or natural lakes.

(5) "Department" means the Montana Department of Natural Resources and Conservation or its successor.

(6) "Effective Date of This Compact" means the date of the ratification of the Compact by the Montana legislature, written approval by the United States Department of Agriculture, or written approval by the United States Department of Justice, whichever is latest.

(7) "Groundwater" means water that is beneath the ground surface.

(8) "Parties" means the State of Montana and the United States.

(9) "Person" means an individual, association, partnership, corporation, state agency, political subdivision, or any other entity, but does not include the United States.

(10) "State" means the State of Montana and all officers, agents, departments, and political subdivisions

thereof. Unless otherwise indicated, for purposes of notification or consent, "State" means the Director of the Department or the Director's designee.

(11) "Stock Use" means the use of water for livestock, including but not limited to cattle, horses, pigs, sheep, and chickens. This term does not include use of water for domestic animals, such as dogs or cats, or wild animals.

(12) "Supplemental Right" means a separate water right for the same purpose, owned by the United States, and used on a common place of use.

(13) "United States" means the federal government and all officers, agencies, departments, and political subdivisions thereof. Unless otherwise indicated, for purposes of notification or consent other than service in litigation, "United States" means the Secretary of the Department of Agriculture or the Secretary's designee.

(14) "United States Fort Keogh Livestock and Range Research Laboratory" means those lands located in the State of Montana that were withdrawn from disposition and reserved by the Act of April 15, 1924, 43 Stat. 99. The lands that comprise the United States Fort Keogh Livestock and Range Research Laboratory are depicted on the map attached as Appendix 1 to this Compact.²

(15) "Water Spreading" means surface flood irrigation involving the diversion of occasional (flood or runoff) surface water from natural, usually nonperennial, watercourses by means of dams, dikes, or ditches or a combination of these. It differs from conventional irrigation because it is totally dependent on and regulated by the availability of water, not crop needs.

ARTICLE II

WATER RIGHT

The Parties agree that the following water rights are in settlement of all of the United States' federal reserved water rights for the United States Fort Keogh Livestock and Range Research Laboratory.

A. Purpose of Reservation for the United States Fort Keogh Livestock and Range Research Laboratory.

The United States Fort Keogh Livestock and Range Research Laboratory was created for the purpose of stock raising experiments and growing of forage crops in connection therewith. Act of April 15, 1924, 43 Stat. 99. The United States' federal reserved water rights for the United States Fort Keogh Livestock and Range Research Laboratory shall be used only for purposes relating to its experimental research regarding stock raising and crop growing on United States Fort Keogh Livestock and Range Research Laboratory lands.

B. Quantification.

Subject to the terms of Article III, the United States shall have the right to water for the following purposes

from the sources identified on United States Fort Keogh Livestock and Range Research Laboratory lands.

1. Irrigation Use.

(a) Current Irrigation Use From the Yellowstone River -- Water Court Basin 42KJ.

(i) The United States has a federal reserved water right to withdraw or divert water from the Yellowstone River in Water Court Basin 42KJ of 58 cubic feet per second for current irrigation use on 1,523 acres within United States Fort Keogh Livestock and Range Research Laboratory lands. The specific elements of this right are set forth in the Abstract attached as Appendix 2 to this Compact. Provided that, the reserved right described in this subsection is a Supplemental Right to any United States' water right under state law for irrigation use on United States Fort Keogh Livestock and Range Research Laboratory lands with a priority date senior to the reserved right described in this subsection.

(ii) The United States has a federal reserved water right for irrigation use by Water Spreading on Reservation Creek, a tributary of the Yellowstone River, in Water Court Basin 42KJ for current irrigation use on 450 acres within United States Fort Keogh Livestock and Range Research Laboratory lands. The specific elements of this right are set forth in the Abstract attached as Appendix 3 to this Compact.

(b) Current Irrigation Use From the Tongue River Drainage -- Water Court Basin 42C.

The United States has a federal reserved water right for irrigation use by Water Spreading on an unnamed tributary of the Tongue River in Water Court Basin 42C for current irrigation use on 203 acres within United States Fort Keogh Livestock and Range Research Laboratory lands. The specific elements of this right are set forth in the Abstract attached as Appendix 4 to this Compact.

(c) Future Irrigation Use From the Yellowstone River -- Water Court Basin 42KJ.

The United States has a federal reserved water right to withdraw or divert water from the Yellowstone River, a tributary, or Groundwater in Water Court Basin 42KJ for future irrigation use on up to a total of additional 620 acres on United States Fort Keogh Livestock and Range Research Laboratory lands with a combined flow rate of up to a total additional 23 cubic feet per second to fulfill the purposes of the United States Fort Keogh Livestock and Range Research Laboratory.

2. Stock Use.

(a) Current Stock Use.

The United States has federal reserved water rights for Consumptive use for stockwatering purposes at the locations identified in the table attached as Appendix 5 for the volume of water specified from each source, provided that the total current Stock Use on United States Fort Keogh Livestock and Range Research Laboratory lands shall not exceed the historic maximum of 3,000 Animal Units. The specific elements of these rights are set

forth in the Abstracts attached as Appendix 6 to this Compact.

(b) Future Stock Use.

In addition to the current Stock Use described in Article II, section B.2.(a), the United States has federal reserved water rights for Consumptive use for stockwatering purposes at the same locations and the same volume of water as described in Article II, section B.2.(a) for future Stock Use on United States Fort Keogh Livestock and Range Research Laboratory lands not to exceed an additional 2,000 Animal Units.

3. Administrative Uses.

(a) Current Administrative Uses.

The United States has federal reserved rights for Consumptive use for current administrative uses on United States Fort Keogh Livestock and Range Research Laboratory lands totaling 26.70 Acre-Feet per Year. The specific elements of these rights are set forth in the Abstracts attached as Appendix 7 to this Compact.

(b) Future Administrative Uses.

The United States has federal reserved water rights from surface water or Groundwater for Consumptive use for future administrative uses up to a total additional volume of 18 Acre-Feet per Year to fulfill the purposes of the United States Fort Keogh Livestock and Range Research Laboratory. The types of use of the United States' federal reserved water rights for administrative uses may include but are not limited to domestic, administrative, storage, dust abatement, reclamation, and research.

4. Emergency Fire Suppression.

The use of water for emergency fire suppression benefits the public and is necessary for the purposes of the United States Fort Keogh Livestock and Range Research Laboratory. The United States may, as part of its reserved water right, divert or withdraw water for fire suppression on the United States Fort Keogh Livestock and Range Research Laboratory lands as needed and without a definition of the specific elements of a recordable water right. Use of water for fire suppression shall not be considered an exercise of the United States' water rights for Consumptive use.

5. Period of Use.

(a) The period of use of the United States' federal reserved water rights for Consumptive use set forth in Article II, sections B.1.(a)(i) shall be from March 15 to November 19 of each year.

(b) The period of use of the United States' federal reserved water rights for Consumptive use set forth in Article II, sections B.1.(a)(ii) and B.1.(b) shall be from January 1 to December 31 of each year.

(c) The period of use of the United States' federal reserved water rights for Consumptive use set forth in Article II, sections B.2. through B.4. shall be from January 1 to December 31 of each year.

6. Priority Date.

The priority date for all federal reserved water rights for the United States Fort Keogh Livestock and Range Research Laboratory is April 15, 1924.

ARTICLE III
IMPLEMENTATION

A. Abstracts.

Concurrent with this Compact, the Parties have prepared Abstracts, copies of which are attached as Appendices 2, 3, 4, 6, and 7 to this Compact, which specifically identify all of the United States' current use of water for the United States Fort Keogh Livestock and Range Research Laboratory described in this Compact and quantified in accordance with this Compact. The Parties prepared the Abstracts to comply with the requirements for a final decree as set forth in 85-2-234, MCA, and in an effort to assist the state courts in the process of entering decrees accurately and comprehensively reflecting the rights described in this Compact. The rights specified in the Abstracts are subject to the terms of this Compact.

B. Enforcement and Administration of Water Right.

1. The United States, the State, or a holder of a water right recognized under state law may petition a state or federal court of competent jurisdiction for relief when a controversy arises between the United States' reserved water rights described by this Compact and a holder of a water right recognized under state law. Resolution of the controversy shall be governed by the terms of this Compact where applicable or, to the extent not applicable, by appropriate state or federal law.

2. For purposes of the administration of federal reserved water rights provided for in Article II, the United States agrees that a water commissioner or other official appointed by a court of competent jurisdiction may enter the United States Fort Keogh Livestock and Range Research Laboratory lands to collect data, inspect structures for the diversion and measurement of water, and distribute the federal reserved water rights described in Article II. The terms of entry or distribution may be limited, as appropriate, by an order of a court of competent jurisdiction. Nothing herein waives the right of the United States, with respect to a specific action or anticipated action by a water commissioner or other official under this subsection, to seek terms of entry or distribution consistent with purposes of the United States Fort Keogh Livestock and Range Research Laboratory including but not limited to terms of entry that respect the integrity of ongoing or proposed research, or to seek terms of entry or distribution consistent with federal law if in conflict with state law.

3. The Department may enter the United States Fort Keogh Livestock and Range Research Laboratory lands upon which a federal reserved water right is described in Article II for the purposes of data collection on

United States Fort Keogh Livestock and Range Research Laboratory water diversions or water uses. The Department shall notify the United States by certified mail or in Person at least 24 hours prior to entry.

4. The federal reserved water right described in Article II, section B.1.(b) shall not be the basis of a call on a water right recognized under state law and shall not be enforceable by the United States in an administrative or judicial proceeding except as needed to protect against a call from a junior water right under state law.

C. Use of Federal Reserved Water Rights.

1. Federal Reserved Water Rights.

The reserved rights of the United States described in this agreement are federal water rights. Nonuse of all or a part of the federal reserved water rights described in this Compact shall not constitute abandonment or forfeiture of those rights. The federal reserved water rights described in this Compact need not be applied to a use deemed beneficial under state law, but shall be restricted to uses necessary to fulfill the purposes of the United States Fort Keogh Livestock and Range Research Laboratory.

2. Development of Future Uses.

The United States, without prior approval of the Department, may develop a future use after the Effective Date of This Compact as described in Article II, sections B.1.(c), B.2.(b), and B.3.(b), provided that:

- (a) the purpose of use is for the use authorized under Article II, sections B.1.(c), B.2.(b), or B.3.(b);
- (b) the total quantity of water shall not exceed the amount set forth in Article II, sections B.1.(c), B.2.(b), or B.3.(b);
- (c) the source of supply shall be restricted as set forth in Article II, section B.1.(c);
- (d) any Groundwater development pursuant to Article II, section B.1.(c) in Section 8, Township 7 North, Range 47 East, Custer County, shall not interfere with the exercise of water right number 42C 183101-00 or 42C 183102-00; and
- (e) the use shall not adversely affect a senior water right recognized under state law.

D. Change in Use of Federal Reserved Water Rights.

1. Irrigation Use.

The United States may change its federal reserved water rights for irrigation use, provided that:

- (a) the action shall be in fulfillment of the purposes of the United States Fort Keogh Livestock and Range Research Laboratory described in Article II, section A;
- (b) the use of water is irrigation use;
- (c) the total use shall not exceed the total acreage, and flow rate or volume described in Article II, sections B.1.(a) and B.1.(c) and the Abstracts attached as Appendices 2 and 3 to this Compact;

(d) the source of supply shall be restricted to the source of supply set forth in Article II, sections B.1.(a) and B.1.(c);

(e) the federal reserved water right for irrigation use described in Article II, section B.1.(b) shall not be subject to change; and

(f) the change shall not adversely affect a water right recognized under state law.

2. Stock Use.

The United States may change its federal reserved water rights for Stock Use, provided that:

(a) the action shall be in fulfillment of the purposes of the United States Fort Keogh Livestock and Range Research Laboratory described in Article II, section A;

(b) the total Stock Use shall not exceed the amount of water or number of Animal Units described in Article II, section B.2.; and

(c) the change shall not adversely affect a water right recognized under state law.

3. Administrative Use.

The United States may change its federal reserved water rights for administrative use, provided that:

(a) the action shall be in fulfillment of the purposes of the United States Fort Keogh Livestock and Range Research Laboratory described in Article II, section A;

(b) the total administrative use shall not exceed the amount of water described in Article II, section B.3.; and

(c) the change shall not adversely affect a water right recognized under state law.

4. Emergency Fire Suppression.

The United States' federal reserved water right to divert or withdraw water for emergency fire suppression as described in Article II, section B.4, shall not be changed to any other use.

E. Reporting Requirements.

The United States shall provide a report to the Department on an annual basis, or on a periodic basis agreed to by the Parties, containing specific information on:

1. the development of new uses as described in Article II, sections B.1.(c), B.2.(b), and B.3.(b);
2. changes in use as described in Article III, section D; and
3. the source of supply, the dates of use, and the estimated amount of water used for emergency fire suppression as described in Article II, section B.4.

ARTICLE IV

GENERAL PROVISIONS

A. No Effect on Tribal Rights or Other Federal Reserved Water Rights.

1. The relationship between the water rights of the United States described herein and any rights to water of an Indian Tribe, or of any federally derived water right of an individual, or of the United States on behalf of such Tribe or individual shall be determined by the rule of priority.

2. Nothing in this Compact may be construed or interpreted in any manner to establish the nature, extent, or manner of administration of the rights to water of any other federal agency or federal lands in Montana other than those of the United States Fort Keogh Livestock and Range Research Laboratory.

3. Nothing in this Compact may be construed or interpreted in any manner to establish the nature, extent, or manner of administration of the rights to water of any Indian Tribes and tribal members.

4. Nothing in this Compact is otherwise intended to conflict with or abrogate a right or claim of any Indian Tribe regarding boundaries or property interests.

B. General Disclaimers.

Nothing in this Compact may be construed or interpreted:

1. as a precedent for the litigation of reserved water rights or the interpretation or administration of future compacts between the United States and the State or of the United States and any other state;

2. as a waiver by the United States on behalf of the Agricultural Research Service of its right under state law to raise objections in state court to individual water rights claimed pursuant to the State Water Use Act, Title 85, of the Montana Code Annotated, in the basins affected by this Compact or any right to raise objections in an appropriate forum to individual water rights subject to a provisional permit under the State Water Use Act, Title 85, of the Montana Code Annotated, in the basins affected by this Compact;

3. as a waiver by the United States of its right to seek relief from a conflicting water use not entitled to protection under the terms of this Compact;

4. to establish a precedent for other agreements between the State and the United States or an Indian Tribe;

5. to determine the relative rights, inter sese, of Persons using water under the authority of state law or to limit the rights of the Parties or a Person to litigate an issue not resolved by this Compact;

6. to create or deny substantive rights through headings or captions used in this Compact;

7. to expand or restrict any waiver of sovereign immunity existing pursuant to federal law as of the Effective Date of This Compact;

8. to limit the authority of the United States to manage its lands in accordance with the Constitution, statutes, and regulations of the United States;

9. to affect in any manner the entitlement to or quantification of other federal water rights;
10. to be binding on the United States with regard to the water rights of the United States for any area other than the United States Fort Keogh Livestock and Range Research Laboratory;
11. to affect the water rights of any other federal agency that is not a successor in interest to the water rights subject to this Compact;
12. to prevent the United States from seeking a permit to appropriate water under state law for use within or outside the United States Fort Keogh Livestock and Range Research Laboratory boundaries.

C. Reservation of Rights.

The Parties expressly reserve all rights not granted, described, or relinquished in this Compact.

D. Severability.

The provisions of this Compact are not severable.

E. Multiple Originals.

This Compact is executed in quintuplicate. Each of the five (5) Compacts bearing original signatures shall be deemed an original.

F. Notice.

Unless otherwise specifically provided for in this Compact, service of notice required hereunder, except service in litigation, shall be:

1. State: Upon the Director of the Department and such other officials as the Director may designate in writing.
2. United States: Upon the Secretary of Agriculture, the United States Fort Keogh Livestock and Range Research Laboratory Research Leader, and such other officials as the Secretary may designate in writing.

ARTICLE V

FINALITY OF COMPACT

A. Binding Effect.

1. The Effective Date of This Compact is the date of the ratification of this Compact by the Montana legislature, written approval by the United States Department of Agriculture, or written approval by the United States Department of Justice, whichever occurs later. Once effective, all of the provisions of this Compact shall be binding on the Parties.
2. Following the effective date, this Compact shall not be modified without the consent of both Parties. Either party may seek enforcement of this Compact in a court of competent jurisdiction.
3. On approval of this Compact by a state or federal court of competent jurisdiction and entry of a decree

by such court confirming the rights described herein, this Compact and such rights are binding on all Persons bound by the final order of the court.

4. If an objection to this Compact is sustained pursuant to 85-2-703, MCA, and 85-2-702(3), MCA, this Compact shall be voidable by action of and without prejudice to either party.

B. Filing Compact with State Court.

Subject to the following stipulations and within one hundred eighty (180) days of the Effective Date of This Compact, the Parties shall submit this Compact to an appropriate state court or courts having jurisdiction over this matter in an action commenced pursuant to 43 U.S.C. 666, for approval in accordance with state law and for the incorporation of the water rights described in this Compact into a decree or decrees entered therein. The Parties understand and agree that the submission of this Compact to a state court or courts, as provided for in this Compact, is solely to comply with the provisions of 85-2-702(3), MCA, and does not expand the jurisdiction of the state court or expand in any manner the waiver of sovereign immunity of the United States in the McCarran Amendment, 43 U.S.C. 666, or other provision of federal law.

C. Dismissal of Filed Claims.

At the time the state courts approve the water rights described in this Compact and enter a decree or decrees confirming the rights described herein, such courts shall dismiss, with prejudice, all water right claims specified in Appendix 8 of this Compact for the United States Fort Keogh Livestock and Range Research Laboratory. If this Compact is not approved or a water right described herein is not confirmed, these claims shall not be dismissed.

D. Settlement of Claims.

The Parties intend that the water rights described in this Compact are in full and final settlement of the federal reserved water right claims for the United States Fort Keogh Livestock and Range Research Laboratory land in Montana described in this Compact and administered by the Agricultural Research Service on the Effective Date of This Compact. On the Effective Date of This Compact, the United States hereby and in full settlement of any and all claims to federal reserved water rights by the United States, including all claims that the Agricultural Research Service filed or could have filed as part of the ongoing statewide adjudication process, relinquishes forever all claims to federal reserved water rights within the State of Montana for the United States Fort Keogh Livestock and Range Research Laboratory. The State agrees to recognize the water rights described and quantified herein and shall, except as expressly provided for herein, treat them in the same manner as a water right recognized by the State. Nothing in this Compact precludes the Agricultural Research Service from filing for future water use permits under Montana state law.

E. Defense of Compact.

The Parties agree to defend the provisions and purposes of this Compact from all challenges and attacks.

IN WITNESS WHEREOF the representatives of the State of Montana and the United States have signed this Compact on the ____ day of _____, 200__.

NEW SECTION. **Section 2. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 85, chapter 20, and the provisions of Title 85, chapter 20, apply to [section 1].

- END -