



Comprehensive Review of Water Administration and Management: Meeting Montana's Water Needs in the 21st Century

Montana State Government Executive Branch Plan

Problem Statements:

- Montana is at the crossroads of water policy. We are facing increasing demands for new water use with increases in population and expanding economies; a need to protect prior appropriation doctrine uses and the industries and communities they support; increases in drought occurrences exacerbating supply and demand imbalances; and after nearly forty years of the general statewide water right adjudication, some basins will see final decrees within the next year.
- After almost 50 years of implementation and piecemeal adjustments, the Water Use Act needs a comprehensive review to ensure that water administration and management is serving the current and future water needs of Montana¹. Benefits of this review include: streamlined administrative processes; improved customer service; and responsible, innovative development and administration of Montana's water resources. This comprehensive review of water right administration and management requires significant stakeholder input and a holistic approach so that Montana can meet the water needs of the 21st Century.
- All waters of Montana are property of the State for the use of its people. As such, the State of Montana, through DNRC, has an obligation to the people of Montana to address these water use challenges through thoughtful policy development.

Concept:

- Now is the time for the State to proactively ensure Montana is on a path toward modern and efficient water right administration, balancing the protection of existing uses with the development of new water uses. The 2015 State Water Plan and the Water Policy Interim Committee both identify this need for a comprehensive review and development of plans for Montana's water administration, control, and regulation in the future.
- Under Governor Gianforte's leadership and direction, the State, through DNRC, is actively undertaking a comprehensive evaluation and reform of state water administration with diverse stakeholders' input front and center in the decision-making:
 - The Governor's Red Tape initiative ([EO 1-2021](#)) has initiated a comprehensive review of the regulations issued by each agency, seeking feedback from stakeholders, and using an advisory council to make recommendations related to regulatory reform. In addition, the Governor's Montana Comeback Plan calls for- streamlined permitting processes to "eliminate needless delays; responsibly develop Montana resources and simultaneously

¹ Article IX section 3(1) of Montana's Constitution explicitly recognized all previously existing water rights. The Montana Water Use Act (Title 85 chapter 2, MCA) implements Article IX section 3(4) establishing a system to administer, control and regulate the beneficial use of water.

protect our environment; and review, roll back, and repeal unnecessary and duplicative regulations.”

- Building on the direction of the Governor, the DNRC Water Resources Division (WRD) has begun its Water Process Overhaul Initiative. With significant stakeholder and internal feedback, the WRD will develop and implement a plan to review and improve water administrative processes in a thoughtful manner and ensure active stakeholder engagement in statewide water decision-making.
- By the end of next biennium, the Governor’s Office and the DNRC will have worked with stakeholders to identify and prioritize the key water administration and management challenges that Montana faces; made significant progress to address DNRC-specific water administration and management and challenges; and identified recommendations (technical, policy, rule changes, etc.) to address Montana’s long-term water needs.

Timeline:

1. Phase 1: Initial input/scoping phase (June 2021)

- Stakeholders provided feedback on agency regulatory reforms as part of the Governor’s Red Tape Initiative (EO 1-2021).
- DNRC WRD conducted an internal evaluation, hosted stakeholder scoping meetings, and completed surveys of water users to identify the key water management and administration challenges.

2. Phase 2: Report on key water challenges and proposed action plans (winter 2021)

- Based on stakeholder input in Phase 1 and additional stakeholder feedback, DNRC will identify *Draft* key water administration and management challenges and propose action plans to address each challenge.
- DNRC will solicit additional stakeholder feedback on these *Draft* challenges and action plans.

3. Phase 3: Commence Implementation of action plans (beginning in 2022)

- Working with stakeholder groups, DNRC will facilitate the implementation of action plans to address the key water administration and management challenges. This will likely include: convening additional stakeholder committees, leveraging specific technologies, hiring outside consultants, developing data tracking and reports, exploring rulemaking options, and developing legislative concepts.

4. Phase 4: Final Recommendations

- The Governor’s Office and DNRC will present progress made on action plans, major findings, and recommendations at the next DNRC Water Summit in preparation for the upcoming 2023 Legislative Session.