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IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 382

BY RESOURCES AND CONSERVATION COMMITTEE

AN ACT

1	AN ACT
2	RELATING TO WATER; AMENDING CHAPTER 14, TITLE 42, IDAHO CODE, BY THE ADDITION
3	OF A NEW SECTION 42-1406C, IDAHO CODE, TO PROVIDE FOR THE BEAR RIVER WA-
4	TER RIGHTS ADJUDICATION; AMENDING SECTION 42-1425, IDAHO CODE, TO PRO-
5	VIDE FOR ACCOMPLISHED TRANSFERS REGARDING THE BEAR RIVER BASIN AND TO
6	MAKE TECHNICAL CORRECTIONS; AND AMENDING SECTION 42-1426, IDAHO CODE,
7	TO REVISE PROVISIONS REGARDING ENLARGEMENTS.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Chapter 14, Title 42, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 42-1406C, Idaho Code, and to read as follows:

- 42-1406C. BEAR RIVER WATER RIGHTS ADJUDICATION -- COMMENCEMENT. (1) Effective management of the waters of the Bear River basin requires that a comprehensive determination of the nature, extent, and priority of the rights of all users of surface and ground water be determined. Therefore, the director of the department of water resources is authorized to petition the district court to commence an adjudication within the terms of the Mc-Carran amendment, 43 U.S.C. 666, of the water rights from surface water and ground water sources in the Bear River basin. The petition shall describe the boundaries of the water source(s) to be adjudicated and contain a request that a commencement order be issued only if the court determines it is possible to defer the adjudication of domestic and stock water rights as defined by subsections (4) and (11) of section 42-1401A, Idaho Code, within the terms of the McCarran amendment.
- (2) For purposes of adjudicating water rights, the Bear River basin is defined as all waters of the state of Idaho, both ground water and surface water, flowing into or toward the Bear River or flowing toward the Great Salt Lake in the Great Basin.
- The adjudication shall be brought before a court of special jurisdiction for water right adjudications. Unless otherwise ordered by the supreme court, special jurisdiction for the general adjudication authorized by this section shall reside in the Snake River Basin Adjudication district court of the fifth judicial district of the state of Idaho, in and for the county of Twin Falls. The clerk of the district court in which the petition is filed shall send to the supreme court a true and certified copy of the petition. The supreme court, by order, shall assign the judge to preside over the general adjudication. Venue of the general adjudication shall be determined by order or rule of the supreme court, and venue of hearings under the general adjudication shall be determined by order of the presiding judge.
- (4) Once the district court issues an order that authorizes the director to commence an investigation and determination of the water rights within the boundaries of the adjudication and defines the boundaries of

the adjudication, the director of the department of water resources shall proceed in the manner provided under the provisions of chapter 14, title 42, Idaho Code, to the extent not inconsistent with the provisions of this section.

 SECTION 2. That Section 42-1425, Idaho Code, be, and the same is hereby amended to read as follows:

- 42-1425. ACCOMPLISHED TRANSFERS. (1) Legislative findings regarding accomplished transfers and the public interest.
 - (a) The legislature finds and declares that, prior to the commencement of the Snake River basin adjudication, and the northern Idaho adjudications, and the Bear River basin adjudication, many persons entitled to the use of water or owning land to which water has been made appurtenant either by decree of the court or under provisions of the constitution and statutes of this state changed the place of use, point of diversion, nature or purpose of use, or period of use of their water rights without compliance with the transfer provisions of sections 42-108 and 42-222, Idaho Code.
 - (b) The legislature finds that many of these changes occurred with the knowledge of other water users and that the water has been distributed to the right as changed. The legislature further finds and declares that the continuation of the historic water use patterns resulting from these changes is in the local public interest provided no other existing water right was injured at the time of the change. Denial of a claim based solely upon a failure to comply with sections 42-108 and 42-222, Idaho Code, where no injury or enlargement exists, would cause significant undue financial impact to a claimant and the local economy. Approval of the accomplished transfer through the procedure set forth in this section avoids the harsh economic impacts that would result from a denial of the claim.
 - (c) The legislature further finds and declares that examination of these changes by the director through the procedures of section 42-222, Idaho Code, would be impractical and unduly burdensome. The more limited examination of these changes provided for in this section, constitutes a reasonable procedure for an expeditious review by the director while ensuring that the changes do not injure other existing water rights or constitute an enlargement of use of the original right.
- (2) Any change of place of use, point of diversion, nature or purpose of use, or period of use of a water right by any person entitled to use of water or owning any land to which water has been made appurtenant, either by decree of the court or under the provisions of the constitution and statutes of this state, prior to November 19, 1987, the date of commencement of the Snake River basin adjudication, and prior to January 1, 2006, for the northern Idaho adjudications authorized by section 42-1406B, Idaho Code, and prior to the date of commencement of the Bear River basin adjudication authorized by section 42-1406C, Idaho Code, may be claimed in the applicable general adjudication even though the person has not complied with sections 42-108 and 42-222, Idaho Code, provided no other water rights existing on the date of the change were injured and the change did not result in an enlargement of the original right. Except for the consent requirements of section 42-108,

Idaho Code, all requirements of sections 42-108 and 42-222, Idaho Code, are hereby waived in accordance with the following procedures:

- (a) If an objection is filed to a recommendation for accomplished change of place of use, point of diversion, nature or purpose of use, or period of use, the district court shall remand the water right to the director for further hearing to determine whether the change injured a water right existing on the date of the change or constituted an enlargement of the original right. After a hearing, the director shall submit a supplemental report to the district court setting forth his findings and conclusions. If the claimant or any person who filed an objection to the accomplished transfer is aggrieved by the director's determination, they may seek review before the district court. If the change is disallowed, the claimant shall be entitled to resume use of the original water right, provided such resumption of use will not cause injury or can be mitigated to prevent injury to existing water rights. The unapproved change shall not be deemed a forfeiture or abandonment of the original water right.
- (b) This section is not applicable to any claim based upon an enlargement of use.
- SECTION 3. That Section 42-1426, Idaho Code, be, and the same is hereby amended to read as follows:
- 42-1426. ENLARGEMENTS -- WAIVER OF MANDATORY PERMIT REQUIREMENTS. (1) Legislative findings regarding enlargements:
 - (a) The legislature finds that prior to the commencement of the Snake River basin adjudication and several adjudications of water rights were commenced or will be commenced in the state of Idaho subsequent to the mandatory permit system provided in sections 42-201 and 42-229, Idaho Code, persons. These adjudications include the following, with associated commencement dates:
 - (i) Snake River basin adjudication, November 19, 1987;
 - (ii) Coeur d'Alene-Spokane River basin adjudication, November 12, 2008;
 - (iii) Palouse River basin adjudication, March 1, 2017;
 - (iv) Clark Fork-Pend Oreille River basin adjudication, not yet commenced; and
 - (v) Bear River basin adjudication, not yet commenced.

Persons entitled to the use of water or owning any land to which water has been made appurtenant by decree, license or constitutional appropriation have, through water conservation and other means, enlarged the use of said water without increasing the rate of diversion and without complying with the mandatory permit system adopted by the legislature. Enlargements have been done with the knowledge of other water users, and water has been distributed based upon the right as enlarged. Junior water users made appropriations based upon a water system that reflected these enlarged uses. Thus, the legislature further finds and declares that it is in the public interest to waive the mandatory permit requirements for these enlargements in use prior to the commencement of a general adjudication, so as long as such enlargements in use did not increase the rate of diversion of the original water right or exceed

 the rate of diversion for irrigation provided in section 42-202, Idaho Code, after the enlargement of use, and the enlargement of use did not reduce the quantity of water available to other water rights existing on the date of the enlargement in use.

- (b) The legislature further finds that it is in the public interest to waive certain statutory provisions for the appropriation of water that has been diverted and applied to beneficial use to $\frac{insure}{insure}$ the economic and agricultural base in the state of Idaho as it existed on the date of the commencement of $\frac{insure}{insure}$ the maintain historic water use patterns existing on that date.
- The mandatory permit requirements of sections 42-201 and/or 42-229, Idaho Code, are waived, and a new water right may be decreed for the enlarged use of the original water right based upon the diversion and application to beneficial use, with a priority date as of the date of completion of the enlargement of use for any enlargement occurring on or before November 19, 1987 the commencement date of an adjudication; provided however, that the rate of diversion of the original water right and the separate water right for the enlarged use, combined, shall not exceed the rate of diversion authorized for the original water right; and further provided, that the enlargement in use did not injure water rights existing on the date of the enlargement of use. An enlargement may be decreed if conditions directly related to the injury can be imposed on the original water right and the new water right that mitigate any injury to a water right existing on the date of enactment of this act. If injury to a water right later in time cannot be mitigated, then the new right for the enlarged use shall be advanced to a date one (1) day later than the priority date for the junior water right injured by the enlargement. It is further provided that any such enlargement of use allowed in a general adjudication shall not constitute an abandonment or forfeiture of the original water right to the extent of current use.
- (3) The director shall publish a notice of enlargement of water right for all water rights recommended under this section. The notice shall contain a summary of the notice of claim and shall be published in the same manner as notices for applications to appropriate water in section 42-203A, Idaho Code. Any person who has filed an application for a water right prior to the enactment of this act or who has been issued a permit for a water right prior to enactment of this act commencement of an adjudication but who has not filed a claim in an adjudication shall have thirty (30) days from the date of last publication of the notice of enlargement of a water right under this section to file a petition with the department of water resources to assert any claimed injury from the enlargement. No appeal of the determination of the department shall be allowed. If the applicant or permittee is dissatisfied with the determination of the department on any claim of injury, the sole remedy is to intervene in the general adjudication and assert their claim of injury in an objection to the water right.