GRiffin SUBSTITUTE FLOOR AMENDMENT

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1221

I move the following SUBSTITUTE amendment to the NATURAL RESOURCES, ENERGY & WATER Committee Amendment to

SENATE BILL 1221 (Reference to Senate engrossed bill)

1 Page 1, line 3, strike "articles" insert "article"; strike "and 3.2"
2 Line 7, after "A." strike remainder of line insert "THE"
3 Line 8, after "AREA" strike remainder of line
4 Strike line 9
5 Line 10, strike "THIS STATE"; after "INITIATED" insert "IN THE GILA BEND, HUALAPAI VALLEY OR WILLCOX GROUNDWATER BASIN"; after "BY" insert "EITHER OF THE FOLLOWING:
6 1. THE DESIGNATION OF THE DIRECTOR AND THE DIRECTOR'S FINDING OF ANY OF THE FOLLOWING:
7   (a) LAND SUBSIDENCE WITHIN THE GROUNDWATER BASIN DUE TO GROUNDWATER WITHDRAWAL IS ENDANGERING PROPERTY OR POTENTIAL STORAGE CAPACITY.
8   (b) THERE HAS BEEN ACCELERATED DECLINE IN GROUNDWATER LEVELS WITHIN THE GROUNDWATER BASIN OVER THE PRECEDING FIVE YEARS AS MEASURED BY AT LEAST TEN INDEX WELLS ACROSS THE BASIN.
9   (c) THE GROUNDWATER BASIN WAS PREVIOUSLY DESIGNATED AS A SUBSEQUENT IRRIGATION NON-EXPANSION AREA THAT IS LOCATED OUTSIDE OF A BASIN OR SUBBASIN FROM WHICH GROUNDWATER MAY BE TRANSPORTED TO AN ACTIVE MANAGEMENT AREA PURSUANT TO ARTICLE 8.1 OF THIS CHAPTER.
11 2. A"
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Page 1, line 11, strike "FIFTEEN" insert "TEN"
Page 1, line 12, strike "OR SUBBASIN"
Page 1, line 14, after "H" insert a period strike remainder of line
Strike lines 15 through 18
Page 1, line 19, strike "OR SUBBASIN"
Page 1, line 20, after "PETITION" insert "PRESCRIBED BY SUBSECTION A, PARAGRAPH 2 OF THIS SECTION"
Page 1, line 21, strike "FIFTEEN" insert "TEN"
Page 1, line 22, strike "OR SUBBASIN"
Page 1, line 24, after "H" insert a period strike remainder of line
Strike line 25
Page 1, line 26, after "PETITION" insert "PRESCRIBED BY SUBSECTION A, PARAGRAPH 2 OF THIS SECTION"
Page 1, line 30, strike "OR"
Page 1, line 31, strike "SUBBASIN"; after the period insert "THE PETITION MUST BE INITIATED IN THE OFFICE OF THE RELEVANT COUNTY RECORDER BY A PERSON WHO HAS RESIDED IN THE BASIN FOR AT LEAST FIVE YEARS."
Lines 35 and 38, strike "OR SUBBASIN"
Page 3, line 39, after "RESIDENCES" strike remainder of line insert "IN THE"
Page 3, line 40, after "BASIN" insert a period strike remainder of line
Strike lines 41 and 42
Strike page 2
Page 3, strike lines 1 through 9, insert:

"D. ON THE VALID SUBMISSION OF THE REQUISITE SIGNATURES, THE RESPECTIVE COUNTY BOARD OF SUPERVISORS SHALL COOPERATE TO INCLUDE A QUESTION ON THE NEXT GENERAL ELECTION BALLOT FOR ALL REGISTERED VOTERS WHO RESIDE IN THE GROUNDWATER BASIN. THE BALLOT QUESTION SHALL BE WORDED, "SHOULD THE (NAME OF GROUNDWATER BASIN) BE DESIGNATED A BASIN MANAGEMENT AREA?" FOLLOWED BY THE WORDS "YES" AND "NO".
E. WITHIN THIRTY DAYS AFTER THE GENERAL ELECTION RESULTS ARE CERTIFIED, IF A MAJORITY OF ELIGIBLE VOTERS VOTED IN FAVOR OF THE FORMATION OF THE BASIN MANAGEMENT AREA, THE DIRECTOR SHALL DO BOTH OF THE FOLLOWING:

1. MAKE AND FILE IN THE DIRECTOR’S OFFICE WRITTEN FINDINGS WITH RESPECT TO MATTERS CONSIDERED DURING THE PUBLIC MEETINGS. IF THE DIRECTOR DECIDES TO DESIGNATE A BASIN MANAGEMENT AREA, THE DIRECTOR SHALL MAKE AND FILE AN ORDER DESIGNATING THE BASIN MANAGEMENT AREA.

2. FILE A TRUE MAP OF THE BASIN MANAGEMENT AREA IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OR COUNTIES IN WHICH THE BASIN MANAGEMENT AREA IS ESTABLISHED.”

Reletter to conform

Page 3, line 16, after “IF” strike remainder of line

Strike lines 17 and 18

Line 19, strike “45-445.10” insert “THE DIRECTOR DESIGNATES A BASIN AS A BASIN MANAGEMENT AREA INDEPENDENT OF A GENERAL ELECTION”

Line 35, after the comma strike remainder of line

Line 36, strike “CONDUCTED PURSUANT TO SECTION 45-445.”

Line 41, strike “. SUBSECTION D OR E”

Line 42, after “THE” strike remainder of line

Strike lines 43 through 45

Page 4, strike lines 1 through 25, insert “DIRECTOR MAY CALL ANY OTHER PUBLIC MEETINGS THE DIRECTOR DEEMS NECESSARY.

B. WITHIN THIRTY DAYS AFTER THE FINAL PUBLIC MEETING AS DECLARED BY THE DIRECTOR, THE DIRECTOR SHALL DO BOTH OF THE FOLLOWING:

1. DECLARE THE BASIN MANAGEMENT AREA ESTABLISHED.

2. FILE A COPY OF THE DIRECTOR’S FINDINGS PURSUANT TO SECTION 45-445, SUBSECTION A AND A TRUE MAP OF THE BASIN MANAGEMENT AREA IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OR COUNTIES IN WHICH THE BASIN MANAGEMENT AREA IS ESTABLISHED.”

Line 33, strike the first comma insert “OR”; strike “OR RESIDENTIAL”

Line 36, strike “ACRE FEET” insert “ACRE-FEET”
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Page 4, line 38, strike "AGRICULTURAL" insert "IRRIGATION"

Line 39, after "WITH" strike remainder of line

Strike line 40

Line 41, strike ",(a)"; strike "AGRICULTURAL" insert "IRRIGATION"; strike "ACRE"

Line 42, strike "FEET" insert "ACRE-FEET"; strike "PRECEDING"; strike "BEFORE" insert "PRECEDING"

Line 43, after the period insert "THE DIRECTOR SHALL EXCLUDE FROM THE CALCULATION OF THE AVERAGE AMOUNT OF WATER USED ANNUALLY BY AN IRRIGATION USER IN THE TEN YEARS PRECEDING DESIGNATION OF THE BASIN MANAGEMENT AREA ANY YEARS DURING WHICH THE IRRIGATION USER DID NOT USE WATER."

Page 5, strike lines 1 through 14

Line 18, after the period strike remainder of line

Strike lines 19 through 22

Line 44, strike the comma insert ":

1.

After line 45, insert:

"2. THE ANNUAL REPORT A GROUNDWATER USER SUBMITS TO THE DEPARTMENT IS A PUBLIC RECORD.

3. REPORTS AND THE CORRESPONDING DATA MAY BE PRESENTED AS EVIDENCE IN ANY COURT IN THIS STATE ONLY IF THE CASE DOES NOT INVOLVE A GENERAL STREAM ADJUDICATION OR A FEDERALLY RESERVED WATER RIGHT. A GROUNDWATER USER MAY CONSENT TO THE WAIVER OF THIS PRIVILEGE."

Page 6, between lines 24 and 25, insert:

"H. FOR IRRIGATION USERS, SUBSTANTIAL CAPITAL INVESTMENT INCLUDES THE IMPROVEMENT OF LAND, INFRASTRUCTURE OR ON-SITE IRRIGATION DISTRIBUTION FACILITIES, INCLUDING THE DRILLING OF WELLS.

I. FOR NON-IRRIGATION USE, SUBSTANTIAL CAPITAL INVESTMENT INCLUDES COSTS RELATED TO ANY OF THE FOLLOWING:

-4-
1. ACQUISITION OF PERMITS AND APPROVALS, INCLUDING LEGAL, TECHNICAL AND ENVIRONMENTAL SERVICES THAT ARE NECESSARY FOR THE AUTHORIZATION TO PROCEED WITH THE PROJECT.

2. THE ACQUISITION OR LEASE OF LAND FOR PURPOSES OF RIGHTS-OF-WAY, EASEMENT OR OTHER STATE OR FEDERAL LAND USE AUTHORIZATION.

3. IMPROVEMENT OF LAND FOR THE INTENDED NON-IRRIGATION USE.

4. CONSTRUCTION OF GROUNDWATER-RELATED INFRASTRUCTURE OR IMPROVEMENTS, INCLUDING WATER DISTRIBUTION FACILITIES, STORAGE FACILITIES, RECHARGE FACILITIES, THE DRILLING OR EQUIPPING OF WELLS, GROUNDWATER TREATMENT FACILITIES WATER AND POWER TRANSMISSION AND OTHER PROJECT-ASSOCIATED FACILITIES.

5. CONSTRUCTION AND MAINTENANCE OF ANCILLARY STRUCTURES THAT ARE CRITICAL TO A NON-IRRIGATION PROJECT.

J. IF AN APPLICANT DEMONSTRATES A SUBSTANTIAL CAPITAL INVESTMENT IN THE FACILITIES ASSOCIATED WITH A NON-IRRIGATION USE, THE DIRECTOR SHALL ISSUE A GROUNDWATER PERMIT FOR THE IDENTIFIED USE. IF THE APPLICANT PUTS GROUNDWATER TO BENEFICIAL USE FOR THE PURPOSES ASSOCIATED WITH THE PERMIT, THAT VOLUME OF WATER BECOMES PERFECTED AND THE DIRECTOR SHALL ISSUE A CERTIFICATE FOR THAT VOLUME OR INCREASE THE GROUNDWATER RIGHT ON THE APPLICANT’S EXISTING CERTIFICATE. FOR THE PURPOSES OF THIS SUBSECTION, A PERMIT HOLDER MAY APPLY TO PERFECT ALL OR PART OF THE PERMIT VOLUME. PERMITS THAT ARE UNPERFECTED CANNOT BE TRANSFERRED AND PERMITS CANNOT EARN FLEXIBILITY CREDITS.”

Reletter to conform

Page 6, line 26, strike “NOT”

Line 27, after “MAY” strike remainder of line insert “BE PRESENTED AS EVIDENCE IN ANY COURT IN THIS STATE ONLY IF THE CASE DOES NOT INVOLVE A GENERAL STREAM ADJUDICATION OR A FEDERALLY RESERVED WATER RIGHT OR THE GROUNDWATER USER”

Line 28, strike “DISCLOSURE” insert “THE WAIVER OF THIS PRIVILEGE”

Line 31, after the period strike remainder of line
House Amendments to S.B. 1221

1 Page 6, line 32, strike "ARTICLE 3.2 OF THIS CHAPTER,"; after the second "THE"
2 insert "BASIN MANAGEMENT"
3 Lines 33 and 34, strike "OR SUBBASIN"
4 Page 7, line 38, after "SECTION" insert "IN ANY ONE YEAR"; strike "FIFTY" insert
5 "TWENTY-FIVE"
6 Page 8, lines 8 and 9, strike "OR SUBBASIN"
7 Page 9, line 7, strike "right" insert "rights"
8 Line 36, strike "NINETY" insert "EIGHTY-FIVE"
9 Line 39, strike "EIGHTY" insert "EIGHTY-FIVE"
10 Page 10, line 12, strike "OR SUBBASIN"
11 Page 11, line 14, strike "OR SUBBASIN"
12 Between lines 34 and 35, insert:
13 "J. NOTWITHSTANDING ANY OTHER LAW, THE TRANSFER OF FLEXIBILITY
14 CREDITS BETWEEN AN IRRIGATION USER AND A LIVESTOCK INDUSTRIAL USER THAT
15 SHARE COMMON OWNERSHIP SHALL NOT BE SUBJECT TO ANY REDUCTION IN THE
16 IRRIGATION GROUNDWATER RIGHT ALLOCATION."
17 Page 12, line 27, strike "OR SUBBASINS"
18 Line 30, after "NON-EXPANSION" insert "AREA"
19 Strike lines 34 through 45
20 Page 13, strike lines 1 through 34
21 Line 35, strike "45-446.01." insert "45-445.12."; strike "Active"
22 Line 36, after "duties" insert ": exemption"
23 Line 37, strike "AN ACTIVE" insert "A"
24 Line 38, strike "ACTIVE"
25 Strike lines 39 through 45
26 Page 14, strike lines 1 through 3, insert:
27 "1. ONE MEMBER WHO REPRESENTS OR IS AN INDUSTRIAL USER WITH A
28 CERTIFICATE OF GROUNDWATER RIGHTS IN THE BASIN AND IS A RESIDENT OF THIS
29 STATE."
2. TWO MEMBERS WHO REPRESENT OR ARE AN IRRIGATION USER WITH A CERTIFICATE OF GROUNDWATER RIGHTS IN THE BASIN AND IS A RESIDENT OF THIS STATE.

3. ONE MEMBER WHO REPRESENTS A MUNICIPAL USER WITH A CERTIFICATE OF GROUNDWATER RIGHTS IN THE BASIN AND IS A RESIDENT OF THIS STATE.

4. ONE AT-LARGE MEMBER WHO RESIDES IN THE BASIN.

B. MEMBERS OF THE BASIN MANAGEMENT COUNCIL SHALL BE APPOINTED BY THE FOLLOWING ENTITIES AND IN THE FOLLOWING ORDER:

1. ONE MEMBER WHO IS APPOINTED BY THE GOVERNOR.

2. ONE MEMBER WHO IS APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

3. ONE MEMBER WHO IS APPOINTED BY THE PRESIDENT OF THE SENATE.

4. ONE MEMBER WHO IS APPOINTED BY THE GOVERNOR FROM A LIST OF THREE NAMES THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES PROVIDES TO THE GOVERNOR.

5. ONE MEMBER WHO IS APPOINTED BY THE GOVERNOR FROM A LIST OF THREE NAMES THE MINORITY LEADER OF THE SENATE PROVIDES TO THE GOVERNOR."

Reletter to conform

Page 14, line 5, after "MEMBER" insert "WHO REPRESENTS THE SAME CLASS OF CERTIFICATED GROUNDWATER RIGHT HOLDER OR RESIDENT OF THIS STATE AT LARGE AS THE PRIOR APPOINTEE. COUNCIL MEMBERS MAY BE REMOVED ONLY FOR CAUSE";

strike "AN ELECTED" insert "A"

Line 6, after "REMOVED" strike reminder of line

Line 7, strike "REGULARLY SCHEDULED ELECTION. A" insert "THE"

Strike line 9, insert:

"D. EXCEPT AS PROVIDED IN SUBSECTION F OF THIS SECTION, BASIN MANAGEMENT COUNCIL MEMBERS ARE SUBJECT TO A RETENTION ELECTION EVERY FOUR YEARS AND MAY CONTINUE TO SERVE ONLY IF RETAINED BY A MAJORITY VOTE OF ELIGIBLE VOTERS."

Reletter to conform

Line 10, strike "ACTIVE"
Page 14, between lines 12 and 13, insert:

"F. THE INITIAL BASIN MANAGEMENT COUNCIL MEMBERS SHALL ASSIGN THEMSELVES BY LOT TO CLASS ONE AND CLASS TWO. CLASS ONE SHALL HAVE THREE MEMBERS AND CLASS TWO SHALL HAVE TWO MEMBERS. IF A BASIN MANAGEMENT COUNCIL IS ESTABLISHED SIXTY DAYS OR MORE BEFORE A REGULAR GENERAL ELECTION, CLASS ONE SHALL BE SUBJECT TO RETENTION AT THE NEXT REGULAR GENERAL ELECTION AFTER ESTABLISHMENT AND CLASS TWO SHALL BE SUBJECT TO RETENTION ON THE REGULAR GENERAL ELECTION IMMEDIATELY FOLLOWING THE NEXT REGULAR GENERAL ELECTION BALLOT AFTER ESTABLISHMENT. IF A BASIN MANAGEMENT COUNCIL IS ESTABLISHED LESS THAN SIXTY DAYS BEFORE A REGULAR GENERAL ELECTION, CLASS ONE SHALL BE SUBJECT TO RETENTION AT THE SECOND NEXT REGULAR GENERAL ELECTION AFTER ESTABLISHMENT AND CLASS TWO SHALL BE SUBJECT TO RETENTION AT THE THIRD REGULAR GENERAL ELECTION AFTER ESTABLISHMENT.

G. AT LEAST SIXTY BUT NOT MORE THAN NINETY DAYS BEFORE THE REGULAR GENERAL ELECTION IN WHICH A BASIN MANAGEMENT COUNCIL MEMBER IS SUBJECT TO RETENTION, A COUNCIL MEMBER WHO DESIRES TO BE RETAINED SHALL FILE, IN THE OFFICE OF THE CLERK OR CLERKS OF THE BOARD OF SUPERVISORS IN WHICH THE BASIN MANAGEMENT AREA IS LOCATED, A DECLARATION OF THE COUNCIL MEMBER'S DESIRE TO BE RETAINED. IF A COUNCIL MEMBER WHO IS SUBJECT TO RETENTION DOES NOT FILE A DECLARATION OF THE COUNCIL MEMBER'S DESIRE TO BE RETAINED IN OFFICE, THE COUNCIL MEMBER'S OFFICE BECOMES VACANT ON JANUARY 1 FOLLOWING THE GENERAL ELECTION IN WHICH THE COUNCIL MEMBER WOULD HAVE BEEN A CANDIDATE FOR RETENTION.

H. THE NAME OF ANY BASIN MANAGEMENT COUNCIL MEMBER WHOSE DECLARATION TO BE RETAINED IS FILED AS PROVIDED IN THIS SECTION SHALL BE PLACED ON THE APPROPRIATE OFFICIAL BALLOT AT THE NEXT REGULAR GENERAL ELECTION UNDER A NONPARTISAN DESIGNATION AND IN SUBSTANTIALLY THE FOLLOWING FORM: SHALL (NAME OF COUNCIL MEMBER) OF THE (NAME OF BASIN) BASIN MANAGEMENT COUNCIL BE RETAINED IN OFFICE? YES __ NO __ (MARK X AFTER ONE).

I. IF A MAJORITY OF THOSE VOTING ON THE QUESTION VOTE "NO", A VACANCY SHALL EXIST, WHICH SHALL BE FILLED AS PROVIDED IN THIS SECTION.
COUNCIL MEMBER WHO RECEIVES A MAJORITY OF "NO" VOTES IS NOT RETAINED AND IS
NOT ELIGIBLE FOR APPOINTMENT ON ANY BASIN MANAGEMENT COUNCIL. IF A
MAJORITY OF THOSE VOTING ON THE QUESTION VOTE "YES", THE COUNCIL MEMBER IS
RETAINED IN OFFICE FOR ANOTHER FOUR-YEAR TERM, SUBJECT TO REMOVAL FOR CAUSE
ONLY BY THE GOVERNOR OR BY RECALL AS PROVIDED IN TITLE 19, CHAPTER 2.

J. COUNCIL MEMBERS REMOVED FOR CAUSE OR RECALLED FROM OFFICE ARE NOT
ELIGIBLE FOR APPOINTMENT ON ANY BASIN MANAGEMENT COUNCIL. COUNCIL MEMBERS
WHO ARE NOT RECALLED OR REMOVED FOR CAUSE OR WHO DO NOT RECEIVE A MAJORITY
OF "NO" VOTES IN A RETENTION ELECTION ARE ELIGIBLE TO SERVE AS MANY TERMS
AS DESIRED UNTIL RECALLED, REMOVED FOR CAUSE OR RECEIVING A MAJORITY OF
"NO" VOTES IN A RETENTION ELECTION."

Reletter to conform
Page 14, line 13, strike "ACTIVE"
Line 16, strike "OR SUBBASIN"
Lines 17 and 31, strike "AN ACTIVE" insert "A"
Line 32, after "AREA" insert ", SHALL BE LEGALLY AND ECONOMICALLY FEASIBLE";
strike "ALL" insert "A MAJORITY OF THE"
Line 39, strike "MAY NOT" insert "SHALL"
Line 40, strike "AN AMOUNT GREATER THAN"
Line 42, after "RIGHTS" strike remainder of line
Strike line 43
Line 44, strike "SUBSEQUENT TERM OF THE ACTIVE MANAGEMENT AREA" insert "WITHIN
TEN YEARS AFTER THE FORMATION OF THE BASIN MANAGEMENT AREA"
Page 15, between lines 4 and 5, insert:
"L. THE COUNCIL MAY:
1. AFTER RECEIVING THE REPORT OF HYDROLOGICAL CONDITIONS IN THE
BASIN PROVIDED BY THE DEPARTMENT IN THE YEAR FOURTEEN AFTER FORMATION OF
THE BASIN MANAGEMENT AREA AND BY AN AFFIRMATIVE VOTE OF FOUR OR MORE
COUNCIL MEMBERS:
(a) INCREASE THE MANDATORY REDUCTION IN THE ANNUAL ALLOCATION OF
WATER PURSUANT TO A CERTIFICATE OF GROUNDWATER RIGHTS BEGINNING IN YEAR
FIFTEEN AFTER FORMATION OF THE BASIN MANAGEMENT AREA BY NOT GREATER THAN ONE PERCENT A YEAR AND IN A TOTAL AGGREGATE AMOUNT THAT IS EQUAL OR LESS THAN THE DIRECTOR'S RECOMMENDATION IF ALL OF THE FOLLOWING APPLY:

(i) THE HYDROLOGICAL STUDY DEMONSTRATES THAT THE CONDITIONS IN SUBSECTION M, PARAGRAPH 2, SUBDIVISION (c) OF THIS SECTION EXIST IN THE BASIN.

(ii) THE COUNCIL HOLDS AT LEAST ONE PUBLIC MEETING ON THE HYDROLOGICAL REPORT AND THE DIRECTOR'S RECOMMENDATION BEFORE VOTING ON ANY REDUCTION IN THE ANNUAL ALLOCATION.

(iii) THE DIRECTOR RECOMMENDS THAT THE COUNCIL INCREASE THE MANDATORY REDUCTION IN THE ANNUAL ALLOCATION OF WATER PURSUANT TO A CERTIFICATE OF GROUNDWATER RIGHTS BETWEEN ONE AND FIVE PERCENT.

(b) DECREASE THE MANDATORY REDUCTION IN THE ANNUAL ALLOCATION OF WATER PURSUANT TO A CERTIFICATE OF GROUNDWATER RIGHTS BEGINNING IN YEAR FIFTEEN AFTER FORMATION OF THE BASIN MANAGEMENT AREA BY NOT GREATER THAN ONE PERCENT A YEAR IF THE HYDROLOGICAL STUDY DEMONSTRATES THAT THE CONDITIONS IN SUBSECTION M, PARAGRAPH 2, SUBDIVISION (c) OF THIS SECTION EXIST IN THE BASIN.

2. ADOPT A BEST MANAGEMENT PRACTICES PROGRAM FOR MUNICIPAL USERS THAT ALLOWS A MUNICIPAL USER WHO IS ENTITLED TO USE GROUNDWATER PURSUANT TO A CERTIFICATE TO IMPLEMENT THE MUNICIPALITY'S CHOICE OF CONSERVATION PROGRAMS APPROVED BY THE DEPARTMENT AND APPROPRIATE TO THE MUNICIPALITY'S WATER USE. MUNICIPAL USERS THAT PARTICIPATE IN THE BEST MANAGEMENT PRACTICES PROGRAM SHALL BE EXEMPT FROM ANY MANDATORY REDUCTION IN ANNUAL ALLOCATION GRANTED PURSUANT TO A CERTIFICATE OF GROUNDWATER RIGHTS.

M. THE DIRECTOR SHALL:

1. STARTING FIVE YEARS AFTER FORMATION OF A BASIN MANAGEMENT AREA, CONDUCT AN ECONOMIC STUDY TO BE RELEASED TO THE PUBLIC THAT Examines THE FOLLOWING:
(a) THE COSTS OF PERMANENTLY CLOSING THE BASIN MANAGEMENT AREA, INCLUDING THE REDUCTION IN LOCAL PROPERTY, SALES AND TRANSACTION PRIVILEGE AND INCOME TAXES.

(b) THE COSTS OF THE MANDATORY TEN PERCENT REDUCTION IN ANNUAL GROUNDWATER USE PURSUANT TO CERTIFICATED GROUNDWATER RIGHTS, INCLUDING THE REDUCTION IN LOCAL PROPERTY, SALES AND TRANSACTION PRIVILEGE AND INCOME TAXES.

(c) THE TANGIBLE ECONOMIC BENEFITS OF PERMANENTLY CLOSING THE BASIN MANAGEMENT AREA AND THE MANDATORY TEN PERCENT REDUCTION IN ANNUAL GROUNDWATER USE PURSUANT TO CERTIFICATED GROUNDWATER RIGHTS. FOR THE PURPOSES OF THIS SUBDIVISION, ECOSYSTEM BENEFITS DO NOT CONSTITUTE TANGIBLE ECONOMIC BENEFITS.

2. NOT EARLIER THAN TEN YEARS AFTER FORMATION OF A BASIN MANAGEMENT AREA, INITIATE A HYDROLOGICAL ANALYSIS OF THE GROUNDWATER BASIN THAT IS RELEASED TO THE PUBLIC AND THE BASIN MANAGEMENT COUNCIL NOT MORE THAN FOURTEEN YEARS AFTER FORMATION OF THE BASIN MANAGEMENT AREA. THE ANALYSIS SHALL INCLUDE ALL OF THE FOLLOWING:

(a) A SUMMARY OF HYDROLOGICAL IMPROVEMENTS IN THE BASIN CAUSED BY THE BASIN CLOSURE AND REGULATION.

(b) A REPORT OF TRANSFERS INVOLVING ALL OR PORTIONS OF CERTIFICATES OF GROUNDWATER RIGHTS AND THE VOLUME OF WATER IN ACRE-FEET THAT WAS SAVED AS A RESULT.

(c) A DETERMINATION AS TO WHETHER THE FOLLOWING CONDITIONS EXIST IN THE BASIN:

(i) LAND SUBSIDENCE WITHIN THE BASIN DUE TO GROUNDWATER WITHDRAWAL IS ENDANGERING PROPERTY OR POTENTIAL STORAGE CAPACITY.

(ii) THERE HAS BEEN ACCELERATED DECLINE IN GROUNDWATER LEVELS WITHIN THE GROUNDWATER BASIN OVER THE PRECEDING FIVE YEARS AS MEASURED BY AT LEAST TEN INDEX WELLS ACROSS THE BASIN.
(iii) The department has reported observed mean declines in groundwater levels in the basin greater than fifty feet during the preceding ten-year.

(d) An assessment whether the basin management council could restore all or a portion of users' maximum annual allocation of water pursuant to certificated groundwater rights without substantially adversely affecting the hydrological conditions in the basin.

(e) A recommendation as to whether the basin management council should restore all or a portion of the basin's groundwater users' certificated water rights without substantially affecting the basin.

3. Provide technical and legal support to the council on request of any council member.

4. Not require any user in a basin management area to measure or report water use with the use of devices or methods not prescribed in this article.

5. Not require any groundwater user in a basin management area to measure withdrawals from any wells in the basin management area except as prescribed in this article.

6. Adopt a well-spacing requirement for nonexempt wells that are drilled after the basin is closed.

7. Allow a person to deepen or construct a replacement well at approximately the same location without conducting a well impact analysis.

N. Twenty-four years after the formation of a basin management area and every fifteen years thereafter, the basin management council shall set a schedule for the proceeding ten-year period of mandatory reductions in annual allocations of groundwater pursuant to certificates of groundwater rights in an amount between zero and fifteen percent, which shall take effect at the beginning of the next year. For the purposes of this section, mandatory reductions in annual allocations shall not increase or decrease by more than one percent a year.
O. BEGINNING TWENTY-FIVE YEARS AFTER THE FORMATION OF A BASIN MANAGEMENT AREA AND EVERY TEN YEARS THEREAFTER, THE DIRECTOR SHALL RELEASE A HYDROLOGICAL REPORT AS PRESCRIBED BY THIS SECTION BASED ON THE PRIOR TEN-YEAR PERIOD.

P. AT THE END OF EVERY TEN-YEAR PERIOD OF MANDATORY REDUCTIONS PRESCRIBED IN SUBSECTION N OF THIS SECTION AND BEFORE THE BEGINNING OF THE PROCEEDING TEN-YEAR PERIOD PRESCRIBED IN SUBSECTION N OF THIS SECTION, ALL MANDATORY REDUCTIONS IN ANNUAL ALLOCATION AS PRESCRIBED BY THE BASIN MANAGEMENT COUNCIL SHALL REMAIN IN EFFECT.

Q. NOTWITHSTANDING ANY OTHER LAW, A BASIN MANAGEMENT COUNCIL MAY NOT REDUCE THE ANNUAL ALLOCATION OF GROUNDWATER AWARDED TO AN IRRIGATION USER PURSUANT TO A CERTIFICATE OF GROUNDWATER RIGHTS IF THE IRRIGATION USER FARMS LESS THAN ONE HUNDRED TWENTY ACRES AND USES LESS THAN TWO AND ONE-HALF ACRE-FEET PER ACRE PER YEAR."

Reletter to conform

Page 15, lines 5 and 7, strike "AN ACTIVE" insert "A"

Line 8, strike "AN UNANIMOUS" insert "A MAJORITY"; after "COUNCIL" insert "OR A FOUR PERSON MAJORITY AS PRESCRIBED BY THIS SECTION"

Lines 9 and 10, strike "AN ACTIVE" insert "A"

Line 11, strike "45-446.02." insert "45-445.13."; strike "Active"

Line 12, in two places strike "AN ACTIVE" insert "A"

Lines 18 and 22, strike "OR SUBBASIN"

Line 25, strike "AN ACTIVE" insert "A"

Line 28, strike "OR SUBBASIN"; after "LEVEL" insert a period strike remainder of line

Strike lines 29 through 31

Lines 32 and 33, strike "OR SUBBASIN"

Line 36, strike "OR SUBBASIN"

Line 40, strike "OR SUBBASE"

Strike pages 16 and 17
1 Page 18, strike lines 1 through 8
2 Line 23, strike "AN ACTIVE" insert "A"
3 Line 24, strike "3.2" insert "3.1"
4 Strike lines 33 through 45
5 Strike page 19, insert:
6 "Sec. 3.  Emergency
7 This act is an emergency measure that is necessary to preserve the
8 public peace, health or safety and is operative immediately as provided by
9 law."
10 Amend title to conform

GAIL GRIFFIN

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