## IN THE HOUSE OF REPRESENTATIVES

## HOUSE BILL NO. 184

## BY RESOURCES AND CONSERVATION COMMITTEE

AN ACT
RELATING TO WATER RIGHTS; AMENDING SECTION 42-248, IDAHO CODE, TO REVISE PROVISIONS REGARDING NOTIFICATION OF CHANGE IN OWNERSHIP OF WATER RIGHTS, TO PROVIDE THAT CERTAIN INFORMATION MAY BE RELIED ON BY THE DEPARTMENT OF WATER RESOURCES WHEN SENDING NOTICE, TO REVISE PROVISIONS REGARDING COMPLIANCE WITH SPECIFIED LAW, TO REVISE PROVISIONS REGARDING FEES, TO PROVIDE FOR CERTAIN EVIDENCE, TO PROVIDE FOR ACTION BY THE DEPARTMENT, TO PROVIDE THAT SPECIFIED ACTIONS ARE NOT SUBJECT TO CHALLENGE UNDER THE IDAHO ADMINISTRATIVE PROCEDURE ACT, AND TO PROVIDE FOR RESOLUTION OF DISPUTES; AND AMENDING SECTION 42-1409, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE MANNER OF NOTICE OF CHANGE OF OWNERSHIP.

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

SECTION 1. That Section 42-248, Idaho Code, be, and the same is hereby amended to read as follows:

42-248. NOTIFICATION OF CHANGE IN OWNERSHIP OF A WATER RIGHT OR CHANGE OF ADDRESS OF A WATER RIGHT OWNER -- NOTICE OF ACTION AFFECTING A WATER RIGHT. (1) All persons owning or claiming ownership of a right to use the water of this state, whether the right is represented by decree of the court, by claim to a water right filed with the department of water resources or by permit or license issued by the director of the department of water resources, shall provide notice to the department of water resources of any change in ownership of any part of the water right or of any change in the owner's mailing address, either of which occurs after June 30, 2000. Notice shall be provided within one hundred twenty (120) days of any change using forms acceptable to the director. Any notice received by the department of water resources more than one hundred twenty (120) days after the change in ownership or mailing address has occurred shall be accompanied by a late filing fee. The late filing fee shall be one hundred dollars (\$100). The director may waive the late filing fee or a portion thereof for good cause.

(2) All persons owning or claiming ownership of a right to use the water of this state that is evidenced by a water right recorded with the department of water resources prior to June 30, 2000, and for which a claim to water right, with current ownership and mailing address, is not on file with the department of water resources in the Snake River Basin Adjudication, Twin Falls Civil Case No. 39576, shall verify with the department that the ownership and mailing address information in the department's records is correct. Any incorrect ownership or mailing address shall be corrected by the owner or claimant of the water right by July 1, 2002, using forms acceptable to the director. Any mailing address or ownership corrections required by this subsection received by the department of water resources after July 1, 2002, shall be subject to the late filing fee described in subsection (1) of

this section. The director may waive the late filing fee or a portion thereof for good cause.

- (3) The director of the department of water resources will be deemed to have provided notice concerning any action by the director affecting a water right or claim if a notice of the action is mailed to the address and owner of the water right shown in the records of the department of water resources at the time of mailing the notice.
- (2) The department may rely on the name and address of the owner of the water right shown in the records of the department when sending notice of any action related to that water right.
- (43) Compliance with section 42-1409(6), Idaho Code, shall be deemed to be compliance with this section. The filing of an application to change a water right under the provisions of section 42-211 or section 42-222, Idaho Code, showing a change in address of the owner of the right or accompanied by evidence documenting any change in ownership of the water right, shall be deemed compliance with this section provided the requirements of subsections (5) and (6) of this section are met. The fee requirements of this subsection (4) of this section shall apply in addition to the filing fee that may be required in connection with an application to change a water right under the provisions of section 42-211 or 42-222, Idaho Code.
- (54) A filing fee of twenty-five dollars (\$25.00) per right shall accompany a notice of change of water right ownership of a water right, provided that the fee shall be one hundred dollars (\$100) per right if a request is made to change the department's records to reflect a division in the ownership of the water right resulting from a division in the ownership of the place of use under the water right. No fee is required for a notice of change of ownership of a claim pending in a water rights adjudication. A notice of change of ownership of all or part of a water right not accompanied by the required filing fee is incomplete and shall be returned without processing to the person who submitted the notice.
- (5) A notice of change of water right ownership of all or part of a water right shall be accompanied by deeds, court decrees, or other evidence showing the basis for the change in ownership, of conveyance of the water right and how the water right is divided if the change divides the water right among multiple owners.
- (6) If the person filing the notice of a change of water right ownership does not own the land identified as the place of use for the water right, the notice shall be accompanied by evidence that written notice of the change of water right ownership has been mailed or hand-delivered to the landowner of record, as identified in the records of the county recorder.
- (7) If the department receives the required notice, fee, and satisfactory evidence of conveyance of the water right as required in subsection (5) of this section, and evidence that the notice requirements of subsection (6) of this section, if applicable, have been met, the department shall update the ownership information in the water right records maintained by the department. If any required information is not provided, the department shall return the notice of change of ownership to the person filing the notice.
- (8) Any action by the department updating the ownership of a water right in the department's records or returning the notice of change of ownership to the person filing the notice is not a determination of water right ownership,

is not an administrative action subject to challenge under the Idaho administrative procedure act, chapter 52, title 67, Idaho Code, and is not subject to a request for hearing pursuant to section 42-1701A, Idaho Code. Water right ownership disputes arising from a notice of change of water right ownership under this section must be resolved either in a water rights adjudication or in an action to quiet title pursuant to section 6-401, Idaho Code.

(9) Any person having a security interest in a water right and desiring to be notified by the department regarding the filing of a change in ownership of that water right or of any proposed or final action to amend, transfer or otherwise modify that water right shall make the request upon a form provided by the department accompanied by a fee of twenty-five dollars (\$25.00) per right. The request shall be accompanied by evidence of the security interest including the expiration date of the security interest or other date defining the end of the period for which notification is requested. The request for notification shall expire at the end of the requested notification period unless renewed on a form provided by the department and accompanied by a renewal fee of twenty-five dollars (\$25.00) per right. The holder of a security interest requesting notification under this subsection shall provide notice to the department within sixty (60) days if the security interest is terminated prior to the end of the requested notification period.

SECTION 2. That Section 42-1409, Idaho Code, be, and the same is hereby amended to read as follows:

42-1409. NOTICE OF CLAIM. (1) The director shall prepare and furnish on request a standard notice of claim form.

The notice of claim form shall include the following:

- (a) the name and address of the claimant;
- (b) the source of water;

- (c) the quantity of water claimed:
  - (i) the quantity of water claimed to be used for water rights acquired under state law shall describe the rate of diversion or, for an instream flow claim, a rate of water flow in cubic feet per second or the annual volume of diversion of water for use or storage in acre-feet per year, or both;
  - (ii) the quantity of water claimed for water rights established under federal law shall describe for each and every purpose the rate of present and future water diversion or, in the case of an instream flow claim the rate of flow in cubic feet per second or annual volume of present and future diversion in acre-feet per year or both;
- (d) the date of priority claimed:
  - (i) the date of priority claimed for water rights acquired under state law shall be from any license, permit, or decree; or if the right is not based upon a license, permit, or decree, then the date when the water was first applied to beneficial use;
  - (ii) the date of priority claimed for water rights established under federal law shall be determined in accordance with federal law:
- (e) the number thereof, if founded upon a right on file with the department; or if the right is founded upon judicial decree not on file with

the department, then the title of the court and cause, number of the action and the date of entry;

- (f) the legal description of the existing point(s) of diversion; if the claim is for an instream flow, then a legal description of the beginning and ending points of the claimed instream flow;
- (g) the purpose(s) of use and the period of use:

- (i) the purpose(s) of use for water rights acquired under state law shall describe each purpose of use and the period of the year when water is used for each purpose;
- (ii) the purpose(s) of use for a water right established under federal law shall describe the purposes for which the water included in the claim is presently being used, if at all, and the period of the year when water is necessary for the designated purposes;
- (h) a legal description of the place of use:
  - (i) the legal description of the place of use for water rights acquired under state law shall describe the land where the water is beneficially used; if one (1) of the purposes of use is irrigation, then the number of irrigated acres within each forty (40) acre subdivision, except as provided in section 42-219, Idaho Code;
  - (ii) the legal description of the place of use for a water right established under federal law shall describe the federal reservation and the existing or proposed place of use for each consumptive use:
- (i) the dates of any changes or enlargements in use for water rights acquired under state law, including the dimension of the diversion works as originally constructed and as enlarged;
- (j) conditions on the exercise of any water right included in any decree, license, approved transfer application or other document; and
- (k) such remarks and other matters as are necessary for definition of the right, for clarification of any element of a right or for administration of the right by the director.
- (2) With respect to any water right for which a change was approved by the director pursuant to section 42-211 or 42-222, Idaho Code, after filing the notice of claim and prior to filing of the director's report, the claimant shall amend the notice of claim consistent with the determination of the director on the change.
- (3) Each claimant, through submission of a claim, shall solemnly swear or affirm under penalty of perjury that the statements contained in the notice of claim or amended notice of claim are true and correct.
- (4) All claimants of water rights that are included in a general adjudication shall file with the director a notice of claim for all water rights, except for those types of water rights designated in paragraphs (a) through (d) of subsection (1) of section 42-1420, Idaho Code.
- (5) Any person who fails to submit a required notice of claim shall be deemed to have been constructively served with notice of a general adjudication by publication and mailing as required by section 42-1408, Idaho Code.
- (6) Each purchaser of a water right from the water system shall inquire of the director whether a notice of claim has been filed, and if not, shall file a notice of claim in accordance with this section. All claimants and

purchasers shall provide the director written notice of any change in ownership or of any change in mailing address during the pendency of a general adjudication. All purchasers shall submit some evidence of ownership along with the notice of change of ownership in the manner prescribed in section 42-248, Idaho Code.

- (7) At least one hundred twenty (120) days prior to filing of the director's report with the court, the director may notify each holder of a permit or license to appropriate water from the water system, for which proof of beneficial use was filed after entry of the court's order commencing a general adjudication, to file a notice of claim within thirty (30) days of mailing of the notice. The director shall notify the holder of the permit or license by certified mail at the most recent address shown in the records of the department.
- (8) The district court or director may extend the time for filing a notice of claim.