1 ENGROSSED HOUSE BILL NO. 2053 By: Hardin of the House 2 and 3 Howard of the Senate 4 5 6 7 [ water and water rights - permits to take and use groundwater - protests - appeals - sanctions -8 9 emergency ] 10 11 12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: 1.3 SECTION 1. AMENDATORY 82 O.S. 2021, Section 1020.8, is 14 amended to read as follows: 15 Section 1020.8 A. Except as otherwise provided by Section 16 1020.10 of this title for limited quantity groundwater permits, upon 17 the filing of an application which complies with the provisions of 18 Chapter 11 of this title, and the rules promulgated by the Oklahoma 19 Water Resources Board pursuant thereto, the Board shall instruct the 20 applicant to provide notice thereof, at the applicant's expense, and 21 as required by the Board's rules. Such notice shall give all the 22 essential facts as to the proposed taking, among them being the 23 places of taking and of use, amount of water, the purpose for which 24 it is to be used, name and address of applicant, the hearing date,

- 1 time and place if a hearing is scheduled by the Board before instructions to provide notice are given, and a thirty-day protest period as well as the manner in which a protest to the application 3 4 may be made. At the time the Board provides notice of application 5 to the applicant, the Board shall publish on its website the applications and instructions for public notice, including the draft 6 7 public notice prepared by the Board. The website publishing is in addition to, and not in lieu of, the requirement for applicants to 8 9 publish notice in the newspaper. The time to protest shall run from 10 the date of the first newspaper publication.
  - B. No hearing shall be had upon the application until proper notice shall have been given. Any interested party shall have the right to protest the application and present evidence and testimony in support of such protest. If the Board does not schedule a hearing on the application before instructing the applicant to provide notice, a hearing on the application shall be scheduled by the Board upon receipt of a protest which meets the requirements of the Board's rules and the Board shall notify the applicant and protestant of such hearing.
  - C. A party protesting the application based solely on the industry or entity applying to use the water is not an interested party.
- SECTION 2. AMENDATORY 82 O.S. 2021, Section 1020.9, is amended to read as follows:

11

12

13

14

15

16

17

18

19

20

21

Section 1020.9 A. 1. Before the Oklahoma Water Resources
Board takes final action on an application, the Board shall
determine from the evidence presented, from the hydrologic surveys
or reports and from other relevant data available to the Board and
applicant, whether:

- a. the lands owned or leased by the applicant overlie a fresh groundwater basin or subbasin,
- b. the use to which the applicant intends to put the water is a beneficial use,
- c. waste as specified by Section 1020.15 of this title will occur, and
- d. the proposed use is likely to degrade or interfere with springs or streams emanating in whole or in part from water originating from a sensitive sole source groundwater basin or subbasin as defined in Section 1 1020.9A of this act title.
- 2. The Board shall approve the application by issuing a regular permit, if the Board finds that:
  - a. the lands owned or leased by the applicant overlie the fresh groundwater basin or subbasin,
  - b. the use to which the applicant intends to put the water is a beneficial use,
  - c. waste specified by Section 1020.15 of this title will not occur. When determining whether waste will occur

1

2

3

4

5

6

7

8

9

10

11

12

1.3

14

15

16

17

18

19

20

2.1

22

23

24

pursuant to this subparagraph, if the activity for which the applicant intends to use the water is required to comply with rules and requirements of or is within the jurisdictional areas of environmental responsibility of the Department of Environmental Quality or the State Department of Agriculture, Food, and Forestry the Board shall be precluded from making a determination whether waste by pollution pursuant to paragraph 7 of subsection A of Section 1020.15 of this title will occur as a result of such activity. Determination that waste will or will not occur by the Department of Environmental Quality or the State Department of Agriculture, Food, and Forestry is solely within the respective agency's jurisdiction and may not be protested through the Oklahoma Water Resources Board's hearing on the application nor may an Oklahoma court order the Board to hold a hearing over the determination of the Department of Environmental Quality or the State Department of Agriculture, Food, and Forestry. Each groundwater protection agency, as such term is defined by Section 1-1-201 of Title 27A of the Oklahoma Statutes, shall be responsible for developing and enforcing groundwater protection practices to prevent

- groundwater contamination from activities within their respective jurisdictional areas of environmental responsibility, and
  - d. the proposed use is not likely to degrade or interfere with springs or streams emanating in whole or in part from water originating from a sensitive sole source groundwater basin as defined in Section ± 1020.9 of this act title.
- B. Except as otherwise provided in subsection C of this section, a regular permit shall allocate to the applicant the proportionate part of the maximum annual yield of the basin or subbasin. The proportionate part shall be that percentage of the total annual yield of the basin or subbasin, previously determined to be the maximum annual yield as provided in Section 1020.5 of this title, which is equal to the percentage of the land overlying the fresh groundwater basin or subbasin which the applicant owns or leases and which is dedicated to the application.
- C. If the lands dedicated to the application overlie two or more groundwater basins and both basins have had maximum annual yields determined, the amount to be authorized by the regular permit shall be calculated on the basin having the greatest maximum annual yield. If the lands dedicated to the application overlie two or more groundwater basins or subbasins and the maximum annual yield has been determined for at least one but not all the basins or

subbasins, a temporary permit may be issued to the applicant if the applicant demonstrates by substantial competent evidence that the water to be withdrawn by the temporary permit will not be taken from a basin or subbasin for which the maximum annual yield has been determined. If the land overlies two or more groundwater basins or subbasins and the maximum annual yield has not been determined for any of the basins or subbasins, more than one temporary permit may be issued for the land if the applicant demonstrates by substantial competent evidence from which basin the water will be withdrawn for each of the permits.

- D. The permit shall specify the location of the permitted well or wells and other terms and conditions as specified by the Board, including, but not limited to, the rate of withdrawal, the level of perforating and the level of sealing the well. A regular permit shall not be granted for less than the remaining life of the basin or subbasin as previously determined by the Board.
- E. If the Board's final action to approve an application is appealed, the applicant may take and use groundwater as is set forth under the permit while any appeals are pending with the Board, in district court, or in the appellate courts.
- F. If all statutory requirements for groundwater permits are fulfilled and the Board approves the application, appeals seeking to prohibit the use of water based solely on the industry or entity applying to use the water are considered to have no genuine issue as

| 1  | to any material fact and shall be dismissed pursuant to Section 2056 |
|----|--|
| 2  | of Title 12 of the Oklahoma Statutes. Further, such claims shall be  |
| 3  | considered frivolous and the court may impose sanctions against the  |
| 4  | appellant, the appellant's attorney, or both including requiring the |
| 5  | appellant or the appellant's attorney to reimburse the appellee for  |
| 6  | reasonable costs and expenses such as reasonable attorney fees and   |
| 7  | other expenses incurred as a result of the appeal.                   |
| 8  | SECTION 3. It being immediately necessary for the preservation       |
| 9  | of the public peace, health or safety, an emergency is hereby        |
| 10 | declared to exist, by reason whereof this act shall take effect and  |
| 11 | be in full force from and after its passage and approval.            |
| 12 | Passed the House of Representatives the 22nd day of March, 2023.     |
| 13 |  |
| 14 | Presiding Officer of the House                                       |
| 15 | of Representatives   |
| 16 |  |
| 17 | Passed the Senate the day of, 2023.                                  |
| 18 |  |
| 19 | Presiding Officer of the Senate                                      |
| 20 | Presiding Officer of the Senate                                      |
| 21 |  |
| 22 |  |
| 23 |  |
| 24 |  |