1 STATE OF OKLAHOMA 2 2nd Session of the 59th Legislature (2024) 2ND CONFERENCE COMMITTEE 3 SUBSTITUTE FOR ENGROSSED 4 HOUSE BILL NO. 2197 By: Lowe (Dick) of the House 5 and 6 Paxton of the Senate 7 8 9 2ND CONFERENCE COMMITTEE SUBSTITUTE 10 An Act relating to waters and water rights; amending 82 O.S. 2021, Section 105.1, which relates to definitions; modifying definition; amending 82 O.S. 11 2021, Section 105.13, which relates to permits; modifying entity granting certain approval; making 12 certain exception; amending 82 O.S. 2021, Section 1.3 105.17, which relates to reversion of water to the public; requiring certain report by permit holders; 14 allowing report to contain certain explanation; authorizing the Oklahoma Water Resources Board to 15 promulgate certain rules; allowing for certain cancellation of permit; amending 82 O.S. 2021, 16 Section 105.20, as amended by Section 1, Chapter 218, O.S.L. 2022 (82 O.S. Supp. 2023, Section 105.20), 17 which relates to violations; authorizing the issuance of certain administrative orders upon findings; 18 requiring orders to make certain finding and specifications; amending 82 O.S. 2021, Section 19 1020.10, which relates to permits; allowing certain permit renewal; and declaring an emergency. 20 21 22 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: 23 SECTION 1. AMENDATORY 82 O.S. 2021, Section 105.1, is 24 amended to read as follows:

As used in Sections 105.2 through 105.32 of this title:

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- 1. "Definite stream" means a watercourse in a definite, natural channel, with defined beds and banks, originating from a definite source or sources of supply. The stream may flow intermittently or at irregular intervals if that is characteristic of the sources of supply in the area;
- 2. "Domestic use" means the use of water by a natural individual or by a family or household for household purposes, for farm and domestic animals up to the normal grazing capacity of the land and for the irrigation of land not exceeding a total of three (3) acres in area for the growing of gardens, orchards and lawns, and for such other purposes, specified by Board rules, for which de minimis amounts are used;
- 3. "Regular permit" means a permit granted by the Oklahoma Water Resources Board authorizing the holder to appropriate water on a year-round basis in an amount and from a source approved by the Board:
- 4. "Seasonal permit" means a permit granted by the Board authorizing the holder of such permit to divert available water for specified time periods during the calendar year;
- 5. "Temporary permit" means a permit granted by the Board authorizing the appropriation of water in an amount and from a source approved by the Board which does not exceed a time period of three (3) months, which does not vest in the holder any permanent

right and which may be canceled by the Board in accordance with its terms;

- 6. "Term permit" means a permit granted by the Board authorizing the appropriation of water in an amount and from a source approved by the Board for a term of years which does not vest the holder with any permanent right and which expires upon expiration of the term of the permit; and
- 7. "Provisional temporary permit" means a nonrenewable permit which may be summarily granted upon administrative approval by the Board Executive Director of the Oklahoma Water Resources Board and which authorizes an appropriation of water in an amount and from a source approved by the Board Executive Director. A provisional temporary permit shall not authorize an appropriation for a period of time not exceeding ninety (90) days, shall not vest in the holder any permanent water right and shall be subject to cancellation by the Board at any time within its term in accordance with its provisions. A provisional temporary permit may be renewed three (3) times for the oil and natural gas industry except in a sole source aquifer.
- SECTION 2. AMENDATORY 82 O.S. 2021, Section 105.13, is amended to read as follows:
- Section 105.13 A. The Oklahoma Water Resources Board is authorized to issue, in addition to regular permits, seasonal, temporary, term or provisional temporary permits at any time the

- Board finds such issuance will not impair or interfere with domestic uses or existing rights of prior appropriators and may do so even where it finds no unappropriated water is available for a regular permit. All seasonal, temporary, term and provisional temporary permits shall contain a provision making them subject to all rights of prior appropriators. If any such permit is for water impounded in any works for storage, diversion or carriage of water, the applicant must comply with the provisions of Section 105.21 of this title.
 - B. Except as otherwise provided by this section, application, notice and administrative hearing as provided in Sections 105.9 through 105.12 of this title shall be required for all permits. A provisional temporary permit may be immediately and summarily granted upon administrative approval by the Board Executive

 Director. Provisional temporary permits shall:
 - 1. Not be effective for a period of more than ninety (90) days except for the oil and natural gas industry;
 - 2. Be granted at the discretion of the Board; and

- 3. Be subject to such terms, conditions and rules promulgated by the Board for such purposes.
- C. The Executive Director of the Board may administratively issue permits to use limited quantities of stream water. Notice, procedures and the maximum quantity authorized for limited quantity stream water permits shall be in compliance with rules promulgated

- by the Board. In no event shall the maximum quantity of water

 authorized in a limited quantity stream water permit exceed the

 amount of stream water that would otherwise be determined by the

 Board pursuant to Section 105.12 of this title.
- 5 SECTION 3. AMENDATORY 82 O.S. 2021, Section 105.17, is 6 amended to read as follows:

- Section 105.17 A. To the extent that the water authorized is not put to beneficial use as provided by the terms of the permit, that amount not so used shall be forfeited by the holder of the permit and shall become public water and available for appropriation.
- B. When the party entitled to the use of water commences using water but thereafter fails to beneficially use all or any part of the water claimed by him <u>or her</u>, for which a right of use has been vested for the purpose for which it was appropriated for a period of seven (7) continuous years, such unused water shall revert to the public and shall be regarded as unappropriated public water.
- C. Permit holders shall report their annual water use to the Oklahoma Water Resources Board in a manner provided by the Board.

 The water use report shall provide the permit holder an opportunity to explain any nonuse of the water allocated by the permit. In addition to the procedure for individual proceedings provided for in Section 105.18 of this title, the Board is authorized to promulgate

rules for reporting stream water used and the approval of excused nonuse of stream water.

- D. Failure to report annual water usage may result in cancellation of the permit by the Board upon proper notice and hearing as provided in Section 105.18 of this title.
- SECTION 4. AMENDATORY 82 O.S. 2021, Section 105.20, as amended by Section 1, Chapter 218, O.S.L. 2022 (82 O.S. Supp. 2023, Section 105.20), is amended to read as follows:
- Section 105.20 A. The unauthorized use of water, the unauthorized transfer of a water right, the continued use of works which are unsafe after receiving notice to repair, the waste of water, the unauthorized severance of a water right from the land to which it is appurtenant, the refusal to change unsafe works when directed to do so, the injury or obstruction of waterworks, or the violation of a permit condition shall be a misdemeanor and each day such violation continues shall be a separate violation. In addition to filing criminal complaints and any other remedies provided herein, the Oklahoma Water Resources Board shall have the right to bring an action in the district court of the county wherein such act or omission occurs to enjoin the same.
- B. The unauthorized use of water, the unauthorized transfer of a water right, the continued use of works which are unsafe after receiving notice to repair, the waste of water, the unauthorized severance of a water right from the land to which it is appurtenant,

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the refusal to change unsafe works when directed to do so, the
injury or obstruction of waterworks, or the violation of a permit
condition are considered violations of Sections 105.1 through 105.32
of this title and shall be subject to administrative penalties
issued by the Board of up to Five Thousand Dollars ($5,000.00) per
day of violation. Such administrative penalties shall be imposed
only after notice and opportunity for hearing on the proposed
imposition of such penalties.
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C. The Board and its authorized agents shall have a reasonable right to go upon private property in the performance of their duties hereunder and shall have the duty to file complaints of violations of the penal provisions of this section.

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Director of the Oklahoma Water Resources Board may issue

administrative orders requiring the immediate cessation of water use

when Board staff has a reasonable belief the use is unauthorized or

continued use will damage rights of prior appropriators. Such

administrative orders shall indicate the finding of imminent peril

and shall specify the actions that are to be taken immediately. In

addition, the orders shall specify a time and place for a hearing to

be held after such actions are taken.

SECTION 5. AMENDATORY 82 O.S. 2021, Section 1020.10, is amended to read as follows:

Section 1020.10 A. The procedures provided for in this chapter for the granting of regular permits shall be applicable to the granting of temporary or special permits except that the determination of the maximum annual yield shall not be a condition precedent. Provided a provisional temporary permit for water may immediately be granted upon administrative approval by the Oklahoma Water Resources Board. This permit will not be effective for a period of not more than ninety (90) days. A provisional temporary permit may be renewed three (3) times for the oil and natural gas industry except in a sole source aguifer.

B. The Executive Director of the Board may administratively issue permits to use limited quantities of groundwater. Notice, procedures and the maximum groundwater quantity authorized for limited quantity groundwater permits shall be in compliance with rules promulgated by the Board. In no event shall the maximum quantity of water authorized in a limited quantity groundwater permit exceed the amount that would otherwise be allocated by this chapter.

SECTION 6. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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