

**ASSOCIATION OF GALLATIN AGRICULTURAL IRRIGATORS  
2009 WEEKLY LEGISLATIVE HIGHLIGHTS  
March 29, 2009**

The session is getting more and more political with transmittal deadlines for amendments to general bills and revenue and appropriate bills hitting us this week. Everyone is trying to figure out how to get their bills through the process. We will be working hard on SB 507 this week to try to keep it whole as it makes its way through the house. Please do not hesitate to let either Krista or Walt know about issues of concern, comments, and thoughts.

**Reports on Hearings Held March 23-March 27**

**SB 22 – (Murphy, R, Cardwell)** – Without this piece of legislation there will not be a permanent water policy interim committee. It is good that it has finally been scheduled for 2<sup>nd</sup> reading in the Senate.

**Reports on Bills Heard but still in Committee – March 23-March 27**

**HB 40 – (Cohenour, D – E. Helena) – WPIC bill** – This bill is the big consensus bill that all of the interested parties worked on in an effort to improve the permitting process in DNRC. This bill also clarifies what “correct and complete” means. This clarification is necessary because of the Bostwick decision and potential implications of that decision. Unfortunately, it looks like this bill is subject to political maneuvering. Hopefully the bill can be kept intact and moved through the process.

**Reports on Committee Action – March 23-March 27**

**HB 52 – (McNutt, R – Sidney)** – Fund hydrogeologic Study was heard by House Appropriations on January 12. All those who testified were proponents. AGAI supported the legislation stating it is critical to provide sound, unbiased science so that informed decisions may be made with regard to water allocation in Montana. Estimated cost per basin for the ground water study is \$600,000. MT Bureau of Mines and Geology has determined that approximately 7 basins could be studied per biennium. It would take approximately 5 bienniums to complete all of the basins in MT. Rep. McNutt requested that the legislation be held until the budget picture was better understood. The bill requests \$4.2 million per biennium. *Appropriation was cut to \$900,000. Passed out of Appropriations and the House Floor.*

**HB 321 – (Cohenour, D, E. Helena)** – This legislation makes it clear that local governments have the authority to require public water or sewer systems or both.  
*TABLED IN COMMITTEE*

**SB 94 – (Jent, D, Bozeman) – WPIC bill** – This bill as introduced removed many of the requirements that were provided through HB 831 in the 2007 session. However, after significant amendments, AGAI chose to support the bill in order to make it clear that the



Water Court is responsible for determining historic beneficial use – not the DNRC.  
*FAILED IN COMMITTEE ON A TIE VOTE*

**SB 303 – (Wanzenried, D, Missoula)** – This piece of legislation requires DNRC to adopt elements of the state water plan. It breaks the study into the Clark Fork, the Missouri, and the Yellowstone. As drafted the bill gave priority to in-stream flow rights since they were specifically mentioned. The sponsor willingly amended the bill to remove all references to any specific type of beneficial use and to remove the reference to determining the impacts to water availability as the result of climate change. *PASSED OUT OF SENATE FINANCE AND CLAIMS AND OFF THE SENATE FLOOR*

**SB 396 – (Story, R, Park City)** – This bill provided an exemption from the change process for irrigation diversion structures that were being combined or moved a short distance. AGAI has been very adamant this session regarding no new exemptions to the permitting process. The bill was amended in the Senate and additional amendments were offered in the house. *PASSED OUT OF HOUSE NATURAL RESOURCES WITH AN AMENDMENT TO MAKE IT A REPLACEMENT POINT OF DIVERSION BILL*

**SB 437 – (Perry, R, Manhattan)** – This bill prohibited the issuance of new fish licenses if ponds were built using groundwater from a well that was exempt from water right permitting pursuant to 85-2-306. *FAILED IN COMMITTEE ON A TIE VOTE*

**SB 465 – (Hamlett, D, Cascade)** – As a result of the District Court's decision in PPL v. Montana the Department of Revenue removed what they deemed to be navigable rivers from the tax rolls and did not differentiate between high water mark and low water mark. The primary concern with this action by the DOR is that they do not have the authority to determine title to property as an administrative action and the risk that the “lines” that were drawn by DOR would somehow be applied by DNRC to determine which property is school trust land. *PASSED OUT OF SENATE TAX AND OFF THE SENATE FLOOR*

**SB 507 – (Story, R, Park City)** – This bill addressed the navigable rivers decision in PPL v. State of Montana. The intent of the legislation is to clarify how the determination that river beds are school trust lands will impact irrigation structures and other structures that are located below the low water mark on a navigable river. The underlying issues are extremely complex. There is a contingent voidance on the bill in the event PPL wins the appeal to the Montana Supreme Court. *PASSED OUT OF SENATE TAX AND THROUGH 2<sup>ND</sup> READING ON THE FLOOR.*

### **Reports on Floor Action Held March 23-March 27**

**SB 465 – Clarify Ownership of Streambeds Concerning Property Taxation –**  
2<sup>nd</sup> Reading -48-0/3<sup>rd</sup> Reading 50-0

**SB 507 – Use of River Beds –** 39-9 2<sup>nd</sup> Reading



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**Hearings for the week of March 30 – April 3**

**(Note: A hearing only requires a two day notice so this list may change)**

**Monday 3/30/09:**

<a href="#">HB 52</a>	LC0431	Walter McNutt	(S) Hearing -- (S) Natural Resources	03/30/2009; 3:00 PM, Rm 422	Fund hydrogeologic study
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**Tuesday 3/31/09:**

<a href="#">SB 343</a>	LC0184	Verdell Jackson	(H) Hearing -- (H) Agriculture	03/31/2009; 3:00 PM, Rm 472	Regulation of zebra mussel and other invasive species
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**Wednesday 4/1/09:**

**Thursday 4/2/09:**

**Friday 4/3/09:**

