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SENATE BILL 120

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

Carlos R. Cisneros

INTRODUCED BY

AN ACT

RELATING TO WATER: PROVIDING FOR ACTIVE RESOURCE MANAGEMENT AND DESIGNATION OF CRITICAL MANAGEMENT AREAS; AMENDING AND ENACTING SECTIONS OF CHAPTER 72 NMSA 1978 TO ENABLE THE STATE ENGINEER TO REGULATE DOMESTIC WELLS IN CRITICAL MANAGEMENT AREAS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of Chapter 72, Article 2 NMSA 1978 is enacted to read:

"[NEW MATERIAL] ACTIVE RESOURCE MANAGEMENT--DESIGNATION OF CRITICAL MANAGEMENT AREAS. --

The legislature finds that:

the constitution of New Mexico provides (1) that only unappropriated water is subject to appropriation and that priority gives the better right. Protection of senior water rights is the constitutional duty of the state engineer

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in New Mexico;

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- **(2)** pursuant to eight interstate stream compacts, New Mexico is required to deliver water to other states, and failure to meet compact obligations can result in multimillion dollar judgments and priority calls with severe economic disruption;
- active resource management is essential if **(3)** New Mexico is to protect, manage and develop its water resources:
- demand for water exceeds the available **(4)** supply in many areas of the state, and some of these areas require heightened protection and management if the state engineer is to meet constitutional and compact duties and obligations and if the citizens in those areas are to be protected from the loss of a vital resource;
- in some areas, multiple wells used for domestic purposes and limited irrigation impair the rights of existing users, contribute to excessive draw-down of the water table, threaten the short-term viability of areas with thin or reduced aquifer thickness or negatively impact the state's ability to meet its interstate compact obligations. In other areas, domestic wells are drilled into contaminated aquifers, compromising the health and safety of the citizens; and
- **(6)** in areas of the state that require heightened protection, designation of critical management areas . 152439. 2

may be necessary to prolong the life of an aquifer, protect the rights of existing water users, enhance the ability of the state to meet its interstate compact delivery requirements and protect the health and safety of its citizens.

- B. The state engineer may declare a critical management area in specific areas in the same manner as special orders made pursuant to Section 72-2-8 NMSA 1978.
- C. As used in Chapter 72 NMSA 1978, "critical management area" means a bounded area, specifically described by section, township and range, or by other land survey descriptions, that requires special water resource protection because:
- (1) water resources may be inadequate to sustain well production as evidenced by water level decline rates and available aquifer thickness; or
- (2) additional depletions are shown to negatively affect interstate compact delivery requirements.
- D. The state engineer shall treat all domestic well applications filed pursuant to Section 72-12-1.1 NMSA 1978 in the same manner within each critical management area.
- E. A critical management area designation is subject to reconsideration upon petition by a person owning land or water rights within that critical management area. The state engineer shall consider the petition pursuant to procedures set forth for the promulgation of special orders in .152439.2

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Section 72-2-8 NMSA 1978. The petition shall be granted if the critical management area has recovered such that the conditions under which the critical management area was declared no longer exist."

- Section 2. Section 72-2-8 NMSA 1978 (being Laws 1967, Chapter 246, Section 1) is amended to read:
- "72-2-8. ADMINISTRATIVE REGULATIONS, CODES, INSTRUCTIONS, ORDERS--PRESUMPTION OF CORRECTNESS.--
- A. The state engineer may adopt regulations and codes to implement and enforce any provision of any law administered by [him] the state engineer and may issue orders necessary to implement [his] decisions and to aid [him] in the accomplishment of [his] the state engineer's duties. In order to accomplish its purpose, this provision is to be liberally construed.
- B. Directives issued by the state engineer shall be in form substantially as follows:
- (1) regulations are written statements of the state engineer of general application to the public, implementing statutes, prescribing procedures and interpreting and exemplifying the statutes to which they relate;
- (2) codes are written standards and specifications governing design and construction of dams;
- (3) orders are written statements of the state engineer to implement [his decision] the state engineer's . 152439.2

decisions; and

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- (4) special orders are written statements defining the declared boundaries of underground streams, channels, artesian basins, reservoirs, [or] lakes or critical management areas.
- C. To be effective, a regulation, code or special order issued by the state engineer shall be reviewed by the attorney general or other legal counsel of the office of the state [engineer's office] engineer prior to being filed as required by law and the fact of his review shall be indicated thereon.
- To be effective, a regulation or code shall D. first be issued as a proposed regulation or proposed code and filed for public inspection in the office of the state engineer along with the findings of fact that in the opinion of the state engineer justify the regulation or code. Distribution shall also be made to each district and field office for public inspection and to each of the persons on the file of interested persons [hereinafter] mentioned in Subsection G of this After the proposed regulation or code has been on section. file for one month, [he] the state engineer shall publish it or, if it is lengthy, a resume of it in not less than five newspapers of general circulation in the state, once a week for two consecutive weeks, with the statement that there will be a hearing on the proposed regulation or code on a day set in the

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publication, which shall be not more than thirty days nor less than twenty days after the last publication. The hearing shall be held in Santa Fe, and any person who is or may be affected by the proposed regulation or code may appear and testify.

- E. Special orders may be promulgated without prior notice and hearing, but the state engineer shall, within ten days of promulgation of a special order, set a date for a hearing on the special order and publish notice of the public hearing in the same manner required [above] in Subsection D of this section. When a special order is issued to designate a critical management area, the order shall not become effective until after notice and hearing. All applications submitted after issuance of the special order shall be subject to the provisions of the final adopted special order. Hearings on special orders to create a critical management area shall be held within the proposed critical management area.
- F. In addition to filing copies of regulations as required by law, the state engineer shall maintain in [his] the office of the state engineer duplicate official sets of current regulations, codes and special orders, which sets shall be available for inspection by the public.
- G. The state engineer shall develop and maintain a file of names and addresses of individuals <u>and</u> professional, agricultural and other groups having an interest in the promulgation of new, revised or proposed regulations and shall . 152439. 2

at convenient times distribute to these persons all such regulations, making such charges [therefor] as will defray the expense incurred in their physical preparation and mailing.

H. Any regulation, code or order issued by the state engineer is presumed to be in proper implementation of the provisions of the water laws administered by [him] the state engineer.

I. The state engineer shall state the extent to which regulations, codes and orders will have retroactive effect and, if no such statement is made, they will be applied prospectively only."

Section 3. Section 72-12-1.1 NMSA 1978 (being Laws 2003, Chapter 298, Section 2) is amended to read:

"72-12-1.1. UNDERGROUND WATERS--DOMESTIC USE--PERMIT.--

A. A person, firm or corporation desiring to use public underground waters described in this section for irrigation of not to exceed one acre of noncommercial trees, lawn or garden or for household or other domestic use shall make application to the state engineer for a well on a form to be prescribed by the state engineer. Upon the filing of each application describing the use applied for, the state engineer shall issue a permit to the applicant to use the underground waters applied for, [provided that] except as otherwise provided in this section.

 $$\underline{B}.$$ Permits for domestic water use within .152439.2

| municipalities shall be conditioned to require the permittee to |
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| comply with all applicable municipal ordinances enacted |
| pursuant to Chapter 3, Article 53 NMSA 1978. |
| C. The state engineer may deny domestic well permit |

- C. The state engineer may deny domestic well permit applications in critical management areas unless the applicant transfers a water right pursuant to Subsection E of this section.
- D. Water rights obtained pursuant to this section are water rights with a priority date and may be transferred to a new location or purpose of use subject to the provisions of Chapter 72 NMSA 1978.
- E. A person required to transfer a water right pursuant to this section shall obtain an existing water right from within that critical management area and change the place or purpose of use of the water right; provided that the proposed change will not increase depletions within the critical management area. The change in place or purpose of use shall be made pursuant to the provisions of Section 72-5-24 or 72-12-7 NMSA 1978, except that a person required to transfer a water right pursuant to this section may be exempted from the public notice requirements if:
- (1) there is a change of use to domestic use with no change in location of use; or
- (2) the water right transferred is one acrefoot or less and:

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(b) the water right to be transferred is not from an acequia or community ditch.

F. A person may appeal the decision of the state engineer pursuant to the provisions of Section 72-7-1 NMSA 1978."

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