SENATE CONSERVATION COMMITTEE SUBSTITUTE FOR SENATE BILL 89

46TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2004

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 WELLS IN CRITICAL MANAGEMENT AREAS; DECLARING AN EMERGENCY.

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] DESIGNATION OF CRITICAL MANAGEMENT
AREAS.--

- A. 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.
- B. As used in Chapter 72 NMSA 1978, "critical .150218.2

management area" means a bounded area described by section, township and range, or by other land survey descriptions, that requires heightened 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.
- C. All provisions of the critical management area shall apply equally throughout the entire critical management area.
- D. 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 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 .150218.2

codes to implement and enforce any provision of any law administered by him and may issue orders necessary to implement his decisions and to aid him in the accomplishment of his 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 [decisions; and
- (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.

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2 first be issued as a proposed regulation or proposed code and 3 filed for public inspection in the office of the state engineer 4 along with the findings of fact that in the opinion of the 5 state engineer justify the regulation or code. Distribution 6 shall also be made to each district and field office for public 7 inspection and to each of the persons on the file of interested 8 persons [hereinafter] mentioned in Subsection G of this 9 section. After the proposed regulation or code has been on 10 file for one month, [he] the state engineer shall publish it 11 or, if it is lengthy, a resume of it in not less than five 12 newspapers of general circulation in the state, once a week for 13 two consecutive weeks, with the statement that there will be a 14 hearing on the proposed regulation or code on a day set in the 15 publication, which shall be not more than thirty days nor less 16 than twenty days after the last publication. The hearing shall 17 be held in Santa Fe, and any person who is or may be affected 18 by the proposed regulation or code may appear and testify. 19

To be effective, a regulation or code shall

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 .150218.2

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 office 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 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.
- 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, .150218.2

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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.

B. Permits for domestic water use within municipalities shall be conditioned to require the permittee to comply with all applicable municipal ordinances enacted pursuant to Chapter 3, Article 53 NMSA 1978.

C. The state engineer may deny a domestic well permit in a critical management area unless the applicant obtains a water right pursuant to Subsection D of this section. 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.

D. A person required to obtain a water right pursuant to this section shall obtain an existing water right .150218.2

1	from within that critical management area and change the place
2	or purpose of use of the water right; provided that the
3	proposed change will not increase depletions within the
4	critical management area. The change in place or purpose of
5	use shall be made pursuant to the provisions of Section 72-5-24
6	or 72-12-7 NMSA 1978, except that a person required to obtain a
7	water right pursuant to this section may be exempted from the
8	<pre>public notice requirements if:</pre>
9	(1) there is a change of use to domestic use
10	with no change in location of use; or
11	(2) the water right transferred is one acre-
12	foot or less and:
13	(a) the state engineer determines that
14	the change will not impair existing water rights, be contrary
15	to conservation of water or be detrimental to the public
16	welfare; and
17	(b) the water right to be transferred is
18	not from an acequia or community ditch.
19	E. A person may appeal the decision of the state
20	engineer pursuant to the provisions of Section 72-7-1 NMSA

Section 4. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately.

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