



Synopsis of Original Bill

House Energy and Natural Resources Committee substitute for House Bill 293 provides for graduated fees for different types of domestic wells. The committee substitute also creates the Domestic Well Impact Fund.

HB 293/HENRCS declares an emergency.

Significant Issues

The committee substitute establishes two separate fees; a “well application fee” and a “domestic well impact fee.” The well application fee would be \$200 dollars for a domestic well permitted for a single household, and \$400 dollars for a domestic well permitted to be shared by multiple households. The separate domestic well impact fee would be \$200 dollars for each connection on a shared well that will serve a subdivision of three or more lots. The domestic well impact fee would be refunded in the event that the well drilled was not a producing well.

HB 293/HENRCS permits a person who owns a consumptive use right within the same basin as the proposed well to transfer up to three acre-feet per year of consumptive use and provides that upon certification by the State Engineer the water is from the same basin the transfer shall be approved. The committee limits the application fee to be charged for such a transfer to the amount charged to file an application for a change in place or purpose of use.

The committee substitute establishes the domestic well impact fund into which the fees collected would be deposited. Money deposited in the fund will be used to purchase water rights to offset the effects of domestic well pumping in stream corridor areas and for expenses associated with metering, measuring and administering water using. Money remaining in the fund at the end of a fiscal year reverts to the general fund.

**PERFORMANCE IMPLICATIONS**

Existing staffing levels would be able to accommodate implementation.

**FISCAL IMPLICATIONS**

The appropriation of approximately \$1.3 million dollars contained in this bill is a recurring expense to the Domestic Well Impact Fund. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall revert to the general fund.

Continuing Appropriations

This bill creates a new fund and provides for continuing appropriations. The LFC objects to including continuing appropriation language in the statutory provisions for newly created funds. Earmarking reduces the ability of the legislature to establish spending priorities.

**PA/lg**