HOUSE BILL 437

42ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1996

INTRODUCED BY

G. X. MCSHERRY

AN ACT

RELATING TO THE FORFEITURE OF WATER RIGHTS; AMENDING SECTIONS OF THE NMSA 1978 PERTAINING TO EXTENSIONS OF TIME IN WHICH TO APPLY BENEFICIAL USE.

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

Section 1. Section 72-5-28 NMSA 1978 (being Laws 1907, Chapter 49, Section 42, as amended) is amended to read:

"72-5-28. FAILURE TO USE WATER--FORFEITURE. --

A. When the party entitled to the use of water fails to beneficially use all or any part of the water claimed by him, for which a right of use has vested for the purpose for which it was appropriated or adjudicated, except the waters for storage reservoirs, for a period of four years, such unused water shall, if the failure to beneficially use the water persists one year after notice and declaration of nonuser given by the state

unappropriated public water; provided, however, that forfeiture 2 shall not necessarily occur if circumstances beyond the control 3 of the owner have caused nonuse, such that the water could not 4 be placed to beneficial use by diligent efforts of the owner; 5 6 and provided that periods of nonuse, when irrigated farm lands are placed under the acreage reserve program or conservation 7 reserve program provided by the Food Security Act of 1985, PL 8 9 99-198, shall not be computed as part of the four-year 10 forfeiture period; and provided, further, that the condition of 11 notice and declaration of nonuser shall not apply to water which 12 has reverted to the public by operation of law prior to June 1, 13 1965.

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B. Upon application to the state engineer at any time and a proper showing of reasonable cause for delay or for nonuse, or upon the state engineer finding that it is in the public interest, the state engineer may grant extensions of time [not to exceed a term of one year for each extension] for a period not to exceed three years in which to apply to beneficial use the water, for which a permit to appropriate has been issued or a water right has vested, was appropriated or has been adjudicated.

engineer, revert to the public and shall be regarded as

C. Periods of nonuse when water rights are acquired by incorporated municipalities or counties for implementation of their water development plans or for [preservation] preservation

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of municipal or county water supplies shall not be computed as part of the four-year forfeiture statute.

- A lawful exemption from the requirements of beneficial use, either by an extension of time or other statutory exemption, stops the running of the four-year period for the period of the exemption, and the period of exemption shall not be included in computing the four-year period.
- E. Periods of nonuse when the nonuser of acquired water rights is on active duty as a member of the armed forces of this country shall not be included in computing the four-year peri od.
- The owner or holder of a valid water right or permit to appropriate waters for agricultural purposes appurtenant to designated or specified lands may apply the full amount of water covered by or included in the water right or permit to any part of such designated or specified tract without penalty or forfeiture.
- Periods of nonuse when water rights are acquired and placed in a water conservation program, which has been approved by the state engineer, by a conservancy district organized pursuant to Chapter 73, Articles 14 through 19 NMSA 1978 or an acequia or community ditch association organized pursuant to Chapter 73, Article 2 NMSA 1978 or the interstate stream commission shall not be computed as part of the four-year forfeiture period."

Section 2. Section 72-12-8 NMSA 1978 (being Laws 1931, Chapter 131, Section 8, as amended) is amended to read:

"72-12-8. WATER RIGHT FORFEITURE. --

A. When for a period of four years the owner of a water right in any of the waters described in Sections 72-12-1 through 72-12-28 NMSA 1978 or the holder of a permit from the state engineer to appropriate any such waters has failed to apply them to the use for which the permit was granted or the right has vested, was appropriated or has been adjudicated, the water rights shall be, if the failure to beneficially use the water persists one year after notice and declaration of nonuser given by the state engineer, forfeited and the water so unused shall revert to the public and be subject to further appropriation; provided that the condition of notice and declaration of nonuser shall not apply to water which has reverted to the public by operation of law prior to June 1, 1965.

B. Upon application to the state engineer at any time and a proper showing of reasonable cause for delay or for nonuse or upon the state engineer finding that it is in the public interest, the state engineer may grant extensions of time [not to exceed a term of one year for each extension] for a period not to exceed three years in which to apply to beneficial use the water for which a permit to appropriate has been issued or a water right has vested, was appropriated or has been

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adj udi cated.

- C. Periods of nonuse when irrigated farm lands are placed under the acreage reserve program or conservation reserve program provided by the Food Security Act of 1985, PL 99-198, shall not be computed as part of the four-year forfeiture period.
- D. Periods of nonuse when water rights are acquired and placed in a water conservation program adopted by an artesian conservancy district, conservancy district or the interstate stream commission shall not be computed as part of the four-year forfeiture statute.
- E. A lawful exemption from the requirements of beneficial use, either by an extension of time or other statutory exemption, stops the running of the four-year period for the period of the exemption and the period of exemption shall not be included in computing the four-year period.
- F. Periods of nonuse when water rights are acquired by incorporated municipalities or counties for implementation of their water development plans or for preservation of municipal or county water supplies shall not be computed as part of the four-year forfeiture statute.
- G. Periods of nonuse when the nonuser of acquired water rights is on active duty as a member of the armed forces of this country shall not be included in computing the four-year period.

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H. The owner or holder of a valid water right or permit to appropriate waters for agricultural purposes appurtenant to designated or specified lands may apply the full amount of water covered by or included in that water right or permit to any part of such designated or specified tract without penalty or forfeiture."

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State of New Mexico House of Representatives

FORTY-SECOND LEGISLATURE SECOND SESSION, 1996

February 1, 1996

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Mr. Speaker:

Your AGRI CULTURE AND WATER RESOURCES COMMITTEE, to whom has been referred

HOUSE BILL 437

has had it under consideration and reports same with recommendation that it DO PASS, amended as follows:

- 1. On page 2, line 19, after the word "years" insert "for each extension".
- 2. On page 4, line 23, after the word "years" insert "for each extension".,
- and thence referred to the JUDICIARY COMMITTEE.

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6			G. X. McSherry, Chairman
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9	Adopted		Not Adopted
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11		(Chief Clerk)	(Chi ef Clerk)
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13		Date	
14	The roll c	all vote was <u>6</u> For <u>0</u>	Agai nst
1 ~	Yes:	6	
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17	Absent:	None	
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State of New Mexico House of Representatives

FORTY-SECOND LEGISLATURE SECOND SESSION, 1996

February 5, 1996

Mr. Speaker:

Your JUDICIARY COMMITTEE, to whom has been referred

HOUSE BILL 437, as amended

has had it under consideration and reports same with recommendation that it DO PASS.

Respectfully submitted,

Cisco McSorley, Chairman

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10	Mr. President:			
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12	Your CONSERVATION	COMMITTEE, to whom has been referred		
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15	has had it under considera	tion and reports same with		
16	recommendation that it DO	PASS, and thence referred to the		
17	JUDI CI ARY COMMITTEE.			
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19		Respectfully submitted,		
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23		TOM R. BENAVIDES, Chairman		
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