

DE MINIMUS PROPOSAL

STAKEHOLDER DISCUSSION UPDATE

MEETINGS HELD AFTER MARCH 27:

- April 15
 - April 20
 - April 27
 - May 4
- } Each meeting lasted at least 2 hours, totaling roughly 10 hours of discussion

STAKEHOLDER GROUPS REPRESENTED:

- | | |
|-------------------------------------|---|
| 1. MT Trout Unlimited | 6. MT Land Title Association |
| 2. MT Stockgrowers Association | 7. Hospitality and Development Montana |
| 3. MT Association of Realtors | 8. MT Senior Ag Water Rights Alliance |
| 4. MT Building Industry Association | 9. Governor's Office |
| 5. MT Well Drillers Association | 10. Dept. of Natural Resources & Conservation |

Concepts with general agreement

- Controlled Groundwater Areas (CGWA), 85-2-506, MCA:
 - Use existing language to provide two pathways for closure using the MAPA process, not legislative closure
 - Option 1: closure determined by a **preponderance of the evidence** with certain exceptions
 - Option 2: closure determined by **clear and convincing evidence** with restricted uses up to a full closure
 - Need a mechanism to move in and out of designation based on available data and science
- Water users outside of CGWAs are allowed more flexibility in water allocations to address needs
- Volume of water allocations should be tied to actual beneficial use
- Remove reference to October 17, 2014, allowing existing exemptions to continue as authorized under an existing 602 permit
- Allow for the use of shared wells
- Use definition of "tract of record" in 76-3-103, MCA
- Provide notice to other water users using existing DNRC tools
- **Concepts determined to be outside the scope of this bill draft:**
 - Grandfathering of "limbo subdivisions" needs to be in separate bill
 - Promoting and incentivizing connection to municipal systems is valuable, but this bill draft may not be able to accomplish that goal
 - Committee question: Draft a separate bill or suggest the bill concept to the Local Government Interim Committee?

Concepts close to consensus

- Determining the volume of water allowed for an exemption under 85-2-306, MCA located inside or outside a CGWA or in a stream depletion zone
- Defining "in-home domestic use" in statute to determine volume allocations inside a CGWA
- Whether to allow changes to the purpose of use after an exemption is granted

Concepts that need more discussion

- Resolving issues related to defensible space for the Wildland Urban Interface (WUI)/wildfire risk and related property insurance issues
- Determining and addressing the cumulative impacts from divisions of land
- Whether to include metering and reporting in this bill draft