1 State of Arkansas **A BillACT 154 OF 1991** 2 78th General Assembly HOUSE BILL 1528 3 Regular Session, 1991 By: Representatives O. Miller and Hogue 5 6 For An Act To Be Entitled 7 "AN ACT TO ENABLE DESIGNATION OF CRITICAL GROUND WATER USE g AREAS; TO ESTABLISH THE AUTHORITY FOR GROUND WATER 9 WITHDRAWALS THEREIN; TO ESTABLISH GROUND WATER RIGHTS; TO 10 ESTABLISH FEES; TO ESTABLISH A MECHANISM FOR LOCAL GROUND 11 WATER MANAGEMENT; AND OTHER PURPOSES." 12 13 14 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS: 15 SECTION 1. SHORT TITLE. This act shall be known as the "Arkansas 17 Ground Water Protection and Management Act". 18 SECTION 2. DECLARATION OF POLICY. The State of Arkansas has an 19 20 abundance of good quality ground water. In some areas of the State, this 21 water is being mined such that in the future there may not be adequate 22 supplies of good quality ground water to meet our needs. In order to protect 23 ground water for the future, it is necessary to reduce ground water use. 24 is most desirable that these reductions come from conservation or use of 25 surface water but in critical ground water areas it may become necessary to 26 limit ground water withdrawals through the use of water rights. Should the 27 regulatory provisions be implemented in the future, it is most desirable that 28 day-to-day water management be administered by local districts and every 29 effort shall be made by the Commission to delegate water management powers to 30 qualified local districts. All regulatory powers shall apply only in critical 31 ground water areas. Programs for water use reporting, education/information, 32 water conservation cost-sharing and the registration fees shall be

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35 SECTION 3. DEFINITIONS. Unless the context clearly requires otherwise

36 the following definitions shall apply:

33 administered statewide.

- 1 (a) "Administrative Procedure Act" means the Arkansas Administrative
- 2 Procedure Act codified as A.C.A. 25-15-201 et seq.
- 3 (b) "Aquifer" means a permeable, water bearing stratum of rock, sand,
- 4 or gravel.
- 5 (c) "Beneficial use" means the uses of water in such quantity as is
- 6 economical and efficient and which use is for a purpose and in a manner which
- 7 is reasonable, not wasteful, and is compatible with the public interest.
- 8 (d) "Commission" means the Arkansas Soil and Water Conservation
- 9 Commission created under A.C.A. 15-20-201 et seq.
- 10 (e) "Conservation district" means conservation districts created under
- 11 the Conservation Districts Law, Title 14 Chapter 125 of the Arkansas Code of
- 12 1987 Annotated.
- 13 (f) "Critical Ground Water Area" is defined in the Arkansas Water Plan
- 14 developed by the Commission under its authority in Title 15 of Arkansas Code
- 15 of 1987 Annotated.
- 16 (q) "District" means conservation district or regional water district.
- 17 (h) "Domestic use" means the use of water for ordinary household
- 18 purposes including human consumption, washing, the watering of domestic
- 19 livestock, poultry and animals and the watering of home gardens for
- 20 consumption by the household.
- 21 (i) "Ground water" means water beneath the surface of the ground.
- 22 (j) "Person" means any natural person, partnership, firm, association,
- 23 cooperative, municipality, county, public or private corporation, and state or
- 24 local governmental agency.
- 25 (k) "Regional Water District" means a regional water distribution
- 26 district created under the Regional Water Distribution Act, Title 14 Chapter
- 27 116 of the Arkansas Code of 1987 Annotated.
- 28 (1) "Water Right" means the authority, or permission issued by the
- 29 Commission under this act to use ground water within a critical ground water
- 30 area.
- 31 (m) "Water Year" means the twelve (12) month period beginning October 1
- 32 and ending the next September 30.
- (n) "Well" means any hole dug, drilled or otherwise constructed in the
- 34 ground, for the purpose of withdrawing ground water. For the purpose of this
- 35 act, a well also must have a potential flow rate of 50,000 gallons per day or

1 greater.

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- 3 SECTION 4. GROUND WATER PROTECTION. In order to protect the ground
- 4 water of the State, the Commission shall develop a comprehensive ground water
- 5 protection program. This shall contain as a minimum the following components
- 6 as the Commission deems necessary:

10 criteria and/or standards; and

- 7 (a) Assessment and monitoring of the availability of ground water and 8 its quality;
- 9 (b) The classification of ground water and establishment of groundwater
- (c) The management of ground water pursuant to this act including the
- 12 issuance of water rights, protection of ground water quality, and
- 13 establishment of an education/information program.
- 14 (d) This program shall not be inconsistent with, nor shall it preempt
- 15 or supersede, any regulatory authority currently or in the future vested with
- 16 the Arkansas Department of Pollution Control and Ecology or the State Plant
- 17 Board or the Arkansas Department of Health, provided however, that no permit
- 18 or prior authorization from these agencies shall be required to implement the
- 19 provisions of this Act.

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- 21 SECTION 5. DESIGNATION OF CRITICAL GROUND WATER AREAS. Before
- 22 designation of critical ground water areas the Commission shall describe the
- 23 proposed action, the reasons therefore, and the recommended boundaries.
- 24 Public hearings shall be held in accord with the Administrative Procedure Act
- 25 and shall be held in each county within the proposed critical area.

- 27 SECTION 6. EXCEPTIONS. The following provisions shall limit the
- 28 Commission's powers under this act:
- 29 (a) There will be no reduction or limitation of the withdrawal of
- 30 ground water from existing wells for which a water right is grandfathered
- 31 under the provisions of Section 9(a)(1) unless alternative surface supplies
- 32 are available, or can be made available at a cost to the person no greater
- 33 than the operating cost of the person's wells within the critical area,
- 34 including depreciation costs over the life of the well.
- 35 (b) There will be no reduction or limitation of the withdrawal of

- 1 ground water from wells for which a water right has been issued under Section
- 2 9 and for which the person holding the right can demonstrate:
- 3 (1) A reduction of twenty percent (20%) of his use of ground water by
- 4 either institution of water conservation measures and/or conversion to surface
- 5 supplies. The demonstrated reduction must be based on the use reported in
- 6 water year 1986 or later; or
- 7 (2) The implementation of a water conservation plan employing generally
- 8 accepted water conservation practices approved by the Commission.
- 9 (c) There will be no regulation of the withdrawal of ground water from
- 10 existing or proposed wells which have a maximum potential flow rate of less
- 11 than 50,000 gallons per day (gpd).
- 12 (d) There shall be no regulation of the withdrawals of ground water
- 13 from individual household wells used exclusively for domestic use.
- 14 (e) Replacement wells:
- 15 (1) The owner of an existing well may construct a replacement well
- 16 after abandoning the existing well. To transfer a water right to a
- 17 replacement well the owner need only submit to the Commission notice of
- 18 construction of a replacement well stating the location and ownership of the
- 19 original and replacement wells and other relevant information required by the
- 20 Commission.
- 21 (2) The original well must be converted to a non-regulated use or
- 22 plugged in the manner prescribed by the Commission.
- 23 (f) Marketers of bottled water and public water supply systems shall at
- 24 no time be restricted in the place of use of ground water.

- 26 SECTION 7. GROUND WATER RIGHTS INITIATION OF REGULATORY AUTHORITY
- 27 WITHIN CRITICAL AREAS.
- 28 (a) When the Commission determines such action to be necessary within a
- 29 critical area it will declare that water rights are required for water
- 30 withdrawal. Before initiation of the regulatory program, the Commission shall
- 31 describe the proposed action, the reasons therefor, and the recommended
- 32 boundaries if they differ from the previous critical area designation. Public
- 33 hearings shall be held in accord with the Administrative Procedure Act and
- 34 shall be held in each county within the proposed critical area. After such
- 35 declaration, no person shall withdraw ground water from an existing well or

- 1 construct a new well within the critical ground water area without first
- 2 obtaining a water right. All determinations for the current water year shall
- 3 have been made by March 1 of the preceding water year.
- 4 (b) There will be no reduction or limitation for a period of four (4)
- 5 years of the withdrawal of ground water from wells constructed during the
- 6 first year following initiation of the regulatory authority as provided under
- 7 Section 7(a) and for which a water right is issued under the provisions of
- 8 Section 9(a)(2).

- 10 SECTION 8. GROUND WATER RIGHTS PRIORITIES. In the issuance of ground
- 11 water rights, the Commission shall give reasonable preference first to
- 12 sustaining life, then to maintaining health, and finally to increasing wealth.

- 14 SECTION 9. GROUND WATER RIGHTS ISSUANCE.
- 15 (a) GRANDFATHERING EXISTING WELLS.
- 16 (1) Within one (1) year of initiation of the regulatory authority as
- 17 provided under Section 7, the Commission shall, upon application, issue to an
- 18 applicant within the critical water use area, a water right for existing wells
- 19 equal to the average quantity of water withdrawn for beneficial use and
- 20 reported over the past three (3) water years. For wells with reported use
- 21 levels significantly below normal use levels, prior water year use reports may
- 22 be substituted in determining the three (3) year average above.
- 23 (2) For new wells constructed during the first year of initiation of
- 24 the regulatory authority as provided under Section 7, the Commission shall
- 25 upon application, issue to an applicant within the critical water use area, a
- 26 water right equal to the quantity of water requested to be withdrawn for
- 27 beneficial use.
- 28 (3) Failure to apply within this period shall create a conclusive
- 29 presumption of abandonment of use. If the landowner desires to receive a
- 30 water right, he must apply for a water right pursuant to Section 9(b).
- 31 (4) Water rights issued pursuant to Section 9(a) shall be exempt from
- 32 the public notice requirements described in Subsection (b).
- 33 (b) NEW GROUND WATER RIGHT APPLICATIONS. To obtain a water right,
- 34 application must be made in a form satisfactory to the Commission. The
- 35 application shall contain information reasonably necessary to assist the

- 1 Commission in making a determination as to issuance of a water right. In
- 2 consideration of an application for water rights, the Commission may:
- 3 (1) grant the application;
- 4 (2) deny the application; or
- 5 (3) grant the application subject to necessary reductions or
- 6 conditions.
- 7 Upon receipt of application, the Commission shall cause to be published, a
- 8 notice of application for water rights in a newspaper with statewide
- 9 circulation. Persons who are or might be affected by issuance may request a
- 10 hearing before the Commission concerning the application within fifteen (15)
- 11 days of publication of notice.
- 12 (c) REVIEW AND MODIFICATION: Water rights issued under this section
- 13 shall be subject to review and modification by the Commission.

- 15 SECTION 10. GROUND WATER RIGHTS GENERAL.
- 16 (a) Purpose: Water rights are issued for beneficial uses.
- 17 (b) Duration: Water rights shall be limited to such period of time as
- 18 designated by the Commission. In determining that period of time the
- 19 Commission shall give consideration to the time required to reasonably
- 20 amortize the investments made by the water user for the use of water, as well
- 21 as the cost and useful life of the facility.
- 22 (c) Limitation of quantity: In the water right, the Commission may
- 23 limit annual withdrawals.
- 24 (d) Precedence: In the event that two (2) or more competing
- 25 applications specifying the same priority are made, preference shall be given
- 26 to a renewal application over an initial application. On all renewal
- 27 applications, consideration shall be given to reasonable beneficial use.
- 28 (e) Cancellation:
- 29 (1) A water right may be canceled if water is used for a purpose other
- 30 than that for which the water right was issued. A water user may apply for
- 31 and may be granted an appropriate change in the use of the water.
- 32 (2) A water right may be canceled for non-use or failure to put the
- 33 water to a reasonable beneficial use within a reasonable period of time
- 34 following the issuance of the water right if such non-use is for a reason
- 35 other than implementation of conservation measures, crop rotation, conversion

- 1 to surface water sources or climatic conditions.
- 2 (3) A water right may be canceled for failure to report water use for
- 3 two (2) consecutive years under A.C.A. 15-22-302 or failure to pay the fee as
- 4 set out in Section 13 for two (2) consecutive years.
- 5 (f) Off-tract use of water: The place of use described in the water
- 6 right is the only realty on which the allocated water may be used except as
- 7 provided in Section 6(e). However, the Commission may, in times of emergency,
- 8 authorize the use of the allocated water on realty other than that described
- 9 in the water right. A water right recipient acquiring or leasing additional
- 10 realty, contiguous or noncontiguous, upon application shall be entitled to an
- 11 amended water right so as to encompass such realty.
- 12 (g) Water rights attach to and run with the land: A water right may
- 13 not be conveyed or otherwise marketed or transferred separate from the realty
- 14 described in the water right.
- 15 (h) Automatically transferred: Water rights shall be an incident of
- 16 surface ownership of the realty and shall, upon notice to the Commission, be
- 17 transferred to the new landowner.

- 19 SECTION 11. POWERS OF THE COMMISSION. The Commission shall have all
- 20 powers necessary to effectuate this act including the power to:
- 21 (a) Promulgate rules and regulations for ground water classification
- 22 and aquifer use, well spacing, issuance of ground water rights within critical
- 23 ground water areas, and assessment of fees.
- 24 (b) Issue subpoenas for any witness to require attendance and
- 25 testimony, production of relevant books, papers or other records in any
- 26 proceeding before the Commission.
- 27 (c) Administer an oath to any witness in any hearing, investigation, or
- 28 proceeding before the Commission.
- 29 (d) At reasonable times, enter upon property for purposes of conducting
- 30 investigations, studies, or enforcing this act.
- 31 (e) Reduce or suspend notice and hearing requirements under this act in
- 32 times of an emergency.
- 33 (f) Issue orders to implement or enforce any of the provisions of this
- 34 act or regulations hereunder.
- 35 (g) Delegate any and all powers under this act to the Executive

- 1 Director of the Commission or his designee(s).
- 2 (h) Delegate any powers under this act to districts within a critical
- 3 ground water area.
- 4 (i) Provide technical assistance and establish guidelines which shall
- 5 be followed by districts which have been granted powers hereunder.
- 6 (j) Resolve disputes between, approve regulations of, and hear appeals
- 7 from decisions of districts to which the Commission has delegated powers.
- 8 (k) Provide cost-share assistance from the Arkansas Water Development
- 9 Fund not to exceed 40% to persons for the installation of approved water
- 10 conservation and development practices.

- 12 SECTION 12. ESTABLISHMENT OF EDUCATION/INFORMATION PROGRAM FOR WATER
- 13 CONSERVATION. The Commission or its designee shall develop and implement an
- 14 education/information program to encourage water conservation by increasing
- 15 the public's awareness of the need for and techniques available for
- 16 conservation. This shall include as a minimum the following components as the
- 17 Commission deems necessary:
- 18 (a) Technology transfer;
- 19 (b) Training;
- 20 (c) Technical assistance;
- 21 (d) Research; and
- 22 (e) Demonstration projects.

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- 24 SECTION 13. FEES.
- 25 (a) The Commission shall assess annual fees for:
- 26 (1) The withdrawal of surface water in the amount of ten dollars
- 27 (\$10.00) per registered withdrawal point.
- 28 (2) The withdrawal of ground water in the amount of ten dollars
- 29 (\$10.00) per registered well.
- 30 (b) The fee shall be payable at the time of Water Use Reporting
- 31 pursuant to A.C.A. 15-22-302 and A.C.A. 15-22-215.

- 33 SECTION 14. DISPOSITION OF EARNINGS AND FEES. Fees, penalties, and
- 34 other funds collected under this act shall be deposited in the Arkansas Water
- 35 Development Fund, established by A.C.A. 15-22-507. Two thirds (2/3) of such

1 funds deposited shall be used for an education/information program and cost 2 sharing for water conservation and development. The remaining third (1/3) may 3 be used for the administration of this act and the Commission may transfer 4 those funds to the districts delegated authority under this act as it deems 5 necessary. 6 SECTION 15. APPEALS. Any person aggrieved by decisions and actions 8 under this act by the Commission may appeal pursuant to the Administrative 9 Procedure Act. 10 11 SECTION 16. EFFECTIVE DATE. This act shall become effective on October 12 1, 1991. 13 14 SECTION 17. All provisions of this act of a general and permanent 15 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas 16 Code Revision Commission shall incorporate the same in the Code. 17 18 SECTION 18. If any provision of this act or the application thereof to 19 any person or circumstance is held invalid, such invalidity shall not affect 20 other provisions or applications of the act which can be given effect without 21 the invalid provision or application, and to this end the provisions of this 22 act are declared to be severable. 23 SECTION 19. All laws and parts of laws in conflict with this act are 2.4 25 hereby repealed. 26 27 APPROVED: 2-18-91 28 29 3 0 31 32 33 34