The House Committee on Natural Resources and Environment offers the following substitute to SB 451:

## A BILL TO BE ENTITLED AN ACT

1 To amend Code Section 2-6-27 of the Official Code of Georgia Annotated, relating to the 2 State Soil and Water Conservation Commission – additional duties and powers, so as to 3 remove authority of the State Soil and Water Conservation Commission to formulate certain 4 rules and regulations in consultation with the Environmental Protection Division of the Department of Natural Resources; to amend Chapter 5 of Title 12 of the Official Code of 5 Georgia Annotated, relating to water resources, so as to modify provisions relating to 6 regulated riparian rights to surface waters for general or farm use, permits for withdrawal, 7 diversion or impoundment, coordination with water plans, metering of farm use, interbasin 8 9 transfers, and appeal procedures, so as to modify provisions relating to regulated reasonable 10 use of ground water for farm use, permits to withdraw, obtain, or utilize same, metering of same, and related procedures; to modify procedures relating to applications for such permits; 11 12 to modify procedures relating to the suspension of farm use permits; to modify provisions 13 relating to measuring farm uses of water; to provide for related matters; to repeal conflicting 14 laws; and for other purposes.

## BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

17 Code Section 2-6-27 of the Official Code of Georgia Annotated, relating to the State Soil and

18 Water Conservation Commission – additional duties and powers, is amended by deleting

19 paragraph (7.2).

15

SECTION 2.

- 21 Chapter 5 of Title 12 of the Official Code of Georgia Annotated, relating to water resources,
- 22 is amended by revising paragraph (3) of subsection (b), paragraph (6.1) of subsection (k),
- 23 and subsection (m.1) of Code Section 12-5-31, relating to regulated riparian rights to surface
- 24 waters for general or farm use, permits for withdrawal, diversion or impoundment,

coordination with water plans, metering of farm use, interbasin transfers, and appeal procedures, as follows:

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

41

42

43

44

45

46

47

48

49

50

51

52

53

54

55

56

57

58

59

60

61

"(3)(A) Notwithstanding any other provision of this Code section to the contrary, a permit for the withdrawal or diversion of surface waters for farm uses shall be issued by the director to any person when the applicant submits an application which provides reasonable proof that the applicant's farm use of surface waters occurred prior to July 1, 1988, and when any such application is submitted prior to July 1, 1991. If submitted prior to July 1, 1991, an application for a permit to be issued based upon farm uses of surface waters occurring prior to July 1, 1988, shall be granted for the withdrawal or diversion of surface waters at a rate of withdrawal or diversion equal to the greater of the operating capacity in place for withdrawal or diversion on July 1, 1988, or, when measured in gallons per day on a monthly average for a calendar year, the greatest withdrawal or diversion capacity during the five-year period immediately preceding July 1, 1988. If submitted after July 1, 1991, or, regardless of when submitted, if it is based upon a withdrawal or diversion of surface waters for farm uses occurring or proposed to occur on or after July 1, 1988, an application shall be subject to evaluation and classification pursuant to subsections (e), (f), and (g) of this Code section, but a permit based upon such evaluation and classification shall be issued to ensure the applicant's right to a reasonable use of such surface waters. Any permit issued pursuant to this paragraph shall be conditioned upon the requirement that the permittee shall provide, on forms prescribed by the director, information relating to a general description of the lands and number of acres subject to irrigation and the permit; a description of the general type of irrigation system used; the source of withdrawal water such as river, stream, or impoundment; and pump information, including rated capacity, pump location, and power information.

(B) Applications under this paragraph submitted on or after April 20, 2006, for farm use within the Flint River basin shall be assessed a nonrefundable application fee in the amount of \$250.00 per application. Permits applied for under this paragraph on or after April 20, 2006, for farm use in the Flint River basin shall have a term of 25 years and shall be automatically renewed at the original permitted capacity unless an evaluation of the water supply by the division indicates that renewal at the original capacity would have unreasonable adverse effects upon other water uses. The division may renew the original permit at a lower capacity, but such capacity shall be based on the reasonable use of the permittee and evaluation of the resource.

(C) All permits A permittee may apply to have a permit issued under this paragraph may be modified, amended, transferred, or assigned to subsequent owners of the lands which are the subject of such permit; provided, however, that:

(i) the <u>The</u> division shall receive written notice of any such transfer or assignment:;
(ii) Any modification in <u>or amendment to</u> the use or capacity conditions contained in the permit or in the lands which are the subject of such permit shall require the permittee to submit an application for review and approval by the director consistent with this Code section:

(iii) The permittee may commence withdrawing water under the modified, amended,

(iii) The permittee may commence withdrawing water under the modified, amended, transferred, or assigned permit on the effective date stated on the revised permit for farm use; and

(iv) For all permits for which such modification, amendment, transfer, or assignment is effective on or after April 20, 2018, and for which no water-measuring device is installed, the permittee shall have one year from the updated effective date stated on the revised permit for farm use to have an acceptable type of water-measuring device installed, to have such device in operation at each point of permitted withdrawal, and to notify the division in writing once the installation has occurred. The division shall approve or disapprove the installation within 60 days of the date of notification. The permittee shall be responsible for all associated costs.

(D) Nothing in this paragraph shall be construed as a repeal or modification of Code Section 12-5-46."

"(6.1) The director may permanently revoke any permit under this Code section for farm use within the Flint River Basin applied for on or after April 20, 2006, if initial use for the purpose indicated on the permit application, as measured by a flow meter approved by the State Soil and Water Conservation Commission division, has not commenced within two years of the date of issuance of the permit unless the permittee can reasonably demonstrate that his or her nonuse was due to financial hardship or circumstances beyond his or her control;"

"(m.1)(1) The State Soil and Water Conservation Commission division shall have the duty of implementing a program of measuring farm uses of water in order to obtain clear and accurate information on the patterns and amounts of such use, which information is essential to proper management of water resources by the state and useful to farmers for improving the efficiency and effectiveness of their use of water, meeting the requirements of subsection subsections (b) and (m) of this Code section, and improving water conservation. Accordingly, the State Soil and Water Conservation Commission shall on behalf of the state purchase, install, operate, and maintain water-measuring devices for farm uses that are required by this Code section to have permits. As used in this paragraph, the term operate shall include reading the water-measuring device, compiling data, and reporting findings.

(2) For purposes of this subsection, the State Soil and Water Conservation Commission
 The division:

- (A) May conduct its duties with commission division staff and may contract with other persons to conduct any of its duties;
- (B) May receive and use state appropriations, gifts, grants, or other sources of funding to carry out its duties;
  - (C) In consultation with the director, shall Shall develop a priority system for the installation of water-measuring devices for measurement of farm uses of water at the points of those withdrawals for which a that have permits permit was issued as of July 1, 2003. The commission shall, provided that adequate funding is received, install and commence operation and maintenance of water-measuring devices for all such farm uses by July 1, 2009; provided, however, that the commission shall not install a water-measuring device on any irrigation system for such a farm use if such irrigation system is equipped with a meter as of July 1, 2003, and such meter is determined by the commission to be properly installed and operable, but any subsequent replacement or maintenance of such an irrigation system that necessitates replacement of such meter shall necessitate installation of a water-measuring device by the commission; The division may refine the priority system from time to time based on the amount of funding received by the division, considerations regarding cost effectiveness, new technical information, changes in resource use or conditions, or other factors as deemed relevant by the director;
  - (D) May charge any permittee the commission's reasonable costs for purchase and installation of a water-measuring device for any farm use permit issued by the director after July 1, 2003; however, for permit applications submitted to the division prior to December 31, 2002, Shall, on behalf of the state, contract for the purchase and installation of that subset of water-measuring devices according to the priority system required by this Code section and no charge shall be made to the permittee for such costs. However, when the division assesses the site or attempts to install such water-measuring devices and finds that the site lacks withdrawal or irrigation infrastructure, the division shall document such withdrawal or irrigation infrastructure conditions, and notify the permittee in writing that a state funded water-measuring device or devices could not be installed, that a device or devices are still required. After the expiration of five years such permittee shall be responsible for having an acceptable type of water-measuring device installed and placed into operation and all associated costs. The permittee shall notify the division in writing once the installation has occurred. The division shall approve or disapprove the installation within 60 days of the date of notification; and

135	(E) Shall, at monthly intervals, read an appropriate proportion of water-measuring
136	devices installed for measuring farm use of surface water and compile the collected data
137	for use in meeting the purposes in paragraph (1) of this subsection, and the division
138	shall communicate in advance with private property owners to establish reasonable
139	times for such readings. In the event that a permittee's water-measuring devices are
140	selected for monthly readings, the permittee may choose to perform those readings and
141	transmit that information to the division; and
142	(F) Shall issue an annual progress report on the status of water-measuring device
143	installation.
144	(3) Any person whose permit for agricultural water use was issued before July 1, 2003,
145	and who desires to install a water-measuring device at no cost to the state may do so,
146	provided that the permittee shall have an acceptable type of water-measuring device
147	installed and placed in operation at each point of permitted withdrawal and the permittee
148	shall notify the division in writing once the installation has occurred. The division shall
149	approve or disapprove the installation within 60 days of the date of notification.
150	(3)(4) Any person who desires to commence a farm use of water for which a permit is
151	issued after July 1, 2003, shall not commence such use prior to the installation of a
152	receiving approval from the division that such person has installed an acceptable type of
153	water-measuring device installed by the commission at each point of permitted
154	withdrawal. The permittee shall be responsible for all such costs.
155	(4) Subject to the provisions of subparagraph (C) of paragraph (2) of this subsection,
156	after July 1, 2009, no one shall use water for a farm use required to have a permit under
157	this Code section without having a water-measuring device in operation that has been
158	installed by the commission.
159	(5) Employees, contractors or agents of the commission division are authorized to enter
160	upon private property at reasonable times and upon reasonable notice to conduct the
161	duties of the commission division under this subsection.
162	(6) Regarding all permits for which a water-measuring device is installed, regardless of
163	when the permit was issued, the division shall contract for the annual reading of such
164	water-measuring devices. The division shall require each contractor conducting such
165	annual readings to transmit complete and accurate data required by the division to the
166	division annually.
167	(7) The division shall audit a subset of reported water-measuring device readings
168	submitted by permittees for the purpose of understanding and improving the accuracy of
169	such readings.
170	(8) The division shall contract for any maintenance, repair, or replacement of

171

water-measuring devices installed pursuant to this Code section where maintenance,

repair, or replacement is required to ensure that such water-measuring devices accurately
reflect the amount of water used, and no charge shall be made to the permittee for such
costs.

(9) If the division determines that the permittee or the permittee's employees, tenants,

licensees, or agents have willfully dismantled, sold, relocated, or removed any
water-measuring device installed pursuant to this Code section, the permittee may be

subject to enforcement action by the division, including but not limited to imposition of

civil penalties.

178

190

191

192

193

194

195

196

197

198

199

204

205

(6)(10) Any reports of amounts of use for recreational purposes under this Code section shall be compiled separately from amounts reported for all other farm uses."

SECTION 3.

Said chapter is further amended by revising subsections (c) and (d) of Code Section 12-5-97, relating to duration of permits; renewal; transfer; certified statements by holders; monitoring water use; granting permit to person withdrawing ground water prior to July 1, 1973; prior investments in land and nature of plans for water use; continued withdrawal pending decision on permit, as follows:

"(c) Except as provided in paragraph (1) of subsection (b) of Code Section 12-5-105,
 permits shall not be transferred except with the approval of the division.

(d) Except as provided in paragraph (1) of subsection (b) of Code Section 12-5-105, every person who is required by this part to secure a permit shall file with the division, in the manner prescribed by the division, a certified statement of quantities of water used and withdrawn, sources of water, and the nature of the use thereof not more frequently than at 30 day intervals. Such statements shall be filed on forms furnished by the division within 90 days after the issuance of regulations. Water users not required to secure a permit shall comply with procedures established to protect and manage the water resources of the state. Such procedures shall be within the provisions of this part and shall be adopted after public hearing. The requirements embodied in the two preceding sentences shall not apply to individual domestic water use."

200 **SECTION 4.** 

Said chapter is further amended by revising subsections (b) and (b.1) of Code Section 12-5-105, relating to regulated reasonable use of ground water for farm use, permits to withdraw, obtain, or utilize same, metering of same, and related procedures, as follows:

"(b) Notwithstanding any provisions of Code Section 12-5-95, 12-5-96, or 12-5-97 to the contrary, permits to withdraw, obtain, or utilize ground waters for farm uses, as that term

is defined in paragraph (5.1) of Code Section 12-5-92, whether for new withdrawals or under subsection (a) of this Code section, shall be governed as follows:

- (1) A permit issued, modified, or amended after July 1, 2003, for farm uses shall have annual reporting requirements. Permits applied for under this Code section on or after April 20, 2006, for farm use within the Flint River basin shall have a term of 25 years and shall be <u>automatically</u> renewed at the original permitted capacity unless an evaluation of the water supply by the division indicates that renewal at the original capacity would have unreasonable adverse effects upon other water uses. The division may renew the original permit at a lower capacity, but such capacity shall be based on the reasonable use of the permittee and evaluation of the resource:
- 216 (2) All permits A permittee may apply to have a permit issued under this Code section
  217 may be modified, amended, transferred, or assigned to subsequent owners of the lands
  218 which are the subject of such permit; provided, however, that:
- 219 (A) the The division shall receive written notice of any such transfer or assignment; 220 and;
- 221 (B) any Any modification in or amendment to the use or capacity conditions contained 222 in the permit or in the lands which are the subject of such permit shall require the 223 permittee to submit an application for review and approval by the director consistent 224 with the requirements of this part;
- (C) The permittee may commence withdrawing water under the modified, amended,
   transferred, or assigned permit on the effective date stated on the revised permit for
   farm use; and
  - (D) For all permits for which such modification, amendment, transfer, or assignment is effective on or after April 20, 2018, and for which no water-measuring device is installed, the permittee shall have one year from the updated effective date stated on the revised permit for farm use to have an acceptable type of water-measuring device installed, to have such device in operation at each point of permitted withdrawal, and to notify the division in writing once the installation has occurred. The division shall approve or disapprove the installation within 60 days of the date of notification. The permittee shall be responsible for all associated costs;
  - (2)(3) Permits for farm use, after initial use has commenced, shall not be revoked, in whole or in part, for nonuse; except that the director may permanently revoke any permit under this Code section for farm use within the Flint River Basin applied for on or after April 20, 2006, if initial use for the purpose indicated on the permit application, as measured by a flow meter approved by the State Soil and Water Conservation Commission division has not commenced within two years of the date of issuance of the

permit unless the permittee can reasonably demonstrate that his or her nonuse was due to financial hardship or circumstances beyond his or her control;

(3)(4) The director may suspend or modify a permit for farm use if he or she should determine through inspection, investigations, or otherwise that the quantity of water allowed would prevent other applicants from reasonable use of ground water beneath their property for farm use;

- (4)(5) During emergency periods of water shortage, the director shall give first priority to providing water for human consumption and second priority to farm use; and
- 250 (5)(6) The importance and necessity of water for industrial purposes are in no way modified or diminished by this Code section.
  - (b.1)(1) The State Soil and Water Conservation Commission division shall have the duty of implementing a program of measuring farm uses of water in order to obtain clear and accurate information on the patterns and amounts of such use, which information is essential to proper management of water resources by the state and useful to farmers for improving the efficiency and effectiveness of their use of water, meeting the requirements of paragraph (1) of subsection subsections (b) and (b.1) of this Code section, and improving water conservation. Accordingly, the State Soil and Water Conservation Commission shall on behalf of the state purchase, install, operate, and maintain water-measuring devices for farm uses that are required by this Code section to have permits. As used in this paragraph, the term 'operate' shall include reading the water-measuring device, compiling data, and reporting findings.
- (2) For purposes of this subsection, the State Soil and Water Conservation Commission
   The division:
  - (A) May conduct its duties with commission division staff and may contract with other persons to conduct any of its duties;
  - (B) May receive and use state appropriations, gifts, grants, or other sources of funding to carry out its duties;
  - (C) In consultation with the director, shall Shall develop a priority system for the installation of water-measuring devices for measurement of farm uses that have permits of water at the points of those withdrawals for which a permit was issued as of July 1, 2003. The commission shall, provided that adequate funding is received, install and commence operation and maintenance of water-measuring devices for all such farm uses by July 1, 2009; provided, however, that the commission shall not install a water-measuring device on any irrigation system for such a farm use if such irrigation system is equipped with a meter as of July 1, 2003, and such meter is determined by the commission to be properly installed and operable, but any subsequent replacement or maintenance of such an irrigation system that necessitates replacement of such meter

shall necessitate installation of a water-measuring device by the commission The division may refine the priority system from time to time based on the amount of funding received by the division, considerations regarding cost effectiveness, new technical information, changes in resource use or conditions, or other factors as deemed relevant by the director;

- (D) May charge any permittee the commission's reasonable costs for purchase and installation of a water-measuring device for any farm use permit issued by the director after July 1, 2003; however, for permit applications submitted to the division prior to December 31, 2002, Shall, on behalf of the state, contract for the purchase and installation of that subset of water-measuring devices according to the priority system required by this Code section and no charge shall be made to the permittee for such costs. However, when the division assesses the site or attempts to install such water-measuring devices and finds that the site lacks the withdrawal or irrigation infrastructure, the division shall document such withdrawal or irrigation infrastructure conditions and notify the permittee in writing that a state funded water-measuring device or devices could not be installed, that a device or devices are still required. After the expiration of five years such permittee shall be responsible for having an acceptable type of water-measuring device installed and placed into operation and all associated costs. The permittee shall notify the division in writing once the installation has occurred. The division shall approve or disapprove the installation within 60 days of the date of notification; and
- (E) Shall, at monthly intervals, read an appropriate proportion of water-measuring devices installed for measuring farm use of ground water and compile the collected data for use in meeting the purposes in paragraph (1) of this Code section, and the division shall communicate in advance with private property owners to establish reasonable times for such readings. In the event that a permittee's water-measuring devices are selected for monthly readings, the permittee may choose to perform those readings and transmit that information to the division; and
- (F) Shall issue an annual progress report on the status of water-measuring device installation.
- (3) Any person whose permit for agricultural water use was issued before July 1, 2003, and who desires to install a water-measuring device at no cost to the state may do so, provided that the permittee shall have an acceptable type of water-measuring device installed and placed in operation at each point of permitted withdrawal and the permittee shall notify the division in writing once the installation has occurred. The division shall approve or disapprove the installation within 60 days of the date of notification.

315	(4) Any person who desires to commence a farm use of water for which a permit is
316	issued after July 1, 2003, shall not commence such use prior to the installation of a
317	receiving approval from the division that such person has installed an acceptable type of
318	water-measuring device installed by the commission at each point of permitted
319	withdrawal. The permittee shall be responsible for all such costs.
320	(4) Subject to the provisions of subparagraph (C) of paragraph (2) of this subsection,
321	after July 1, 2009, no one shall use water for a farm use required to have a permit under
322	this Code section without having a water-measuring device in operation that has been
323	installed by the commission.
324	(5) Regarding all permits for which a water-measuring device is installed, regardless of
325	when the permit was issued, the division shall contract for the annual reading of such
326	water-measuring devices. The division shall require each contractor conducting such
327	annual readings to transmit complete and accurate data required by the division to the
328	division annually.
329	(6) The division shall audit a subset of reported water-measuring device readings
330	submitted by permittees for the purpose of understanding and improving the accuracy of
331	such readings.
332	(7) Employees, contractors, or agents of the commission division are authorized to enter
333	upon private property at reasonable times and upon reasonable notice to conduct the
334	duties of the commission division under this subsection.
335	(8) The division shall contract for any maintenance, repair, or replacement of
336	water-measuring devices installed pursuant to this Code section where maintenance,
337	repair, or replacement is required to ensure that such water-measuring devices accurately
338	reflect the amount of water used, and no charge shall be made to the permittee for such
339	costs.
340	(9) If the division determines that the permittee or the permittee's employees, tenants,
341	licensees, or agents have willfully dismantled, sold, relocated, or removed any
342	water-measuring device installed pursuant to this Code Section, the permittee may be
343	subject to enforcement action by the division, including but not limited to imposition of
344	civil penalties.
345	(6)(10) Any reports of amounts of use for recreational purposes under this part shall be
346	compiled separately from amounts reported for all other farm uses."

**SECTION 5.** 

348 All laws and parts of laws in conflict with this Act are repealed.