



## 115th MAINE LEGISLATURE

### SECOND REGULAR SESSION-1992

Legislative Document

No. 2309

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H.P. 1646

House of Representatives, February 6, 1992

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26. Reference to the Committee on Energy and Natural Resources suggested and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative MORRISON of Bangor.

Cosponsored by Representative AIKMAN of Poland and Senator CLEVELAND of Androscoggin.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND NINETY-TWO

An Act to Encourage the Wise Use and Management of Maine's Water Resources.

Printed on recycled paper

	Be it enacted by the People of the State of Maine as follows:
2	Sec.1. 5 MRSA Pt.15-C is enacted to read:
4	<u>PART 15-C</u>
6	
0	WATER RESOURCES MANAGEMENT BOARD
8	CHAPTER 358
10 12	WATER RESOURCES MANAGEMENT BOARD
14	<u>\$6401. Water Resources Management Board created</u>
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16	To carry out the purposes of this chapter, the Water Resources Management Board, in this chapter called the "board," is established within the Executive Department. The board
18	<u>consists of the Director of the State Planning Office and 6</u> <u>public members, one of whom may be a state employee. Public</u>
20	members are appointed by the Governor for staggered 4-year terms. Among the public members there must be at least one
22	<u>knowledgeable in State Government, one knowledgeable in commerce</u> and industry, one knowledgeable in public water supplies, one
24	knowledgeable in local government, one knowledgeable in water-based recreation and one knowledgeable in water resources
26	management.
28	Of the initial appointees, 2 are appointed for 2-year terms, 2 appointed for 3-year terms and 2 appointed for 4-year terms.
30	Thereafter, appointees are appointed to serve 4-year terms. The Director of the State Planning Office shall serve as chair.
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	<u>§6402. Board meetings, rules and budget</u>
34	Pound montings are at the sall of the sheir or at the sall
36	Board meetings are at the call of the chair or at the call of more than 1/2 of the membership. Board meetings are public and must be held as frequently as necessary to carry out the
38	board's duties, but at least twice annually. The board, acting in accordance with the procedures set forth in chapter 375,
40	subchapter II, may adopt rules it determines necessary for the conduct of business. Members of the board, except state
42	employees, are entitled to compensation as provided in chapter
14	379. Action may not be taken by the board except by a vote of 4
44	or more members. The executive secretary of the board shall
	prepare a biennial budget and shall submit to the Legislature
46	<u>requests for appropriations sufficient to carry out the purposes</u> of this chapter.

Page 1-LR2939(1) L.D.2309 )

### <u>§6403. Executive secretary</u>

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4 The board shall hire and appoint an executive secretary who is the principal administrative, operational and executive 6 employee of the board. The executive secretary shall attend all meetings of the board and shall participate fully, but is not a 8 voting member of the board. The executive secretary shall serve as staff to the board and, as appropriate, prepare staff 10 recommendations for board actions and decisions, water basin plans and dispute resolution activities. The executive secretary 12 may hire competent professional and other staff and obtain office space, goods and services as necessary. The executive secretary 14 shall keep minutes of all proceedings of the board. Those minutes are a public record that must be available and kept on 16 file at the State Planning Office.

### 18 §6404. Duties of board

- 20 The board shall undertake activities it considers necessary to carry out the purposes of this chapter. Among these 22 activities, the board shall:
- 24 <u>1. Policy development. Assist the legislative and executive branches of government in development of water</u>
  26 <u>management policies;</u>
- 28 <u>2. Official map of local water basins.</u> Prepare and maintain an official map of water basin divisions for use in
   30 planning and management activities;
- 32 <u>3. Designate areas of limited supply.</u> Determine and designate areas of limited local water supplies and establish
   34 priorities for undertaking water resource planning and management activities in these designated areas;
- 4. Water basin plans. Develop, review, adopt and, as necessary, amend local water basin management plans in coordination with any local water planning agencies or committees; 40
- 5. Permits. Approve or deny water withdrawal permits in 42 accordance with section 6407. The board may delegate authority to local water management districts or the regional or municipal 44 authorities to approve or deny water withdrawal permits in accordance with any local water basin management plan;
- <u>6. Dispute resolution. Provide a forum to assist through
   fact-finding, mediation and facilitation the resolution of
   water-related disputes that are not otherwise resolved through
   concurrent state agency proceedings or a board's permitting
   process.
  </u>

7. Agency coordination. Provide for coordination among federal, state, regional and local agencies involved in activities that affect water resources management and serve as a point of contact for, and collaboration among, all agencies involved in water resources management. The board shall sponsor a biennial information exchange conference among state, federal, regional and local agencies;

10 8. Water data. In cooperation with other agencies, collect, develop, evaluate, manage and disseminate water resource 12 data. The board shall initiate and carry out measures necessary to standardize data collection among all state agencies, develop 14 and maintain a listing of priority research needs and produce an annual report on state water-related studies; and 16

9. Technical assistance. Provide assistance to other state, regional and local authorities, water management planning committees and water districts in preparing study plans and action plans for local water basin planning and determining availability of local water supplies. All state agencies shall provide information and support requested by the board for these purposes to the extent practicable.

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### §6405. Local water basin plans

Local water basin management plans may be prepared by the board or by local committees or coalitions of local authorities representative of the entire area of the water basin. For areas that have been designated by the board as areas of limited supply, the board may require investigative sessions and approval of study plans in advance of planning efforts by local committees or authorities.

To be approved by the board, a local water basin management plan must provide an estimate of the sustainable yield of the 36 water resources within the boundaries of the water basin as 38 delineated by the board's official map. The plan must also identify the current and foreseeable growth in consumptive water 40 use within the basin. These estimates must be based upon accepted resource and use evaluation techniques. The plans must 42 also identify and evaluate any regulatory or other measures necessary to ensure that safe yields of the water resources in the basin are not exceeded and any measures necessary to respond 44 to periods of water shortage, including any plans for restricting 46 water uses or setting priorities among local uses.

# After proposed water basin management plans or substantive amendments to those plans are received or prepared by the board, the board shall hold a public hearing on the proposed plan or

2	amendment in accordance with requirements for rulemaking set forth in chapter 375, subchapter II, except that the requirements
4	of section 8052, subsection 2, section 8056, subsections 1, 3 and 4 and section 8057, subsection 2 do not apply to these procedures.
6	The board and other relevant agencies shall provide information and technical assistance to any committees or
8	delegations preparing local water basin management plans for the purposes of this section.
10	<u>\$6406.</u> Permitting of water withdrawals
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14	<ol> <li>Review and approval required. Review and approval are required as follows.</li> </ol>
16	<u>A. Without a permit from the board, a single user other than a public water utility may not withdraw and transport</u>
18	away from any water basin more than 500,000 gallons of water per day averaged over a 30-day period. For the purposes of
20	this section, water basins are as delineated on the board's official map of water basin divisions.
22	B. A water withdrawal may not be made from any water source
24	in any area that the board has designated as an area of limited supply and for which a local water basin management
26	<u>plan is adopted by the board without a permit from the board</u> except as allowed without a permit by the adopted local
28	water basin management plan.
30	<ol> <li>Criteria for approval. Criteria for approval are as follows.</li> </ol>
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34	A. In approving permit applications according to this section, the board may require such reasonable terms and
36	conditions as the board determines appropriate.
38	<u>B. The board shall approve the proposed permit upon</u> <u>demonstration by the applicant that:</u>
40	(1) The proposed diversion will not exceed or threaten safe yield of the water source;
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44	(2) Other current water uses are not unreasonably affected; and
46	(3) The proposal is in compliance with the requirements of the State's water pollution control and
48	other environmental laws and any standards and regulations adopted with respect to those laws.

Page 4-LR2939(1) L.D.2309 The burden is on the applicant to demonstrate that the criteria for approval are satisfied and that the public's health, safety and general welfare will be adequately protected.

C. After adequate public notice, the board shall issue a permit for a water diversion of greater than 500,000 gallons per day and less than 1,000,000 gallons per day averaged over any 30-day period without the demonstrations contained in paragraphs A and B unless an opponent who would potentially incur actual damage as a result of the diversion or a state agency produces evidence within 30 days of the notice that the proposed diversion, along with other current uses, would potentially exceed safe yield of the water source or otherwise be unreasonable, in which case the demonstrations contained in paragraphs A and B must be met by the applicant prior to permit approval by the board.

20 3. Limitation, expiration, transfer and revocation of approval. A violation of any condition attached to a board 22 approval or permit or any change in the approved quantity or manner of water use without prior approval of the board is a 24 violation of this chapter and, in addition to any other penalties provided by law, constitutes grounds for the revocation or suspension of the approval. The board may, acting in accordance 26 with section 10003, amend, modify or refuse to renew any board 28 approval or permit when the board determines that the criteria for approval set forth in subsection 2, paragraphs A to C have not been, are not being or will not be satisfied. 30

32 4. Duration of water withdrawal permits. Except as otherwise provided in an approved local water basin management 34 plan, water withdrawal permits must be issued for a period of at least 10 years. The board may approve permits for periods longer 36 than 10 years if the applicant demonstrates to the board's satisfaction that a longer period of water use is necessary to 38 ensure recovery of the investment in the water use project. All permits may be renewed by board action and may be transferred in 40 whole or in part with the board's prior approval.

5. Standards for delegation. The board may establish standards within which authority may be delegated to its staff or
 to local authorities to approve, with reasonable conditions, or deny water withdrawal permit applications. Any person aggrieved
 by a decision of the staff or local authority has a right to a review of the decision by the board.

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<u>\$6407. Reporting of water withdrawals and reporting fee required</u>

1. Reporting of water withdrawals. Any person making a 2 withdrawal of water from any single surface or ground water body, or from 2 or more surface or ground water bodies that are 4 hydrologically connected, in excess of 50,000 gallons per day averaged over any 30-day period or any public water supplier б withdrawing in excess of 50,000 gallons per day, or serving more than 100 people, must report the withdrawal annually to the 8 board. These users must also report any subsequent changes in the quantity, destination or use of water withdrawn. Public 10 water suppliers that are also required to report water use to the Public Utilities Commission or the Department of Human Services, 12 Division of Health Engineering may submit a single report to the 14 board to satisfy all data needs. The board shall forward the report to the appropriate agencies.

- 2. Water use reporting fee. Beginning on the effective 18 date of this chapter, the water users required to report withdrawals must be assessed an annual reporting fee by the board, which must be commensurate with the amount of water 20 withdrawn or households served by the reporting entity. 22 Reporting fees must be at a rate schedule approved by the board but must be limited to the annual equivalent of 11¢ per person served by any public water supplier or 11¢ per person-equivalent 24 withdrawn by a nonpublic water user, determined by dividing the 26 amount of water withdrawn by a number that reflects per capita use of public water supplies. Reporting fees must be paid to the board and must be credited upon receipt to a water resources 28 management fund. Private water users withdrawing less than 30 50,000 gallons per day averaged over any 30-day period and public water suppliers serving less than 100 people are exempt from the 32 reporting fee.
- 34 §6408. Dispute resolution activities

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- As a principal forum for resolution of water-related disputes, the board shall:
- <u>1. Coordinate and initiate strategies.</u> Coordinate and
   40 <u>initiate proactive dispute resolution strategies including water</u> basin planning activities;
- 2. Participate in planning. Assist other state agencies 44 involved with water management issues by participating in their related planning, regulatory and adjudicatory processes; 46
- 3. Provide fact-finding and technical assistance. Provide
   fact-finding and technical assistance for individuals, state
   agencies and the Legislature seeking solutions to water-related
   disputes that are not subject to any other adjudicatory or
   judicial proceedings; and

Page 6-LR2939(1) L.D.2309

2 4. Serve as forum. Serve as a mediation, facilitation and fact-finding forum for resolving water disputes that are not resolved by other state agency proceedings. Specifically, the 4 board may not be a review or appeals forum for issues that have been adjudicated under the provisions of Title 12, section 685-B; 6 Title 38, chapter 3, subchapter I, article 5-A; Title 38, chapter 3, subchapter I, article 6; Title 38, chapter 3, subchapter II-A; Я Title 38, chapter 5, subchapter I, article 1, subarticle 1-B; and Title 38, chapter 5, subchapter I, article 3-A, subarticle 4. 10 12 §6409. Exhaustion of remedies 14 A person may not apply to the Legislature to grant that person a right, privilege or immunity related to water use until that person's rights to request before the board such a right 16 privilege or community are exhausted. In applying to the Legislature, the person shall state in writing that the person 18 has requested assistance from the board in determining or 20 mediating the right, privilege or immunity requested and that the board has deferred, declined or undertaken action on the request. 22 §6410. Additional powers and duties 24 1. Additional powers and duties. To carry out the purposes of this chapter, the board may, in addition to its other powers 26 and duties: 28 A. Adopt rules in accordance with chapter 375, subchapter II, unless otherwise provided by this chapter; 30 B. Compel attendance of witnesses and require production of 32 evidence; 34 C. Designate or request other appropriate agencies to receive applications, provide assistance, undertake 36 investigations and make recommendations; and 38 D. Execute contracts and other agreements. 40 §6411. Existing uses 42 <u>Clearly established beneficial water uses that existed prior</u> to the effective date of this chapter are not in any way 44 diminished by the provisions of this chapter. 46 §6412. Water Resources Management Fund 48 1. Fund established. The Water Resources Management Fund, referred to in this section as "the fund," is established under 50 the jurisdiction of the board.

> Page 7-LR2939(1) L.D.2309

2	2. Sources of fund. The following must be paid into the fund:
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6	A. All money appropriated for inclusion in the fund;
	B. Subject to any pledge, contract or other obligation, any
8	<u>money that the board receives in repayment of any loans or</u> advancements from the fund;
10	C. Subject to any pledge, contract or other obligation, all
12	interest, dividends or other income from investment of the fund;
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16	D. Any money received from water use reporting fees; and
18	E. Any other money, including federal money, deposited in the fund to implement this chapter.
20	3. Application of fund. Money in the fund must be
22	disbursed to carry out the board's responsibilities identified in section 6404. Expenditures must be limited to support of state agency activities, grants to counties, municipalities and
24	interjurisdictional or regional agencies and contractual services
26	necessary to carry out the purposes of this chapter. Money in the fund not needed currently to meet the obligations of the board may be invested as permitted by law.
28	<u>Seara maj se investea as permitetta si itan</u>
30	<b>4.</b> Accounts within fund. The board may divide the funds into separate accounts as it determines necessary or convenient.
32	5. Revolving fund. The fund is a nonlapsing revolving fund. All money in the fund must be continuously applied by the
34	board to carry out the purposes of this chapter.
36	<b>6. Submit budget.</b> The State Planning Office shall submit a budget of estimated revenues and costs to be incurred by the
38	program in the same manner as required for the General Fund.
40	Sec. 2. 5 MRSA §12004-D, sub-§5 is enacted to read:
42	<u>5. Waste Resources Expenses</u> <u>5 MRSA §6401</u> <u>Management Board</u> <u>Only</u>
44	Sec. 3. 12 MRSA §408 is enacted to read:
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48	§408. Reasonable use of surface water and ground water
50	The so-called "reasonable use rule" of common law applies to both surface water and ground water as components of the

Page 8-LR2939(1) L.D.2309

2	hydrologic cycle. Reasonable uses of water include all socially and economically beneficial uses of all water sources but does
4	not include uses that are patently wasteful, malicious or
4	intentionally harmful. Nonriparian as well as riparian uses of surface water, off-site as well as on-site uses of ground water
б	and diversions of water are among the uses that may be considered
8	reasonable. Beneficial uses of both surface water and ground water must be judged reasonable based on their impacts upon the
10	sustainability of the water source, their impacts upon other legitimate uses of surface and ground water and any other
12	reasonable factors bearing upon the equities involved.
14	<ol> <li>Factors for resolving disputes. Valid factors in determining disputes over reasonable uses include:</li> </ol>
16	A. The purpose of the respective uses or activities affected;
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20	<u>B. The economic, social and environmental value of respective uses, including protection of public health;</u>
22	C. The nature and extent of the harm caused;
24	D. Whether the utility of the use outweighs the gravity of its harms;
26	
28	E. The maintenance or improvement of ground water and surface water quality;
30	F. The suitability of the use to the watercourse or water body where it is intended;
32	
34	<u>G. The protection of existing values of land, investments, enterprises and productive uses;</u>
36	H. The practicality of adjusting the quantities used by each proprietor;
38	
40	I. The extent to which the use in question occurred prior to the competing use; and
42	J. The burden and fairness of requiring a person who causes harm to bear the loss.
44	
46	<b>2. Guidelines for resolving disputes.</b> To help resolve disputes among reasonable uses, the following guidelines may be employed when reasonable and applicable.
48	<u>eneroyee mon reasonable and applicable.</u>
50	<u>A. In resolving water disputes involving water utilities, it is recognized that water utilities are required by law</u>

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Page 9-LR2939(1)

L.D.2309

and perform an essential public source and are granted charter rights by the Legislature to fulfill that public service. Water utilities need access to sources of supply to fulfill their legal obligation.

B. Uses that maintain or protect public health and safety are superior over other uses.

C. All other lawful uses are equal in priority.

D. One lawful use does not destroy another.

and a second second Ε. When one use damages another, the relative reasonableness of the uses and whether or not equitable adjustment is possible must be determined.

Sec. 4. 22 MRSA c. 601, sub-c. VI, as amended, is repealed.

Sec. 5. Allocation. The following funds are allocated from the Water Resources Management Fund to carry out the purposes of this Act.

1992-93

(2)

### **EXECUTIVE DEPARTMENT**

**State Planning Office** 

Water Resources Management Fund

. .

32 Positions Personal Services \$73,487 All Other 34 34,650

36 Provides funds for one full-time Executive Secretary 38 to the Water Resources Management Board and one 40 full-time Clerk Typist position, funds for the 42 appointed members' per diem and travel and other funds 44 necessary to carry out the duties of the board.

#### **EXECUTIVE DEPARTMENT** TOTAL. 48

\$108,137

Sec. 6. Effective date. This Act takes effect on October 1, 1992.

Page 10-LR2939(1) L.D.2309

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### STATEMENT OF FACT

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Reflecting the findings and recommendations of the Water б Resources Management Board, this bill establishes policy to manage the reasonable uses of surface water and ground water in conjunction with each other, reflecting the nature of surface and 8 ground water resources as interrelated components of the 10 hydrologic cycle. This bill also creates a new, permanent Water Resources Management Board and establishes its duties and 12 responsibilities to provide a state governmental structure and procedures for the sound planning and management of water 14These procedures are designed: to ensure adequate resources. supplies in areas of limited water resources; to provide a 16 reasoned balance among all legitimate uses of surface and ground water resources; to provide a forum to resolve disputes among 18 water uses not otherwise addressed through state permitting activities; to provide an orderly process for the management and 20 dissemination of water data; and to provide technical assistance related to water resource planning and management activities. 22 This bill also creates a Water Resources Management Fund to be used to carry out the board's duties. 24

### Page 11-LR2939(1) L.D.2309