

CS FOR SENATE BILL NO. 442 (RESOURCES)
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE RESOURCES COMMITTEE

Offered: 4/24/92

Referred: Domestic & International Commercial Fisheries, Finance

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act authorizing the commissioner of natural resources to establish a water
2 conservation fee only for the use or sale of water in which the water is removed from
3 the hydrologic unit from which it was appropriated and is not returned to that hydrologic
4 unit; providing for the sale by the state of water appropriated to the state; relating to
5 the removal or appropriation for removal of water from one hydrologic unit to another;
6 and providing for an effective date."

7 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

8 * Section 1. AS 46.15 is amended by adding new sections to read:

9 Sec. 46.15.035. **APPROPRIATION OR REMOVAL OF WATER OUT OF**
10 **HYDROLOGIC UNITS TO OTHER HYDROLOGIC UNITS; WATER CONSERVATION FEE.**

11 (a) Water may not be removed from the hydrologic unit from which it was appropriated to
12 another hydrologic unit, inside or outside the state, without being returned to the hydrologic unit
13 from which it was appropriated nor may water be appropriated for removal from the hydrologic

1 unit from which the appropriation is sought to another hydrologic unit, inside or outside the state,
2 without the water being returned to the hydrologic unit from which it is to be appropriated, unless
3 the commissioner

4 (1) finds that the water to be removed or appropriated for removal is surplus to
5 needs within the hydrologic unit from which the water is to be removed or appropriated for
6 removal;

7 (2) finds that the application for removal or appropriation for removal meets the
8 requirements of AS 46.15.080; and

9 (3) assesses a water conservation fee under (b) of this section.

10 (b) The commissioner shall establish, by regulation, a water conservation fee for a use
11 of water in which the water is removed from the hydrologic unit from which it was appropriated
12 to another hydrologic unit inside or outside the state, without the water being returned to the
13 hydrologic unit from which it was appropriated. The fee established under this subsection shall
14 be graduated to encourage the conservation of water.

15 Sec. 46.15.037. SALE OF WATER BY THE STATE. (a) The commissioner may
16 provide for the sale of water by the state if

17 (1) the water has first been appropriated to the state in accordance with the
18 requirements of this chapter; and

19 (2) the commissioner determines that

20 (A) the water is surplus to needs within the hydrologic unit from which
21 it was appropriated;

22 (B) the proposed sale of the water meets the requirements of
23 AS 46.15.080; and

24 (C) the sale price of the water is based upon the fair market value of the
25 water.

26 (b) A purchaser of water from the state under this section shall acquire only those
27 contractual rights to the water set out in sale documents prepared by the commissioner except
28 that a sale of water by the state does not constitute an appropriation of water under this chapter
29 to the purchaser.

30 (c) If water to be sold by the state under (a) of this section, is to be removed from the
31 hydrologic unit from which it was appropriated to another hydrologic unit, inside or outside the

1 state, without being returned to the hydrologic unit from which it was appropriated, the
2 commissioner shall, in addition to determining that the sale meets the requirements of (a)(2) of
3 this section, assess a water conservation fee under AS 46.15.035.

4 * Sec. 2. AS 46.15.260 is amended by adding a new paragraph to read:

5 (10) "hydrologic unit" means either a hydrologic unit or subunit established by
6 the United States Geologic Survey on current hydrologic unit maps of the state.

7 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).