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IN THE SENATE

SENATE BILL NO. 1156

BY STATE AFFAIRS COMMITTEE

AN ACT

RELATING TO IRRIGATION DISTRICTS; PROVIDING LEGISLATIVE INTENT; AMEND-ING CHAPTER 13, TITLE 43, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 43-1314, IDAHO CODE, TO PROVIDE FOR THE PARTITION OF CERTAIN IRRIGATION DISTRICTS AND TO PROVIDE FOR PETITIONS TO PARTITION; AMENDING CHAPTER 13, TITLE 43, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 43-1315, IDAHO CODE, TO PROVIDE FOR THE FILING OF PETITIONS AND TO PROVIDE THAT THE PE-TITIONS ALONG WITH MAPS AND OTHER PAPERS FILED THEREWITH SHALL BE OPEN TO PUBLIC INSPECTION; AMENDING CHAPTER 13, TITLE 43, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 43-1316, IDAHO CODE, TO PROVIDE THAT CERTAIN MAPS SHALL ACCOMPANY PETITIONS; AMENDING CHAPTER 13, TITLE 43, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 43-1317, IDAHO CODE, TO PROVIDE FOR BOND; AMENDING CHAPTER 13, TITLE 43, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 43-1318, IDAHO CODE, TO PROVIDE FOR NOTICE RELATING TO THE FILING OF PETITIONS FOR PARTITION AND TO PROVIDE REQUIREMENTS RELATING TO SUCH NOTICES; AMENDING CHAPTER 13, TITLE 43, IDAHO CODE, BY THE AD-DITION OF A NEW SECTION 43-1319, IDAHO CODE, TO PROVIDE FOR NOTICES OF HEARING AND TO PROVIDE REQUIREMENTS RELATING TO SUCH NOTICES; AMEND-ING CHAPTER 13, TITLE 43, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 43-1320, IDAHO CODE, TO PROVIDE FOR EXAMINATION BY THE DEPARTMENT OF WA-TER RESOURCES, TO PROVIDE FOR REPORTS AND TO REQUIRE THE BOARD OF COUNTY COMMISSIONERS TO NOTIFY THE DEPARTMENT OF THE FINAL ACTION TAKEN ON THE PETITION; AMENDING CHAPTER 13, TITLE 43, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 43-1321, IDAHO CODE, TO PROVIDE CONDITIONS UNDER WHICH ORDERS SHALL BE ISSUED, TO PROVIDE THAT CERTAIN BOUNDARIES SHALL NOT BE MODIFIED, TO PROVIDE FOR THE INCLUSION OF CERTAIN LAND WITHIN THE NEW IRRIGATION DISTRICT AND TO PROVIDE THAT SUPPLEMENTAL PETITIONS MAY BE ACCEPTED PRIOR TO THE DATE OF HEARING; AMENDING CHAPTER 13, TITLE 43, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 43-1322, IDAHO CODE, TO PRO-VIDE FOR ORDERS DIVIDING NEWLY PARTITIONED IRRIGATION DISTRICTS INTO DIVISIONS, TO PROVIDE CERTAIN REQUIREMENTS, TO PROVIDE FOR THE ELECTION OF DIRECTORS, TO PROVIDE THAT CERTAIN INFORMATION RELATING TO DIVISIONS BE INCLUDED IN THE PETITION, TO PROVIDE FOR AN ALTERNATIVE NUMBER OF DISTRICTS AND TO PROVIDE THAT THE REMAINING IRRIGATION DISTRICT SHALL BE DIVIDED INTO DIVISIONS; AMENDING CHAPTER 13, TITLE 43, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 43-1323, IDAHO CODE, TO PROVIDE FOR THE EFFECTIVE DATE OF THE PARTITION, TO REQUIRE THE NEWLY PARTITIONED IR-RIGATION DISTRICT TO TAKE CERTAIN ACTION AND TO PROVIDE FOR APPEAL FROM OR JUDICIAL CHALLENGE TO ORDERS; AMENDING CHAPTER 13, TITLE 43, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 43-1324, IDAHO CODE, TO PROVIDE FOR THE JOINT OWNERSHIP OF CERTAIN REAL OR PERSONAL PROPERTIES, TO PRO-VIDE FOR PROPORTIONATE HOLDINGS OF CANALS AND LATERALS, TO PROVIDE FOR THE PROPORTIONATE OBLIGATION OF OUTSTANDING DEBT AND TO PROVIDE FOR THE DIVISION OF ASSESSMENTS; AMENDING CHAPTER 13, TITLE 43, IDAHO CODE, BY 1 THE ADDITION OF A NEW SECTION 43-1325, IDAHO CODE, TO PROVIDE FOR A JOINT BOARD OF CONTROL; PROVIDING SEVERABILITY; AND DECLARING AN EMERGENCY.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. LEGISLATIVE INTENT. The purpose of this act is to authorize the owners of land within an irrigation district that delivers only natural flow water rights, whose land is served by the irrigation district and who own the water rights appurtenant to that land, to partition the irrigation district into separate irrigation districts in order to preserve and protect the agricultural uses of the district lands, to provide for continuation of the irrigation of those lands and to set forth guidelines for ownership and operation of irrigation works between the newly partitioned irrigation districts.

SECTION 2. That Chapter 13, Title 43, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and designated as Section 43-1314, Idaho Code, and to read as follows:

- 43-1314. PETITION. The owners of a majority of the land in an irrigation district that is operated and maintained exclusively to deliver natural flow water rights, who also hold title to the water rights appurtenant to that land, and whose water rights are delivered by an organized irrigation district, may petition to partition the irrigation district into two (2) separate irrigation districts, which shall be known for purposes of this act as the new irrigation district and the remaining irrigation district. For each parcel of land that is proposed to be included in the new irrigation district, the petition shall set forth the following:
 - (1) Irrigation district assessment number;
 - (2) Tax lot or legal description to identify the property;
 - (3) Owner of the property;
 - (4) Individual water rights that are appurtenant to each property;
- (5) A general characterization of the property as agricultural, residential or commercial; and
- (6) The number of divisions into which the district shall be divided. The petition must be signed by each landowner who desires to be included in the new irrigation district and their signature shall constitute consent to the partition and consent to have their water rights delivered and distributed by the new irrigation district.
- SECTION 3. That Chapter 13, Title 43, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and designated as Section 43-1315, Idaho Code, and to read as follows:
- 43-1315. SUBMISSION OF PETITION TO COUNTY. The petition shall be filed with the clerk of the board of county commissioners of the county in which the greatest proportion of the proposed new irrigation district is situated. The petition, together with all maps and other papers filed therewith, shall at all proper hours be open to public inspection in the office of the clerk of the board between the date of the filing and the date of the hearing thereon.

SECTION 4. That Chapter 13, Title 43, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and designated as Section 43-1316, Idaho Code, and to read as follows:

- 43-1316. MAPS AND WATER SUPPLY DATA. The petitioners must accompany the petition with a map of the proposed district. The map shall show the location of the canals situated within the boundaries of the proposed partitioned district.
- 8 SECTION 5. That Chapter 13, Title 43, Idaho Code, be, and the same is 9 hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and des-10 ignated as Section 43-1317, Idaho Code, and to read as follows:
 - 43-1317. BOND. The petitioners shall accompany the petition with a bond to be approved by the board of county commissioners in double the amount of the probable cost of the county organizing a new irrigation district, conditioning that the bondsman will pay all costs, in the event the new irrigation district is not organized.
 - SECTION 6. That Chapter 13, Title 43, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 43-1318, Idaho Code, and to read as follows:
 - 43-1318. NOTICE OF PRESENTATION TO COMMISSIONERS. Upon filing of a petition with the clerk of the board of county commissioners, the clerk shall publish a notice that a petition for the partition of an irrigation district has been filed, setting forth the first signature on the petition. The notice shall provide the time at which the petition will be presented to the board, which shall be during a regular meeting of the board or during a special meeting called for that purpose. The notice shall be published at least two (2) weeks prior to the day upon which the petition is to be presented in a newspaper of general circulation in the county. If any portion of the proposed partitioned district be within another county or counties, the notice shall also be published in a newspaper of general circulation in each of those counties.
 - SECTION 7. That Chapter 13, Title 43, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 43-1319, Idaho Code, and to read as follows:
 - 43-1319. NOTICE OF HEARING. When a petition is presented to the board, the board shall set a time for hearing, which time shall not be less than four (4) nor more than eight (8) weeks from the date of the presentation. Notice of the time of hearing shall be published by the board at least three (3) weeks prior to the time of hearing in a newspaper of general circulation published within each of the counties in which any part of the proposed partitioned district is situated.
 - SECTION 8. That Chapter 13, Title 43, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and designated as Section 43-1320, Idaho Code, and to read as follows:

43-1320. EXAMINATION BY DEPARTMENT OF WATER RESOURCES. A copy of the petition and all maps and other papers filed with the board of county commissioners shall be filed in the office of the department of water resources by the board at least four (4) weeks prior to the date set for the hearing. The department may examine the petition, maps and other papers and if it deems it necessary, the department may prepare a report upon the matter in such form as it deems advisable. Any report prepared by the department shall be submitted to the board a minimum of seven (7) calendar days before the hearing on the petition and shall be available for public inspection. It shall be the duty of the board to notify the department of water resources of the final action, either favorable or unfavorable, taken on a petition for the partition of an irrigation district.

SECTION 9. That Chapter 13, Title 43, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 43-1321, Idaho Code, and to read as follows:

43-1321. ORDER OF THE BOARD. If it appears to the board of county commissioners that the holders of evidence of title to a majority of the acreage with water rights delivered by the irrigation district within the boundaries of an existing irrigation district have properly signed a petition and approved the partition of the irrigation district, that the holders of evidence of title to such land signing the petition are also holders of title to the water rights appurtenant to the land and it appears that the majority of the acreage with water rights delivered by the irrigation district described in the petition is of an agricultural character, the board shall issue an order partitioning the irrigation district as set forth in the petition. The board shall not modify the boundaries set forth in the original petition. Provided however, the board may permit any holder of evidence of title to land lying within the boundaries of the original district of forty (40) acres or more in size used primarily for agricultural purposes to include such land in the new irrigation district, if such landowner has filed a separate petition with the board establishing that such land meets all the criteria required to have been joined in the original petition, including ownership of water rights appurtenant to the land. Supplemental petitions may be accepted at any time prior to the date of hearing.

SECTION 10. That Chapter 13, Title 43, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 43-1322, Idaho Code, and to read as follows:

43-1322. DIVISIONS OF DISTRICT FOR ELECTION OF DIRECTORS. The board of county commissioners shall also enter an order dividing the new partitioned irrigation district into not less than three (3) nor more than seven (7) divisions of as nearly equal size as practical, which shall be numbered first, second, third, etc. One (1) director, who shall be an elector and resident in the division, shall be elected from each division of the district. Provided however, that in districts of three thousand (3,000) acres or less, the directors may be elected from qualified electors holding title or evidence of title to land in the district and residing in the county where some portion of the district is located. The number of divisions into which the district

shall be divided shall be specified in the petition for the partition of the new irrigation district, and if not otherwise specified, shall be three (3).

The board shall also enter an order dividing the remaining irrigation district after partition into the same number of divisions of as nearly equal size as practical as existed in the original irrigation district prior to partition.

SECTION 11. That Chapter 13, Title 43, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 43-1323, Idaho Code, and to read as follows:

43-1323. EFFECTIVE DATE OF PARTITION -- CHALLENGES TO PARTITION. The effective date of the partition of the existing district into two (2) districts shall be as of the date of the order of the board of county commissioners. Following the effective date of the partition order by the board, the newly partitioned irrigation district shall immediately undertake to reorganize, elect officers as set forth in section 43-301, Idaho Code, and exercise all powers and duties of an irrigation district. Any appeal from, or judicial challenge to, the order of the board partitioning the irrigation district must be brought in the county where the board sits within ninety (90) days from the effective date of the order or be forever barred.

SECTION 12. That Chapter 13, Title 43, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 43-1324, Idaho Code, and to read as follows:

JOINT WORKS -- JOINTLY HELD PROPERTY. The irrigation works 43-1324. and any other real or personal property held by the original irrigation district prior to the partition shall belong to the partitioned irrigation districts jointly as provided in this section. All canals and laterals that deliver water to members of both districts shall be held by each district in proportion to the total quantity of water delivered to members of each district through each individual diversion work, canal and lateral. All other real and personal property shall be held jointly by the two (2) districts in proportion to the total quantity of water rights held by the members of each district that are appurtenant to lands within the newly partitioned district. Any outstanding debts of the district prior to partition shall be joint obligations of the two (2) newly partitioned districts after the partition in proportion to the total quantity of water rights held by members of each district within the newly partitioned districts. All assessments collected from landowners shall be provided to the new districts based upon the location of the land after the partition, less the proportionate share of expenses incurred prior to the effective date of the order of partition.

SECTION 13. That Chapter 13, Title 43, Idaho Code, be, and the same is hereby amended by the addition thereto of a $\underline{\text{NEW SECTION}}$, to be known and designated as Section 43-1325, Idaho Code, and to read as follows:

43-1325. JOINT OPERATION. Whenever the partitioned irrigation districts share irrigation works, canals and laterals after the partition takes effect, a joint board of control, not exceeding seven (7) members, shall be

chosen by the board of directors of the respective partitioned irrigation districts, the members of which shall be apportioned to each district as nearly as practicable in accordance with the acreage for which water shall be provided in each respective district. Said board of control shall control, manage and operate such joint works subject to the board of directors of the respective districts and each member of the board of control shall hold office at the will of the board of directors of the district appointing such member.

SECTION 14. SEVERABILITY. The provisions of this act are hereby declared to be severable and if any provision of this act or the application of such provision to any person or circumstance is declared invalid for any reason, such declaration shall not affect the validity of the remaining portions of this act.

SECTION 15. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after its passage and approval.