WATER 101: WATER RIGHTS

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The lifeblood of the state



THE NATURE OF PROPERTY RIGHTS IN WATER

PROPERTY RIGHTS IN WATER

WATER CODE 102: All water within the State is the property of the people of the State, but the right to the use of water may be acquired ... in the manner provided by law

USUFRUCTUARY

REAL PROPERTY RIGHT

Full owner: Direct, immediate & exclusive authority

Usufruct: unites property interests of usus & fructus

- USUS = USE OF
- FRUCTUARY = FRUITS





USUFRUCTUARY

USUS: Right to use or enjoy a thing possessed

FRUCTUS: Right to derive profit from thing possessed: e.g., by selling crops & taxing for entry

No right of exclusivity against full owner





PROPERTY RIGHTS IN WATER

USUFRUCT IS:

- Taxable
- Conveyable by deed or property instrument
- Subject to condemnation
 - Damages for inverse condemnation (takings)
- Subject to adverse possession
- Interests protected by judicial process
 - Controversies settled via quiet title suit

PROPERTY RIGHTS IN WATER

- State ownership is regulatory
 - Reflective of POLICE POWER
 - Not proprietary
- Authority to confer private right of use
- Must also protect public interest

WATER RIGHTS

WATER RIGHTS

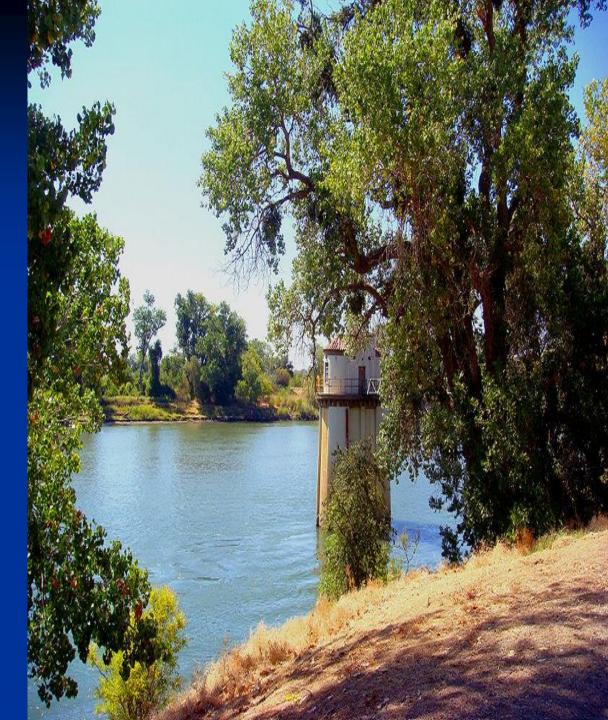
PHYSICAL CATEGORIES

- Surface Water
- Groundwater

LEGAL CATEGORIES

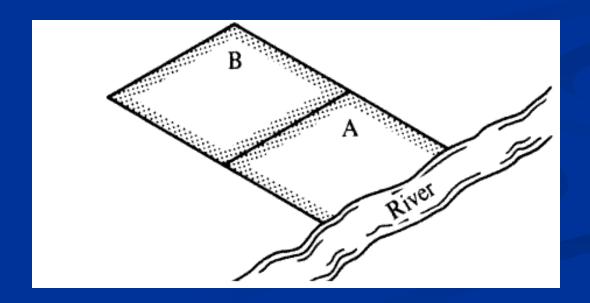
- Rights acquired through LAND OWNERSHIP
- Rights acquired through ACTIONS (USE)

SURFACE WATER



RIPARIAN RIGHTS

- Land ownership ADJACENT to watercourse
- Deed establishes right: NO PERMIT NEEDED
- No fixed quantity: REASONABLE



RIPARIAN RIGHTS

NO FIXED QUANTITY: Reasonable Use

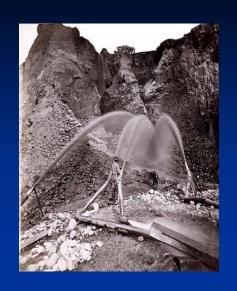
Example: Riparian uses 500 AFY to grow Crop A. Can she switch to Crop B, which requires 600 AFY?

Answer: Yes, without any additional water rights, as long as water is reasonably used, and not wasted.

"What is a reasonable amount varies with the circumstances of each particular case and also varies from year to year, for the amount which might be reasonable in a season of plenty might be manifestly unreasonable in a season of drought."

RIPARIAN RIGHTS

- Land based: Not lost for non-use
- Limited to use on riparian property in watershed
- Limited to NATURAL FLOW of watercourse
- NO STORAGE (over 30 days)
- Equitable sharing of shortages: CORRELATIVE



Miners and farmers

Not riparian

Most land was public land
Riparian rights based in land ownership
Individuals didn't own public land



Riparian rights uncertain
No fixed quantity
Had to be used on riparian land
No storage

CALIFORNIA WATER

APPROPRATIVE RIGHTS beneficial use

- Custom: First in time, first in right
- Fixed quantity
- Use wherever & allowed storage
- Approved by Cal Supreme Court in 1855
- NO SWRCB PERMIT

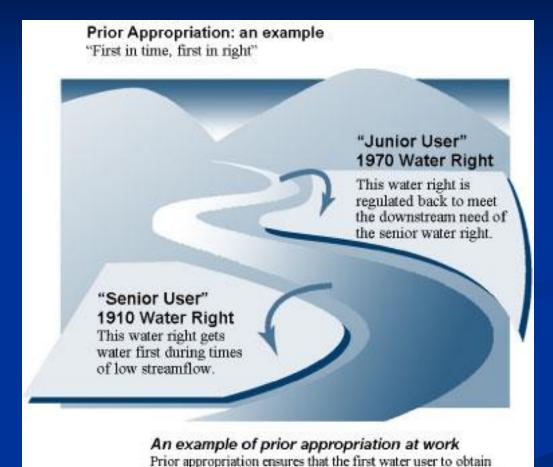
WATER COMMISSION ACT (1914)

- State Water Resources Control Board
- POST 1914 RIGHT NEED PERMIT

PRIORITY

First in time First in right

- SENIOR
- JUNIOR



water rights has first access to water in times of shortage. If a "downstream" landowner has the earlier priority date (they initiated their water right in 1910) the "upstream" landowner may have to let the water pass unused to meet the needs of the

senior, downstream water right holder.

LUX V. HAGGIN (1886)





James Ben-Ali Haggin

HYBRID SYSTEM

Riparian & Appropriative
Riparians usually senior as a class

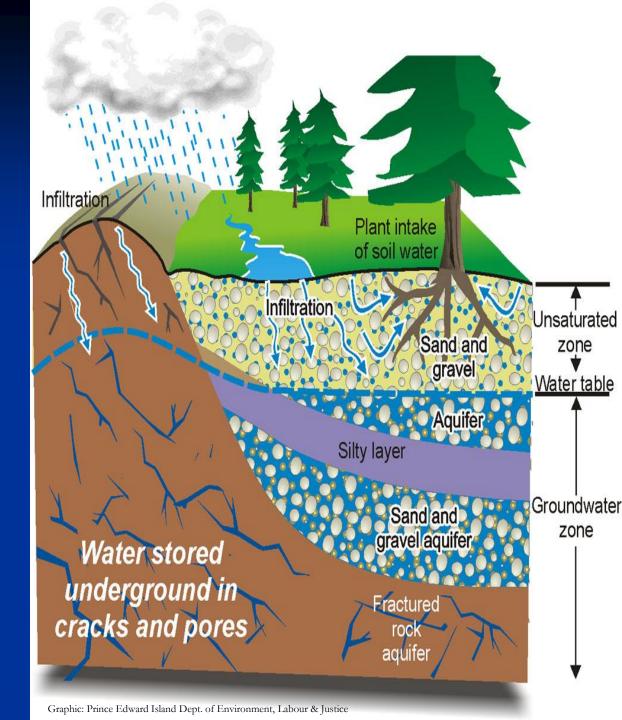
Kern River





Miller & Lux

GROUND WATER



GROUNDWATER

Water Code Section 1200 (permitting system):

Water refers only to surface water and to

"Subterranean streams flowing through a known and definite channel"

NOT "percolating groundwater"



WATER UNDER THE GROUND

- SUBTERRANEAN STREAM = Surface Water Law
 - Riparian Right (overlying)
 - Appropriative Right*
 - * After 1914, need SWRCB permit
- PERCOLATING = Groundwater Law
 - Overlying Right
 - Appropriative Right
 - No SWRCB permit

SUBTERRANEAN STREAM FLOWING THROUGH KNOWN & DEFINITE CHANNEL

North Gualala Water Co. v. SWRCB (2006)

- Subsurface channel must be present
- Relatively impermeable bed and banks
- Course determined by reasonable inference
- Groundwater flowing in channel (not across)

■No "Impact" Test



ALICE IN WONDERLAND

"[C] lassification disputes in this field quickly take on an Alice-in-Wonderland quality because the legal categories are drawn from antiquated case law and bear little or no relationship to hydrologic realities."

"PERCOLATING" GROUNDWATER

- Land-Based: OVERLYING Right
 - Overlying land ownership: analogous to riparian
 - Use on overlying land, no forfeiture: **NO PERMIT**
- Use-based: APPROPRIATIVE Right
 - Use outside the basin or by public agency
 - Priority system & "use it or lose it": NO PERMIT

"PERCOLATING" GROUNDWATER

- ADJUDICATION
 - OVERDRAFT & SAFE YIELD
 - PRESCRIPTIVE RIGHTS
 - **SELF HELP**
 - **■** Court Decree
 - Watermaster: post decree management
- LOCAL AGENCIES
- **COUNTY ORDINANCES**

Sustainable Groundwater Management Act

- Local management with state backstop
 - Groundwater Sustainability Agencies
 - Groundwater Sustainability Plans
 - Sustainable Yield
 - If fail, SWRCB action
 - Still no permit
- SGMA does not "determine or alter" water rights

TRIBAL WATER RIGHTS

- Express treaty rights
- Implied Winters Rights: primary purpose
 - Priority: date of reservation
 - Not lost for non-use
 - Agua Caliente 2017: includes groundwater
- Aboriginal rights: time immemorial

GOVERNING PRINCIPLES & GOVERNANCE

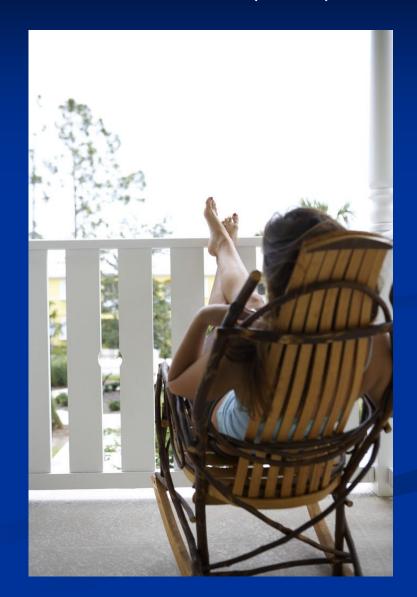
REASONABLE USE

HERMINGHAUS V. SO. CAL EDISON (1926)

Riparian relied on heavy spring flows to flood irrigate

SoCal Edison construct upstream hydropower reservoirs, reducing flow

Held: Reasonable Use does not apply between riparian & appropriator



CAL CONST. ART. 10 § 2 (1928)

■ FULLEST EXTENT

CA water shall "be put to beneficial use to the fullest extent of which [it is] capable"

■ REASONABLE USE

Amount "reasonably required for beneficial use"

■ WASTE & UNREASONABLE USE

No right where water wasted or used unreasonably

"What is a reasonable amount varies with the circumstances of each particular case and also varies from year to year, for the amount which might be reasonable in a season of plenty might be manifestly unreasonable in a season of drought."

PUBLIC TRUST DOCTRINE

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■ EQUAL FOOTING: CA acquired bed & banks of navigable waters & tidal waters @ statehood

■ Title to navigable and tidal resources impressed with "public trust" obligation

 Public Trust values: Navigation, commerce, fishing, environmental, recreation, scientific

PUBLIC TRUST DOCTRINE

DUTIES OF THE SOVEREIGN

By the laws of nature

These things are common to mankind

The air, the sea, and consequently

The shores of the sea

-Institutes of Justinian

Public Trust Doctrine

Lake level dropping

Ecosystem impacts

LA: water right cannot be changed



PUBLIC TRUST DOCTRINE

- Court: Both water rights & public trust matter
- Public Trust Doctrine: state can & must protect trust values where FEASIBLE
 - Feasibility: environmental, economic, cultural, scientific, legal

PUBLIC TRUST DOCTRINE

■ NATIONAL AUDUBON (1983)

Non-navigable tributaries

■ ELF v. SWRCB (2018)

Scott River

Hydrologically-connected groundwater

PUBLIC INTEREST

PUBLIC INTEREST

- California Water Code
- State governing principle
 - Allocation of water
 - Terms and conditions of permits and licenses
 - Changes to permits and licenses
- State must consider and value all interests: Environmental, economic, cultural, etc.

COURTS

- Jurisdiction over all water rights
- SWRCB Post-1914 permits & licenses
 - Challenges and appeals

■ STATE WATER RESOURCES CONTROL BD

- Five members, appointed by governor
- Staff: Division of Water Rights

■ WATER PERMITS & LICENSES

- Initially Limited Jurisdiction
- Only Surface Water & Subterranean Streams
 - Only post-1914 appropriations
 - Not: pre-1914, riparian, or percolating GW

GOVERNANCE: SWRCB EVOLUTION

DROUGHT MANAGEMENT

- Information orders
- Conservation requirements
- Curtailments
 - Litigation

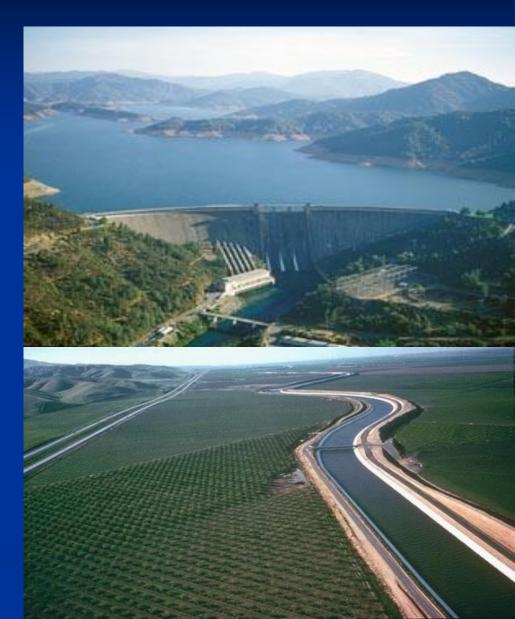
SUSTAINABLE GROUNDWATER MGT ACT

LOCAL AGENCIES & WATER SUPPLIERS

- Cities and counties
- Special districts
- Investor-owned utilities (CPUC)
- Mutual water companies
 - Water rights or water contracts
 - May own and operate local projects
 - Local rules and regulations

PROJECTS

- Federal (CVP)
- State (SWP)
- State water rights
- Supply contracts



QUESTIONS?