

that the industrial user is not burdened by an unnecessarily time consuming process. I would say parenthetically that some of the language comes from amendments that have been proposed to certificate of need because we have learned a little bit about administrative law in that process. Section 8 is a unique approach and this particular section allows the applicant to negotiate with users who would be adversely affected and to obtain waivers of liability from these users. These waivers would be filed with the Director of the Department of Water Resources and would be considered when the Director determines whether or not to grant the application, the permit. Section 9, which is in your summary, is the guts of the bill. This section sets out the standard for approval or denial of an application to obtain a permit that is required by Section 3. The Director must issue a written order containing specific findings of fact either granting or denying the permit. The Director must determine if the use is in the public interest and the bill defines the factors that the Director will consider in determining whether this particular use is in the public interest. These factors include possible adverse effect on existing surface or ground water users; the effect of withdrawal in any transfer of surface or ground water supplies needed to meet anticipated domestic and agricultural demands in the area of the proposed ground water withdrawal; the availability of alternative sources of surface or ground water reasonably accessible to the applicant in or near the region of the proposed use; the economic benefit of the applicant's proposed use; the social and economic benefits of existing uses of surface or ground water in the area of the applicant's proposed use. It also considers the fact whether any of the waivers were filed in the area and other factors that affect the equity of granting the permit. So as you can see we are asking for a balance into the equities, the public interest test to be performed by the Director of the Department of Water Resources and that, of course, can be reviewed through the administrative procedures process or through the courts. Section 10 provides that the permit can be withdrawn under certain circumstances. The next Section I would like to point out is Section 17 which sets up an application fee of \$2,500 for the application for the first 5,000 acre feet and a \$1 per acre foot after that. The reason that we have provided for what appears to be an extensive application fee is that we have learned through the transbasin diversion procedure that it can be a very expensive process and it is simply my feeling that the applicant should bear at least part of the burden of paying for this process. That is the bill in a nutshell. Again I think the philosophy, the underlying philosophy of the amendments and the underlying philosophy of the bill