

Amanda Kaster, Director
ATTN: Jamie Price
Rules Coordinator
Montana Department of Natural Resources

Director Kaster,

The Montana Association of REALTORS® appreciates the opportunity to comment on the DNRC's proposed rule changes related to water right permitting.

From our perspective, clarity, predictability, and cost-effectiveness in Montana's water permitting process are essential for property owners, buyers, and sellers. Our members regularly work with clients navigating water rights and well permitting, so rule changes that introduce uncertainty or significantly raise costs directly impact real estate transactions and, ultimately, Montana's housing market.

We are concerned about the proposed fee for the 602, Notice of Intent to Appropriate Groundwater. A 160% increase over the current cost will not only surprise customers but also add to the already high cost of property transactions in Montana. While we understand the need to fund the program, we urge the Department to consider the economic impact on property owners.

Our second concern is the new definition of "aquifer system" and the resulting change to "source aquifer." We are not aware of any legislative action that would require or justify these changes. If the Department's goal is to add clarity, the proposed language instead creates ambiguity, which can delay property transfers and complicate due diligence. We recommend adopting a clear, nationally recognized definition, such as the National Groundwater Association's:

"Aquifer System – One or more aquifers, either continuous or connected through leakage, considered integrated at the scale of interest."

Our last concern is the uncertainty around whether New Rule 2 applies to Form 602. If it does, the implementation challenges, especially with older wells where the records may be incomplete, could cause delays in closings or prevent buyers from obtaining necessary water use information. If the rule does not apply, we urge the Department to make this explicit in the rule language.

Thank you for considering our comments. We hope these perspectives are useful in ensuring Montana's water rules remain clear, predictable, and fair for all stakeholders.

Sincerely,

Montana Association of REALTORS®



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