FINAL BILL REPORT SSB 5839

C 145 L 09

Synopsis as Enacted

Brief Description: Regarding the administration of irrigation districts.

Sponsors: Senate Committee on Agriculture & Rural Economic Development (originally sponsored by Senators Schoesler, Hatfield and Shin).

Senate Committee on Agriculture & Rural Economic Development House Committee on Local Government & Housing

Background: Irrigation districts (districts), authorized by the first state Legislature in 1890, are among the oldest special purpose districts in Washington. Originally authorized to provide irrigation facilities and services, they have since been authorized to provide: drainage systems; domestic water; electric energy generation, purchasing and distribution; fire hydrants; sewerage systems; residential energy conservation program assistance; heating systems; and street lighting. Among special purpose districts only port districts possess a greater range of powers.

<u>Director Compensation.</u> Districts are governed by an elected board of directors. Directors must each receive compensation for attending meetings and performing other district services. The amount, which may not exceed \$90 per day, must be fixed by district resolution. Beginning in 2008, the \$90 limit is adjusted every five years for inflation. State constitutional provisions prohibit compensation of public officers from being increased during their term of office, unless they do not fix their own compensation. It is suggested that compensation of directors be fixed in statute.

<u>District Liability.</u> Irrigation districts may be sued. A flooding incident in Nevada has raised concerns regarding potential district liability arising from defects in federally-constructed facilities that may be operated by a district.

<u>Subdivision Review.</u> Cities and counties must review and approve most proposed divisions of land into smaller parcels to insure that necessary public facilities are provided and that the proposal is in the public interest. Currently, if a proposed subdivision includes irrigable land, completed irrigation facilities may be required by an irrigation district as a condition for approval of the subdivision.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

<u>Electric Power Authority.</u> It is suggested that districts be granted clearer authority to enter into joint ventures with public and private entities to purchase and sell power or develop or own generation and transmission facilities.

Summary: Several provisions governing irrigation district operations are revised.

<u>Director Compensation.</u> Language requiring irrigation district directors to fix per diem compensation amounts by resolution is deleted. The amount is set at \$90 per day. Language providing for adjustment for inflation every five years, beginning in 2008, is retained.

<u>District Liability</u>. A district may enter into a contract with the United States for transfer of operations and maintenance of federal reclamation project works, but the contract does not impute to the district negligence for design or construction defects or deficiencies of the transferred works.

A district must be given notice whenever a city or county receives a subdivision application that includes land in the district. The district must then submit a statement with any information or conditions for approval that it deems necessary regarding the proposal's effect upon the structural integrity of district facilities, other risk exposures, and the safety of the public and the district.

<u>Electric Power Authority.</u> A district may contract or form a separate legal entity with several types of public or private entities to purchase and sell power and to develop or own generating or transmitting facilities. The contract may provide for purchasing capability of a project to produce or transmit power, in addition to actual output; for making payments whether or not a project is completed; that payments are not subject to reduction; and that performance is not conditioned upon performance or nonperformance of any party or entity. Entities that a district may contract with include: U.S. government agencies; states; municipalities; public utility districts; other irrigation districts; joint operating agencies; rural electric cooperatives; mutual corporations or associations; investor-owned utilities; or associations or legal entities composed of any such entities or utilities.

Votes on Final Passage:

Senate	44	0	
House	98	0	

Effective: July 26, 2009