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SUBSTITUTE HOUSE BILL 1334

State of Washington 61st Legislature 2009 Regular Session

By House Agriculture & Natural Resources (originally sponsored by Representatives Blake, Chandler, Haler, Van De Wege, Ericks, Hinkle, Warnick, Schmick, Condotta, Kretz, Ormsby, Smith, Kessler, Newhouse, Walsh, Nelson, Pearson, Moeller, and Short)

READ FIRST TIME 02/23/09.

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- AN ACT Relating to water resource management on the mainstem of the Columbia and lower Snake rivers; amending RCW 90.90.005, 90.03.380, and
- 3 90.90.030; and reenacting and amending RCW 90.14.140.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 90.90.005 and 2006 c 6 s 1 are each amended to read as 6 follows:
 - (1) The legislature finds that a key priority of water resource management in the Columbia river basin is the development of new water supplies that includes storage and conservation in order to meet the economic and community development needs of people and the instream flow needs of fish.
 - (2) The legislature finds that uncertainty as to existing law may discourage water conservation in the Columbia river basin and that modern conservation practices can result in substantial water savings.
- 15 (3) The legislature therefore declares that a Columbia river basin 16 water supply development program is needed, and directs the department 17 of ecology to aggressively pursue the development of <u>storage</u>, 18 <u>conservation</u>, and other actions to provide water supplies to benefit
- 19 both instream and out-of-stream uses.

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1 **Sec. 2.** RCW 90.03.380 and 2003 c 329 s 2 are each amended to read 2 as follows:

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(1) The right to the use of water which has been applied to a beneficial use in the state shall be and remain appurtenant to the land or place upon which the same is used: PROVIDED, HOWEVER, That the right may be transferred to another or to others and become appurtenant to any other land or place of use without loss of priority of right theretofore established if such change can be made without detriment or injury to existing rights. The point of diversion of water for beneficial use or the purpose of use may be changed, if such change can be made without detriment or injury to existing rights. A change in the place of use, point of diversion, and/or purpose of use of a water right to enable irrigation of additional acreage or the addition of new uses may be permitted if such change results in no increase in the annual consumptive quantity of water used under the water right. purposes of this section, "annual consumptive quantity" means the estimated or actual annual amount of water diverted pursuant to the water right, reduced by the estimated annual amount of return flows, averaged over the two years of greatest use within the most recent five-year period of continuous beneficial use of the water right. Before any transfer of such right to use water or change of the point of diversion of water or change of purpose of use can be made, any person having an interest in the transfer or change, shall file a written application therefor with the department, and the application shall not be granted until notice of the application is published as provided in RCW 90.03.280. If it shall appear that such transfer or such change may be made without injury or detriment to existing rights, the department shall issue to the applicant a certificate in duplicate granting the right for such transfer or for such change of point of diversion or of use. The certificate so issued shall be filed and be made a record with the department and the duplicate certificate issued to the applicant may be filed with the county auditor in like manner and with the same effect as provided in the original certificate or permit to divert water.

(2) If an application for change proposes to transfer water rights from one irrigation district to another, the department shall, before publication of notice, receive concurrence from each of the irrigation

districts that such transfer or change will not adversely affect the ability to deliver water to other landowners or impair the financial integrity of either of the districts.

- (3) A change in place of use by an individual water user or users of water provided by an irrigation district need only receive approval for the change from the board of directors of the district if the use of water continues within the irrigation district, and when water is provided by an irrigation entity that is a member of a board of joint control created under chapter 87.80 RCW, approval need only be received from the board of joint control if the use of water continues within the area of jurisdiction of the joint board and the change can be made without detriment or injury to existing rights.
- (4) This section shall not apply to trust water rights acquired by the state through the funding of water conservation projects under chapter 90.38 RCW or RCW 90.42.010 through 90.42.070.
- (5)(a) Pending applications for new water rights are not entitled to protection from impairment, injury, or detriment when an application relating to an existing surface or ground water right is considered.
- (b) Applications relating to existing surface or ground water rights may be processed and decisions on them rendered independently of processing and rendering decisions on pending applications for new water rights within the same source of supply without regard to the date of filing of the pending applications for new water rights.
- (c) Notwithstanding any other existing authority to process applications, including but not limited to the authority to process applications under WAC 173-152-050 as it existed on January 1, 2001, an application relating to an existing surface or ground water right may be processed ahead of a previously filed application relating to an existing right when sufficient information for a decision on the previously filed application is not available and the applicant for the previously filed application is sent written notice that explains what information is not available and informs the applicant that processing of the next application will begin. The previously filed application does not lose its priority date and if the information is provided by the applicant within sixty days, the previously filed application shall be processed at that time. This subsection (5)(c) does not affect any other existing authority to process applications.

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1 (d) Nothing in this subsection (5) is intended to stop the 2 processing of applications for new water rights.

- (6) No applicant for a change, transfer, or amendment of a water right may be required to give up any part of the applicant's valid water right or claim to a state agency, the trust water rights program, or to other persons as a condition of processing the application.
- (7) In revising the provisions of this section and adding provisions to this section by chapter 237, Laws of 2001, the legislature does not intend to imply legislative approval or disapproval of any existing administrative policy regarding, or any existing administrative or judicial interpretation of, the provisions of this section not expressly added or revised.
- (8) The development and use of a small irrigation impoundment, as defined in RCW 90.03.370(8), does not constitute a change or amendment for the purposes of this section. The exemption expressly provided by this subsection shall not be construed as requiring a change or transfer of any existing water right to enable the holder of the right to store water governed by the right.
- (9) Notwithstanding subsection (1) of this section, the point of diversion, place of use, and purpose of use of conservation operation and maintenance savings as defined in chapter 90.90 RCW may be seasonally changed and transferred under this subsection and RCW 90.03.390 to any other land or place of use without loss of priority of right previously established, except as provided in RCW 90.14.140 (2)(h).
- **Sec. 3.** RCW 90.14.140 and 2001 c 240 s 1, 2001 c 237 s 27, and 27 2001 c 69 s 5 are each reenacted and amended to read as follows:
 - (1) For the purposes of RCW 90.14.130 through 90.14.180, "sufficient cause" shall be defined as the nonuse of all or a portion of the water by the owner of a water right for a period of five or more consecutive years where such nonuse occurs as a result of:
 - (a) Drought, or other unavailability of water;
- 33 (b) Active service in the armed forces of the United States during 34 military crisis;
 - (c) Nonvoluntary service in the armed forces of the United States;
- 36 (d) The operation of legal proceedings;

(e) Federal or state agency leases of or options to purchase lands or water rights which preclude or reduce the use of the right by the owner of the water right;

- (f) Federal laws imposing land or water use restrictions either directly or through the voluntary enrollment of a landowner in a federal program implementing those laws, or acreage limitations, or production quotas;
- (g) Temporarily reduced water need for irrigation use where such reduction is due to varying weather conditions, including but not limited to precipitation and temperature, that warranted the reduction in water use, so long as the water user's diversion and delivery facilities are maintained in good operating condition consistent with beneficial use of the full amount of the water right;
- (h) Temporarily reduced diversions or withdrawals of irrigation water directly resulting from the provisions of a contract or similar agreement in which a supplier of electricity buys back electricity from the water right holder and the electricity is needed for the diversion or withdrawal or for the use of the water diverted or withdrawn for irrigation purposes;
- (i) Water conservation measures implemented under the Yakima river basin water enhancement project, so long as the conserved water is reallocated in accordance with the provisions of P.L. 103-434;
- (j) Reliance by an irrigation water user on the transitory presence of return flows in lieu of diversion or withdrawal of water from the primary source of supply, if such return flows are measured or reliably estimated using a scientific methodology generally accepted as reliable within the scientific community; or
- (k) The reduced use of irrigation water resulting from crop rotation. For purposes of this subsection, crop rotation means the temporary change in the type of crops grown resulting from the exercise of generally recognized sound farming practices. Unused water resulting from crop rotation will not be relinquished if the remaining portion of the water continues to be beneficially used.
- (2) Notwithstanding any other provisions of RCW 90.14.130 through 90.14.180, there shall be no relinquishment of any water right:
- 36 (a) If such right is claimed for power development purposes under 37 chapter 90.16 RCW and annual license fees are paid in accordance with 38 chapter 90.16 RCW;

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(b) If such right is used for a standby or reserve water supply to be used in time of drought or other low flow period so long as withdrawal or diversion facilities are maintained in good operating condition for the use of such reserve or standby water supply;

- (c) If such right is claimed for a determined future development to take place either within fifteen years of July 1, 1967, or the most recent beneficial use of the water right, whichever date is later;
- (d) If such right is claimed for municipal water supply purposes under chapter 90.03 RCW;
- (e) If such waters are not subject to appropriation under the applicable provisions of RCW 90.40.030;
- (f) If such right or portion of the right is leased to another person for use on land other than the land to which the right is appurtenant as long as the lessee makes beneficial use of the right in accordance with this chapter and a transfer or change of the right has been approved by the department in accordance with RCW 90.03.380, 90.03.383, 90.03.390, or 90.44.100;
- (g) If such a right or portion of the right is authorized for a purpose that is satisfied by the use of agricultural industrial process water as authorized under RCW 90.46.150; ((or))
- (h) If such a right or portion of the right consists of reduced annual diversions or withdrawals of irrigation water from bodies of water set forth in RCW 90.90.030(12) resulting from conservation operation and maintenance savings as defined in RCW 90.90.030. This subsection is intended to apply to any reductions in withdrawals resulting from such conservation operation and maintenance savings, provided that where operation of this subsection with respect to withdrawals prior to the effective date of this section would actually result in detriment or injury to existing rights, the priority of changes and transfers pursuant to RCW 90.03.380(9) and 90.03.390 must be modified to the extent necessary to prevent such impairment; or
- (i) If such right is a trust water right under chapter 90.38 or 90.42 RCW.
- (3) In adding provisions to this section by chapter 237, Laws of 2001, the legislature does not intend to imply legislative approval or disapproval of any existing administrative policy regarding, or any existing administrative or judicial interpretation of, the provisions of this section not expressly added or revised.

- **Sec. 4.** RCW 90.90.030 and 2006 c 6 s 4 are each amended to read as follows:
 - (1) The department of ecology may enter into voluntary regional agreements for the purpose of providing new water for out-of-stream use, streamlining the application process, <u>achieving conservation</u> operation and maintenance savings, and protecting instream flow.
 - (2) Such agreements shall ensure that:

- (a) For water rights issued from the Columbia river mainstem, there is no negative impact on Columbia river mainstem instream flows in the months of July and August as a result of the new appropriations issued under the agreement;
- (b) For water rights issued from the lower Snake river mainstem, there is no negative impact on Snake river mainstem instream flows from April through August as a result of the new appropriations issued under the agreement; and
- (c) Efforts are made to harmonize such agreements with watershed plans adopted under the authority of chapter 90.82 RCW that are applicable to the area covered by the agreement.
- (3) The protection of instream flow as set forth in subsection (2) of this section is adequate for purposes of mitigating instream flow impacts resulting from any appropriations for out-of-stream use made under a voluntary regional agreement, and the only applicable consultation provisions under state law regarding instream flow impacts shall be those set forth in subsection (4) of this section.
- (4) Before executing a voluntary agreement under this section, the department of ecology shall:
- (a) Provide a sixty-day period for consultation with county legislative authorities and watershed planning groups with jurisdiction over the area where the water rights included in the agreement are located, the department of fish and wildlife, and affected tribal governments, and federal agencies. The department of fish and wildlife shall provide written comments within that time period. The consultation process for voluntary regional agreements developed under the provisions of this section is deemed adequate for the issuance of new water rights provided for in this section and satisfies all consultation requirements under state law related to the issuance of new water rights; and

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(b) Provide a thirty-day public review and comment period for a draft agreement, and publish a summary of any public comments received. The thirty-day review period shall not begin until after the department of ecology has concluded its consultation under (a) of this subsection and the comments that have been received by the department are made available to the public.

- (5) The provisions of subsection (4) of this section satisfy all applicable consultation requirements under state law.
- (6) The provisions of this section and any voluntary regional agreements developed under such provisions may not be relied upon by the department of ecology as a precedent, standard, or model that must be followed in any other voluntary regional agreements.
- (7) Nothing in this section may be interpreted or administered in a manner that precludes the processing of water right applications under chapter 90.03 or 90.44 RCW that are not included in a voluntary regional agreement.
- (8) Nothing in this section may be interpreted or administered in a manner that impairs or diminishes a valid water right or a habitat conservation plan approved for purposes of compliance with the federal endangered species act.
- (9) The department of ecology shall monitor and evaluate the water allocated to instream and out-of-stream uses under this section, evaluate the program, and provide an interim report to the appropriate committees of the legislature by June 30, 2008. A final report shall be provided to the appropriate committees of the legislature by June 30, 2011.
- (10) If the department of ecology executes a voluntary agreement under this section that includes water rights appropriated from the lower Snake river mainstem, the department shall develop aggregate data in accordance with the provisions of RCW 90.90.050 for the lower Snake river mainstem.
- (11) Any agreement entered into under this section shall remain in full force and effect through the term of the agreement regardless of the expiration of this section.
- 35 (12) The definitions in this subsection apply to this section $((and))_{,}$ RCW $\underline{90.03.380}$, $\underline{90.14.140}$, and $\underline{90.90.050}$, and may only be used 37 for purposes of implementing these sections.

(a) "Columbia river mainstem" means all water in the Columbia river within the ordinary high water mark of the main channel of the Columbia river between the border of the United States and Canada and the Bonneville dam, and all groundwater within one mile of the high water mark.

- (b) "Lower Snake river mainstem" means all water in the lower Snake river within the ordinary high water mark of the main channel of the lower Snake river from the head of Ice Harbor pool to the confluence of the Snake and Columbia rivers, and all groundwater within one mile of the high water mark.
- (c) "Conservation operation and maintenance savings" includes any present or future water savings, with respect to water rights issued for waters in the lower Snake river within the ordinary high water mark of the main channel of the lower Snake river from the head of Ice Harbor pool to the confluence of the Snake and Columbia rivers, including those achieved under voluntary regional agreements, arising from use of soil moisture and monitoring probes, weather forecast and crop use data, irrigation scheduling, and other seasonal water management practices. "Conservation operation and maintenance savings" does not include savings achieved through fixed capital investments such as higher efficiency irrigation systems, canal linings, and pipe conversions or modifications.
- (i) Conservation operation and maintenance savings is deemed to save seventeen percent of usage.
 - (ii) Fifty percent of such conservation operation and maintenance savings, or eight and one-half percent of usage, must be available for change and transfer under RCW 90.03.380(9) and 90.03.390, and the remaining fifty percent of the savings must be placed in trust.
- 29 <u>(iii) Changes and transfers of conservation operation and</u>
 30 <u>maintenance savings are deemed to have no negative impact within the</u>
 31 <u>meaning of subsection (2) of this section.</u>
 - (13) This section expires June 30, 2012.

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