
**Agriculture & Natural Resources
Committee**

HB 1196

Brief Description: Concerning Yakima river basin water resource management.

Sponsors: Representatives Chandler, Blake, Warnick, Tharinger, Stanford and McCoy; by request of Department of Ecology.

Brief Summary of Bill

- Directs the Department of Ecology to implement the Yakima River Basin Integrated Water Resource Management Plan and develop water supply solutions that provide concurrent benefits to both in and out-of-stream uses.
- Creates three new accounts in the custody of the State Treasurer.

Hearing Date: 1/22/13

Staff: Jason Callahan (786-7117).

Background:

The Yakima River Basin Integrated Water Resource Management Plan (Integrated Plan) was developed by the United States Bureau of Reclamation in collaboration with Washington's Department of Ecology (Department) and other interested entities in the Yakima River basin. According to the Integrated Plan, it offers a proposed approach to improving water management in the Yakima River basin. The stated goals of the Integrated Plan are to protect, mitigate, and enhance fish and wildlife habitat; provide increased operational flexibility to manage instream flows to meet ecological objectives; and, improve the reliability of the water supply for irrigation, municipal supply, and domestic uses.

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.

According to the contents of the Integrated Plan, this approach includes seven elements: fish passage, structural and operational changes, surface water storage, groundwater storage, habitat protection and enhancement, enhanced water conservation, and market-based water reallocation. The Integrated Plan includes a list of proposed actions estimated to cost approximately \$4 billion to complete. If funded, these actions would be carried out over a period of approximately 15 to 20 years.

The area of the State affected by the Integrated Plan is limited to the Yakima River basin. This area in South-Central Washington extends into the following counties: Kittitas, Klickitat, Yakima, and Benton. This area includes a portion of the Yakama Nation, six irrigation districts, and multiple tributaries to the Yakima River.

Summary of Bill:

Implementation of the Integrated Plan

Direction is given to the Department to implement the Integrated Plan and develop water supply solutions consistent with the Integrated Plan that provide concurrent benefits to both in and out-of-stream uses. The goal of this effort is to enhance fish and wildlife resources, improve water availability and reliability, establish more efficient water markets, and manage the variability of water supplies and prepare for the uncertainties of climate change through operational and structural changes.

To accomplish these goals, the Department is specifically authorized to take certain steps. These include actions such as: accepting related funds, developing projects consistent with the Integrated Plan designed to provide access to new water supplies within the Yakima River basin, entering into contracts that ensure the efficient delivery of water, and providing for the design of facilities necessary to implement the Integrated Plan. Water supplies secured through the development of new or expanded storage facilities developed under the integrated plan must be allocated for out-of-stream uses and to augment instream flows. Any yet-to-be appropriated water may only be used to augment instream flows to extent that existing water rights are not impaired.

Effect on existing rights

Legislative direction is provided that discourages any construction of the Department's implementation of the Integrated Plan to alter or diminish any treaty or federal rights of the Yakama Nation, any rights or powers given to irrigation districts, or the jurisdictions of the United States, Washington, or other entity when it comes to the waters in the Yakima River basin.

Three new accounts

Three new accounts are created: the Yakima Integrated Plan Implementation Account (Implementation Account), the Yakima Integrated Plan Implementation Taxable Bond Account (Bond Account), and the Yakima Integrated Plan Implementation Revenue Recovery Account (Recovery Account). All three accounts are appropriated accounts that retain their own interest.

All three accounts may be used to assess, plan, and develop projects included in, or consistent with, the Integrated Plan. The accounts may only be used to fund new water storage facilities if

the Department first evaluates the proposed water uses, the necessary quantity to meet those uses, the costs and benefits, and any available alternative means.

The Implementation Account and the Bond Account are intended to fund projects using tax-exempt bonds. The Recovery Account is intended to fund projects using revenues from water service contracts.

The Department must give preference to entities managing water service contracts for any water supplies developed under the Integrated Plan with funds from either of the accounts that are designed to support future municipal and domestic water needs. The Department may enter into water service contracts directly if contracting with other entities is not feasible or suitable. These contracts must recover all or a portion of the water development costs, with any revenues being dedicated to the Recovery Account.

Mandatory reporting

The Department, every biennium through the year 2045, must provide an implementation status report to the Legislature and the Governor. These reports must be developed in consultation with the Yakama Nation, the United States Bureau of Reclamation, and stakeholders in the Yakima River basin.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.