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## ENGROSSED SUBSTITUTE HOUSE BILL 1236

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## State of Washington 53rd Legislature 1993 Regular Session

By House Committee on Natural Resources & Parks (originally sponsored by Representatives Rust, Pruitt and Sheldon; by request of Department of Ecology)

Read first time 03/03/93.

- 1 AN ACT Relating to fees for water rights and related approvals;
- 2 amending RCW 90.03.015 and 90.03.470; creating new sections; and
- 3 declaring an emergency.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that a water right
- 6 confers significant economic benefits to the water right holder. The
- 7 fees associated with acquiring a water right have not changed
- 8 significantly since 1917. Water rights applicants pay less than two
- 9 percent of the costs of the administration of the water rights program.
- 10 The legislature finds that, since water rights are of significant
- 11 value, water rights applicants should contribute more to the cost of
- 12 administration of the water rights program.
- The legislature also finds that an abrupt increase in water rights
- 14 fees could be disruptive to water rights holders and applicants. The
- 15 legislature further finds that water rights applicants have a right to
- 16 know that the water rights program is being administered efficiently
- 17 and that the fees charged for various services relate directly to the
- 18 cost of providing those services.

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- 1 Therefore, the legislature creates a task force to review the water
- 2 rights program, to make recommendations for streamlining the
- 3 application process and increasing the overall efficiency and
- 4 accountability of the administration of the program, and to return to
- 5 the legislature with a proposal for a fee schedule where the fee levels
- 6 relate clearly to the cost of services provided.
- 7 **Sec. 2.** RCW 90.03.015 and 1987 c 109 s 65 are each amended to read 8 as follows:
- 9 As used in this chapter:
- 10 (1) "Department" means the department of ecology;
- 11 (2) "Director" means the director of ecology; ((and))
- 12 (3) "Person" means any firm, association, water users' association,
- 13 corporation, irrigation district, or municipal corporation, as well as
- 14 an individual;
- 15 (4) "Reservoir" means any water stored for a beneficial use held
- 16 behind a dam or dike to a depth of ten feet or more at its deepest
- 17 point, or of ten or more acre-feet of water. A reservoir is also a
- 18 water holding impoundment adjacent to a stream channel when water will
- 19 be required to fill it, if the water in the holding area is of a depth
- 20 of ten feet or more at its deepest point or is of ten or more acre-
- 21 <u>feet; and</u>
- 22 (5) "Short-term water use" means an emergency use of water or a
- 23 nonrecurring temporary use of water for up to four months duration,
- 24 with a possible extension of not more than four additional months upon
- 25 <u>approval by the department</u>.
- 26 Sec. 3. RCW 90.03.470 and 1987 c 109 s 98 are each amended to read
- 27 as follows:
- The following fees shall be collected by the department in advance:
- 29 (1) For the examination of an application for permit to appropriate
- 30 water or on application to change point of diversion, withdrawal,
- 31 purpose or place of use, a minimum of ten dollars, to be paid with the
- 32 application. For each second foot between one and five hundred second
- 33 feet, two dollars per second foot; for each second foot between five
- 34 hundred and two thousand second feet, fifty cents per second foot; and
- 35 for each second foot in excess thereof, twenty cents per second foot.
- 36 For each acre foot of storage up to and including one hundred thousand
- 37 acre feet, one cent per acre foot, and for each acre foot in excess

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thereof, one-fifth cent per acre foot. The ten dollar fee payable with the application shall be a credit to that amount whenever the fee for direct diversion or storage totals more than ten dollars under the above schedule and in such case the further fee due shall be the total computed amount less ten dollars.

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Within five days from receipt of an application the department shall notify the applicant by registered mail of any additional fees due under the above schedule and any additional fees shall be paid to and received by the department within thirty days from the date of filing the application, or the application shall be rejected.

- 11 (2) For filing and recording a permit to appropriate water for 12 irrigation purposes, forty cents per acre for each acre to be irrigated 13 up to and including one hundred acres, and twenty cents per acre for each acre in excess of one hundred acres up to and including one 14 15 thousand acres, and ten cents for each acre in excess of one thousand acres; and also twenty cents for each theoretical horsepower up to and 16 17 including one thousand horsepower, and four cents for each theoretical horsepower in excess of one thousand horsepower, but in no instance 18 19 shall the minimum fee for filing and recording a permit to appropriate water be less than five dollars. For all other beneficial purposes the 20 fee shall be twice the amount of the examination fee except that for 21 individual household and domestic use, which may include water for 22 irrigation of a family garden, the fee shall be five dollars. 23
- 24 (3) For filing and recording any other water right instrument, four 25 dollars for the first hundred words and forty cents for each additional 26 hundred words or fraction thereof.
- 27 (4) For making a copy of any document recorded or filed in his 28 office, forty cents for each hundred words or fraction thereof, but 29 when the amount exceeds twenty dollars, only the actual cost in excess 30 of that amount shall be charged.
- 31 (5) For certifying to copies, documents, records or maps, two 32 dollars for each certification.
- 33 (6) For blueprint copies of a map or drawing, or, for such other 34 work of a similar nature as may be required of the department, at 35 actual cost of the work.
  - (7) For granting each extension of time for beginning construction work under a permit to appropriate water, an amount equal to one-half of the filing and recording fee, except that the minimum fee shall be not less than five dollars for each year that an extension is granted,

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- 1 and for granting an extension of time for completion of construction
- 2 work or for completing application of water to a beneficial use, five
- 3 dollars for each year that an extension is granted.
- 4 (8) For the inspection of any hydraulic works to insure safety to
- 5 life and property, the actual cost of the inspection, including the
- 6 expense incident thereto.
- 7 (9) For the examination of plans and specifications as to safety of
- 8 controlling works for storage of ten acre feet or more of water, a
- 9 minimum fee of ten dollars, or the actual cost.
- 10 (10) For recording an assignment either of a permit to appropriate
- 11 water or of an application for such a permit, a fee of five dollars.
- 12 (11) For preparing and issuing all water right certificates, five
- 13 dollars.
- 14 (12) For filing and recording a protest against granting any
- 15 application, two dollars.
- 16 The department shall provide timely notification by certified mail
- 17 with return receipt requested to applicants that fees are due. No
- 18 action may be taken until the fee is paid in full. Failure to remit
- 19 fees within sixty days of the department's notification shall be
- 20 grounds for rejecting the application or cancelling the permit. Cash
- 21 shall not be accepted. Fees must be paid by check or money order and
- 22 <u>are nonrefundable.</u>
- 23 For purposes of calculating fees for ground water filings, one
- 24 cubic foot per second shall be regarded as equivalent to four hundred
- 25 <u>fifty gallons per minute.</u>
- NEW SECTION. Sec. 4. (1) There is created a water rights fees
- 27 task force. The task force shall be comprised of fourteen members, who
- 28 are appointed as follows:
- 29 (a) Two members of the Washington state house of representatives,
- 30 one from each major caucus, to be appointed by the speaker of the house
- 31 of representatives;
- 32 (b) Two members of the Washington state senate, one from each major
- 33 caucus, to be appointed by the president of the senate;
- 34 (c) Ten members, to be appointed jointly by the speaker of the
- 35 house of representatives and the president of the senate, to represent
- 36 the following interests: Agriculture, aquaculture, business, cities,
- 37 counties, the state department of ecology, environmentalists, water
- 38 recreation interests, water utilities, and hydropower interests. The

- 1 task force may establish technical advisory committees as necessary to
  2 complete its tasks.
- 3 (2) The task force shall conduct a comprehensive review of water 4 rights fees. The task force's tasks shall include but not be limited 5 to:
- 6 (a) Identification of the costs associated with the various 7 activities and services provided by the water rights program and 8 examination of how these costs compare with the fees charged for these 9 activities and services;
- 10 (b) Identification of appropriate accountability measures for the 11 department of ecology to employ in administration of the water rights 12 Recommendations of accountability requirements program. 13 measurements shall take into account the distinctive characteristics of the water rights program, that is, that the department receives a large 14 15 number of applications on a one-time basis and that the department of 16 ecology must meet its legal obligations under the doctrine of prior 17 appropriation;
- (c) Identification of which program activities should be eligible for cost recovery from fees, as well as which direct and indirect costs of program administration;
- 21 (d) Review of the application, examination, and water rights permit 22 requirements for marine water users to determine if these users should 23 receive special fee consideration;
- (e) Review of the definition and treatment of nonconsumptive water uses to determine if special fee consideration should be given to these users;
- 27 (f) Review of the fees and accounting methods for the dam safety 28 program;
- 29 (g) Identification of the appropriate distribution of 30 responsibility between the applicant and the department of ecology for 31 provision of technical information and analysis; and
- (h) Establishment of a reasonable time framework for completion of new and pending water rights applications, and an analysis of the staff and funding levels required to meet the established time framework.
  - (3) Before December 1, 1993, the task force shall:

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- 36 (a) Provide recommendations to the department of ecology on ways to 37 improve the efficiency and accountability of the water rights program;
- 38 (b) Provide recommendations to the legislature on statutory changes 39 necessary to make these efficiency and accountability improvements; and

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- 1 (c) Propose a new fee schedule for the water rights program which 2 incorporates the results of the task force's work and which funds 3 through fees fifty percent of the cost of the activities and services 4 provided by the program.
- 5 (4) The department of ecology and the legislature shall jointly 6 provide for the staff support of the task force.
- 7 (5) The task force shall convene as soon as possible upon the 8 appointment of its members. Task force members shall elect a chair and 9 adopt rules for conducting the business of the task force. The task 10 force shall expire on June 30, 1994.
- NEW SECTION. Sec. 5. The legislature requests that, by July 1, 11 12 1993, the department of ecology begin the rule-making process to adopt appropriate state policies on instream flow levels and hydraulic 13 14 continuity. If the department is unable to develop consensus on these 15 policies, the department shall provide to the appropriate legislative 16 committees information on these two issue areas, data and documentation on work to date on establishing policies on these issues, and policy 17 18 options for consideration by the legislature.
- NEW SECTION. Sec. 6. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect immediately.
- NEW SECTION. Sec. 7. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

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