S-4881.			

SUBSTITUTE SENATE BILL 6467

State of Washington 53rd Legislature 1994 Regular Session

By Senate Committee on Energy & Utilities (originally sponsored by Senators Fraser, Hochstatter, Morton and M. Rasmussen)

Read first time 02/04/94.

- 1 AN ACT Relating to water rights for municipal purposes; amending
- 2 RCW 90.03.320, 90.03.330, and 90.03.380; adding a new section to
- 3 chapter 90.03 RCW; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that it is in the
- 6 public interest for public water systems water rights to be managed and
- 7 regulated in a manner that:
- 8 (1) Allows the systems to prolong and maximize the use of water
- 9 rights applied to municipal purposes consistent with the population
- 10 demand projections established in state-approved water system plans and
- 11 adopted growth management plans;
- 12 (2) Promotes water conservation, with enhanced efforts occurring in
- 13 water critical areas, promotes water system efficiencies, and
- 14 eliminates disincentives for investments in water efficient
- 15 technologies; and
- 16 (3) Delays, and where possible, avoids the need for new water
- 17 sources to be developed.
- 18 The department of ecology is therefore directed to administer
- 19 public water system rights consistent with this act.

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NEW SECTION. Sec. 2. A new section is added to chapter 90.03 RCW to read as follows:

3 For the purposes of this chapter "municipal purpose" and "municipal 4 water supply purposes" mean water distributed by a public water system purveyor as defined by chapter 70.116 RCW, and includes domestic, 5 commercial, and industrial water uses provided as an integral element 6 7 This definition does not apply to of the public water system. 8 independent commercial, industrial, irrigation, or other water systems 9 that are not designated as a public water system for potable water use 10 recognized by a state-approved public water system plan.

11 **Sec. 3.** RCW 90.03.320 and 1987 c 109 s 67 are each amended to read 12 as follows:

13 Actual construction work shall be commenced on any project for which permit has been granted within such reasonable time as shall be 14 15 prescribed by the department, and shall thereafter be prosecuted with diligence and completed within the time prescribed by the department. 16 The department, in fixing the time for the commencement of the work, or 17 18 for the completion thereof and the application of the water to the beneficial use prescribed in the permit, shall take into consideration 19 the cost and magnitude of the project and the engineering and physical 20 features to be encountered, and shall allow such time as shall be 21 reasonable and just under the conditions then existing, having due 22 23 regard for the public welfare and public interests affected: and, for 24 good cause shown, it shall extend the time or times fixed as aforesaid, 25 and shall grant such further period or periods as may be reasonably necessary, having due regard to the good faith of the applicant and the 26 public interests affected. In fixing public water system construction 27 schedules and the time, or extension of time, for application of water 28 29 to beneficial use for municipal use, the department shall also take 30 into consideration the term and amount of financing required to complete the project, delays that may result from planned and existing 31 conservation and water use efficiency measures installed by the public 32 33 water system, and the supply needs of the public water system's service 34 area, consistent with an approved comprehensive plan under chapter 36.70A RCW, or in the absence of such a plan, a county-approved 35 36 comprehensive plan under 36.70 RCW or a plan approved under chapter 37 35.63 RCW, and related demand projections prepared by public water 38 systems in accordance with state law. If the terms of the permit or

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- 1 extension thereof, are not complied with the department shall give
- 2 notice by registered mail that such permit will be canceled unless the
- 3 holders thereof shall show cause within sixty days why the same should
- 4 not be so canceled. If cause be not shown, said permit shall be
- 5 canceled.
- 6 **Sec. 4.** RCW 90.03.330 and 1987 c 109 s 89 are each amended to read 7 as follows:
- 8 (1) Upon a showing satisfactory to the department that any
- 9 appropriation has been perfected in accordance with the provisions of
- 10 this chapter, it shall be the duty of the department to issue to the
- 11 applicant a certificate stating such facts in a form to be prescribed
- 12 by ((him)) the director, and such certificate shall thereupon be
- 13 recorded with the department.
- 14 (2) For those public water supplies designed to accommodate future
- 15 growth as defined by a state-approved water system plan, the amount of
- 16 <u>instantaneous diversion considered to be applied to beneficial use at</u>
- 17 the time of perfection of the certificate shall be based upon the
- 18 capacity of the diversion structure or structures installed at such
- 19 time. Further, the amount of annual appropriation considered to be
- 20 applied to beneficial use at the time of perfection shall be based on
- 21 the growth projection contained in the most current state-approved
- 22 water system plan, provided, the department may not issue a certificate
- 23 for quantities of water in excess of those contained in a permit if a
- 24 permit has been issued.
- 25 (3) Any original water right certificate issued, as provided by
- 26 this chapter, shall be recorded with the department and thereafter, at
- 27 the expense of the party receiving the same, be by the department
- 28 transmitted to the county auditor of the county or counties where the
- 29 distributing system or any part thereof is located, and be recorded in
- 30 the office of such county auditor, and thereafter be transmitted to the
- 31 owner thereof.
- 32 **Sec. 5.** RCW 90.03.380 and 1991 c 347 s 15 are each amended to read
- 33 as follows:
- 34 The right to the use of water which has been applied to a
- 35 beneficial use in the state shall be and remain appurtenant to the land
- 36 or place upon which the same is used: PROVIDED, HOWEVER, That said
- 37 right may be transferred to another or to others and become appurtenant

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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 2 injury to existing rights. The point of diversion of water for 3 4 beneficial use or the purpose of use may be changed, if such change can be made without detriment or injury to existing rights. Before any 5 transfer of such right to use water or change of the point of diversion 6 of water or change of purpose of use can be made, any person having an 7 8 interest in the transfer or change, shall file a written application 9 therefor with the department, and said application shall not be granted 10 until notice of said application shall be published as provided in RCW 90.03.280. If it shall appear that such transfer or such change may be 11 made without injury or detriment to existing rights, the department 12 shall issue to the applicant a certificate in duplicate granting the 13 right for such transfer or for such change of point of diversion or of 14 15 use. The certificate so issued shall be filed and be made a record 16 with the department and the duplicate certificate issued to the 17 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 18 19 divert water.

If an application is submitted by a public water system for change in place or purpose of use of its water right to be applied to municipal purposes, and the purveyor has shown that the proposed use is consistent with an approved comprehensive plan under chapter 36.70A RCW, or in the absence of such a plan, a county-approved comprehensive plan under chapter 36.70 RCW or a plan approved under chapter 35.63 RCW, the department shall within ninety days of receipt of application either: (1) Approve the application and issue an amended permit or certificate, provided, the department determines the change does not constitute a detriment or injury to existing rights, or (2) inform the applicant of the date by which the decision shall be made. An increase in annual withdrawal for a municipal purpose that falls within the instantaneous and annual quantity established in right shall not in itself be considered sufficient grounds to constitute a finding of detriment or injury to a junior water right.

When the department determines and quantitatively documents that a proposed change in place or purpose of use of all or a portion of a municipal purpose water right to be transferred from one public water system to another, will adversely impact instream flows necessary to support existing fish populations and habitat, and such flows have not

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been established as a water right by regulation at the time of the 1 transfer, the departments of ecology and fish and wildlife, and the 2 public water system agree to develop and implement a consensus-based 3 4 process to review and resolve issues related to the departmental determination as it relates to the diversion facilities and the reach 5 of the river affected by the change, the findings and conclusions of 6 which shall be made available for public review and comment. The 7 8 instantaneous and annual quantity of water put to use prior to the date 9 of transfer and any portion of a right not proposed for change shall not be subject to this provision. 10

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.

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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.

21 This section shall not apply to trust water rights acquired by the 22 state through the funding of water conservation projects under chapter 23 90.38 RCW or RCW 90.42.010 through 90.42.070.

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