CERTIFICATION OF ENROLLMENT

SECOND SUBSTITUTE HOUSE BILL 2054

Chapter 442, Laws of 1997 (partial veto)

55th Legislature 1997 Regular Session

WATER RESOURCE MANAGEMENT--MODIFICATIONS

EFFECTIVE DATE: 7/27/97

Passed by the House April 27, 1997 Yeas 60 Nays 38

CLYDE BALLARD

Speaker of the House of Representatives

Passed by the Senate April 18, 1997 Yeas 27 Nays 18

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE HOUSE BILL 2054** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BRAD OWEN

President of the Senate

Approved May 20, 1997, with the exception of sections 107 through 116, 202, 401, 402, 501, 601, 602, 603, 604, 605, 701 through 716, and 802, which are vetoed.

TIMOTHY A. MARTIN

Chief Clerk

FILED

May 20, 1997 - 4:25 p.m.

GARY LOCKE

Governor of the State of Washington

Secretary of State State of Washington

SECOND SUBSTITUTE HOUSE BILL 2054

Passed Legislature - 1997 Regular Session

AS AMENDED BY THE SENATE

State of Washington 55th Legislature 1997 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Chandler, Clements, Mastin and Honeyford)

Read first time 03/10/97.

1 AN ACT Relating to water resource management; amending RCW 2 90.54.040, 90.54.020, 90.54.180, 90.03.383, 90.03.330, 90.14.140, 3 43.21B.110, 43.21B.130, 43.21B.240, 43.21B.305, 43.21B.310, 43.27A.190, 90.14.130, 90.14.190, 90.14.200, 90.66.080, 90.03.380, and 90.44.100; 4 reenacting and amending RCW 34.05.514; adding new sections to chapter 5 90.03 RCW; adding a new section to chapter 34.05 RCW; adding new 6 7 sections to chapter 43.21B RCW; adding a new chapter to Title 90 RCW; and creating new sections. 8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

10 PART I
11 BASIN PLANS

NEW SECTION. Sec. 101. The purpose of this chapter is to develop a more thorough and cooperative method of determining what the current water resource situation is in each water resource inventory area of the state and to provide local citizens with the maximum possible input concerning their goals and objectives for water resource management and development.

- It is necessary for the legislature to establish processes and policies that will result in providing state agencies with more specific guidance to manage the water resources of the state consistent with current law and direction provided by local entities and citizens through the process established in accordance with this chapter.
- Sec. 102. The legislature finds that the local 6 NEW SECTION. 7 development of watershed plans for managing water resources and for protecting existing water rights is vital to both state and local 8 9 The local development of these plans serves vital local interests by placing it in the hands of people: Who have the greatest 10 knowledge of both the resources and the aspirations of those who live 11 and work in the watershed; and who have the greatest stake in the 12 proper, long-term management of the resources. The development of such 13 14 plans serves the state's vital interests by ensuring that the state's 15 water resources are used wisely, by protecting existing water rights, by protecting instream flows for fish, and by providing for the 16 economic well-being of the state's citizenry and 17 communities. 18 Therefore, the legislature believes it necessary for units of local 19 government throughout the state to engage in the orderly development of these watershed plans. 20
- NEW SECTION. Sec. 103. Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.
- 24 (1) "Department" means the department of ecology.
- (2) "Implementing rules" for a WRIA plan are the rules needed to give force and effect to the parts of the plan that create rights or obligations for any party including a state agency or that establish water management policy.
- 29 (3) "Minimum instream flow" means a minimum flow under chapter 30 90.03 or 90.22 RCW or a base flow under chapter 90.54 RCW.
- 31 (4) "WRIA" means a water resource inventory area established in 32 chapter 173-500 WAC as it existed on January 1, 1997.
- 33 (5) "Water supply utility" means a water, combined water-sewer, 34 irrigation, reclamation, or public utility district that provides water 35 to persons or other water users within the district or a division or 36 unit responsible for administering a publicly governed water supply 37 system on behalf of a county.

- 1 (6) "WRIA plan" or "plan" means the product of the planning unit 2 including any rules adopted in conjunction with the product of the 3 planning unit.
- NEW SECTION. Sec. 104. In order to have the best possible program for appropriating and administering water use in the state, the legislature establishes the following principles and criteria to carry out the purpose and intent of chapter . . ., Laws of 1997 (this act).
- 8 (1) All WRIA planning units established under this chapter shall 9 develop a process to assure that water resource user interests and 10 directly involved interest groups at the local level have the 11 opportunity, in a fair and equitable manner, to give input and 12 direction to the process.
- 13 (2) If a planning unit requests technical assistance from a state 14 agency as part of its planning activities under this chapter and the 15 assistance is with regard to a subject matter over which the agency has 16 jurisdiction, the state agency shall provide the technical assistance 17 to the planning unit.
- (3) Plans developed under chapter . . ., Laws of 1997 (this act) shall be consistent with and not duplicative of efforts already under way in a WRIA, including but not limited to watershed analysis conducted under state forest practices statutes and rules.
- NEW SECTION. Sec. 105. (1) Once a WRIA planning unit has been organized and designated a lead agency, it shall notify the department and may apply to the department for funding assistance for conducting the planning. Funds shall be provided from and to the extent of appropriations made by the legislature to the department expressly for this purpose.

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(2) Each planning unit that has complied with subsection (1) of this section is eligible to receive fifty thousand dollars for each WRIA to initiate the planning process. The department shall allocate additional funds to WRIA planning units based on need demonstrated by a detailed proposed budget submitted by the planning unit for carrying out the duties of the planning unit. Each WRIA planning unit may receive up to two hundred fifty thousand dollars for each WRIA during the first two-year period of planning, with a maximum allocation of five hundred thousand dollars for each WRIA. Funding provided under

- 1 this section shall be considered a contractual obligation against the 2 moneys appropriated for this purpose.
- 3 (3) Preference shall be given to planning units requesting funding 4 for conducting multi-WRIA planning under section 108 of this act.
- 5 (4) The department may retain up to one percent of funds allocated 6 under this section to defray administrative costs.
- NEW SECTION. Sec. 106. (1) This chapter shall not be construed as creating a new cause of action against the state or any county, city, town, water supply utility, conservation district, or planning unit.
- 10 (2) Notwithstanding RCW 4.92.090, 4.96.010, and 64.40.020, no claim 11 for damages may be filed against the state or any county, city, town, 12 water supply utility, tribal governments, conservation district, or 13 planning unit that or member of a planning unit who participates in a 14 WRIA planning unit for performing responsibilities under this chapter.
- 15 *NEW SECTION. Sec. 107. (1)(a) Except as provided in section 108 of this act for multi-WRIA planning, the county with the largest area 16 17 within the boundaries of a WRIA, the city obtaining the largest amount 18 of water from the WRIA, and the largest water supply utility in the WRIA may jointly and unanimously choose to initiate water resource 19 planning for the WRIA under this chapter. If the initiating group so 20 chooses, it shall make application to the department of ecology to 21 22 declare its intent to conduct watershed planning. Upon making 23 application to the department, the initiating group shall notify the counties, cities, water supply utilities, tribal governments, and 24 25 conservation districts with territory within the WRIA that these groups are to meet to appoint their members of the WRIA planning unit. 26 27 initiating group may consult with the department regarding the 28 initiation of watershed planning. For the purposes of this section and 29 sections 108 and 112 of this act, a county is considered to have territory within a WRIA only if the territory of the county located in 30 31 the WRIA constitutes at least fifteen percent of the area of the WRIA. 32 For conducting planning under this chapter, the county with the largest 33 area within the boundaries of the WRIA is the lead agency for the WRIA planning, except as provided in (b) and (c) of this subsection and 34 35 section 108 of this act for multi-WRIA planning.
 - (b) When the counties of a WRIA have convened jointly to make appointments to the planning unit, they may, by a majority vote, choose

as the lead agency for WRIA planning any governmental entity in the WRIA. Such a governmental entity shall act as the lead agency for this purpose if it agrees in writing to accept the designation.

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- (c) For a WRIA located within Pierce, King, Snohomish, or Spokane county, the lead agency shall be the water purveyor that is using the largest amount of water from the WRIA unless the water supply utility notifies in writing the county with the largest area in the WRIA that it chooses not to be the lead agency. Such notice shall be provided within ten working days.
- (2) In a WRIA where water resource planning efforts have commenced before the effective date of this section, such as but not limited to the Kettle river WRIA, the county legislative authorities with 12 territory within the WRIA in accordance with subsection (1) of this section may, by majority vote, choose to adopt the existing planning unit membership for purposes of planning under chapter . . ., Laws of 1997 (this act).
 - Nothing in chapter . . ., Laws of 1997 (this act) shall affect ongoing efforts to develop new resources and the sharing of existing resources. No moratorium may be imposed on water resource decision making by the department solely because of ongoing planning efforts or the absence of a plan or planning effort. Any new planning units formed under this act shall recognize efforts already in progress.
- 23 (3)(a) One WRIA planning unit shall be appointed for the WRIA as 24 provided by this section or for a multi-WRIA area as provided by 25 section 108 of this act for multi-WRIA planning. The planning unit 26 shall be composed of:
- 27 (i) One member representing each county with territory in the WRIA appointed by the county; 28
- 29 (ii) One member representing cities for each county with territory 30 in the WRIA appointed by the cities within that county;
- 31 (iii) One member representing water supply utilities for each county with territory within the WRIA, appointed jointly by the three 32 largest water supply utilities in the county; 33
- 34 (iv) One member representing all conservation districts with territory within the WRIA appointed jointly by those districts; 35
- 36 (v) Three members representing various special interest groups 37 appointed jointly by the cities with territory within the WRIA; and six 38 members representing various special interest groups appointed jointly 39 by the counties with territory within the WRIA;

- 1 (vi) One member representing the general citizenry appointed 2 jointly by the cities with territory within the WRIA;
 - (vii) Three members representing the general citizenry appointed jointly by the counties with territory in the WRIA, of which at least one shall be a holder of a water right certificate and at least one shall be a holder of a water right for which a statement of claim was in the state's water rights claims registry before January 1, 1997;
 - (viii) If one or more federal Indian reservations are located in whole or in part within the boundaries of the WRIA, the planning unit shall extend an invitation to the tribal government of each reservation to appoint one member representing that tribal government; and
- (ix) Three members representing state agencies including the secretary of the department of transportation or the secretary's designee, the director of the department of fish and wildlife or the director's designee, and the director of the department of ecology or the director's designee. The three members representing state government shall have a single vote representing state agency interests.
 - (b) In addition, for a WRIA located within Pierce, King, Snohomish, or Spokane county, one representative of the water purveyor using the largest amount of water from the WRIA shall be a voting member of the planning unit whether the principal offices of the purveyor are or are not located within the WRIA.
 - (4) Except for a person appointed under subsection (3)(a)(ix) or (b) of this section, each person appointed to a WRIA planning unit shall have been a resident and a property owner of the WRIA for at least three years. No state employees or state officials other than members appointed under subsection (3)(a)(ix) of this section may be appointed to the planning unit. In appointing persons to the WRIA planning unit representing special interest groups, the counties and cities shall consider industrial water users, general businesses, hydroelectric and thermal power producers, and irrigated agriculture, nonirrigated agriculture, forestry, recreation, environmental, and fisheries interest groups and other groups with interests in the WRIA.
 - (5)(a) In voting to appoint the members of a WRIA planning unit, to select a lead agency for water resource planning under section 107 or 108 of this act, to approve a WRIA plan under section 112 of this act, or to request or concur with a request for multi-WRIA planning under section 108 of this act, each county with territory within the WRIA

shall have three votes, divided equally among the members of the 1 county's legislative authority and these actions shall be made by 2 majority vote based on the votes allocated under this section. 3 4 voting to appoint members of a WRIA planning unit: Each city with 5 territory within the WRIA shall have one vote and appointments shall be made by majority vote of such cities; each water supply utility other 6 7 than those of a city or town with territory within the WRIA shall have 8 one vote and appointments shall be made by majority vote of such 9 districts; and each conservation district with territory within the 10 WRIA shall have one vote and appointments shall be made by majority vote of such districts. All appointments shall be made within sixty 11 12 days of the date the appointing authorities other than the counties are 13 notified to convene to make appointments or the appointments shall be 14 made by the counties with territory in the WRIA in the same manner the 15 counties make other appointments.

- (b) The members appointed to the WRIA planning unit under subsection (3)(a)(i), (ii), and (iii) of this section may, within thirty days, by unanimous vote, increase the number of members of the planning unit appointed under subsection (3)(a)(v), (vi), and (vii) of this section by up to five members. Appointment of additional members to the planning unit shall be made within thirty days from the date of application to the department under subsection (1)(a) of this section.
- (c) A vacancy on the planning unit shall be filled by appointment in the same manner prescribed for appointing the position that has become vacant. The planning unit shall convene and begin work as soon as two-thirds of the number of persons eligible to be members of the planning unit have been appointed. All positions must be filled within thirty days of the convening of the planning unit. The unit shall not interrupt its work to await additional original appointments or appointments to fill any vacancies that may occur in its membership.
- 31 *Sec. 107 was vetoed. See message at end of chapter.

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*NEW SECTION. Sec. 108. (1) The counties with territory in a
WRIA, the city obtaining the largest quantity of water from the WRIA,
and the largest water supply utility in the WRIA may jointly and
unanimously elect to initiate multi-WRIA planning. If this initiating
group so chooses, the initiating group shall notify the counties,
cities, water supply utilities, tribal governments, and conservation
districts with territory within the multi-WRIA area that these groups

are to meet to appoint their members of the multi-WRIA area planning 1 2 unit.

(a) The planning unit shall be composed of:

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- 4 (i) One member representing each county with territory in the 5 multi-WRIA area appointed by that county;
 - (ii) One member representing cities for each county with territory in the multi-WRIA area appointed by the cities within that county;
- 8 (iii) One member representing water supply utilities for each 9 county with territory within the multi-WRIA area appointed jointly by 10 the three water supply utilities in each county;
- (iv) Up to two members, as that number is determined by the 11 districts, representing all conservation districts with territory 12 13 within the multi-WRIA area and appointed jointly by those districts;
- (v) Three members representing various special interest groups 14 15 appointed jointly by the cities with territory within the multi-WRIA 16 area; and six members representing various special interest groups 17 appointed jointly by the counties with territory within the multi-WRIA 18 area;
- 19 (vi) One member representing the general citizenry appointed 20 jointly by the cities with territory within the multi-WRIA area;
- (vii) Three members representing the general citizenry appointed 21 jointly by the counties with territory in the multi-WRIA area, of which 22 at least one shall be a holder of a water right certificate and at 23 24 least one shall be a holder of a water right for which a statement of 25 claim was in the state's water rights claims registry before January 1, 26 1997;
- 27 (viii) If one or more federal Indian reservations are located in whole or in part within the boundaries of the multi-WRIA area, the 28 planning unit shall extend an invitation to the tribal government of 29 30 each reservation to appoint one member representing that tribal government; and 31
- (ix) Three members representing state agencies including the secretary of the department of transportation or the secretary's designee, the director of the department of fish and wildlife or the director's designee, and the director of the department of ecology or the director's designee. The three members representing state 37 government shall have a single vote representing state agency interests. 38

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(b) In addition, for a multi-WRIA planning unit located within Pierce, King, Snohomish, or Spokane county, one representative of the water purveyor using the largest amount of water from the multi-WRIA area shall be a voting member of the planning unit whether the principal offices of the purveyor are or are not located within the multi-WRIA area.

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- (c) Except for a person appointed under (a)(ix) or (b) of this subsection, each person appointed to a multi-WRIA planning unit shall have been a resident and property owner within the multi-WRIA area for at least three years. No state employees or state officials other than members appointed under (a)(ix) of this subsection may be appointed to the planning unit. In appointing persons to the multi-WRIA planning unit representing special interest groups the counties and cities shall consider industrial water users, general businesses, hydroelectric and thermal power producers, and irrigated agriculture, nonirrigated agriculture, forestry, recreation, environmental, and fisheries interest groups and other groups with interests in the multi-WRIA area.
- (2) In a multi-WRIA area where water resource planning efforts have commenced before the effective date of this section, such as but not limited to the Kettle river WRIA, the county legislative authorities with territory within the WRIA in accordance with subsection (1) of this section may, by majority vote, choose to adopt the existing planning unit membership for purposes of planning under chapter . . ., Laws of 1997 (this act).

Nothing in this act shall affect ongoing efforts to develop new resources and the sharing of existing resources. No moratorium may be imposed on water resource decision making by the department solely because of ongoing planning efforts or the absence of a plan or planning effort. Any new planning units formed under this act shall recognize efforts already in progress.

(3)(a) The counties in the multi-WRIA area shall select, by a majority vote, a governmental entity in the multi-WRIA area to act as lead agency for water resource planning in the multi-WRIA area under this chapter. Such an entity shall serve as the lead agency if it agrees in writing to do so. All appointments shall be made within sixty days of the date the lead agency in the multi-WRIA area notifies the other appointing authorities to convene to make appointments or the appointments shall be made by the counties with territory in the multi-WRIA area in the same manner the counties make other appointments.

- (b) The members appointed to the WRIA planning unit under subsection (1)(a)(i), (ii), and (iii) of this section may, within thirty days, by unanimous vote, increase the number of members of the planning unit appointed under subsection (1)(a)(v), (vi), and (vii) of this section by up to five members. Appointment of additional members to the planning unit shall be made within thirty days from the date of application to the department to initiate planning.
 - (c) A vacancy on the planning unit shall be filled by appointment in the same manner prescribed for appointing the position that has become vacant. The planning unit shall convene and begin work as soon as two-thirds of the number of persons eligible to be members of the planning unit have been appointed. All positions must be filled within thirty days of the convening of the planning unit. The unit shall not interrupt its work to await additional original appointments or appointments to fill any vacancies that may occur in its membership.
- (4) A planning unit for a multi-WRIA area shall perform all of the functions assigned by this chapter to a WRIA planning unit and is subject to all of the provisions of this chapter that apply to a WRIA planning unit.
- 20 *Sec. 108 was vetoed. See message at end of chapter.
- 21 *NEW SECTION. Sec. 109. The lead agency shall provide staff support from resources provided for planning under chapter . . ., Laws 22 23 of 1997 (this act) and from other sources, including but not limited to sources provided under section 113 of this act, for the work of the 24 25 WRIA planning unit. Each WRIA planning unit may establish its own 26 methods of operation that are consistent with this chapter and may 27 establish methods for reviewing the operations of its lead agency. No planning unit appointed or selected under this chapter may possess or 28 exercise the power of eminent domain. No planning unit appointed or 29 30 selected under this chapter may take any action that affects in any manner a general adjudication proceeding for water rights, completed or 31 Each WRIA planning unit is encouraged to: 32 33 information and plans that may have been previously developed by other 34 entities in establishing water resource management plans for the WRIA; 35 consider existing data regarding water resources in the WRIA; and, for 36 a WRIA that borders another state, cooperate with local government 37 counterparts in the adjacent state regarding water resource planning. Water resource plans developed under this chapter for a WRIA may not 38

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interfere in any manner with a general adjudication of water rights, completed or ongoing. Such a WRIA plan may not in any manner impair or diminish with a water right that exists before the adoption of the plan by the department under section 112 of this act.

All meetings of a WRIA planning unit shall be conducted as public meetings as required for such meetings by the open public meetings act, chapter 42.30 RCW. Some time shall be set aside at the end of each meeting of a WRIA planning unit for public comments. Each planning unit shall establish procedures to be followed by the unit in making decisions. The objective to be sought by the planning unit in making decisions is to reach agreement among its members on the decisions. Decisions by a two-thirds majority vote may be used if the unit has found that attempts at achieving full agreement have not been successful.

No person who is a member of a WRIA planning unit may designate another to act on behalf of the person as a member or to attend as a member a meeting of the unit on behalf of the person. If a member of a WRIA planning unit is absent from more than five meetings of the WRIA planning unit that constitute twenty percent or more of the meetings that have been conducted by the planning unit while the person is a member of the unit and these absences have not been excused as provided by this section, the member's position on the WRIA planning unit is to be considered vacant. A person's absence from a meeting may be excused: By the chair of the planning unit if a written request to do so is received by the chair before the meeting from which the member is to be absent; or by a majority vote of the members of the planning unit at the meeting during which the member is absent.

28 *Sec. 109 was vetoed. See message at end of chapter.

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*NEW SECTION. Sec. 110. (1) Each WRIA planning unit shall develop a water resource plan. The plan must address the elements listed in subsection (2) of this section and may include other elements added by the planning unit. Once organized, the first task of the planning unit is to prioritize these elements regarding their importance in the WRIA and in developing a water resource plan for the WRIA. A plan shall not be developed such that its provisions (a) are in conflict with state statute or federal law; (b) impair or diminish in any manner a water right existing before its adoption; (c) are inconsistent with the construction, operation, or maintenance of a federal reclamation

- project; or (d) are inconsistent with an instream flow or condition established for hydroelectric power project licensed under the federal power act. No aspect of the plan may establish standards for water quality or regulate water quality in any manner whatsoever.
 - (2) The plan must include the following:

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- (a) An assessment of water supply and use in the WRIA, including:
- (i) A quantitative estimation of the amount of surface and ground water present in the planning unit, using United States geological survey information and other existing sources of information;
- (ii) A quantitative estimation using existing sources of information, of the amount of precipitation and surface and ground water available, using available technologies, collectively for both current and future water uses, including for instream purposes and for withdrawal or diversion;
- (iii) A quantitative estimation using existing sources of information, of the amount of surface and ground water actually being used, and the months of peak and minimum use, both in-stream and by withdrawal, for agricultural, industrial, fisheries, recreational, environmental, municipal, and residential purposes, and including amounts claimed, permitted, or certificated for future municipal needs; and
 - (iv) A quantitative estimation of the amount of water, approximately, that is represented by amounts in claims in the water rights claims registry, in water use permits, in certificated rights, and in rules establishing instream flows;
 - (b) A quantitative description of future water-based instream and out-of-stream needs in the planning unit, based on projected population and agricultural and other economic growth. That is, an identification of the water needed collectively for use for agricultural, fisheries, recreational, environmental, industrial, municipal, and residential purposes. If a federal reclamation project is providing water for reclamation purposes within the WRIA or multi-WRIA area, federal reclamation water use requirements shall be those for project lands within the WRIA or multi-WRIA area;
 - (c) Instream flows.
- (i) Except for the main stem of the Columbia river or the main stem of the Snake river, a planning unit may propose minimum instream flows or lake levels as part of its plan for other rivers and streams in its WRIA or multi-WRIA area.

(ii) The planning unit, by unanimous recorded vote of all voting members, may set specific minimum instream flows or lake levels, and such flows or levels shall be adopted by rule of the department.

- (iii) If the planning unit is unable to approve specific minimum instream flows or levels unanimously, such flows or levels may be submitted as a recommended minimum instream flow or level in the WRIA plan for consideration by the department. Such recommendations must be approved by a two-thirds majority vote of the voting members of the planning unit.
- 10 (iv) Minimum instream flows or lake levels proposed under this 11 subsection may not conflict with flow requirements or conditions in 12 effect under a license issued under the federal power act.
 - (v) The planning unit may propose adjustments to minimum instream flows or lake levels that have been set by rule before the adoption of the planning unit's plan and will propose minimum instream flows or lake levels as part of the plan for the other rivers, streams, and lakes for which it determines the establishment of flows or levels to be appropriate in the WRIA, or in the multi-WRIA area for multi-WRIA planning under section 108 of this act.
 - (vi) The planning unit, by unanimous recorded vote of all voting members, may adjust established minimum instream flows or lake levels, and such flows or levels shall be adopted by rule of the department.
 - (vii) If the planning unit is unable to approve such adjustments unanimously, such flows or levels may be submitted as a recommended adjustment to established minimum instream flows or lake levels in the WRIA plan for consideration by the department. Such recommendations must be approved by a two-thirds majority vote of the voting members of the planning unit.
 - (viii) A minimum instream flow or lake level set for a body of water in a WRIA plan adopted by the department under section 112 of this act supersedes any minimum flow or level or base flow or any other such flow or level previously established for the body of water by the department;
 - (d) A quantitative description of the ground water and of the surface water available for further appropriation including water that may be obtained through reuse. As used in this subsection (2)(d), "available" means available on the date the plan takes effect as a rule under section 112 of this act;

- (e) An identification of known areas that provide for the recharge of aquifers from the surface and areas where aquifers recharge surface bodies of water;
- 4 (f) Strategies for increasing water supplies in the WRIA, 5 including:
 - (i) Water conservation and reuse measures; and
 - (ii) Storage enhancements, including modifications to existing reservoirs, new reservoirs, and underground storage. Any quantity of water made available under these strategies is a quantity that is in addition to the water declared available for appropriation under (d) of this subsection; and
- (g) An identification of areas where voluntary water-related 12 13 habitat improvement projects or voluntary transactions providing for the purchase of water-related habitat or water-related habitat 14 15 easements would provide the greatest benefit to habitat in the WRIA, 16 and a prioritization of the areas based on their potential for providing such benefits. The purpose of this element of the plan is to 17 provide a means of coordinating nonregulatory, voluntary efforts for 18 19 improving water-related habitat in the WRIA.
 - (3) Upon request the department shall assist the planning unit in drafting proposed implementing rules for the elements of the plan over which the department has authority. The draft rules shall accompany the plan as it is reviewed under the provisions of this chapter.
 - (4) A plan shall not be developed under this chapter to require directly or indirectly the implementation of laws, rules, or programs that are designed primarily to control water pollution or discharges of pollutants to water, to regulate effluent discharges or wastewater treatment systems or facilities, or to establish or require the achievement of water quality standards, including but not limited to chapter 90.48 RCW and rules adopted under chapter 90.48 RCW, the national pollutant discharge elimination system permit program, and the state waste discharge permit program.
- 33 *Sec. 110 was vetoed. See message at end of chapter.
- *NEW SECTION. Sec. 111. (1) Water resource management plans developed pursuant to the process in this chapter and subsequently adopted by the department under section 112 of this act are presumed valid. This presumption shall apply in any petition or action filed against a plan.

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- (2) Any action taken by a state agency regarding water resources within a WRIA for which a plan has been adopted under section 112 of this act and any planning conducted by a state agency regarding water resources within a WRIA for which a plan has been adopted under section 112 of this act shall be taken or conducted in a manner that is consistent with the plan. All actions and decisions of the department regarding water resources in the WRIA shall be consistent with and based upon such an adopted plan for the WRIA. Any other authority of the department exercised within the WRIA regarding water resources shall be exercised in a manner that is consistent with such an adopted plan.
- 12 *Sec. 111 was vetoed. See message at end of chapter.

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- *NEW SECTION. Sec. 112. (1) Upon completing a proposed water 13 14 resource plan for the WRIA, the WRIA planning unit shall publish notice of and conduct at least one public hearing in the WRIA on the proposed The planning unit shall take care to provide notice of the hearing throughout the WRIA or multi-WRIA area. As a minimum, it shall 17 publish a notice of the hearing in one or more newspapers of general circulation in the WRIA or multi-WRIA area. After considering the 20 public comments presented at the hearing or hearings, the planning unit shall submit a copy of its proposed plan to the department and to the 22 tribal council of each reservation with territory within the WRIA.
 - (2)(a) The department shall provide advice as to any specific subsections or sections of the plan that the department believes to be in conflict with state statute or federal law and may provide other recommendations regarding the plan. The department shall transmit its advice and recommendations regarding the plan to the WRIA planning unit within sixty days of receiving it for review.
- 29 The tribal council may review and provide comments and recommendations to the planning unit within sixty days of the receipt 30 of the plan. 31
 - (3) The WRIA planning unit shall consider each recommendation provided under subsection (2) of this section. The planning unit may adopt such a recommendation or provide changes to respond to the advice of the department and the tribal council by a two-thirds majority vote of the members of the planning unit.
- The WRIA planning unit shall approve a water resource plan for the 37 38 WRIA by a two-thirds majority vote of the members of the planning unit.

- An approved plan shall be submitted to the counties with territory within the WRIA for adoption. If a WRIA planning unit receives funding for WRIA or multi-WRIA planning under section 105 of this act and does not approve a plan for submission to the counties within four years of the date the planning unit receives the first of that funding from the department for the planning, the department shall develop and adopt a water resource plan for the WRIA or multi-WRIA area.
 - (4) The legislative authority of each of the counties with territory within the WRIA shall provide public notice for and conduct at least one public hearing on the WRIA plan submitted to the county under this section. The counties shall take care to provide notice of the hearings throughout the WRIA or multi-WRIA area. As a minimum, they shall publish a notice of the hearings in one or more newspapers of general circulation in the WRIA or multi-WRIA area. After the public hearings, the legislative authorities of these counties shall convene in joint session to consider the plan. The counties may approve or reject the plan, but may not amend the plan. Approval of a plan, or of recommendations for a plan that is not approved, shall be made by a majority vote of the members of the various legislative authorities of the counties with territory in the WRIA based on the votes allocated under section 107 of this act.
 - If the plan is not approved, it shall be returned to the WRIA planning unit with recommendations for revisions. Any revised plan and implementing rules prepared by the planning unit shall be submitted to the department and to the counties as provided by this section for WRIA water resource plans generally.
- (5) If the plan and implementing rules are approved by the members of the legislative authorities, the plan shall be transmitted to the department for adoption. The department shall adopt such an approved WRIA water resource plan through the adopting of implementing rules. The department has no discretion to amend or reject the plan or implementing rules except those recommendations provided in section 110(2)(c) (iii) or (vii) of this act. A copy of the implementing rules and notice of its adoption as rules shall be published in the state register under chapter 34.05 RCW. The public hearing required by chapter 34.05 RCW shall be deemed to have been satisfied by public hearings held by county legislative authorities.
 - (6) If the department finds that an element of a WRIA plan is in conflict with state statute or federal law and the planning unit does

not remove the conflict created by the element from its plan, the 1 2 department and the planning unit shall submit the conflict to mediation. If mediation does not resolve the conflict within sixty 3 4 days, the department shall file a petition for declaratory judgment in 5 the superior court to determine whether the element is or is not in The petition shall be conflict with state statute or federal law. 6 7 filed in the superior court in the county with the largest area in the 8 WRIA or multi-WRIA area governed by the plan. The counties that 9 approved the plan shall be named as parties to the proceeding. 10 superior court shall review the potential conflict under the error of law standard. If the superior court finds that an element of the plan 11 is in conflict with state statute or federal law, that element of the 12 13 plan shall be invalid. Decisions on such petitions are reviewable as 14 in other civil cases. This subsection shall not be construed as 15 establishing such state liability for any other element of the plan adopted as rules. 16

- 17 *Sec. 112 was vetoed. See message at end of chapter.
- *NEW SECTION. Sec. 113. The WRIA planning units may accept grants, funds, and other financing, as well as enter into cooperative agreements with private and public entities for planning assistance and funding.
- 22 *Sec. 113 was vetoed. See message at end of chapter.

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- *NEW SECTION. Sec. 114. A new section is added to chapter 90.03
 24 RCW to read as follows:
 - (1) The department shall rule in a timely manner upon complete applications to appropriate public surface and ground water. For complete applications that seek to appropriate water from within a WRIA for which a WRIA plan has been adopted, the department shall grant or deny the application within one hundred eighty days of the date the properly completed application is filed with the department, except as provided in subsection (2) of this section. For applications filed after July 1, 1999, that seek to appropriate water from within a WRIA for which no WRIA plan has been adopted, the department shall grant or deny the application within one year of the date the properly completed application is filed with the department, except as provided in subsection (2) of this section. The times allowed in this section to rule upon an application shall not include the time it takes the applicant to respond to an explicit request for additional information

- 1 reasonably required to make a determination on the application. The
- 2 department shall be allowed only one such request for additional
- 3 information. The cost of obtaining such information shall be
- 4 reasonable in relation to the quantity and value of the water right
- 5 applied for. Once the applicant responds to an information request,
- 6 the stay of the time allowed for the permit decision shall end.
- 7 (2) If a detailed statement, generally referred to as an
- 8 environmental impact statement, must be prepared under chapter 43.21C
- 9 RCW for or in regard to an application to appropriate water, the
- 10 department shall grant or deny the application within ninety days of
- 11 the date the final environmental impact statement is available from the
- 12 official responsible for it under chapter 43.21C RCW.
- 13 (3) The department shall report by January 1, 1999, to the
- 14 legislature on the status of processing applications under this
- 15 section.
- 16 *Sec. 114 was vetoed. See message at end of chapter.
- *NEW SECTION. Sec. 115. A new section is added to chapter 34.05
- 18 RCW to read as follows:
- 19 (1) Once a plan has been adopted by the counties in the WRIA under
- 20 section 112 of this act and the plan has been submitted to the
- 21 department of ecology, the department shall file implementing rules for
- 22 the plan with the code reviser along with an order adopting the
- 23 implementing rules. The code reviser shall cause the order and the
- 24 implementing rules to be published in the Washington state register in
- 25 the manner provided for the adoption of final rules and shall
- 26 incorporate the implementing rules into the Washington Administrative
- 27 Code. No other aspect of this chapter that establishes procedures for
- 28 the adoption of rules applies to the adoption of the plan by the
- 29 department.
- 30 (2) For the purposes of this section, "WRIA" has the meaning
- 31 established in section 103 of this act.
- 32 *Sec. 115 was vetoed. See message at end of chapter.
- 33 *Sec. 116. RCW 90.54.040 and 1997 c ... s 2 (Senate Bill 5029) are
- 34 each amended to read as follows:
- 35 (1) Consistent with chapter . . ., Laws of 1997 (this act) the
- 36 department, through the adoption of appropriate rules, is directed, as
- 37 a matter of high priority to insure that the waters of the state are
- 38 utilized for the best interests of the people, to develop and implement

- in accordance with the policies of this chapter a comprehensive state water resources program which will provide a process for making decisions on future water resource allocation and use. The department may develop the program in segments so that immediate attention may be given to waters of a given physioeconomic region of the state or to specific critical problems of water allocation and use.
- (2) In relation to the management and regulatory programs relating to water resources vested in it, the department is further directed to modify existing regulations and adopt new regulations, when needed and possible, to insure that existing regulatory programs are in accord with the water resource policy of this chapter and the program established in subsection (1) of this section.
- (3) The department is directed to review all statutes relating to water resources which it is responsible for implementing. When any of the same appear to the department to be ambiguous, unclear, unworkable, unnecessary, or otherwise deficient, it shall make recommendations to the legislature including appropriate proposals for statutory modifications or additions. Whenever it appears that the policies of any such statutes are in conflict with the policies of this chapter, and the department is unable to fully perform as provided in subsection (2) of this section, the department is directed to submit statutory modifications to the legislature which, if enacted, would allow the department to carry out such statutes in harmony with this chapter.

 *Sec. 116 was vetoed. See message at end of chapter.
- 25 PART II
- 26 STORAGE
- 27 **Sec. 201.** RCW 90.54.020 and 1989 c 348 s 1 are each amended to 28 read as follows:
- Utilization and management of the waters of the state shall be guided by the following general declaration of fundamentals:
- 31 (1) Uses of water for domestic, stock watering, industrial, 32 commercial, agricultural, irrigation, hydroelectric power production, 33 mining, fish and wildlife maintenance and enhancement, recreational,
- 34 and thermal power production purposes, and preservation of
- 35 environmental and aesthetic values, and all other uses compatible with
- 35 environmental and aesthetic values, and all other uses compatible with
- 36 the enjoyment of the public waters of the state, are declared to be
- 37 beneficial.

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- 1 (2) Allocation of waters among potential uses and users shall be 2 based generally on the securing of the maximum net benefits for the 3 people of the state. Maximum net benefits shall constitute total 4 benefits less costs including opportunities lost.
- 5 (3) The quality of the natural environment shall be protected and, 6 where possible, enhanced as follows:
- 7 (a) Perennial rivers and streams of the state shall be retained 8 with base flows necessary to provide for preservation of wildlife, 9 scenic, aesthetic and other environmental values, 10 navigational values. Lakes and ponds shall be retained substantially in their natural condition. Withdrawals of water which would conflict 11 therewith shall be authorized only in those situations where it is 12 13 clear that overriding considerations of the public interest will be 14 served.
- 15 (b) Waters of the state shall be of high quality. Regardless of the quality of the waters of the state, all wastes and other materials 16 17 and substances proposed for entry into said waters shall be provided with all known, available, and reasonable methods of treatment prior to 18 19 entry. Notwithstanding that standards of quality established for the 20 waters of the state would not be violated, wastes and other materials and substances shall not be allowed to enter such waters which will 21 reduce the existing quality thereof, except in those situations where 22 23 it is clear that overriding considerations of the public interest will 24 be served. Technology-based effluent limitations or standards for 25 discharges for municipal water treatment plants located on the 26 Chehalis, Columbia, Cowlitz, Lewis, or Skagit river shall be adjusted 27 to reflect credit for substances removed from the plant intake water if: 28
- 29 (i) The municipality demonstrates that the intake water is drawn 30 from the same body of water into which the discharge is made; and
- (ii) The municipality demonstrates that no violation of receiving water quality standards or appreciable environmental degradation will result.
- 34 (4) The development of multipurpose water storage facilities shall
 35 be a high priority for programs of water allocation, planning,
 36 management, and efficiency. The department, other state agencies,
 37 local governments, and planning units formed under section 107 or 108
 38 of this act shall evaluate the potential for the development of new
 39 storage projects and the benefits and effects of storage in reducing

- 1 damage to stream banks and property, increasing the use of land,
- 2 providing water for municipal, industrial, agricultural, power
- 3 generation, and other beneficial uses, and improving stream flow
- 4 regimes for fisheries and other instream uses.
- 5 <u>(5)</u> Adequate and safe supplies of water shall be preserved and 6 protected in potable condition to satisfy human domestic needs.
- 7 $((\frac{5}{1}))$ <u>(6)</u> Multiple-purpose impoundment structures are to be
- 8 preferred over single-purpose structures. Due regard shall be given to
- 9 means and methods for protection of fishery resources in the planning
- 10 for and construction of water impoundment structures and other
- 11 artificial obstructions.
- 12 (((6))) Federal, state, and local governments, individuals,
- 13 corporations, groups and other entities shall be encouraged to carry
- 14 out practices of conservation as they relate to the use of the waters
- 15 of the state. In addition to traditional development approaches,
- 16 improved water use efficiency and conservation shall be emphasized in
- 17 the management of the state's water resources and in some cases will be
- 18 a potential new source of water with which to meet future needs
- 19 throughout the state.
- 20 $((\frac{7}{}))$ Development of water supply systems, whether publicly
- 21 or privately owned, which provide water to the public generally in
- 22 regional areas within the state shall be encouraged. Development of
- 23 water supply systems for multiple domestic use which will not serve the
- 24 public generally shall be discouraged where water supplies are
- 25 available from water systems serving the public.
- 26 (((8))) (9) Full recognition shall be given in the administration
- 27 of water allocation and use programs to the natural interrelationships
- 28 of surface and ground waters.
- 29 (((+9))) (10) Expressions of the public interest will be sought at
- 30 all stages of water planning and allocation discussions.
- 31 (((10))) (11) Water management programs, including but not limited
- 32 to, water quality, flood control, drainage, erosion control and storm
- 33 runoff are deemed to be in the public interest.
- 34 *Sec. 202. RCW 90.54.180 and 1989 c 348 s 5 are each amended to
- 35 read as follows:
- 36 Consistent with the fundamentals of water resource policy set forth
- 37 in this chapter, state and local governments, individuals,
- 38 corporations, groups and other entities shall be encouraged to carry

out water use efficiency and conservation programs and practices consistent with the following:

- (1) Water efficiency and conservation programs should utilize an appropriate mix of economic incentives, cost share programs, regulatory programs, and technical and public information efforts. Programs which encourage voluntary participation are preferred.
- (2) Increased water use efficiency should receive consideration as a potential source of water in state and local water resource planning processes. In determining the cost-effectiveness of alternative water sources, consideration should be given to the benefits of conservation, including waste water recycling, and ((impoundment)) storage of waters.
- (3) In determining the cost-effectiveness of alternative water sources, full consideration should be given to the benefits of storage which can reduce the damage to stream banks and property, increase the utilization of land, provide water for municipal, industrial, agricultural, and other beneficial uses, provide for the generation of electric power from renewable resources, and improve stream flow regimes for fishery and other instream uses.
- 19 (4) Entities receiving state financial assistance for construction 20 of water source expansion or acquisition of new sources shall develop, if cost-effective, 21 implement a water use efficiency and 22 conservation element of a water supply plan pursuant **RCW** 23 43.20.230(1).
 - (5) State programs to improve water use efficiency should focus on those areas of the state in which water is overappropriated; areas that experience diminished streamflows or aquifer levels; and areas where projected water needs, including those for instream flows, exceed available supplies.
- 29 (6) Existing and future generations of citizens of the state of 30 Washington should be made aware of the importance of the state's water 31 resources and the need for wise and efficient use and development of this vital resource. In order to increase this awareness, state 32 33 agencies should integrate public education on increasing water use efficiency into existing public information efforts. This effort shall 34 35 be coordinated with other levels of government, including local governments and Indian tribes. 36
- 37 *Sec. 202 was vetoed. See message at end of chapter.

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PART III

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GENERAL ADJUDICATIONS

NEW SECTION. Sec. 301. A new section is added to chapter 90.03 RCW to read as follows:

5 The legislature finds that the lack of certainty regarding water rights within a water resource basin may impede management and planning 6 7 for water resources. The legislature further finds that planning units conducting water resource planning under chapter 90. -- RCW (sections 8 9 101 through 113 of this act) may find that the certainty provided by a 10 general adjudication of water rights under this chapter is required for 11 water planning or water management in a water resource inventory area 12 or in a portion of the area. Therefore, such planning units may petition the department to conduct such a general adjudication and the 13 14 department shall give high priority to such a request in initiating any 15 such general adjudications under this chapter.

16 PART IV

17 WATER PURVEYORS

*Sec. 401. RCW 90.03.383 and 1991 c 350 s 1 are each amended to read as follows:

(1) The legislature recognizes the value of interties for improving the reliability of public water systems, enhancing their management, and more efficiently utilizing the increasingly limited resource. Given the continued growth in the most populous areas of the state, the increased complexity of public water supply management, and the trend toward regional planning and regional solutions to resource issues, interconnections of public water systems through interties provide a valuable tool to ensure reliable public water supplies for the citizens of the state. Public water systems have been encouraged in the past to utilize interties to achieve public health and resource management objectives. The legislature finds that it is in the public interest to recognize interties existing and in use as of January 1, 1991, and to have associated water rights modified by the department of ecology to reflect current use of water through those interties, pursuant to subsection (3) of this section. The legislature further finds it in the public interest to develop a coordinated process to review proposals for interties commencing use after January 1, 1991.

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- 1 (2) For the purposes of this section, the following definitions 2 shall apply:
- 3 (a) "Interties" are interconnections between public water systems 4 permitting exchange, acquisition, or delivery of wholesale and/or 5 <u>retail</u> water between those systems for other than emergency supply purposes, where such exchange, acquisition, or delivery is within 6 7 established instantaneous and annual withdrawal rates specified in the 8 systems' existing water right permits or certificates, or contained in 9 claims filed pursuant to chapter 90.14 RCW, and which results in better 10 management of public water supply consistent with existing rights and Interties include interconnections between public water 11 systems permitting exchange, acquisition, or delivery of water to serve 12 13 as primary or secondary sources of supply((, but do not include development of new sources of supply to meet future demand)) and the 14 15 development of new sources of supply to meet future demands if the 16 water system or systems receiving water through such an intertie make 17 efficient use of existing sources of water supply and the provision of water through such an intertie is consistent with local land use plans. 18 19 For this purpose, a system's full compliance with the state department of health's conservation guidelines for such systems is deemed 20 21 efficient use.
 - (b) "Service area" is the area designated <u>as the wholesale and/or retail area</u> in a water system plan or a coordinated water system plan pursuant to chapter 43.20 or 70.116 RCW respectively. When a public water system does not have a designated service area subject to the approval process of those chapters, the service area shall be the designated place of use contained in the water right permit or certificate, or contained in the claim filed pursuant to chapter 90.14 RCW.
 - (3)(a) Public water systems with interties existing and in use as of January 1, 1991, or that have received written approval from the department of health prior to that date, shall file written notice of those interties with the department of health and the department of ecology. The notice may be incorporated into the public water system's five-year update of its water system plan, but shall be filed no later than June 30, 1996. The notice shall identify the location of the intertie; the dates of its first use; the purpose, capacity, and current use; the intertie agreement of the parties and the service areas assigned; and other information reasonably necessary to modify

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the <u>public water system's</u> water right ((permit)). Notwithstanding the provisions of RCW 90.03.380 and 90.44.100, for public water systems with interties existing and in use or with written approval as of January 1, 1991, the department of ecology, upon receipt of notice meeting the requirements of this subsection, shall, as soon as practicable, modify the place of use descriptions in the water right permits, certificates, or claims to reflect the actual use through such interties, provided that the place of use is within service area designations established in a water system plan approved pursuant to chapter 43.20 RCW, or a coordinated water system plan approved pursuant to chapter 70.116 RCW, and further provided that the water used is within the instantaneous and annual withdrawal rates specified in the water rights ((permit)) and that no outstanding complaints of impairment to existing water rights have been filed with the department of ecology prior to September 1, 1991. Where such complaints of impairment have been received, the department of ecology shall make all reasonable efforts to resolve them in a timely manner through agreement of the parties or through available administrative remedies.

(b) An intertie meeting the requirements of this subsection (3) for modifying the place of use description in a water right permit, certificate, or claim may be used to its full design or built capacity within the most recently approved retail or wholesale or retail and wholesale service area, without further approval under this section and without regard to the capacity actually used before January 1, 1991.

(4) Notwithstanding the provisions of RCW 90.03.380 and 90.44.100, exchange, acquisition, or delivery of water through interties approved by the department of health commencing use after January 1, 1991, shall be permitted when the intertie improves overall system reliability, enhances the manageability of the systems, provides opportunities for conjunctive use, or delays or avoids the need to develop new water sources, and otherwise meets the requirements of this section, provided that each public water system's water use shall not exceed the instantaneous or annual withdrawal rate specified in its water right authorization, shall not adversely affect existing water rights, and shall not be inconsistent with state-approved plans such as water system plans or other plans which include specific proposals for construction of interties. Interties approved and commencing use after January 1, 1991, shall not be inconsistent with regional water resource

plans developed pursuant to chapter 90.54 RCW or chapter 90.-- RCW (sections 101 through 113 of this act).

- (5) For public water systems subject to the approval process of chapter 43.20 RCW or chapter 70.116 RCW, proposals for interties commencing use after January 1, 1991, shall be incorporated into water system plans pursuant to chapter 43.20 RCW or coordinated water system plans pursuant to chapter 70.116 RCW and submitted to the department of health and the department of ecology for review and approval as provided for in subsections (5) through (9) of this section. The plan shall state how the proposed intertie will improve overall system reliability, enhance the manageability of the systems, provide opportunities for conjunctive use, or delay or avoid the need to develop new water sources.
- (6) The department of health shall be responsible for review and approval of proposals for new interties. In its review the department of health shall determine whether the intertie satisfies the criteria of subsection (4) of this section, with the exception of water rights considerations, which are the responsibility of the department of ecology, and shall determine whether the intertie is necessary to address emergent public health or safety concerns associated with public water supply.
- (7) If the intertie is determined by the department of health to be necessary to address emergent public health or safety concerns associated with public water supply, the public water system shall amend its water system plan as required and shall file an application with the department of ecology to change its existing water right to reflect the proposed use of the water as described in the approved The department of ecology shall process the water system plan. application for change pursuant to RCW 90.03.380 or 90.44.100 as appropriate, except that, notwithstanding the requirements of those sections regarding notice and protest periods, applicants shall be required to publish notice one time, and the comment period shall be fifteen days from the date of publication of the notice. Within sixty days of receiving the application, the department of ecology shall issue findings and advise the department of health if existing water rights are determined to be adversely affected. If no determination is provided by the department of ecology within the sixty-day period, the department of health shall proceed as if existing rights are not adversely affected by the proposed intertie. The department of ecology

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may obtain an extension of the sixty-day period by submitting written notice to the department of health and to the applicant indicating a definite date by which its determination will be made. No additional extensions shall be granted, and in no event shall the total review period for the department of ecology exceed one hundred eighty days.

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- (8) If the department of health determines the proposed intertie 6 7 appears to meet the requirements of subsection (4) of this section but 8 is not necessary to address emergent public health or safety concerns 9 associated with public water supply, the department of health shall 10 instruct the applicant to submit to the department of ecology an application for change to the underlying water right or claim as 11 necessary to reflect the new place of use. The department of ecology 12 13 shall consider the applications pursuant to the provisions of RCW 14 90.03.380 and 90.44.100 as appropriate. The department of ecology 15 shall not deny or limit a change of place of use for an intertie on the 16 grounds that the holder of a permit has not yet put all of the water authorized in the permit to beneficial use. 17 If in its review of proposed interties and associated water rights the department of 18 19 ecology determines that additional information is required to act on 20 the application, the department may request applicants to provide information necessary for its decision, consistent with agency rules 21 and written guidelines. Parties disagreeing with the decision of the 22 23 department of ecology ((on)) to approve or deny the application for 24 change in place of use may appeal the decision to the pollution control 25 hearings board.
 - (9) The department of health may approve plans containing intertie proposals prior to the department of ecology's decision on the water right application for change in place of use. However, notwithstanding such approval, construction work on the intertie shall not begin until the department of ecology issues the appropriate water right document to the applicant consistent with the approved plan.
- 32 (10) The 1997 amendments to this section in this act are null and 33 void if any one of sections 101 through 115 of this act is vetoed by 34 June 30, 1997.
- 35 *Sec. 401 was vetoed. See message at end of chapter.
- 36 *Sec. 402. RCW 90.03.330 and 1987 c 109 s 89 are each amended to 37 read as follows:

- (1) Upon a showing satisfactory to the department that any 1 2 appropriation has been perfected in accordance with the provisions of 3 this chapter, it shall be the duty of the department to issue to the 4 applicant a certificate stating such facts in a form to be prescribed 5 by him, and such certificate shall thereupon be recorded with the department. Any original water right certificate issued, as provided 6 7 by this chapter, shall be recorded with the department and thereafter, 8 at the expense of the party receiving the same, be by the department 9 transmitted to the county auditor of the county or counties where the 10 distributing system or any part thereof is located, and be recorded in 11 the office of such county auditor, and thereafter be transmitted to the owner thereof. 12
- (2) If a public water system is providing water for municipal supply purposes under a certificated water right, the instantaneous and annual withdrawal rates specified in the certificate are deemed valid and perfected.
- 17 (3) If a federal reclamation project is providing water for 18 reclamation purposes under a certificated water right, the 19 instantaneous and annual withdrawal rates specified in the certificate 20 are deemed valid and perfected.
 - (4) If an irrigation district is providing water for the purposes authorized by chapter 87.03 RCW under a certificated water right, the instantaneous and annual withdrawal rates specified in the certificate are deemed valid and perfected.
- 25 <u>(5) The 1997 amendments to this section in this act are null and</u> 26 <u>void if any one of sections 101 through 115 of this act is vetoed by</u> 27 June 30, 1997.
- 28 *Sec. 402 was vetoed. See message at end of chapter.

29 PART V

30 **RELINQUISHMENT**

- 31 *Sec. 501. RCW 90.14.140 and 1987 c 125 s 1 are each amended to 32 read as follows:
- 33 (1) For the purposes of RCW 90.14.130 through 90.14.180, 34 "sufficient cause" shall be defined as the nonuse of all or a portion 35 of the water by the owner of a water right for a period of five or more 36 consecutive years where such nonuse occurs as a result of:
 - (a) Drought, or other unavailability of water;

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- 1 (b) Active service in the armed forces of the United States during 2 military crisis;
 - (c) Nonvoluntary service in the armed forces of the United States;
 - (d) The operation of legal proceedings;

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- (e) 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:
- 9 (f) An elapse of time occurring while a request or application is 10 processed for transferring or changing a water right to use by a public 11 water supplier for municipal purposes;
- 12 (g) The implementation of practices or technologies or the 13 installation or repair of facilities, including but not limited to 14 water conveyance practices, technologies, or facilities, that are more 15 efficient or more water use efficient than practices, technologies, or 16 facilities previously used under the water right.
- (2) Notwithstanding any other provisions of RCW 90.14.130 through 90.14.180, there shall be no relinquishment of any water right:
- 19 (a) If such right is claimed for power development purposes under 20 chapter 90.16 RCW and annual license fees are paid in accordance with 21 chapter 90.16 RCW, or
 - (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, or
- (c) If such right is claimed for a determined future development to take place ((either)) at any time within fifteen years of either July 1, 1967, or the most recent beneficial use of the water right, whichever date is later, or
- (d) If such right is claimed for municipal water supply purposes under chapter 90.03 RCW, or
- (e) If such waters are not subject to appropriation under the applicable provisions of RCW 90.40.030 as now or hereafter amended.
- 34 *Sec. 501 was vetoed. See message at end of chapter.

35 PART VI 36 GENERAL PERMITS

- *NEW SECTION. Sec. 601. The legislature finds that the present delay in the processing of water right applications is not beneficial to the citizens of the state nor is it in keeping with the goal of managing the resource to the highest possible standard and maximum net benefit.
- The legislature further finds that water conservation efforts would be greatly enhanced by a permit system that encourages water right applicants to use only the amount of water actually necessary to meet their needs.
- 10 *Sec. 601 was vetoed. See message at end of chapter.
- *NEW SECTION. Sec. 602. A new section is added to chapter 90.03
 12 RCW to read as follows:
- 13 (1) The department shall develop a general permit system for 14 appropriating water for nonconsumptive, nonbypass uses. This system must be designed and used to accurately identify and register any water 15 right application that qualifies for the streamlined process of 16 appropriation of water by meeting the requirements in this section and 17 registering the use. The general permit system must be applicable 18 state-wide, and all waters of the state shall be eligible for coverage 19 20 under the system. The evaluation and report required for application under RCW 90.03.290 are not required for applications 21 22 processed under the general permit system. For the purposes of this 23 section:
 - (a) "Nonconsumptive, nonbypass use" means a use of water in which water is diverted from a stream or drawn from an aquifer and following its use is discharged back into or near the point of diversion or withdrawal without diminishment in quality and less than five thousand gallons of net consumption per day; and
- (b) "Without diminishment of quality" means that, before being discharged back to its source, the water being discharged meets state water quality standards adopted under chapter 90.48 RCW.
- (2) The department shall, by January 1, 1998, establish the general permit system by adopting rules in accordance with chapter 34.05 RCW.

 Before the adoption of rules for a system, the department shall consult with representatives of the following interest groups: Agriculture; aquaculture; home construction and development; county government; city government; surface mining; and the environmental community. At least four public hearings must be held at various locations around the

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- 1 state, not less than two of which shall be east of the crest of the
- 2 Cascade mountains. The rules must identify criteria for proposed uses
- 3 of water for which applications might be processed under the system and
- 4 must establish procedures for filing and processing applications and
- 5 issuing water rights certificates under the general permit system.
- 6 *Sec. 602 was vetoed. See message at end of chapter.
- 7 *NEW SECTION. Sec. 603. A new section is added to chapter 90.03 8 RCW to read as follows:
- 9 An application for registration as a nonconsumptive, nonbypass 10 water user under the general permit system established under section 11 602 of this act must be made on a form adopted and provided by the 12 department. Within sixty days of receipt of a properly completed 13 application, the department shall determine whether the proposed use is 14 eligible to be processed under the general permit system. 15 department determines that the proposed use is eligible to be processed under the system, the application must be processed under the system 16 within the next sixty days. The priority date of the water right 17 established pursuant to this section shall be the date that the 18 19 properly completed application is submitted. If the department 20 determines that the proposed use is not eligible for the processing, the department shall explain to the applicant in writing the reasons 21 22 for its determination. For a proposed use determined ineligible for 23 the processing, if the department finds that the information contained 24 on the application form substantially satisfies the information 25 requirements for an application for a use that would normally be filed 26 for processing the application outside of the general permit system, 27 the department shall notify the applicant of its finding and shall process the application as if it were filed for processing outside of 28 If the department finds that the information does not 29 the system. 30 substantially satisfy the requirements, the application must be considered to be incomplete for the processing and the applicant must 31
- 32 be notified of this consideration.
- 33 *Sec. 603 was vetoed. See message at end of chapter.
- *NEW SECTION. Sec. 604. A new section is added to chapter 90.03

 RCW to read as follows:
- Nothing in sections 602 and 603 of this act authorizes the impairment or operates to impair any existing water rights. A water right holder under sections 602 and 603 of this act shall not make

- 1 withdrawals that impair a senior water right. A holder of a senior
- 2 water right who believes his or her water right is impaired may file a
- 3 complaint with the department of ecology. Where such complaints of
- 4 impairment have been received, the department of ecology shall make all
- 5 reasonable efforts to resolve them in a timely manner through agreement
- 6 of the parties. Nothing in section 602 or 603 of this act may be
- 7 construed as waiving any requirement established under chapter 90.48
- 8 RCW or federal law that a permittee secure a discharge permit regarding
- 9 water quality.
- 10 *Sec. 604 was vetoed. See message at end of chapter.
- 11 *NEW SECTION. Sec. 605. If specific funding for the purposes of
- 12 this act, referencing this act by bill or chapter number, is not
- 13 provided by June 30, 1997, in the omnibus appropriations act, this act
- 14 is null and void.
- 15 *Sec. 605 was vetoed. See message at end of chapter.
- 16 PART VII
- 17 APPEALS
- 18 *NEW SECTION. Sec. 701. The legislature recognizes that in many
- 19 cases the value of real property directly depends upon the amount of
- 21 recognizes that water rights are a type of property right in which many

water that is available for use on that property. The legislature also

- 22 different parties may assert an interest. Current statutes require
- 23 many property rights actions in which different parties assert
- 24 interests, such as actions for partition or eminent domain, to be filed
- 25 in superior court. The legislature further finds that informal
- 26 procedures such as mediation and fact finding have been employed
- 27 successfully in other areas of the law, and may produce positive
- 28 results in certain types of water disputes. The legislature therefore
- 29 finds that property owners should have a choice to select informal or
- 30 formal hearings before the pollution control hearings board, and that
- 31 relinquishment proceedings should be appealed to the local superior
- 32 courts.

- 33 *Sec. 701 was vetoed. See message at end of chapter.
- 34 *Sec. 702. RCW 34.05.514 and 1995 c 347 s 113 and 1995 c 292 s 9
- 35 are each reenacted and amended to read as follows:

- (1) Except as provided in subsections (2) and (3) of this section, proceedings for review under this chapter shall be instituted by paying the fee required under RCW 36.18.020 and filing a petition in the superior court, at the petitioner's option, for (a) Thurston county, (b) the county of the petitioner's residence or principal place of business, or (c) in any county where the property owned by the petitioner and affected by the contested decision is located.
- 8 (2) For proceedings involving institutions of higher education, the 9 petition shall be filed either in the county in which the principal 10 office of the institution involved is located or in the county of a 11 branch campus if the action involves such branch.
- (3) For proceedings involving the relinquishment of a water right
 and appeals of formal and informal hearings of the pollution control
 hearings board involving a water quantity decision as defined in
 section 713 of this act, the petition shall be filed in the superior
 court for the county in which is located the land upon which the water
 was used.
- 18 *Sec. 702 was vetoed. See message at end of chapter.
- 19 *Sec. 703. RCW 43.21B.110 and 1993 c 387 s 22 are each amended to 20 read as follows:
- (1) The <u>pollution control</u> hearings board shall only have jurisdiction to hear and decide appeals from the following decisions of the department, the director, the administrator of the office of marine safety, and the air pollution control boards or authorities as established pursuant to chapter 70.94 RCW, or local health departments:
- 26 (a) Civil penalties imposed pursuant to RCW 18.104.155, 70.94.431, 70.105.080, 70.107.050, 88.46.090, 90.03.600, 90.48.144, 90.56.310, and
- 28 **90.56.330.**
- 29 (b) Orders issued pursuant to RCW 18.104.043, 18.104.060, 30 43.27A.190, 70.94.211, 70.94.332, 70.105.095, 86.16.020, 88.46.070, 31 ((90.14.130,)) and 90.48.120.
- (c) The issuance, modification, or termination of any permit, certificate, or license by the department or any air authority in the exercise of its jurisdiction, including the issuance or termination of a waste disposal permit, the denial of an application for a waste disposal permit, or the modification of the conditions or the terms of a waste disposal permit.

- 1 (d) Decisions of local health departments regarding the grant or 2 denial of solid waste permits pursuant to chapter 70.95 RCW.
- (e) Decisions of local health departments regarding the issuance and enforcement of permits to use or dispose of biosolids under RCW 70.95J.080.
- (f) Any other decision by the department, the administrator of the office of marine safety, or an air authority which pursuant to law must be decided as an adjudicative proceeding under chapter 34.05 RCW.
- 9 (2) <u>The jurisdiction of the pollution control hearings board is</u> 10 <u>further limited as follows:</u>
- 11 <u>(a) The hearings board has no jurisdiction to review orders</u>
 12 <u>pertaining to the relinquishment of a water right under RCW 90.14.130,</u>
 13 <u>or to review proceedings regarding general adjudications of water</u>
 14 <u>rights conducted pursuant to chapter 90.03 or 90.44 RCW.</u>
- 15 <u>(b)</u> The following hearings shall not be conducted by the hearings 16 board:
- $((\frac{a}{a}))$ (i) Hearings required by law to be conducted by the shorelines hearings board pursuant to chapter 90.58 RCW.
- (((b))) <u>(ii)</u> Hearings conducted by the department pursuant to RCW 70.94.332, 70.94.390, 70.94.395, 70.94.400, 70.94.405, 70.94.410, and 90.44.180.
- (((c) Proceedings by the department relating to general adjudications of water rights pursuant to chapter 90.03 or 90.44 RCW.
- 24 (d))) <u>(iii)</u> Hearings conducted by the department to adopt, modify, 25 or repeal rules.
- (3) ((Review of)) Rules and regulations adopted by the hearings board shall be subject to review in accordance with the provisions of the Administrative Procedure Act, chapter 34.05 RCW.
- 29 *Sec. 703 was vetoed. See message at end of chapter.
- 30 *Sec. 704. RCW 43.21B.130 and 1990 c 65 s 3 are each amended to 31 read as follows:
- 32 The administrative procedure act, chapter 34.05 RCW, shall apply to 33 the appeal of rules and regulations adopted by the board to the same 34 extent as it applied to the review of rules and regulations adopted by
- 35 the directors and/or boards or commissions of the various departments
- 36 whose powers, duties and functions were transferred by section 6,
- 37 chapter 62, Laws of 1970 ex. sess. to the department. ((All other
- 38 decisions and orders of the director and all decisions of air pollution

- 1 control boards or authorities established pursuant to chapter 70.94 RCW
- 2 shall be subject to review by the hearings board as provided in this
- 3 *chapter.*))
- 4 *Sec. 704 was vetoed. See message at end of chapter.
- *Sec. 705. RCW 43.21B.240 and 1989 c 175 s 105 are each amended to read as follows:
- 7 The department and air authorities shall not have authority to hold
- 8 adjudicative proceedings pursuant to the Administrative Procedure Act,
- 9 chapter 34.05 RCW. Such hearings, except for appeals of orders
- 10 pertaining to the relinquishment of a water right issued pursuant to
- 11 RCW 90.14.130, shall be held by the pollution control hearings board.
- 12 *Sec. 705 was vetoed. See message at end of chapter.
- *Sec. 706. RCW 43.21B.305 and 1994 c 253 s 5 are each amended to read as follows:
- In an appeal that involves a penalty of five thousand dollars or
- 16 less, the appeal may be heard by one member of the board, whose
- 17 decision shall be the final decision of the board. An informal hearing
- 18 appeal relating to a water quantity decision as defined in section 713
- 19 of this act may be heard by one member of the board. The board shall
- 20 define by rule alternative procedures to expedite small appeals. These
- 21 alternatives may include: Mediation, upon agreement of all parties
- 22 unless initiated as provided in section 713 of this act; submission of
- 23 testimony by affidavit; conducting hearing by telephone; or other forms
- 24 that may lead to less formal and faster resolution of appeals.
- 25 *Sec. 706 was vetoed. See message at end of chapter.
- 26 *Sec. 707. RCW 43.21B.310 and 1992 c 73 s 3 are each amended to 27 read as follows:
- 28 (1) Except as provided in subsection (2) of this section, any order
- 29 issued by the department((, the administrator of the office of marine
- 30 safety,)) or authority pursuant to RCW 70.94.211, 70.94.332,
- 31 70.105.095, 43.27A.190, 86.16.020, 88.46.070, or 90.48.120(2) or any
- 32 provision enacted after July 26, 1987, or any permit, certificate, or
- 33 license issued by the department may be appealed to the pollution
- 34 control hearings board if the appeal is filed with the board and served
- 35 on the department or authority within thirty days after receipt of the
- 36 order. Except as provided under chapter 70.105D RCW, ((this is)) these
- 37 are the exclusive means of appeal of such an order.

- (((2))) (a) The department, the administrator, or the authority in 2 its discretion may stay the effectiveness of an order during the 3 pendency of such an appeal.
- (((3))) <u>(b)</u> At any time during the pendency of an appeal of such an order to the board, the appellant may apply pursuant to RCW 43.21B.320 to the hearings board for a stay of the order or for the removal thereof.
- 8 (((4))) <u>(c)</u> Any appeal <u>before the hearings board</u> must contain the 9 following in accordance with the rules of the hearings board:
- 10 $((\frac{a}{a}))$ (i) The appellant's name and address;
- 11 (((b))) <u>(ii)</u> The date and docket number of the order, permit, or 12 license appealed;
- (((c))) <u>(iii)</u> A description of the substance of the order, permit, or license that is the subject of the appeal;
- 15 (((d))) <u>(iv)</u> A clear, separate, and concise statement of every 16 error alleged to have been committed;
- 17 (((e))) <u>(v)</u> A clear and concise statement of facts upon which the 18 requester relies to sustain his or her statements of error; and
- 19 $((\frac{f}{f}))$ (vi) A statement setting forth the relief sought.
 - ((+5))) (d) Upon failure to comply with any final order of the department or the administrator, the attorney general, on request of the department or the administrator, may bring an action in the superior court of the county where the violation occurred or the potential violation is about to occur to obtain such relief as necessary, including injunctive relief, to insure compliance with the order. The air authorities may bring similar actions to enforce their orders.
- (((6))) <u>(e)</u> An appealable decision or order shall be identified as such and shall contain a conspicuous notice to the recipient that it may be appealed only by filing an appeal with the hearings board and serving it on the department within thirty days of receipt.
- (2) Water quantity decisions of the department, as defined in section 713 of this act, may be appealed to the pollution control hearings board as provided in section 713 of this act. Appeals of orders pertaining to the relinquishment of a water right are filed in superior court as provided by RCW 90.14.130.
- 37 *Sec. 707 was vetoed. See message at end of chapter.

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*Sec. 708. RCW 43.27A.190 and 1987 c 109 s 11 are each amended to read as follows:

Notwithstanding and in addition to any other powers granted to the department of ecology, whenever it appears to the department that a person is violating or is about to violate any of the provisions of the following:

- (1) Chapter 90.03 RCW; or
 - (2) Chapter 90.44 RCW; or
 - (3) Chapter 86.16 RCW; or
- 10 (4) Chapter 43.37 RCW; or

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- 11 (5) Chapter 43.27A RCW; or
- 12 (6) Any other law relating to water resources administered by the 13 department; or
 - (7) A rule or regulation adopted, or a directive or order issued by the department relating to subsections (1) through (6) of this section; the department may cause a written regulatory order to be served upon ((said)) the person either personally, or by registered or certified mail delivered to addressee only with return receipt requested and acknowledged by him or her. The order shall specify the provision of the statute, rule, regulation, directive or order alleged to be or about to be violated, and the facts upon which the conclusion of violating or potential violation is based, and shall order the act constituting the violation or the potential violation to cease and desist or, in appropriate cases, shall order necessary corrective action to be taken with regard to such acts within a specific and reasonable time. The regulation of a headgate or controlling works as provided in RCW 90.03.070, by a watermaster, stream patrolman, or other person so authorized by the department shall constitute a regulatory order within the meaning of this section. A regulatory order issued hereunder shall become effective immediately upon receipt by the person to whom the order is directed, except for regulations under RCW 90.03.070 which shall become effective when a written notice is attached as provided therein. Any person aggrieved by such order may appeal the order pursuant to RCW 43.21B.310, except that appeals of orders pertaining to the relinquishment of a water right shall be filed in superior court pursuant to RCW 90.14.130.
- 37 *Sec. 708 was vetoed. See message at end of chapter.

*Sec. 709. RCW 90.14.130 and 1987 c 109 s 13 are each amended to read as follows:

3 When it appears to the department of ecology that a person entitled 4 to the use of water has not beneficially used his or her water right or some portion thereof, and it appears that ((said)) the person's right 5 has or may have reverted to the state because of such nonuse, as 6 7 provided by RCW 90.14.160, 90.14.170, or 90.14.180, the department of 8 ecology shall notify such person by order: PROVIDED, That where a 9 company, association, district, or the United States has filed a 10 blanket claim under the provisions of RCW 90.14.060 for the total benefits of those served by it, the notice shall be served on such 11 company, association, district or the United States and not upon any of 12 13 its individual water users who may not have used the water or some portion thereof which they were entitled to use. 14 The order shall 15 contain: (1) A description of the water right, including the 16 approximate location of the point of diversion, the general description 17 of the lands or places where such waters were used, the water source, the amount involved, the purpose of use, and the apparent authority 18 19 upon which the right is based; (2) a statement that unless sufficient 20 cause be shown on appeal the water right will be declared relinquished; and (3) a statement that such order may be appealed to the ((pollution 21 control hearings board)) superior court. Any person aggrieved by such 22 23 an order may appeal it to the ((pollution control hearings board 24 pursuant to RCW 43.21B.310)) superior court for the county in which is 25 located the land upon which the water was used. Any such appeal to 26 superior court shall be heard de novo. The order shall be served by registered or certified mail to the last known address of the person 27 and be posted at the point of division or withdrawal. The order by 28 29 itself shall not alter the recipient's right to use water, if any. 30 *Sec. 709 was vetoed. See message at end of chapter.

31 *Sec. 710. RCW 90.14.190 and 1987 c 109 s 14 are each amended to 32 read as follows:

Any person feeling aggrieved by any decision of the department of ecology may have the same reviewed pursuant to RCW 43.21B.310. However, any order pertaining to the relinquishment of a water right shall be filed in superior court pursuant to RCW 90.14.130. In any such review, the findings of fact as set forth in the report of the

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department of ecology shall be prima facie evidence of the fact of any

- 1 waiver or relinquishment of a water right or portion thereof. If the
- 2 hearings board affirms the decision of the department, a party seeks
- 3 review in superior court of that hearings board decision pursuant to
- 4 chapter 34.05 RCW, and the court determines that the party was injured
- 5 by an arbitrary, capricious, or erroneous order of the department, the
- 6 court may award reasonable attorneys' fees.
- 7 *Sec. 710 was vetoed. See message at end of chapter.
- *Sec. 711. RCW 90.14.200 and 1989 c 175 s 180 are each amended to 9 read as follows:
- 10 (1) All matters relating to the implementation and enforcement of 11 this chapter by the department of ecology shall be carried out in
- 12 accordance with chapter 34.05 RCW, the Administrative Procedure Act,
- 13 except where the provisions of this chapter expressly conflict with
- 14 chapter 34.05 RCW. Proceedings held pursuant to RCW 90.14.130 are
- 15 ((adjudicative proceedings within the meaning of chapter 34.05 RCW.
- 16 Final decisions of the department of ecology in these proceedings))
- 17 <u>appealable to superior court as provided in that section. Other final</u>
- 18 <u>decisions of the department of ecology under this chapter</u> are subject
- 19 to review by the pollution control hearings board in accordance with
- 20 chapter 43.21B RCW.
- 21 (2) RCW 90.14.130 provides nonexclusive procedures for determining
- 22 a relinquishment of water rights under RCW 90.14.160, 90.14.170, and
- 23 90.14.180. RCW 90.14.160, 90.14.170, and 90.14.180 may be applied in,
- 24 among other proceedings, general adjudication proceedings initiated
- 25 under RCW 90.03.110 or 90.44.220: PROVIDED, That nothing herein shall
- 26 apply to litigation involving determinations of the department of
- 27 ecology under RCW 90.03.290 relating to the impairment of existing
- 28 rights.
- 29 *Sec. 711 was vetoed. See message at end of chapter.
- 30 *Sec. 712. RCW 90.66.080 and 1979 c 3 s 8 are each amended to read
- 31 as follows:
- The department is hereby empowered to promulgate such rules as may
- 33 be necessary to carry out the provisions of this chapter. Decisions of
- 34 the department, other than rule making, shall be subject to review by
- 35 the pollution control hearings board or a superior court in accordance
- 36 with chapter 43.21B RCW.
- 37 *Sec. 712 was vetoed. See message at end of chapter.

- *NEW SECTION. Sec. 713. A new section is added to chapter 43.21B 2 RCW to read as follows:
- (1) A water right claimant, or permit or certificate holder or applicant who is aggrieved or adversely affected by a water quantity decision may appeal the decision to the pollution control hearings board pursuant to RCW 43.21B.310. A formal hearing before the board may only be granted if all parties to the appeal of the water quantity decision agree to a formal hearing.
- 9 (2) At the request of any party, the board shall conduct an 10 informal hearing, consisting of mediation and, if a settlement cannot 11 be agreed upon, fact finding with recommendations. The hearings board 12 shall adopt rules governing the election, practice, and procedures of 13 informal hearings consistent with this section and section 714 of this 14 act.
- 15 (3) For purposes of this chapter, a "water quantity decision" 16 includes the following:
- (a) A decision to grant or deny a permit or certificate for a right to the beneficial use of water or to amend, change, or transfer such a right; and
- 20 (b) A decision to enforce the conditions of a permit for, or right 21 to, the beneficial use of water or to require any person to discontinue 22 the use of water.
- 23 *Sec. 713 was vetoed. See message at end of chapter.
- *NEW SECTION. Sec. 714. A new section is added to chapter 43.21B 25 RCW to read as follows:
- (1) When one of the parties elects an informal hearing pursuant to section 713 of this act, a board member or an administrative law judge from the environmental hearings office shall be assigned as the mediator for the appeal.
- 30 (2) The parties involved in the informal hearing must provide the mediator and the other parties in advance with a clear, concise 31 32 statement of the disputed issues and the parties' position in relation to the issues and supporting documentation. The mediator shall meet 33 34 with the parties either jointly or separately, in the general area of 35 the project under review or by telephone, at the discretion of the 36 mediator, and shall take such steps as the mediator deems appropriate to resolve their differences and reach a settlement agreement. 37 38 settlement agreement is reached, the mediator shall prepare and submit

to the hearings board a written order of dismissal to which the settlement agreement is attached. The hearings board shall enter the order and dismiss the case unless the hearings board finds that the settlement agreement is contrary to law.

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If the hearings board finds that the settlement agreement is contrary to law, it shall notify the parties and refer the dispute back to mediation.

- (3) If the parties are unable to achieve a settlement agreement within ninety days after being appointed, the mediator shall issue a statement that a settlement agreement has not been reached. After issuance of the statement, the party filing the appeal may request the hearings board to submit the dispute to fact finding with recommendations. Notice of the request for fact finding must be sent to the other parties.
- (4) Within five days of the receipt of the request for fact finding, the hearings board shall assign a board member or an administrative appeals judge from the environmental hearings office to serve as fact finder. The person who served as the mediator to the dispute may serve as the fact finder with the consent of both parties.
- (5) Within five days of being appointed, the fact finder shall establish a date, time, and place for the fact-finding hearing. date of the hearing must be within thirty days of the appointment of the fact finder. The hearing shall be conducted in the general area where the project under review is located. At least seven days before the date of the hearing, each party must submit to the fact finder and to the other parties written proposals on all of the issues it intends to submit to fact finding. The fact finder has the power to issue subpoenas requiring the attendance and production of witnesses and the production of evidence. The order of presentation at the hearing shall be as agreed by the parties or as determined by the fact finder. Each documentary exhibit shall be filed with the fact finder and copies shall be provided to the other parties. The fact finder shall declare the hearing closed after the parties have completed presenting their testimony within agreed time limits.
- (6) The fact finder shall, within thirty days following the conclusion of the hearing, make written findings of fact and written recommendations to the parties as to how the dispute should be resolved. The fact finder may not apply any presumption as part of the findings of fact or recommendations. A copy of the findings and

- 1 recommendations shall be filed with the hearings board. The findings
- 2 of fact and recommendations of the fact finder are advisory only, and
- 3 are not subject to review by the hearings board.
- 4 (7) The time limits established in this section may be extended by
- 5 mutual agreement of all the parties.
- 6 *Sec. 714 was vetoed. See message at end of chapter.
- 7 *NEW SECTION. Sec. 715. A new section is added to chapter 43.21B 8 RCW to read as follows:
- 9 (1) Within thirty days after the fact finder has filed the findings
- of fact and recommendations pursuant to section 714 of this act, a party may request a formal hearing by the hearings board or appeal the
- 12 water quantity decision directly to superior court. All parties must
- 13 agree to a formal hearing by the hearings board before a formal hearing
- 14 is granted.
- 15 (2) If a party elects to file an action in superior court following
- 16 an informal hearing, it must be filed in the county in which is located
- 17 the land upon which the water is or would be used.
- 18 *Sec. 715 was vetoed. See message at end of chapter.
- 19 *NEW SECTION. Sec. 716. A new section is added to chapter 43.21B
- 20 RCW to read as follows:
- 21 An appeal to superior court of a water quantity decision, as
- 22 defined in section 713 of this act, following an informal hearing by
- 23 the board shall be heard de novo. If an informal hearing on the
- 24 decision or order had been completed by the pollution control hearings
- 25 board, no issue may be raised in superior court that was not raised and
- 26 discussed as part of the fact-finding hearing. No bond may be required
- 27 on appeals to the superior court or on review by the supreme court
- 28 unless specifically required by the judge of the superior court.
- 29 *Sec. 716 was vetoed. See message at end of chapter.
- 30 PART VIII
- 31 MISCELLANEOUS
- 32 **Sec. 801.** RCW 90.03.380 and 1996 c 320 s 19 are each amended to
- 33 read as follows:
- 34 (1) 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))

the right may be transferred to another or to others and become 1 appurtenant to any other land or place of use without loss of priority 2 of right theretofore established if such change can be made without 3 4 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 5 change can be made without detriment or injury to existing rights. A 6 7 change in the place of use, point of diversion, and/or purpose of use 8 of a water right to enable irrigation of additional acreage or the 9 addition of new uses may be permitted if such change results in no increase in the annual consumptive quantity of water used under the 10 water right. For purposes of this section, "annual consumptive 11 quantity" means the estimated or actual annual amount of water diverted 12 pursuant to the water right, reduced by the estimated annual amount of 13 14 return flows, averaged over the most recent five-year period of 15 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 16 17 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 18 19 the department, and ((said)) the application shall not be granted until 20 notice of ((said)) <u>the</u> application ((shall be)) <u>is</u> published as provided in RCW 90.03.280. If it shall appear that such transfer or 21 such change may be made without injury or detriment to existing rights, 22 the department shall issue to the applicant a certificate in duplicate 23 24 granting the right for such transfer or for such change of point of 25 diversion or of use. The certificate so issued shall be filed and be 26 made a record with the department and the duplicate certificate issued 27 to the applicant may be filed with the county auditor in like manner 28 and with the same effect as provided in the original certificate or permit to divert water. 29

(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.

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(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

- 1 provided by an irrigation entity that is a member of a board of joint
- 2 control created under chapter 87.80 RCW, approval need only be received
- 3 from the board of joint control if the use of water continues within
- 4 the area of jurisdiction of the joint board and the change can be made
- 5 without detriment or injury to existing rights.
- 6 (4) This section shall not apply to trust water rights acquired by
- 7 the state through the funding of water conservation projects under
- 8 chapter 90.38 RCW or RCW 90.42.010 through 90.42.070.
- 9 *Sec. 802. RCW 90.44.100 and 1987 c 109 s 113 are each amended to 10 read as follows:

After an application to, and upon the issuance by the department of 11 12 an amendment to the appropriate permit or certificate of ground water right, the holder of a valid right to withdraw public ground waters 13 14 may, without losing his priority of right, construct wells or other 15 means of withdrawal at a new location in substitution for or in 16 addition to those at the original location, or he may change the manner or the place of use of the water((: PROVIDED, HOWEVER, That such)). 17 18 An amendment shall be issued only after publication of notice of the 19 application and findings as prescribed in the case of an original application. Such amendment shall be issued by the department only on 20 the conditions that: (1) The additional or substitute well or wells 21 shall tap the same body of public ground water as the original well or 22 23 wells; (2) use of the original well or wells shall be discontinued upon 24 construction of the substitute well or wells; (3) the construction of 25 an additional well or wells shall not enlarge the right conveyed by the original permit or certificate; and (4) other existing rights shall not 26 An amendment to a permit or certificate to change the 27 be impaired. place of use, point of withdrawal, and/or purpose of use of a ground 28 29 water right to enable irrigation of additional acreage or the addition 30 of new uses may be issued if such change results in no increase in the annual consumptive quantity of water used under a certificate or 31 authorized for use under a permit. For purposes of this section, 32 "annual consumptive quantity" means the estimated or actual annual 33 34 amount of water withdrawn pursuant to a certificate or the amount authorized for use pursuant to a permit, reduced by the estimated 35 36 annual amount of return flows. For permits or certificates under which 37 actual amounts of water have been withdrawn, withdrawals and return 38 flows shall be averaged over the most recent five-year period of

- continuous beneficial use of the ground water right or, if the period
- of actual continuous beneficial use is less than five years, such 2
- The department may specify an approved manner of 3 lesser period.
- construction and shall require a showing of compliance with the terms
- of the amendment, as provided in RCW 90.44.080 in the case of an
- original permit. 6
- *Sec. 802 was vetoed. See message at end of chapter.
- 8 Sec. 803. As used in this act, part headings NEW SECTION.
- 9 constitute no part of the law.
- 10 NEW SECTION. Sec. 804. Sections 101 through 113 of this act
- 11 constitute a new chapter in Title 90 RCW.
- 12 If any provision of this act or its Sec. 805. NEW SECTION.
- 13 application to any person or circumstance is held invalid, the
- 14 remainder of the act or the application of the provision to other
- 15 persons or circumstances is not affected.

Passed the House April 27, 1997.

Passed the Senate April 18, 1997.

Approved by the Governor May 20, 1997, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 20, 1997.

- Note: Governor's explanation of partial veto is as follows: 1
- "I am returning herewith, without my approval as to sections 107 through 116, 202, 401, 402, 501, 601, 602, 603, 604, 605, 701 through 3
- 716, and 802, Second Substitute House Bill No. 2054 entitled:
- 5 "AN ACT Relating to water resource management;"
- Second Substitute House Bill No. 2054 addresses a number of water
- resource management issues, including watershed planning, storage, 7
- adjudications, water purveyors, relinquishment, general permits, water right appeals, and transfers. 9
- 10 I agree with legislative leaders on the need for local watershed planning. The people who live in a particular area should have a 11
- strong voice as to how water should be used in their watershed. 12
- Sections 101 through 106 set the tone for how we will resolve many of 13
- 14 our water problems and I support those sections.
- 15 Sections 107 through 116 set out a process for local watershed
- planning and adoption which does not provide sufficient flexibility to 16
- 17 accommodate a wide array of watershed planning needs. The time limits
- 18 imposed on the Department of Ecology for making decisions on water
- 19 right applications are unreasonable under current resources available
- 20 to the Department of Ecology.

<u>Section 202</u> equates water storage with water conservation and although the two may be related, this definition of water conservation could be problematic in future water rights processing and appeals.

Sections 401 and 402 are null and void because of my actions on sections 107 through 116, but these are important water resource management issues so I will address the issues in these sections. Section 401 makes changes to the intertie statute (RCW 90.03.380) to promote land development, but is not linked to growth management plans or state-approved demand forecasts. The broad language used to grandfather in existing interties would create dormant water rights and excuse these interties from a review to determine potential impacts on other existing water rights as well as instream flows. Section 402 would equate the perfection of a water right to the quantity allocated in a certificate of water right rather than the quantity beneficially used. This would violate a fundamental principle of western water law and the state water code and create great uncertainty in trying to determine what water is available for other water rights, new applications, and the protection of instream resources.

19 <u>Section 501</u>, without a standard established by the legislature, 20 could allow a water right holder to avoid relinquishment by taking an 21 unlimited amount of time to implement a water conservation project.

22 <u>Sections 601 through 605</u> would create a new surface water permit 23 exemption for water uses that consume less than 5,000 gallons per day.

<u>Sections 701 through 716</u> would override the existing, well-established and highly functional water right appeals process. These sections could establish a total of four processes to reach a factual decision on the record.

Section 802 would amend the ground water code to allow changes to water rights that are already authorized in section 801, which amends the surface water code. The legislature has already recognized that the surface water code, RCW chapter 90.03, applies to the allocation and regulation of ground water. I believe, and the Department of Ecology concurs, that the amendments to RCW 90.03.380 set forth within section 801 apply to ground water rights as well as to surface water rights. To the extent that this is duplicative of the provisions in section 801, section 802, which amends RCW 90.44.100, is unnecessary. Section 802 would also allow the irrigation of additional acreage or the addition of new uses for a quantity of water authorized under a ground water permit that has not yet been put to beneficial use. This is a concept that I am very interested in exploring, and I will be asking for further study and recommendations on this issue in the interim.

For these reasons, I have vetoed sections 107 through 116, 202, 44 401, 402, 501, 601, 602, 603, 604, 605, 701 through 716, and 802, 45 Second Substitute House Bill No. 2054.

With the exception of sections 107 through 116, 202, 401, 402, 501, 47 601, 602, 603, 604, 605, 701 through 716, and 802, Second Substitute House Bill No. 2054 is approved."