## CERTIFICATION OF ENROLLMENT

#### ENGROSSED SECOND SUBSTITUTE SENATE BILL 6267

Chapter 285, Laws of 2010

(partial veto)

61st Legislature 2010 Regular Session

WATER RIGHT APPLICATIONS--PROCESSING

EFFECTIVE DATE: 06/10/10

Passed by the Senate March 11, 2010 YEAS 46 NAYS 2

#### BRAD OWEN

### President of the Senate

Passed by the House March 11, 2010 YEAS 96 NAYS 1

## FRANK CHOPP

## Speaker of the House of Representatives

Approved April 1, 2010, 3:07 p.m., with the exception of Sections 9, 10, 14, and 15 which are vetoed.

CHRISTINE GREGOIRE

Governor of the State of Washington

#### CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is ENGROSSED SECOND SUBSTITUTE SENATE BILL 6267 as passed by the Senate and the House of Representatives on the dates hereon set forth.

## THOMAS HOEMANN

Secretary

FILED

April 2, 2010

Secretary of State State of Washington

ENGROSSED SECOND SUBSTITUTE SENATE BILL 6267

#### AS AMENDED BY THE HOUSE

Passed Legislature - 2010 Regular Session

# State of Washington 61st Legislature 2010 Regular Session

By Senate Ways & Means (originally sponsored by Senators Rockefeller and Honeyford; by request of Department of Ecology)

READ FIRST TIME 02/09/10.

- AN ACT Relating to water right processing improvements; amending RCW 90.03.265, 90.14.065, 90.44.100, and 90.44.100; adding new sections to chapter 90.03 RCW; adding new sections to chapter 90.44 RCW; creating new sections; providing an effective date; and providing an expiration date.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. Water is an essential element for economic prosperity and it generates new, family-wage jobs and state revenues.
- 9 It is the intent of the legislature to provide both water right
- 10 applicants and the department of ecology with the necessary tools to
- 11 expedite the processing of water right applications depending on the
- 12 needs of the project and agency workload.

17

NEW\_SECTION. Sec. 2. Sufficient resources to support the department of ecology's water resource program are essential for effective and sustainable water management that provides certainty to processed applications. The department of ecology shall review current

water resource functions and fee structures, and report to the

- legislature and the governor by September 1, 2010, on improvements to make the program more self- sustaining and efficient.
- **Sec. 3.** RCW 90.03.265 and 2003 c 70 s 6 are each amended to read 4 as follows:
  - (1)(a) Any applicant for a new withdrawal or a change, transfer, or amendment of a water right pending before the department( $(\tau)$ ) may initiate a cost-reimbursement agreement with the department to provide expedited review of the application. A cost-reimbursement agreement may ((only)) be initiated under this section if the applicant agrees to pay for, or as part of a cooperative effort agrees to pay for, the cost of processing his or her application and all other applications from the same source of supply which must be acted upon before the applicant's request because they were filed prior to the date of when the applicant filed.
- (b) The requirement to pay for the cost of other applications under

  (a) of this subsection does not apply to an application for a new

  appropriation that would not diminish the water available to earlier

  pending applicants for new appropriations from the same source of

  supply.
  - (c) The requirement to pay for the cost of processing other applications under (a) of this subsection does not apply to an application for a change, transfer, or other amendment that would not diminish the water available to earlier pending applicants for changes or transfers from the same source of supply.
  - (d) In determining whether an application would not diminish the water available to earlier pending applicants, the department shall consider any water impoundment or other water resource management mitigation technique proposed by the applicant under RCW 90.03.255 or 90.44.055.
- 30 <u>(e)</u> The department <u>may enter into cost-reimbursement agreements</u>
  31 <u>provided resources are available and</u> shall use the process established
  32 under RCW 43.21A.690 for entering into cost-reimbursement agreements.
  33 <u>The department's share of work related to a cost-reimbursement</u>
  34 <u>application, such as final certificate approval, must be prioritized</u>
  35 <u>within the framework of other water right processing needs and as</u>
  36 determined by agency rule.

(f) Each individual applicant is responsible for his or her own appeal costs that may result from a water right decision made by the department under this section. In the event that the department's approval of an application under this section is appealed under chapter 43.21B RCW by a third party, the applicant for the water right in question must reimburse the department for the cost of defending the decision before the pollution control hearings board unless otherwise agreed to by the applicant and the department. If an applicant appeals either an approval or a denial made by the department under this section, the applicant is responsible only for its own appeal costs.

- (2) In pursuing a cost-reimbursement project, the department must determine the source of water proposed to be diverted or withdrawn from, including the boundaries of the area that delimits the source. The department must determine if any other water right permit applications are pending from the same source. A water source may include surface water only, groundwater only, or surface and groundwater together if the department finds they are hydraulically connected. The department shall consider technical information submitted by the applicant in making its determinations under this subsection. The department may recover from a cost-reimbursement applicant its own costs in making the same source determination under this subsection.
  - (3) Upon request of the applicant seeking cost-reimbursement processing, the department may elect to initiate a coordinated cost-reimbursement process. To initiate this process, the department must notify in writing all persons who have pending applications on file for a new appropriation, change, transfer, or amendment of a water right from that water source. A water source may include surface water only, groundwater only, or surface and groundwater together if the department determines that they are hydraulically connected. The notice must be posted on the department's web site and published in a newspaper of general circulation in the area where affected properties are located. The notice must also be made individually by way of mail to:
  - (a) Inform those applicants that cost-reimbursement processing of applications within the described water source is being initiated;
- 36 (b) Provide to individual applicants the criteria under which the applications will be examined and determined;

- 1 (c) Provide to individual applicants the estimated cost for having 2 an application processed on a cost-reimbursement basis;
  - (d) Provide an estimate of how long the cost-reimbursement process will take before an application is approved or denied; and
  - (e) Provide at least sixty days for the applicants to respond in writing regarding the applicant's decision to participate in the cost-reimbursement process.
  - (4) The applicant initiating the cost-reimbursement request must pay for the cost of the determination under subsections (2) and (3) of this section and other costs necessary for the initial phase of cost-reimbursement processing. The cost for each applicant for conducting processing under a coordinated cost-reimbursement agreement must be based primarily on the proportionate quantity of water requested by each applicant. The cost may be adjusted if it appears that an application will require a disproportionately greater amount of time and effort to process due to its complexity.
  - (5)(a) Only the department may approve or deny a water right application processed under this section, and such a final decision remains solely the responsibility and function of the department. The department retains full authority to amend, refuse, or approve any work product provided by any consultant under this section. The department may recover its costs related to: (i) The review of a consultant to ensure that no conflict of interest exists; (ii) the management of consultant contracts and cost-reimbursement agreements; and (iii) the review of work products provided by participating consultants.
  - (b) For any cost-reimbursement process initiated under subsection (1) of this section, the applicant may, after consulting with the department, select a prequalified consultant listed by the department under subsection (7) of this section or may be assigned such a prequalified consultant by the department.
  - (c) For any coordinated cost-reimbursement process initiated under subsection (3) of this section, the applicant may, after consulting with the department, select a prequalified consultant listed by the department under subsection (7) of this section or may be assigned a prequalified consultant by the department.
- (d) In lieu of having one or more of the work products performed by
  a prequalified consultant listed under subsection (7) of this section,
  the department may, at its discretion, recognize specific work

completed by an applicant or an applicant's consultant prior to the initiation of cost-reimbursement processing. The department may also, at its discretion, authorize the use of such a consultant to perform a specific scope of the work that would otherwise be assigned to pregualified consultants listed under subsection (7) of this section.

- (e) At any point during the cost-reimbursement process, the department may request or accept technical information, data, and analysis from the applicant or the applicant's consultant to support the cost-reimbursement process or the department's decision on the application.
- (6) The department is authorized to adopt rules or guidance providing minimum qualifications and standards for any consultant's submission of work products under this section, including standards for submission of technical information, scientific analysis, work product documentation, review for conflict of interest, and report presentation that such a consultant must meet.
- (7) The department must provide notice to potential consultants of the opportunity to be considered for inclusion on the list of cost-reimbursement consultants to whom work assignments will be made. The department must competitively select an appropriate number of consultants who are qualified by training and experience to investigate and make recommendations on the disposition of water right applications. The prequalified consultant list must be renewed at least every six years, though the department may add qualified cost-reimbursement consultants to the list at any time. The department must enter a master contract with each consultant selected and thereafter make work assignments based on availability and qualifications.
- (8) The department may remove any consultant from the consultant list for poor performance, malfeasance, or excessive complaints from cost-reimbursement participants. The department may interview any cost-reimbursement consultant to determine whether the person is qualified for this work, and must spot-check the work of consultants to ensure that the public is being competently served.
- 34 <u>(9) When a prequalified cost-reimbursement consultant from the</u>
  35 <u>department's list described in subsection (7) of this section is</u>
  36 <u>assigned or selected to investigate an application or set of</u>
  37 <u>applications, the consultant must document its findings and recommended</u>
  38 <u>disposition in the form of written draft technical reports and</u>

- 1 <u>preliminary draft reports of examination. Within two weeks of the</u>
- 2 <u>department receiving draft technical reports and preliminary draft</u>
- 3 reports of examination, the department shall provide the applicant such
- 4 <u>documents for review and comment prior to their completion by the</u>
- 5 <u>consultant</u>. The <u>department</u> <u>shall</u> <u>consider</u> <u>such</u> <u>comments</u> <u>by</u> <u>the</u>
- 6 applicant prior to the department's issuance of a draft report of
- 7 <u>examination</u>. The department may modify the preliminary draft reports
- 8 of examination submitted by the consultant. The department's decision
- 9 <u>on a permit application is final unless it is appealed to the pollution</u>
- 10 control hearings board under chapter 43.21B RCW.
- 11 (10) If an applicant elects not to participate in a cost-
- 12 <u>reimbursement process, the application remains on file with the</u>
- 13 <u>department</u>, <u>retains its priority date</u>, <u>and may be processed under</u>
- 14 <u>regular processing, priority processing, expedited processing,</u>
- 15 <u>coordinated</u> <u>cost-reimbursement</u> <u>processing</u>, <u>cost-reimbursement</u>
- 16 processing, or through conservancy board processing as authorized under
- 17 <u>chapter 90.80 RCW.</u>
- 18 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 90.03 RCW
- 19 to read as follows:
- 20 The water rights processing account is created in the state
- 21 treasury. All receipts from the fees collected under sections 5, 7,
- 22 and 12 of this act must be deposited into the account. Money in the
- 23 account may be spent only after appropriation. Expenditures from the
- 24 account may only be used to support the processing of water right
- 25 applications for a new appropriation, change, transfer, or amendment of
- 26 a water right as provided in this chapter and chapters 90.42 and 90.44
- 27 RCW or for the examination, certification, and renewal of certification
- 28 of water right examiners as provided in section 7 of this act.
- NEW SECTION. Sec. 5. A new section is added to chapter 90.03 RCW
- 30 to read as follows:
- 31 (1) The department may expedite processing of applications within
- 32 the same source of water on its own volition when there is interest
- 33 from a sufficient number of applicants or upon receipt of written
- 34 requests from at least ten percent of the applicants within the same
- 35 source of water.

(2) If the conditions of subsection (1) of this section have been met and the department determines that the public interest is best served by expediting applications within a water source, the department must notify in writing all persons who have pending applications on file for a new appropriation, change, transfer, or amendment of a water right from that water source. A water source may include surface water only, groundwater only, or surface and groundwater together if the department determines that they are hydraulically connected. The notice must be posted on the department's web site and published in a newspaper of general circulation in the area where affected properties are located. The notice must also be made individually by way of mail to:

- (a) Inform those applicants that expedited processing of applications within the described water source is being initiated;
- (b) Provide to individual applicants the criteria under which the applications will be examined and determined;
- (c) Provide to individual applicants the estimated cost for having an application processed on an expedited basis;
- (d) Provide an estimate of how long the expedited process will take before an application is approved or denied; and
- (e) Provide at least sixty days for the applicants to respond in writing regarding the applicant's decision to participate in the expedited processing of their applications.
- (3) In addition to the application fees provided in RCW 90.03.470, the department must recover the full cost of processing all the applications from applicants who elect to participate within the water source through expedited processing fees. The department must calculate an expedited processing fee based primarily on the proportionate quantity of water requested by each applicant and may adjust the fee if it appears that the application will require a disproportionately greater amount of time and effort to process due to its complexity. Any application fees that were paid by the applicant under RCW 90.03.470 must be credited against the applicant's share of the cost of processing applications under the provisions of this section.
- (4) The expedited processing fee must be collected by the department prior to the expedited processing of an application. Revenue collected from these fees must be deposited into the water

- rights processing account created in section 4 of this act. An applicant who has stated in writing that he or she wants his or her application processed using the expedited procedures in this section must transmit the processing fee within sixty days of the written request. Failure to do so will result in the applicant not being included in expedited processing for that water source.
- If an applicant elects not to participate in expedited processing, the application remains on file with the department, the applicant retains his or her priority date, and the application may be processed through regular processing, priority processing, expedited coordinated cost-reimbursement processing, processing, reimbursement processing, or through conservancy board processing as authorized under chapter 90.80 RCW. Such an application may not be processed through expedited processing within twelve months after the department's issuance of decisions on participating applications at the conclusion of expedited processing unless the applicant agrees to pay the full proportionate share that would otherwise have been paid during such processing. Any proceeds collected from an applicant under this delayed entry into expedited processing shall be used to reimburse the other applicants who participated in the previous expedited processing of applications, provided sufficient proceeds remain to fully cover the department's cost of processing the delayed entry application and the department's estimated administrative costs to reimburse the previously expedited applicants.
- NEW SECTION. Sec. 6. A new section is added to chapter 90.03 RCW to read as follows:
  - The department must post notice on its web site and provide additional electronic notice and opportunity for comment to affected federally recognized tribal governments concurrently when providing notice to applicants under RCW 90.03.265 and sections 5 and 12 of this act.
- NEW SECTION. Sec. 7. A new section is added to chapter 90.03 RCW to read as follows:
- 34 (1) The department shall establish and maintain a list of certified 35 water right examiners. Certified water right examiners on the list are 36 eligible to perform final proof examinations of permitted water uses

3

4 5

6 7

8

10

11

12

13

14

15 16

17

18

19 20

21

22

2324

27

28

29

- leading to the issuance of a water right certificate under RCW 90.03.330. The list must be updated annually and must be made available to the public through written and electronic media.
- (2) In order to qualify, an individual must be registered in 4 Washington as a professional engineer, professional land surveyor, or 5 registered hydrogeologist, or an individual must demonstrate at least 6 7 five years of applicable experience to the department, or be a board member of a water conservancy board. Qualified individuals must also 8 pass a written examination prior to being certified by the department. 9 10 Such an examination must be administered by either the department or an entity formally approved by the department. Each certified water right 11 12 examiner must demonstrate knowledge and competency regarding:
  - (a) Water law in the state of Washington;
- 14 (b) Measurement of the flow of water through open channels and 15 enclosed pipes;
  - (c) Water use and water level reporting;
  - (d) Estimation of the capacity of reservoirs and ponds;
  - (e) Irrigation crop water requirements;
  - (f) Aerial photo interpretation;

16 17

18

19

20

23

24

25

2627

28

29

30

3132

33

34

35

3637

- (g) Legal descriptions of land parcels;
- 21 (h) Location of land and water infrastructure through the use of 22 maps and global positioning;
  - (i) Proper construction and sealing of well bores; and
  - (j) Other topics related to the preparation and certification of water rights in Washington state.
  - (3) Except as provided in subsection (9) of this section, upon completion of a water appropriation and putting water to beneficial use, in order to receive a final water right certificate, the permit holder must secure the services of a certified water right examiner who has been tested and certified by the department. The examiner shall carry out a final examination of the project to verify its completion and to determine and document for the permit holder and the department the amount of water that has been appropriated for beneficial use, the location of diversion or withdrawal and conveyance facilities, and the actual place of use. The examiner shall take measurements or make estimates of the maximum diversion or withdrawal, the capacity of water storage facilities, the acreage irrigated, the type and number of residences served, the type and number of stock watered, and other

- information relevant to making a final determination of the amount of water beneficially used. The examiner shall take photographs of the facilities to document the use or uses of water and the photographs must be submitted with the examiner's report to the department. The department shall specify the format and required content of the reports and may provide a form for that purpose.
- (4) The department may suspend or revoke a certification based on poor performance, malfeasance, failure to acquire continuing education credits, or excessive complaints from the examiner's customers. The department may require the retesting of an examiner. The department may interview any examiner to determine whether the person is qualified for this work. The department shall spot-check the work of examiners to ensure that the public is being competently served. Any person aggrieved by an order of the department including the granting, denial, revocation, or suspension of a certificate issued by the department under this chapter may appeal pursuant to chapter 43.21B RCW.
- (5) The decision regarding whether to issue a final water right certificate is solely the responsibility and function of the department.
- (6) The department shall make its final decision under RCW 90.03.330 within sixty days of the date of receipt of the proof of examination from the certified water right examiner, unless otherwise requested by the applicant or returned for correction by the department. The department may return an initial proof of examination for correction within thirty days of the department's receipt of such initial proof from a certified water right examiner. Such proof must be returned to both the certified water right examiner and the applicant. Within thirty days of the department's receipt of such returned proof from the certified water right examiner, the department shall make its final decision under RCW 90.03.330, unless otherwise requested by the applicant.
- (7) Each certified water right examiner must complete eight hours annually of qualifying continuing education in the water resources field. The department shall determine and specify the qualifying continuing education and shall inform examiners of the opportunities. The department shall track whether examiners are current in their continuing education and may suspend the certification of an examiner who has not complied with the continuing education requirement.

1 (8) Each certified water right examiner must be bonded for at least 2 fifty thousand dollars.

3

4 5

6 7

8

9

11

1213

27

28

2930

- (9) The department may waive the requirement to secure the services of a certified water right examiner in situations in which the department has already conducted a final proof of examination or finds it unnecessary for purposes of issuing a certificate of water right.
- (10) The department shall establish and collect fees for the examination, certification, and renewal of certification of water right examiners. Revenue collected from these fees must be deposited into the water rights processing account created in section 4 of this act. Pursuant to RCW 43.135.055, the department is authorized to set fees for examination, certification, and renewal of certification for water right examiners.
- 14 (11) The department may adopt rules appropriate to carry out the purposes of this section.
- 16 **Sec. 8.** RCW 90.14.065 and 1987 c 93 s 1 are each amended to read 17 as follows:
- 18 (1)(a) Any person or entity, or successor to such person or entity, 19 having a statement of claim on file with the water rights claims 20 registry ((on April 20, 1987,)) may submit to the department of ecology 21 for filing( $(\tau)$ ) an amendment to such a statement of claim if the 22 submitted amendment is based on:
- $((\frac{1}{1}))$  (i) An error in estimation of the quantity of the applicant's water claim prescribed in RCW 90.14.051 if the applicant provides reasons for the failure to claim such right in the original claim;
  - $((\frac{2}{2}))$  (ii) A change in circumstances not foreseeable at the time the original claim was filed, if such change in circumstances relates only to the manner of transportation or diversion of the water and not to the use or quantity of such water; or
    - $((\frac{3}{3}))$  (iii) The amendment is ministerial in nature.
- 32 <u>(b)</u> The department shall accept any such submission and file the same in the registry unless the department by written determination concludes that the requirements of (a)(i), (ii), or (iii) of this subsection (((1), -(2), -or-(3)-of-this-section)) have not been satisfied.

- 1 (2) In addition to subsection (1) of this section, a surface water
  2 right claim may be changed or transferred in the same manner as a
  3 permit or certificate under RCW 90.03.380, and a water right claim for
  4 groundwater may be changed or transferred as provided under RCW
  5 90.03.380 and 90.44.100.
  - (3) Any person aggrieved by a determination of the department may obtain a review thereof by filing a petition for review with the pollution control hearings board within thirty days of the date of the determination by the department. The provisions of RCW 90.14.081 shall apply to any amendment filed or approved under this section.
- \*Sec. 9. RCW 90.44.100 and 2009 c 183 s 16 are each amended to read as follows:
  - (1) After an application to, and upon the issuance by the department of an amendment to the appropriate permit or certificate of groundwater right, the holder of a valid right to withdraw public groundwaters may, without losing the holder's priority of right, construct wells or other means of withdrawal at a new location in substitution for or in addition to those at the original location, or the holder may change the manner or the place of use of the water.
  - (2) An amendment to construct replacement or a new additional well or wells at a location outside of the location of the original well or wells or to change the manner or place of use of the water shall be issued only after publication of notice of the application and findings as prescribed in the case of an original application. Such amendment shall be issued by the department only on the conditions that: (a) The additional or replacement well or wells shall tap the same body of public groundwater as the original well or wells; (b) where a replacement well or wells is approved, the use of the original well or wells shall be discontinued and the original well or wells shall be properly decommissioned as required under chapter 18.104 RCW; (c) where an additional well or wells is constructed, the original well or wells may continue to be used, but the combined total withdrawal from the original and additional well or wells shall not enlarge the right conveyed by the original permit or certificate; and (d) other existing rights shall not be impaired. The department may specify an approved manner of construction and shall require a showing of compliance with

8

10

13

14

15 16

17

18 19

20

21

22

23

24

2526

27

28

2930

31

32

33

3435

the terms of the amendment, as provided in RCW 90.44.080 in the case of an original permit.

1

2

3

4

5

6 7

8

9 10

11

1213

14

15

16

17

18

19 20

21

22

2324

25

26

27

28

2930

3132

33

34

- (3) The construction of a replacement or new additional well or wells at the location of the original well or wells shall be allowed without application to the department for an amendment. However, the following apply to such a replacement or new additional well: well shall tap the same body of public groundwater as the original well or wells; (b) if a replacement well is constructed, the use of the original well or wells shall be discontinued and the original well or wells shall be properly decommissioned as required under chapter 18.104 RCW; (c) if a new additional well is constructed, the original well or wells may continue to be used, but the combined total withdrawal from the original and additional well or wells shall not enlarge the right conveyed by the original water use permit or certificate; (d) the construction and use of the well shall not interfere with or impair water rights with an earlier date of priority than the water right or rights for the original well or wells; (e) the replacement or additional well shall be located no closer than the original well to a well it might interfere with; (f) the department may specify an approved manner of construction of the well; and (g) the department shall require a showing of compliance with the conditions of this subsection (3).
- (4) As used in this section, the "location of the original well or wells" of a water right permit or certificate is the area described as the point of withdrawal in the original public notice published for the application for the water right for the well. The location of the original well or wells of a water right claim filed under chapter 90.14 RCW is the area located within a one-quarter mile radius of the current well or wells.
- (5) The development and use of a small irrigation impoundment, as defined in RCW 90.03.370(8), does not constitute a change or amendment for the purposes of this section. The exemption expressly provided by this subsection shall not be construed as requiring an amendment of any existing water right to enable the holder of the right to store water governed by the right.
- (6) This section does not apply to a water right involved in an approved local water plan created under RCW 90.92.090 or a banked water right under RCW 90.92.070.

  \*Sec. 9 was vetoed. See message at end of chapter.

- \*Sec. 10. RCW 90.44.100 and 2003 c 329 s 3 are each amended to read as follows:
  - (1) After an application to, and upon the issuance by the department of an amendment to the appropriate permit or certificate of groundwater right, the holder of a valid right to withdraw public groundwaters may, without losing the holder's priority of right, construct wells or other means of withdrawal at a new location in substitution for or in addition to those at the original location, or the holder may change the manner or the place of use of the water.
  - (2) An amendment to construct replacement or a new additional well or wells at a location outside of the location of the original well or wells or to change the manner or place of use of the water shall be issued only after publication of notice of the application and findings as prescribed in the case of an original application. Such amendment shall be issued by the department only on the conditions that: (a) The additional or replacement well or wells shall tap the same body of public groundwater as the original well or wells; (b) where a replacement well or wells is approved, the use of the original well or wells shall be discontinued and the original well or wells shall be properly decommissioned as required under chapter 18.104 RCW; (c) where an additional well or wells is constructed, the original well or wells may continue to be used, but the combined total withdrawal from the original and additional well or wells shall not enlarge the right conveyed by the original permit or certificate; and (d) other existing rights shall not be impaired. The department may specify an approved manner of 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.
  - (3) The construction of a replacement or new additional well or wells at the location of the original well or wells shall be allowed without application to the department for an amendment. However, the following apply to such a replacement or new additional well: (a) The well shall tap the same body of public groundwater as the original well or wells; (b) if a replacement well is constructed, the use of the original well or wells shall be discontinued and the original well or wells shall be properly decommissioned as required under chapter 18.104 RCW; (c) if a new additional well is constructed, the original well or wells may continue to be used, but the combined total withdrawal from

4 5

6 7

8

9

10 11

12

1314

15

16

17

18 19

20

2122

23

24

2526

27

28

29

30

31

32

33

34

35

3637

- the original and additional well or wells shall not enlarge the right conveyed by the original water use permit or certificate; (d) the construction and use of the well shall not interfere with or impair water rights with an earlier date of priority than the water right or rights for the original well or wells; (e) the replacement or additional well shall be located no closer than the original well to a well it might interfere with; (f) the department may specify an approved manner of construction of the well; and (g) the department shall require a showing of compliance with the conditions of this subsection (3).
- (4) As used in this section, the "location of the original well or wells" of a water right permit or certificate is the area described as the point of withdrawal in the original public notice published for the application for the water right for the well. The location of the original well or wells of a water right claim filed under chapter 90.14 RCW is the area located within a one-quarter mile radius of the current well or wells.
- (5) The development and use of a small irrigation impoundment, as 18 defined in RCW 90.03.370(8), does not constitute a change or amendment 19 20 for the purposes of this section. The exemption expressly provided by 21 this subsection shall not be construed as requiring an amendment of any 22 existing water right to enable the holder of the right to store water 23 governed by the right.

\*Sec. 10 was vetoed. See message at end of chapter.

1 2

3 4

5

6 7

8 9

10

11

12

13

14

15

16

- 24 NEW SECTION. Sec. 11. A new section is added to chapter 90.44 RCW 25 to read as follows:
- 26 Applications to appropriate groundwater under a cost-reimbursement 27 agreement must be processed in accordance with RCW 90.03.265 when an 28 applicant requests the assignment of a cost-reimbursement consultant as 29 provided in RCW 43.21A.690.
- 30 NEW SECTION. Sec. 12. A new section is added to chapter 90.44 RCW 31 to read as follows:
- 32 (1) The department may expedite processing of applications within 33 the same source of water on its own volition when there is interest 34 from a sufficient number of applicants or upon receipt of written 35 requests from at least ten percent of the applicants within the same 36 source of water.

- (2) If the conditions of subsection (1) of this section have been 1 2 met and the department determines that the public interest is best served by expediting applications within a water source, the department 3 must notify in writing all persons who have pending applications on 4 file for a new appropriation, change, transfer, or amendment of a water 5 right from that water source. A water source may include surface water 6 7 only, groundwater only, or surface and groundwater together if the department determines that they are hydraulically connected. 8 notice must be posted on the department's web site and published in a newspaper of general circulation in the area where affected properties 10 are located. The notice must also be made individually by way of mail 11 12 to:
  - applicants expedited processing (a) Inform those that of applications within the described water source is being initiated;
  - (b) Provide to individual applicants the criteria under which the applications will be examined and determined;
  - (c) Provide to individual applicants the estimated cost for having an application processed on an expedited basis;
  - (d) Provide an estimate of how long the expedited process will take before an application is approved or denied; and
  - (e) Provide at least sixty days for the applicants to respond in writing regarding the applicant's decision to participate in expedited processing of their applications.
  - (3) In addition to the application fees provided in RCW 90.03.470, the department must recover the full cost of processing all the applications from applicants who elect to participate within the water source through expedited processing fees. The department must calculate an expedited processing fee based primarily on the proportionate quantity of water requested by each applicant and may adjust the fee if it appears that an application will require a disproportionately greater amount of time and effort to process due to its complexity. Any application fees that were paid by the applicant under RCW 90.03.470 must be credited against the applicant's share of the cost of processing applications under the provisions of this section.
  - The expedited processing fee must be collected by the (4)department prior to the expedited processing of an application. Revenue collected from these fees must be deposited into the water

13

14

15

16 17

18

19 20

21

22

23

24

25

26 27

28

29

30 31

32

33

34

35

36

37

- rights processing account created in section 4 of this act. applicant who has stated in writing that he or she wants his or her application processed using the expedited procedures in this section must transmit the processing fee within sixty days of the written request. Failure to do so will result in the applicant not being included in expedited processing for that water source.
- If an applicant elects not to participate in expedited processing, the application remains on file with the department, the applicant retains his or her priority date, and the application may be processed through regular processing, priority processing, expedited coordinated cost-reimbursement processing, processing, reimbursement processing, or through conservancy board processing as authorized under chapter 90.80 RCW. Such an application may not be processed through expedited processing within twelve months after the department's issuance of decisions on participating applications at the conclusion of expedited processing unless the applicant agrees to pay the full proportionate share that would otherwise have been paid during such processing. Any proceeds collected from an applicant under this delayed entry into expedited processing shall be used to reimburse the other applicants who participated in the previous expedited processing of applications, provided sufficient proceeds remain to fully cover the department's cost of processing the delayed entry application and the department's estimated administrative costs to reimburse the previously expedited applicants.
- 25 NEW SECTION. Sec. 13. A new section is added to chapter 90.03 RCW 26 to read as follows:
- Nothing in this act affects or diminishes the processing of water 27 right applications under any other existing authority, including but 28 not limited to existing authority for the priority processing of 29 30 applications by the department.
- 31 \*NEW SECTION. Sec. 14. Section 9 of this act expires June 30, 32 2019. \*Sec. 14 was vetoed. See message at end of chapter.
- \*NEW SECTION. Sec. 15. Section 10 of this act takes effect June 33 30, 2019. \*Sec. 15 was vetoed. See message at end of chapter. 34

3

4 5

6 7

8 9

10

11

12 13

14

15 16

17

18

19

20

21 22

23

NEW SECTION. Sec. 16. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed by the Senate March 11, 2010. Passed by the House March 11, 2010.

Approved by the Governor April 1, 2010, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State April 2, 2010.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Sections 9, 10, 14 and 15, Engrossed Second Substitute Senate Bill 6267 entitled:

"AN ACT Relating to water right processing improvements."

This bill provides applicants and the Department of Ecology with tools that can be used, when appropriate, to expedite the processing of water right applications.

Sections 9 and 10 define the original location of a well associated with a water right claim as the area located within a one-quarter mile radius of the current well or wells. The original location of a well is used to determine when a replacement well requires a formal change to the water right.

The specific definitions in Sections 9 and 10 would reduce the Department of Ecology's flexibility and impair its current discretion to decide when a replacement well warrants formal review and approval. Such flexibility and discretion is needed when the impacts of a replacement well will depend on the circumstances. Sections 14 and 15 provide expiration and effective dates for Sections 9 and 10, respectively.

For these reasons, I have vetoed Sections 9, 10, 14 and 15 of Engrossed Second Substitute Senate Bill 6267.

With the exception of Sections 9, 10, 14 and 15, Engrossed Second Substitute Senate Bill 6267 is approved."