H-1412.1

SECOND SUBSTITUTE HOUSE BILL 1322

State of Washington68th Legislature2023 Regular SessionBy House Capital Budget
Rude, Chapman, Klicker,
Department of Ecology)(originally sponsored by Representatives
Lekanoff, and Reeves; by request of

READ FIRST TIME 02/22/23.

1 AN ACT Relating to the Walla Walla water 2050 plan; amending RCW 2 90.90.020; and adding a new section to chapter 90.90 RCW.

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

4 **Sec. 1.** RCW 90.90.020 and 2011 c 83 s 4 are each amended to read 5 as follows:

6 (1)(a) Water supplies secured through the development of new 7 storage facilities made possible with funding from the Columbia river 8 basin water supply development account, the Columbia river basin 9 taxable bond water supply development account, and the Columbia river 10 basin water supply revenue recovery account shall be allocated as 11 follows:

12 (i) Two-thirds of active storage shall be available for 13 appropriation for out-of-stream uses; and

(ii) One-third of active storage shall be available to augment instream flows and shall be managed by the department of ecology. The timing of releases of this water shall be determined by the department of ecology, in cooperation with the department of fish and wildlife and fisheries comanagers, to maximize benefits to salmon and steelhead populations.

20 (b) Water available for appropriation under (a)(i) of this 21 subsection but not yet appropriated shall be temporarily available to

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1 augment instream flows to the extent that it does not impair existing 2 water rights.

3 (2) Water developed under the provisions of this section to 4 offset out-of-stream uses and for instream flows is deemed adequate 5 mitigation for the issuance of new water rights provided for in 6 subsection (1)(a) of this section and satisfies all consultation 7 requirements under state law related to the issuance of new water 8 rights.

9 (3) The department of ecology shall focus its efforts to develop 10 water supplies for the Columbia river basin on the following needs:

11 (a) Alternatives to groundwater for agricultural users in the 12 Odessa subarea aquifer;

13 (b) Sources of water supply for pending water right applications;

14 (c) A new uninterruptible supply of water for the holders of 15 interruptible water rights on the Columbia river mainstem that are 16 subject to instream flows or other mitigation conditions to protect 17 streamflows; and

18 (d) New municipal, domestic, industrial, and irrigation water 19 needs within the Columbia river basin.

20 (4) The one-third/two-thirds allocation of water resources 21 between instream and out-of-stream uses established in this section 22 does not apply to ((applications)):

23 <u>(a) Applications</u> for changes or transfers of existing water 24 rights in the Columbia river basin<u>; or</u>

25 (b) Applications for water rights in the Walla Walla river basin 26 implementing the Walla Walla water 2050 plan adopted June 30, 2021.

27 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 90.90 28 RCW to read as follows:

(1) The Walla Walla water 2050 plan must be used as an integrated water resource strategy, through a coordinated effort between the states of Washington and Oregon, affected federally recognized tribes, affected federal, state, and local agencies, and agricultural, environmental, business, and other community stakeholders.

35 (2) In developing water supply solutions in the Walla Walla river 36 basin, the department of ecology should employ an integrated water 37 resource management strategy that will provide concurrent water 38 supply benefits to both instream and out-of-stream uses and address a 39 variety of water resource and ecosystem challenges affecting fish

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1 passage, habitat functions, and agricultural, municipal, industrial, 2 and domestic water supply, consistent with the Walla Walla water 2050 3 plan.

4 (3) The department of ecology shall consider any increase in the
5 quantity of water supply due to a project being implemented under the
6 Walla Walla water 2050 plan that is completed after the effective
7 date of this section to be water supply developed under this section.

8 (4) In implementing subsection (2) of this section, the 9 department of ecology will be advised by the Walla Walla basin 10 advisory committee, including representatives from a broad range of 11 interests, including agricultural, environmental, and other 12 stakeholders, and tribal, local, state, and federal governments.

(5) In consultation with affected federally recognized tribes, the department of ecology shall evaluate the development of a bistate legal regulatory framework for allocation of developed water resources, in collaboration with the state of Oregon.

17 (6) The department of ecology shall submit a report to the 18 relevant committees of the legislature by June 30, 2025, with a 19 recommendation for the bistate legal regulatory framework necessary 20 for equitable allocation and management of developed water resources 21 from the build out of water supply projects envisioned in the Walla 22 Walla water 2050 plan.

(7) Subject to the availability of amounts appropriated for this specific purpose, the department of ecology is authorized to fund the development, construction, and implementation of projects to implement the Walla Walla water 2050 plan that may be located outside of the state, provided that the projects benefit instream and out-ofstream water demands in the state.

(8) Water supplies developed under this section must be apportioned between the states consistent with any written agreements entered into with the state of Oregon and the confederated tribes of the Umatilla Indian reservation related to the management of water in the Walla Walla river basin.

(9) The department of ecology has the authority to designate water supplies developed under this section for instream flow purposes and placed into the trust water rights program authorized under chapter 90.42 RCW. Water supplies developed under this section that are designated for instream flow purposes are unavailable to satisfy existing water rights, including water rights with superior priority, and are exempt from provisions under RCW 90.42.070.

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1 (10) Water supplies developed under this section must be managed 2 consistent with the intent of the specific project being implemented.

(11) It is the intent of the legislature for the state to share 3 in the cost to implement the Walla Walla water 2050 plan authorized 4 under this section, subject to the availability of amounts 5 6 appropriated for this specific purpose, with at least one-half of the total costs to finance the implementation of the Walla Walla water 7 2050 plan funded through federal, private, and other nonstate 8 sources, including private funding sources from entities that benefit 9 from projects. This section applies to the total costs of the Walla 10 11 Walla water 2050 plan and not to individual projects within the plan 12 and includes funding for projects that have been completed prior to the effective date of this section. 13

14 (12) Nothing in this section prevents the department of ecology 15 from regulating water users consistent with existing adjudications to 16 ensure that water use by holders of adjudicated surface water right 17 certificates are not impaired by use under junior groundwater right 18 certificates, claims, and permits.

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