

# FINAL BILL REPORT

## ESHB 2026

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### PARTIAL VETO

C 347 L 91

**Brief Description:** Providing for comprehensive water resources management.

By House Committee on Natural Resources & Parks (originally sponsored by Representatives Fraser, Miller, Valle, Rayburn, McLean, Belcher, Jacobsen, Nealey, Paris, Winsley and Chandler; by request of Joint Select Committee on Water Resource Policy).

House Committee on Natural Resources & Parks  
House Committee on Revenue  
Senate Committee on Agriculture & Water Resources

**Background:** In 1989 the Legislature passed water use efficiency legislation which included increased efficiency standards for plumbing fixtures and a trust water rights program that applied only in the Yakima River Basin. The 1989 standards for plumbing fixtures were to be phased in effective July 1, 1990 and July 1, 1993. The standards were incorporated into the state building code, which applied to new construction and remodels, but did not apply to retail sales of replacement fixtures. The trust program for the Yakima River Basin provided that water saved through publicly funded conservation improvements would go to the state in trust for the citizens of the state.

The 1990 Legislature required development of a comprehensive water resource planning process that involved participation of state, local and tribal governments, and interested parties. Two regions of the state were to be designated by January 1, 1991 where the planning process would be initiated on a pilot basis. During 1990 the governments and interest groups worked together to develop the planning process to be tested in the two pilot regions. The governments and interest groups also formed a conservation task force to develop recommendations for legislation containing water conservation and efficiency programs to help meet current and future water supply needs. The task force recommendations were incorporated into House Bill 2026.

**Summary:** Conservation and water efficiency efforts, including storage, are identified as the preferred means to meet current and future water supply needs. Priority is to

be given to state funded water conservation projects that achieve the greatest net water savings.

The deadline for designating the two pilot regions in which comprehensive water resource planning efforts will be initiated on a trial basis is extended to July 1, 1991.

An additional trust water rights program is established in the two pilot planning areas and in up to eight water resource inventory areas designated by the Department of Ecology. Through this program, the State may acquire water rights by gift, purchases, or through dedication of public funds for water conservation projects, in exchange for rights to the net water savings achieved by the project. Acquisitions of trust rights must be voluntary and agreed to by all parties to the transaction and must not adversely affect or impair existing water rights, including rights to return flows. Trust water rights acquired by the state under both the Yakima Basin Program and this legislation are exempt from relinquishment.

Public funds cannot be used to purchase water rights unless specifically appropriated for that purpose by the Legislature.

The Department of Ecology must establish guidelines for the administration of the trust program and must submit a report to the Legislature by December 31, 1993 evaluating the implementation of this trust program and containing recommendations for future application.

Water laws dealing with irrigation districts are amended. Current law pertaining to water transfers is changed to require concurrence by irrigation districts, prior to transfers of water rights from one irrigation district to another, that there will be no adverse effects on the financial integrity of either district or on their ability to deliver water. Changes in place of use within irrigation districts are permitted based solely on the consent of the district's board of directors. Department of Ecology approval is not required. Irrigation districts are exempted from relinquishment requirements ("use it or lose it").

All sales of plumbing fixtures, including retail sales, which do not meet efficiency standards contained in the 1989 Water Use Efficiency Act are prohibited. The Building Code Council must establish methods and procedures for testing and identifying conforming fixtures and must adopt rules for marking and labeling such fixtures.

To create an incentive for municipal reuse of water, an exemption for business and occupation taxes and from use

taxes is provided for the purchase and use of processed effluent water.

To encourage conservation, cities, towns water and sewer districts, water companies, and the Utilities and Transportation Commission are authorized to incorporate incentives to conservation within public water system rate structures.

***Votes on Final Passage:***

House	89	9	
Senate	34	12	(Senate amended)
House			(House refused to concur)

Conference Committee

Senate	45	0
House	97	0

***Effective:*** July 28, 1991

***Partial Veto Summary:*** The provision exempting irrigation districts from relinquishment requirements ("use it or lose it") was vetoed.