2 **ESHB 1309** - S AMD TO NAT COMM AMD (1309-S.E AMS NAT S3062.1) 3 By Senators McDonald and Rasmussen

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- On page 8, after line 11 of the amendment, insert the following: 5
- 6 "NEW SECTION. Sec. 17. The legislature finds that there is a 7 significant number of high-value orchard and vineyard crops that can be 8 grown utilizing highly water-efficient trickle irrigation systems. The 9 legislature finds that over a period of several years, existing orchard plantings will be revitalized and replaced with new plantings, and that 10 additional orchards will be planted which provide opportunities for 11 12 improved water efficiency.
- 13 The legislature finds that significant water savings could be 14 realized through the installation of trickle irrigation systems where climatically and economically suitable. The legislature also finds 16 that positive economic incentives, establishment of necessary legal 17 procedures, and removal of legal barriers are needed to stimulate the development of workable technologies and farming systems that rely on 18 19 lesser quantities of water.
- 20 The purpose of this act is to stimulate the use of trickle 21 irrigation systems by allowing the saved water to be voluntarily 22 transferred by the water right holder to other uses. Additionally, the 23 purpose is to establish incentives through enabling self-funded, private capital or public funds to provide improved market-based 24 incentives for adopting water saving technologies and to allow the 25 benefits of the conserved water to be fully realized. It is the intent 26 of this act that sufficient protections be provided to assure that 27 existing water users are not adversely affected by transfers approved 28 under sections 18 through 25 of this act. 29
- 30 NEW SECTION. Unless the context clearly requires Sec. 18. 31 otherwise, the definitions in this section apply throughout this 32 chapter.
- 33 (1) "Contract" means a written legal instrument that provides for the transfer of a portion of a water right from an existing water right 34 holder to another person for consideration. 35

- 1 (2) "Department" means the department of ecology.
- 2 (3) "Net water savings" has the same meaning as defined in RCW  $3\ 90.42.020$ .
- 4 (4) "Person" means a person, corporation, quasi-municipal corporation, municipal corporation, state, or federal agency.
- 6 (5) "Reduction in evaporative loss" means the amount of water that
  7 was needed to grow an orchard or other crops using conventional
  8 irrigation systems minus the quantity of water needed to grow the crops
  9 with the use of a trickle irrigation system. "Reduction in evaporative
  10 loss" includes the reduction in the amount of water used through
  11 transpiration by nonproductive plants such as cover crops.
- 12 (6) "Trickle irrigation system" means those types of systems which 13 qualify, as determined by the department, that apply water at the base 14 of a plant producing food or fiber with minimal evaporation, or 15 transpiration loss to nonproductive vegetation.
- 16 (7) "Trust water right" means a water right transferred to and 17 managed by the department for the benefit of instream flows or for the 18 allocation to new uses as provided in chapter 90.38 or 90.42 RCW.
- NEW SECTION. Sec. 19. A person holding a valid water right may enter into a contract with another person for the transfer of water saved through installation of a qualifying trickle irrigation system. In determining the amount that is transferrable, the department shall allow the transfer of an amount equal to the reduction in the evaporative loss. The reduction in evaporative loss is a readily transferrable component of net water savings.

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- In addition, the department shall evaluate whether there are additional net water savings as defined in RCW 90.42.020 that could be transferred to the purchaser without detriment to other existing water users. The department may not delay because of decisions on the determination of additional net water savings the approval of the transfer of the water that constitutes the reduction in evaporative loss.
- A person wishing to make application for a transfer of a water right under this chapter shall comply with RCW 90.03.380. A contract may allow for a permanent transfer of a portion of the original water right, or for lease agreements with set expiration dates. The applicant shall state that the contract is not permanent in the application if the contract is not permanent.

- 1 The transferred portion has the same date of priority as the water
- 2 right from which it originated, but between them the transferred
- 3 portion of the right is inferior in priority unless otherwise provided
- 4 by the parties in the contract.
- 5 The department shall maintain a record of contracts with the
- 6 certificate of water right for the transferred water.
- 7 NEW SECTION. Sec. 20. The department shall adopt rules, in
- 8 accordance with chapter 34.05 RCW and by July 1, 1994, for procedures
- 9 to be used to facilitate the processing of requests for water right
- 10 transfers made under this chapter and to establish a streamlined
- 11 procedure to quantify the reduction in the evaporative loss. In
- 12 developing streamlined procedures, the department may use data from the
- 13 United States soil conservation service or the Washington state
- 14 cooperative extension service to base calculations of reduction in
- 15 evaporative loss in various regions of the state.
- 16 The rules may establish procedures for the department to make
- 17 preliminary findings that can be used as an initial basis for
- 18 developing contracts by applicants.
- 19 <u>NEW SECTION.</u> **Sec. 21.** An applicant shall accompany an application
- 20 for a water right transfer under this chapter with a fee of six hundred
- 21 twenty-five dollars.
- 22 <u>NEW SECTION.</u> **Sec. 22.** In processing applications for transfers of
- 23 portions of water rights under this chapter, if the department is
- 24 unable to conclusively determine the validity of the original water
- 25 right, the department may include a presumption of validity in the
- 26 certificate of water rights. The presumption must provide to the
- 27 contract purchaser the same right to the use of water as the holder of
- 28 the original water right.
- 29 The presumption of validity may not be used as evidence as to the
- 30 existence or nonexistence in a water right adjudication conducted under
- 31 chapter 90.03 RCW.
- 32 <u>NEW SECTION.</u> **Sec. 23.** A holder of a water right may voluntarily
- 33 enter into a contract with the department. The department may utilize
- 34 funds available from chapter 43.99E RCW to purchase water savings made
- 35 available under this chapter. The department shall utilize the same

- 1 methods of calculating water that is transferrable to another party
- 2 under this chapter in determining the amount of water that is
- 3 transferrable to the state. If additional net water saved is available
- 4 for the benefit of only a stream segment, the calculations may be made
- 5 on a case-by-case basis while assuring no detriment to existing water
- 6 users occurs.
- 7 <u>NEW SECTION.</u> **Sec. 24.** A holder of a valid water right who
- 8 installs a trickle irrigation system may apply for a transfer of the
- 9 reduction in evaporative loss, plus any additional net water savings,
- 10 for the irrigation of an additional parcel of previously unirrigated
- 11 land, to land with less senior water rights, or that lacks a full and
- 12 sufficient supply. The application must be processed based upon the
- 13 same criteria as if the transfer were to be made to another person.
- 14 NEW SECTION. Sec. 25. This chapter may be known and cited as the
- 15 agricultural water conservation incentives act.
- 16 <u>NEW SECTION.</u> **Sec. 26.** Sections 18 through 25 of this act shall
- 17 constitute a new chapter in Title 90 RCW."
- 18 Renumber the remaining sections consecutively and correct any
- 19 internal references accordingly.
- 20 **ESHB 1309** S AMD TO NAT COMM AMD (1309-S.E AMS NAT S3062.1)
- 21 By Senator McDonald

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- On page 8, line 24 of the title amendment, after "28A RCW;" insert
- 24 "adding a new chapter to Title 90 RCW;"

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