

**SENATE BILL REPORT**

**SB 5529**

**AS OF FEBRUARY 15, 1993**

**Brief Description:** Establishing fees for certain water rights.

**SPONSORS:** Senator Fraser; by request of Department of Ecology

**SENATE COMMITTEE ON ECOLOGY & PARKS**

**Staff:** Cathy Baker (786-7708)

**Hearing Dates:** February 12, 1993

**BACKGROUND:**

A water right is a legal right issued in perpetuity to make beneficial use of water. Under the State Water Code, a water right is required for any use of surface water and for all but smaller groundwater withdrawals. The Department of Ecology is responsible for processing applications for water rights.

In considering whether to issue a permit for development of a new water right, existing water law requires that the state determine whether the proposed use is beneficial, whether the water is available, whether the use would impair any existing water rights, and whether the use would be detrimental to the public interest. Water rights applications that do not meet these tests may be denied. After reviewing records and conducting field investigations to determine whether an application meets the above tests, the department issues a decision in a written report of examination.

If the decision is accepted by the applicant, a permit is issued upon payment of required fees. The permit allows the water system to be built and for water to be put to beneficial use. Once the water has been used for a period of time, an official certificate of water right is issued to the applicant.

In the last several years the number of applications for water rights has increased significantly. In 1985, the department received 800 new applications; in 1990, 1500 new applications were received, and in 1992, 1835 new applications were received. The average waiting period increased from 1.5 years in 1985 to 2.5 years in 1992.

Fees for water rights applications are specified by statute and have not changed substantially in the last 75 years. The Water Resources Program at the Department of Ecology is heavily dependent on state general fund appropriations. In the 1991-93 biennium, 91 percent of the program was supported by general fund dollars. Fees collected for water rights

applications represent less than 2 percent of the cost of administering the program.

Submitted by request of the Department of Ecology, this bill is based on a proposal in the Gardner administration's 1993-95 budget package. The proposal calls for increases in water rights fees in order to offset reductions in general fund revenues, provide for enhancements in data management, and accelerate permit processing.

**SUMMARY:**

Fees are established in statute for water rights applications processed by the Department of Ecology. Fees are increased for filing applications, examinations, permits, and changes and transfers of water rights.

For new applications filed after December 31, 1992, there is a \$100 filing fee. Examination fees range from \$140 for small projects to a maximum of \$140,000 for large projects. Permit fees are \$100 or one-half of examination fees, whichever is greater.

For applications filed on or before December 31, 1992, there is a fee of \$100 or one-half of corresponding fees for new applications.

For change applications filed after December 31, 1992, there is a \$100 filing fee, and an examination fee of \$100 or one-half of corresponding fee for a new water right, whichever is greater. The change authorization fee is \$100 or one-half the permit fee for a new water right, whichever is greater.

A 25 percent surcharge is added to water rights applications for existing projects established without prior approval.

Examination fees for reservoir applications are increased to \$500 or \$1 per acre foot, whichever is greater, but not to exceed \$140,000.

The department shall provide each applicant with a report regarding the status of their application no later than one year following submittal of a complete application. Applications will not be processed until fees are paid in full.

The department shall submit a report to the Legislature every other year showing information on fees collected, expenses incurred, and anticipated expenses.

**Appropriation:** none

**Revenue:** yes

**Fiscal Note:** available