## SENATE BILL REPORT

## SB 5783

As Reported By Senate Committee On: Agriculture & Environment, March 5, 1997

**Title:** An act relating to public water systems.

**Brief Description:** Changing provisions relating to public water systems.

**Sponsors:** Senators Swecker, Haugen, Anderson, Rasmussen and Morton.

**Brief History:** 

Committee Activity: Agriculture & Environment: 2/26/97, 3/5/97 [DPS].

## SENATE COMMITTEE ON AGRICULTURE & ENVIRONMENT

**Majority Report:** That Substitute Senate Bill No. 5783 be substituted therefor, and the substitute bill do pass.

Signed by Senators Morton, Chair; Swecker, Vice Chair; McAuliffe, Oke and Rasmussen.

**Staff:** Bob Lee (786-7404)

**Background:** Current statutory procedure for processing water right applications include a requirement that actual construction work for a project for which a water right permit has been granted is to be commenced within a reasonable time as prescribed by the department. Such construction work is to proceed with diligence and be completed within the time prescribed by the department. In fixing the time for commencement and completion of the work, the department is to take into consideration the cost and magnitude of the project, the engineering and physical features to be encountered and is to allow such time that is reasonable and just.

Also, the department is to grant extensions of the construction schedule when good cause is shown having regard for the good faith of the applicant and the public interests affected.

Once a water right permit is issued, construction work can begin and the water can be placed to beneficial use. Once the water has been deemed to have been placed to beneficial use, a certificate of water right is to be issued. There have been different interpretations as to the proper way to measure the quantity of water that has been placed to beneficial use for municipal water systems: whether it is based on the installed capacity of facilities that have been constructed, or based on the amount that has been actually delivered and placed to beneficial use.

Under the Growth Management Act, the development of comprehensive plans are required in counties who meet certain population criteria. Other counties may choose to plan under the act. Based upon population projection by the Office of Financial Management, counties that are required or have opted to plan under the act are to specify urban growth areas that

accommodates the urban growth that is projected to occur in the county for the succeeding 20 year period. Also required is a utility plan element that is to consist of the location and capacity of all existing and proposed utilities. The capital facilities plan element is to show how capital facilities will be financed for the upcoming six year period.

Water rights held for municipal water supply purposes are exempt from the use it or lose it— provisions of the state water law. Currently, there is no definition of "municipal purpose" or "municipal water supply purposes" in either the Surface or Ground Water Codes.

**Summary of Substitute Bill:** A statement of legislative findings concludes that it is in the public interest that public water systems be allowed to prolong and maximize the use of water rights applied to municipal purposes consistent with population demand projections, to promote water conservation and to eliminate disincentives for investments in water efficient technology.

In fixing and granting extensions to construction schedules for public water systems in urban growth areas for application of water to beneficial use, the Department of Ecology is to take into consideration the term and amount of financing required to complete the project, delays that may result from planned and existing conservation measures, and the supply needs of the public water system's service area as determined in comprehensive land use plans. Demand projections are to be for a 20-year period.

For public water supplies designed to accommodate future growth as defined by a state-approved water system plan, the amount of water applied to beneficial use, at the time the certificate of water right is issued, is to be based on (1) installed capacity and (2) on a 20-year growth projection contained in the most current state-approved water system plan. This requirement applies to water rights existing on the effective date of this act, and to water rights that are issued in the future. This requirement does not apply to water rights for which final adjudication decrees have been entered.

**Substitute Bill Compared to Original Bill:** The definition of municipal water supply purposes to include water systems with two or more connections is deleted, resulting in no change to current law regarding relinquishment.

The planning period for demand projections is specified to be 20 years.

The new provisions relating to fixing construction schedules and using the capacity of diversion structures to determine the quantity of water applied to beneficial use for purposes of issuing a certificate of water right are each limited to public water systems located in urban growth areas.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

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**Testimony For:** The requirements of the Growth Management Act should be factored into water resource management decisions. It is unfair to place local water supply entities under a state mandate to accommodate future growth and for the state not to provide water necessary to meet these growth requirements.

**Testimony Against:** The proposed definition of municipal water supply purpose to include all public water systems with two or more connections is too inclusive. Concerns were expressed about what happens if there just isn't sufficient water to meet population growth demands and what effect there will be on instream flows.

**Testified:** Steve Lindstrom, Sno-King Water District Coalition (pro); Judy Turpin, Washington Environmental Council; Karla Kay Fullerton, Washington Cattlemen's Association (con).