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SENATE BILL 6757

State of Washington

55th Legislature

1998 Regular Session

By Senator Morton

Read first time 02/10/98. Referred to Committee on Agriculture & Environment.

- AN ACT Relating to water; amending RCW 43.21B.110, 43.21B.300, 1 2 43.21B.310, 43.27A.090, 90.03.247, 90.03.250, 90.03.290, 90.03.345, 3 90.03.380, 90.03.383, 90.14.041, 90.14.065, 90.14.071, 90.14.130, 4 90.14.190, 90.40.090, 90.44.100, 90.44.445, 90.54.020, 90.54.180, 5 43.84.092, 90.03.470, 90.03.340, 90.03.270, 90.03.280, 90.03.320, 90.03.260, 90.44.060, and 89.30.001; amending 1993 c 495 s 3 6 7 (uncodified); adding new sections to chapter 43.27A RCW; adding new 8 sections to chapter 90.03 RCW; adding a new section to chapter 89.08 RCW; adding new sections to chapter 90.14 RCW; adding a new section to 9 chapter 90.44 RCW; adding a new section to chapter 70.119A RCW; adding 10 a new section to chapter 43.21B RCW; creating new sections; recodifying 11 12 RCW 43.21A.067; decodifying RCW 90.14.043; repealing RCW 43.21A.064 and 90.03.471; making an appropriation; providing an effective date; and 13 14 providing an expiration date.
- 15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. A new section is added to chapter 43.27A RCW to read as follows:
- 18 The purpose of this section is to set forth the powers of the
- 19 director to regulate the withdrawal or diversion of public waters and

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water or water rights related thereto including regulation based on dates of priority or other pertinent factors. Regulatory actions taken under this section shall be based on examination and determination by the director or the court, as applicable, of the various water rights involved according to the department's or its successor agency's records and other records and pertinent facts. The powers set forth in this section may be exercised whether or not a general adjudication relating to the water rights involved has been conducted.

- (1) In a regulatory situation (a) where a water right or all water rights proposed for regulation by the director, as well as any right or rights of a senior priority that the proposed regulation is designed to protect, is or are embodied in a certificate or certificates issued under RCW 90.03.240, 90.03.330, 90.38.040, 90.42.040, or 90.44.060 or a permit or permits issued pursuant to RCW 90.03.290 or 90.44.060; or (b) where a flow or level has been established by rule pursuant to chapter 90.22 or 90.54 RCW; or (c) where it appears to the director that public waters are being withdrawn without any right or other appropriate authority whatsoever, the director in its discretion is authorized to regulate the right or rights under either RCW 43.27A.190 or subsection (2) of this section.
- (2) In a regulatory situation where one or more of the water rights proposed for regulation by the director, as well as any right or rights of a senior priority that the proposed regulation is designed to protect, is not or are not embodied in a permit or certificate as described in subsection (1) of this section, the director, as its sole and exclusive power to regulate, is authorized to bring an appropriate action at law or in equity, including seeking injunctive relief, as it may deem necessary. Where actions are brought in a state court, the actions shall be initiated in the superior court of the county where the point or points of diversion of the water right or rights proposed for regulation are located. If the points of diversion are located in more than one county, the director may bring the action in a county where a point of diversion is located.
- (3) Nothing in this section authorizes the director to accomplish a general adjudication of water rights proceeding or the substantial equivalent of a general adjudication of water rights. The exclusive procedure for accomplishing a general adjudication of water rights is under RCW 90.03.110 through 90.03.245 or 90.44.220.

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- 1 (4) Nothing in this section shall amend, revise, or repeal RCW 2 90.14.130 or 90.14.200.
- 3 (5) This section does not in any way modify regulatory powers 4 previously placed with the department or its successor agency except as 5 provided in subsections (1) and (2) of this section.
- 6 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 90.03 RCW 7 to read as follows:
- 8 Beginning six months after the effective date of this act, the 9 director must make a final determination on water rights applications within twelve months in areas without a regional water resource plan 10 11 and within three months for applications in areas with a regional water 12 resource plan. Any applications pending six months after the effective date of this act will be deemed to have been filed six months after the 13 14 effective date of this act for purposes of the time limits established by this section. 15
- 16 **Sec. 3.** RCW 43.21B.110 and 1993 c 387 s 22 are each amended to 17 read as follows:
- 18 (1) The <u>pollution control</u> hearings board shall only have 19 jurisdiction to hear and decide appeals from the following decisions of 20 the department, the director, the administrator of the office of marine 21 safety, and the air pollution control boards or authorities as 22 established pursuant to chapter 70.94 RCW, or local health departments:
- 23 (a) Civil penalties imposed pursuant to RCW 18.104.155, 70.94.431, 70.105.080, 70.107.050, 88.46.090, 90.03.600, 90.48.144, 90.56.310, and 90.56.330.
- 26 (b) Orders issued pursuant to RCW 18.104.043, 18.104.060, 27 43.27A.190, 70.94.211, 70.94.332, 70.105.095, 86.16.020, 88.46.070, 28 90.14.130, and 90.48.120.
- (c) The issuance, modification, or termination of any permit, certificate, or license by the department or any air authority in the exercise of its jurisdiction, including the issuance or termination of a waste disposal permit, the denial of an application for a waste disposal permit, or the modification of the conditions or the terms of a waste disposal permit.
- 35 (d) Decisions of local health departments regarding the grant or 36 denial of solid waste permits pursuant to chapter 70.95 RCW.

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- 1 (e) Decisions of local health departments regarding the issuance 2 and enforcement of permits to use or dispose of biosolids under RCW 3 70.95J.080.
- 4 (f) Any other decision by the department, the administrator of the office of marine safety, or an air authority which pursuant to law must be decided as an adjudicative proceeding under chapter 34.05 RCW.
- 7 (2) The jurisdiction of the pollution control hearings board is 8 limited as follows:
- 9 <u>(a) The hearings board has no jurisdiction to review department</u>
 10 <u>decisions on water permits or water rights if a person elects to</u>
 11 <u>proceed in superior court.</u>
- 12 <u>(b)</u> The following hearings shall not be conducted by the hearings 13 board:
- $((\frac{a}{a}))$ (i) Hearings required by law to be conducted by the shorelines hearings board pursuant to chapter 90.58 RCW.
- 16 $((\frac{b}{b}))$ (ii) Hearings conducted by the department pursuant to RCW 17 70.94.332, 70.94.390, 70.94.395, 70.94.400, 70.94.405, 70.94.410, and 18 90.44.180.
- (((c))) (iii) Proceedings by the department relating to general adjudications of water rights pursuant to chapter 90.03 or 90.44 RCW.
- 21 $((\frac{d}{d}))$ (iv) Hearings conducted by the department to adopt, modify, 22 or repeal rules.
- 23 (3) Review of rules and regulations adopted by the hearings board 24 shall be subject to review in accordance with the provisions of the 25 Administrative Procedure Act, chapter 34.05 RCW.
- 26 **Sec. 4.** RCW 43.21B.300 and 1993 c 387 s 23 are each amended to 27 read as follows:
- (1) Any civil penalty provided in RCW 18.104.155, 70.94.431, 28 29 70.105.080, 70.107.050, 88.46.090, 90.03.600, 90.48.144, 90.56.310, and 30 90.56.330 shall be imposed by a notice in writing, either by certified mail with return receipt requested or by personal service, to the 31 32 person incurring the penalty from the department, the administrator of the office of marine safety, or the local air authority, describing the 33 34 violation with reasonable particularity. Within fifteen days after the notice is received, the person incurring the penalty may apply in 35 36 writing to the department, the administrator, or the authority for the remission or mitigation of the penalty. Upon receipt of the 37 application, the department, the administrator, or authority may remit 38

or mitigate the penalty upon whatever terms the department, the administrator, or the authority in its discretion deems proper. The department or the authority may ascertain the facts regarding all such applications in such reasonable manner and under such rules as it may deem proper and shall remit or mitigate the penalty only upon a demonstration of extraordinary circumstances such as the presence of information or factors not considered in setting the original penalty.

- (2) Any penalty imposed under this section may be appealed to the pollution control hearings board in accordance with this chapter if the appeal is filed with the hearings board and served on the department, the administrator, or authority or to superior court thirty days after receipt by the person penalized of the notice imposing the penalty or thirty days after receipt of the notice of disposition of the application for relief from penalty.
 - (3) A penalty shall become due and payable on the later of:
 - (a) Thirty days after receipt of the notice imposing the penalty;
- (b) Thirty days after receipt of the notice of disposition on application for relief from penalty, if such an application is made; or
- 19 (c) Thirty days after receipt of the notice of decision of the 20 hearings board <u>or the superior court decision</u> if the penalty is 21 appealed.
 - (4) If the amount of any penalty is not paid to the department or the administrator within thirty days after it becomes due and payable, the attorney general, upon request of the department or the administrator, shall bring an action in the name of the state of Washington in the superior court of Thurston county, or of any county in which the violator does business, to recover the penalty. If the amount of the penalty is not paid to the authority within thirty days after it becomes due and payable, the authority may bring an action to recover the penalty in the superior court of the county of the authority's main office or of any county in which the violator does business. In these actions, the procedures and rules of evidence shall be the same as in an ordinary civil action.
 - (5) All penalties recovered shall be paid into the state treasury and credited to the general fund except those penalties imposed pursuant to RCW 18.104.155, which shall be credited to the reclamation account as provided in RCW 18.104.155(7), RCW 70.94.431, the disposition of which shall be governed by that provision, RCW 70.105.080, which shall be credited to the hazardous waste control and

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- l elimination account, created by RCW 70.105.180, and RCW 90.56.330,
- 2 which shall be credited to the coastal protection fund created by RCW
- 3 90.48.390.
- 4 Sec. 5. RCW 43.21B.310 and 1992 c 73 s 3 are each amended to read 5 as follows:
- 6 (1) Except as provided in subsection (2) of this section, any order
- 7 issued by the department, the administrator of the office of marine
- 8 safety, or authority pursuant to RCW 70.94.211, 70.94.332, 70.105.095,
- 9 43.27A.190, 86.16.020, 88.46.070, or 90.48.120(2) or any provision
- 10 enacted after July 26, 1987, or any permit, certificate, or license
- 11 issued by the department may be appealed to the pollution control
- 12 hearings board if the appeal is filed with the board and served on the
- 13 department or authority within thirty days after receipt of the order.
- 14 Except as provided under chapter 70.105D RCW, this is the exclusive
- 15 means of appeal of such an order.
- 16 $((\frac{2}{2}))$ (a) The department, the administrator, or the authority in
- 17 its discretion may stay the effectiveness of an order during the
- 18 pendency of such an appeal.
- 19 (((3))) (b) At any time during the pendency of an appeal of such an
- 20 order to the board, the appellant may apply pursuant to RCW 43.21B.320
- 21 to the hearings board for a stay of the order or for the removal
- 22 thereof.
- 23 (((4))) (c) Any appeal must contain the following in accordance
- 24 with the rules of the hearings board:
- 25 $((\frac{a}{a}))$ (i) The appellant's name and address;
- 26 $((\frac{b}{b}))$ (ii) The date and docket number of the order, permit, or
- 27 license appealed;
- (((c))) (iii) A description of the substance of the order, permit,
- 29 or license that is the subject of the appeal;
- $((\frac{d}{d}))$ (iv) A clear, separate, and concise statement of every
- 31 error alleged to have been committed;
- (((++))) (v) A clear and concise statement of facts upon which the
- 33 requester relies to sustain his or her statements of error; and
- $((\frac{f}{f}))$ (vi) A statement setting forth the relief sought.
- $((\frac{5}{1}))$ (d) Upon failure to comply with any final order of the
- 36 department or the administrator, the attorney general, on request of
- 37 the department or the administrator, may bring an action in the
- 38 superior court of the county where the violation occurred or the

- 1 potential violation is about to occur to obtain such relief as 2 necessary, including injunctive relief, to insure compliance with the 3 order. The air authorities may bring similar actions to enforce their 4 orders.
- 5 (((6))) <u>(e)</u> An appealable decision or order shall be identified as 6 such and shall contain a conspicuous notice to the recipient that it 7 may be appealed only by filing an appeal with the hearings board and 8 serving it on the department within thirty days of receipt.
- 9 (2) Decisions of the department concerning water permits or water 10 rights may be appealed to the superior court in the county in which the 11 water permit would be issued if a person so elects.
- 12 NEW SECTION. Sec. 6. The regional water resource planning process must be initiated by filing a petition with the department. 13 The 14 petition must be signed by at least two local governments, tribal 15 governments, or at least one hundred persons claiming the right to water in the same water resource inventory area. The department shall 16 hold a hearing on the petition within ninety days of its receipt. The 17 18 department shall hold the hearing within the boundaries of the proposed 19 region.
- NEW SECTION. Sec. 7. The petition under section 6 of this act shall include the following:
- (1) The description of the water resource inventory area or areas that are proposed to be included in the regional planning area. A region may consist of one or more water resource inventory areas. If more than one water resource inventory area is proposed to be included in a region, the petition shall include the rationale for inclusion of the additional area or areas;
 - (2) A description of the proposed scope of the plan;

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- 29 (3) An identification of major groups, not to exceed ten groups, 30 with an interest in the basin who would serve as members of the 31 regional planning group;
- 32 (4) The method of choosing representatives from each major interest 33 group and the number of representatives from each interest group, each 34 planning group shall include at least one representative of the 35 conservation districts active in the proposed planning area;
- 36 (5) The proposed date to start the planning process and the target 37 date that the final draft regional water resource plan will be

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- 1 transmitted to the appropriate division. The planning period may not
- 2 exceed two years unless exceptional circumstances are found to exist by
- 3 the appropriate division and an extension is granted for a specified
- 4 period of time;
- 5 (6) A proposed budget and a specific proposed method to fund fifty
- 6 percent of the cost of the planning process through locally generated
- 7 funds; and
- 8 (7) A list of all local governments within the proposed regional
- 9 planning area.
- 10 <u>NEW SECTION.</u> **Sec. 8.** (1) The petition under section 6 of this act
- 11 shall be reviewed by the director for completeness. The director shall
- 12 return petitions found to be incomplete to the petitioning parties
- 13 within twenty working days of receipt, with a list of those items that
- 14 need to be completed.
- 15 (2) The director shall send a copy of the completed petition to
- 16 each unit of local government within the proposed region and interested
- 17 tribal governments, along with a notice announcing the time and date of
- 18 the hearing on the proposed petition. The notice must be sent at least
- 19 twenty working days before the hearing. Notice of the hearing shall
- 20 also be published at least once a week for two consecutive weeks in a
- 21 daily newspaper of general circulation in the region.
- 22 (3) The department shall hold a hearing on the petition as
- 23 submitted. A decision to approve or deny the petition shall be made
- 24 within one hundred twenty days from the date of the hearing. After the
- 25 hearing, the division may make changes to the proposal. The department
- 26 may approve the petition if it is determined that there is general
- 27 local support and need for initiating the planning process, and a
- 28 reasonable chance that the planning process will succeed in producing
- 29 a draft water resource plan for the region. The approval shall
- 30 establish a budget for the planning process, including a limitation on
- 31 the amount of funds to be provided by the state, which shall not exceed
- 32 fifty percent of the original budgeted amount.
- 33 <u>NEW SECTION.</u> **Sec. 9.** If the approved petition proposes
- 34 development of habitat conservation measures because there are species
- 35 that are endangered or threatened within the regional planning area,
- 36 and if the planning group so requests, the governor shall, within
- 37 thirty days of the approval, request appropriate federal agencies to

endorse under the endangered species act the development of a habitat 1 2 conservation plan for species listed or that may soon be listed as endangered or threatened. In coordination with the regional planning 3 4 group, the governor may request the federal government to enter into a 5 memorandum of understanding or cooperative agreement development and implementation of habitat conservation measures that 6 will, at a minimum, satisfy the requirements of the endangered species 7 8 act.

9 <u>NEW SECTION.</u> **Sec. 10.** Upon approval of a petition in accordance with section 8 of this act, the regional planning group as proposed in the petition shall convene and elect its own leadership. After the group is organized, it shall develop a draft final plan meeting the requirements of section 13 of this act and all rules and guidelines developed by the department.

The regional planning group shall make every effort to accommodate the concerns of all interests. Approval of the draft final plan shall be by a majority vote prior to submission of the draft final plan to the appropriate county legislative authorities under section 12 of this act.

NEW SECTION. Sec. 11. The regional planning group shall submit the draft final plan to the county legislative authorities with jurisdiction in the regional planning area. The counties in the regional planning area two public hearings on the draft final plan within sixty days of receipt of the plan.

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After all counties in the regional planning area have held the required public hearings, the regional planning group will convene to consider the public comments and potential revisions to the plan to address those comments. The regional planning group must readopt the revised plan by majority vote and then submit the final plan to the counties in the regional planning area. The county legislative authorities shall approve or reject the final plan within thirty days of its submittal.

NEW SECTION. Sec. 12. Once a final draft plan has been developed by the regional planning group and approved by each county pursuant to section 11 of this act, the department shall, within sixty days, hold a hearing on the draft plan. For regional water resource plans that

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- 1 have been submitted to the division's predecessor agency, the division
- 2 shall have one hundred eighty days from the effective date of this act
- 3 to hold a hearing on the proposed plan.
- The department shall evaluate the plan based on the following criteria:
- 6 (1) The plan can be legally implemented within existing or by 7 specific changes to state law;
- 8 (2) The plan has the general support of the community and local 9 governments within the affected planning area and of affected tribal 10 governments;
- 11 (3) Funds are available or will be requested by the department to 12 provide for the state share of the cost of implementing the plan;
- 13 (4) The plan provides for adequate protection of fish habitat in 14 the region;
- 15 (5) The plan provides adequate water for the needs of the people in 16 the basin and the economies upon which they depend as viewed by the 17 people in the basin; and
- 18 (6) The plan is consistent with the comprehensive plans adopted by 19 any of the counties within the regional planning area pursuant to the 20 growth management act.
- NEW SECTION. Sec. 13. (1) Within ninety days after the public hearing on the final draft regional water resource plan, the department shall approve the plan as submitted.
- (2) The department may approve the plan contingent upon action by the state legislature to provide adequate funding or to modify state law necessary to implement the plan. The department shall prepare any funding requests and proposed changes to state law necessary to implement approved regional water resource plans to the next session of the legislature.
- NEW SECTION. Sec. 14. The appropriate components of any new regional plans, any regional plans in existence on the effective date of this act, and any future amendments to water resource programs contained in chapters 173-501 through 173-592 WAC shall be adopted as a rule under the administrative procedure act, chapter 34.05 RCW.
- NEW SECTION. Sec. 15. A new section is added to chapter 89.08 RCW to read as follows:

- As part of the regional water resource planning process in this act, the Washington state conservation commission is eligible to receive planning moneys made available to conservation districts for development of the habitat conservation measures and conservation plans on private lands that are part of the plans adopted under sections 6 through 14 of this act, to assist in the development of conservation plans on private lands. The plans should:
- 8 (1) Be voluntary in nature;
- 9 (2) Be economically feasible to implement;
- 10 (3) Contribute to the protection and restoration of fish and 11 wildlife habitat;
- 12 (4) Demonstrate, if appropriate, a net savings of water;
- 13 (5) Not be in conflict with farm plans required under other 14 programs; and
- 15 (6) Be consistent with the watershed plan adopted under sections 6 16 through 14 of this act.
- 17 **Sec. 16.** RCW 43.27A.090 and 1988 c 127 s 25 are each amended to 18 read as follows:
- 19 The department shall be empowered as follows:
- (1) To represent the state at, and fully participate in, the activities of any basin or regional commission, interagency committee, or any other joint interstate or federal-state agency, committee or commission, or publicly financed entity engaged in the planning, development, administration, management, conservation or preservation of the water resources of the state.
- (2) To prepare the views and recommendations of the state of 26 Washington on any project, plan, or program relating to the planning, 27 development, administration, management, conservation, and preservation 28 29 of any waters located in or affecting the state of Washington, including any federal permit or license proposal, and appear on behalf 30 and present views and recommendations of the state at any 31 32 proceeding, negotiation or hearing conducted by the federal government, interstate agency, state or other agency. 33
- 34 (3) To cooperate with, assist, advise and coordinate plans with the 35 federal government and its officers and agencies, and serve as a state 36 liaison agency with the federal government in matters relating to the 37 use, conservation, preservation, quality, disposal, or control of water 38 and activities related thereto.

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1 (4) To cooperate with appropriate agencies of the federal 2 government and/or agencies of other states, to enter into contracts, 3 and to make appropriate contributions to federal or interstate projects 4 and programs and governmental bodies to carry out the provisions of 5 this chapter.

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- (5) To apply for, accept, administer and expend grants, gifts and loans from the federal government or any other entity to carry out the purposes of this chapter and make contracts and do such other acts as are necessary insofar as they are not inconsistent with other provisions hereof.
- (6) To develop and maintain a coordinated and comprehensive state 11 12 water and water resources related development plan, and adopt, with 13 regard to such plan, such policies as are necessary to insure that the waters of the state are used, conserved and preserved for the best 14 15 interest of the state. There shall be included in the state plan a 16 description of developmental objectives and a statement of the 17 recommended means of accomplishing these objectives. To the extent the director deems desirable, the plan shall integrate into the state plan, 18 19 the plans, programs, reports, research and studies of other state 20 agencies.
- (7) To assemble and correlate information relating to water supply, power development, irrigation, watersheds, water use, future possibilities of water use and prospective demands for all purposes served through or affected by water resources development.
- 25 (8) To assemble and correlate state, local and federal laws, 26 regulations, plans, programs, and policies affecting the beneficial use, disposal, pollution, control, or conservation of water, river 27 basin development, flood prevention, parks, reservations, forests, 28 29 wildlife refuges, drainage and sanitary systems, waste disposal, water 30 works, watershed protection and development, minimum in-stream flows, base flows, soil conservation, power facilities and area and municipal 31 water supply needs, and recommend suitable legislation or other action 32 33 to the legislature, the congress of the United States, or any city, 34 municipality, or to responsible state, local or federal executive 35 departments or agencies.
- 36 (9) To cooperate with federal, state, regional, interstate and 37 local public and private agencies in the making of plans for drainage, 38 flood control, use, conservation, allocation and distribution of

1 existing water supplies and the development of new water resource 2 projects.

- 3 (10) To encourage, assist and advise regional, and city and 4 municipal agencies, officials or bodies responsible for planning in 5 relation to water aspects of their programs, and coordinate local water 6 resources activities, programs, and plans.
- 7 (11) To ((promulgate)) adopt such rules ((and regulations)) as are 8 necessary to carry out the purposes of this chapter. Except for 9 administrative matters, rules authorized under this section that are 10 adopted prior to December 15th of any year shall not take effect before the end of the regular legislative session in the next year and rules 11 adopted after December 15th of any year shall not take effect before 12 the end of the regular legislative session in the second year 13 following. However, if the department votes unanimously to adopt a 14 15 rule, it shall become effective pursuant to the provision of chapter 16 34.05 RCW.
- 17 (12) To hold public hearings, and make such investigations, studies 18 and surveys as are necessary to carry out the purposes of the chapter.
- 19 (13) To subpoena witnesses, compel their attendance, administer 20 oaths, take the testimony of any person under oath and require the 21 production of any books or papers when the department deems such 22 measures necessary in the exercise of its rule-making power or in 23 determining whether or not any license, certificate, or permit shall be 24 granted or extended.
- 25 **Sec. 17.** RCW 90.03.247 and 1996 c 186 s 523 are each amended to 26 read as follows:

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Whenever an application for a permit to make beneficial use of public waters is approved relating to a stream or other water body for which minimum flows or levels have been adopted and are in effect at the time of approval, the permit shall be conditioned to protect the levels or flows. ((No agency may establish minimum flows and levels or similar water flow or level restrictions for any stream or lake of the state other than the department of ecology whose authority to establish is exclusive, as provided in chapter 90.03 RCW and RCW 90.22.010 and 90.54.040. The provisions of other statutes, including but not limited to RCW 75.20.100 and chapter 43.21C RCW, may not be interpreted in a manner that is inconsistent with this section. In establishing such minimum flows, levels, or similar restrictions, the department shall,

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during all stages of development by the department of ecology of 1 minimum flow proposals, consult with, and carefully consider the 2 3 recommendations of, the department of fish and wildlife, the department 4 of community, trade, and economic development, the department of agriculture, and representatives of the affected Indian tribes. 5 Nothing herein shall preclude the department of fish and wildlife, the 6 7 department of community, trade, and economic development, or the 8 department of agriculture from presenting its views on minimum flow 9 needs at any public hearing or to any person or agency, and the 10 department of fish and wildlife, the department of community, trade, and economic development, and the department of agriculture are each 11 empowered to participate in proceedings of the federal energy 12 regulatory commission and other agencies to present its views on 13 minimum flow needs.)) 14

15 **Sec. 18.** RCW 90.03.250 and 1987 c 109 s 83 are each amended to 16 read as follows:

Any person, municipal corporation, firm, irrigation district, association, corporation or water users' association hereafter desiring to appropriate water for a beneficial use shall make an application to the department for a permit to make such appropriation, and shall not use or divert such waters until he has received a permit from the department as in this chapter provided. The construction of any ditch, canal or works, or performing any work in connection with said construction or appropriation, or the use of any waters, shall not be an appropriation of such water nor an act for the purpose of appropriating water unless a permit to make said appropriation has first been granted by the department: PROVIDED, That a temporary permit may be granted upon a proper showing made to the department to be valid only during the pendency of such application for a permit unless sooner revoked by the department: PROVIDED, FURTHER, That nothing in this chapter contained shall be deemed to affect RCW 90.40.010 through 90.40.080 except that the notice and certificate therein provided for in RCW 90.40.030 shall be addressed to the department, and the department shall exercise the powers and perform the duties prescribed by RCW 90.40.030.

The department shall encourage the filing of a consolidated application for a complex project under a single ownership that proposes to divert or withdraw water from more than one source,

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- 1 including a combination of surface and ground water sources. The
- 2 <u>filing of a consolidated application for transfer or change of one or</u>
- 3 more water rights involving multiple sources shall also be encouraged
- 4 <u>if all of the affected diversions or withdrawals are intended to serve</u>
- 5 <u>a single project with a single ownership</u>. The department shall adopt
- 6 <u>and provide forms for consolidated applications.</u>
- 7 **Sec. 19.** RCW 90.03.290 and 1994 c 264 s 84 are each amended to 8 read as follows:
- 9 (1) When ((an)) a completed application complying with the
- 10 provisions of this chapter and with the rules ((and regulations)) of
- 11 the department has been filed, the ((same)) application shall be placed
- 12 on record with the department, and it shall be ((its)) the department's
- 13 duty to ((investigate the application, and)) determine what water, if
- 14 any, is available for appropriation, and find and determine to what
- 15 beneficial use or uses it can be applied.
- 16 The department shall investigate the application. The applicant
- 17 shall provide a completed application form. In addition to providing
- 18 the information requested on the form, however, the applicant shall
- 19 also provide such information as may be required for the department's
- 20 investigation, determinations, and findings regarding the application
- 21 and may provide additional information. The information provided by
- 22 the applicant must satisfy the protocols, that is, study plans and
- 23 criteria, established by the department for obtaining and providing the
- 24 information. If an applicant provides the information and the
- 25 protocols set by the department for obtaining and providing it have
- 26 been satisfied, the department shall review the information and may
- 27 take actions to verify that the information is accurate, but it may
- 28 not, except to replace inaccurate information, take actions that would
- 29 constitute obtaining major portions of the information anew.
- 30 (2) With regard to an application:
- 31 (a) If it is proposed to appropriate water for irrigation purposes,
- 32 the department shall investigate, determine and find what lands are
- 33 capable of irrigation by means of water found available for
- 34 appropriation.
- 35 (b) If it is proposed to appropriate water for the purpose of power
- 36 development, the department shall investigate, determine and find
- 37 whether the proposed development is likely to prove detrimental to the

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public interest, having in mind the highest feasible use of the waters belonging to the public.

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(3) If the application does not contain, and the applicant does not promptly furnish sufficient information on which to base such findings, the department may issue a preliminary permit, for a period of not to exceed three years, requiring the applicant to make such surveys, investigations, studies, and progress reports, as in the opinion of the department may be necessary. If the applicant fails to comply with the conditions of the preliminary permit, it and the application or applications on which it is based shall be automatically canceled and the applicant so notified. If the holder of a preliminary permit shall, before its expiration, file with the department a verified report of expenditures made and work done under the preliminary permit, which, in the opinion of the department, establishes the good faith, intent and ability of the applicant to carry on the proposed development, the preliminary permit may, with the approval of the governor, be extended, but not to exceed a maximum period of five years from the date of the issuance of the preliminary permit.

(4) The department shall make and file as part of the record in the matter, written findings of fact concerning all things investigated, and if it shall find that there is water available for appropriation for a beneficial use, and the appropriation thereof as proposed in the application will not impair existing rights or be detrimental to the public welfare, it shall issue a permit stating the amount of water to which the applicant shall be entitled and the beneficial use or uses to which it may be applied: PROVIDED, That where the water applied for is to be used for irrigation purposes, it shall become appurtenant only to such land as may be reclaimed thereby to the full extent of the soil for agricultural purposes. But where there is no unappropriated water in the proposed source of supply, or where the proposed use conflicts with existing rights, or threatens to prove detrimental to the public interest, having due regard to the highest feasible development of the use of the waters belonging to the public, it shall be duty of the department to reject such application and to refuse to issue the permit asked for. If the permit is refused because of conflict with existing rights and such applicant shall acquire same by purchase or condemnation under RCW 90.03.040, the department may thereupon grant such permit. Any application may be approved for a less amount of water than that applied for, if there exists substantial reason

therefor, and in any event shall not be approved for more water than 1 2 can be applied to beneficial use for the purposes named in the 3 application. In determining whether or not a permit shall issue upon 4 any application, it shall be the duty of the department to investigate 5 all facts relevant and material to the application. department approves said application in whole or in part and before any 6 7 permit shall be issued thereon to the applicant, such applicant shall 8 pay the fee provided in RCW 90.03.470: PROVIDED FURTHER, That in the 9 event a permit is issued by the department upon any application, it 10 shall be its duty to notify the director of fish and wildlife and affected federally recognized Indian tribes of such issuance. 11

12 This section does not apply to changes made under section 22 of 13 this act or to applications for transfers or changes made under RCW 14 90.03.380 or 90.44.100.

15 **Sec. 20.** RCW 90.03.345 and 1979 ex.s. c 216 s 7 are each amended 16 to read as follows:

17 Subject to section 6 of this act, the establishment of reservations 18 of water for agriculture, hydroelectric energy, municipal, industrial, 19 and other beneficial uses under RCW 90.54.050(1) or minimum flows or levels under RCW 90.22.010 or 90.54.040 shall constitute appropriations 20 within the meaning of this chapter with priority dates as of the 21 effective dates of their establishment. Whenever an application for a 22 23 permit to make beneficial use of public waters embodied in a 24 reservation, established after September 1, 1979, is filed with the 25 department of ecology after the effective date of such reservation, the priority date for a permit issued pursuant to an approval by the 26 department of ecology of the application shall be the effective date of 27 28 the reservation.

29 **Sec. 21.** RCW 90.03.380 and 1997 c 442 s 801 are each amended to 30 read as follows:

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(1) The right to the use of water which has been applied to a beneficial use in the state shall be and remain appurtenant to the land or place upon which the same is used: PROVIDED, HOWEVER, That the right may be transferred to another or to others and become appurtenant to any other land or place of use without loss of priority of right theretofore established if such change can be made without detriment or injury to existing rights. The point of diversion of water for

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beneficial use or the purpose of use may be changed, if such change can 1 2 be made without detriment or injury to existing rights. A change in the place of use, point of diversion, and/or purpose of use of a water 3 4 right to enable irrigation of additional acreage or the addition of new 5 uses may be permitted if such change results in no increase in the annual consumptive quantity of water used under the water right. 6 7 purposes of this section, "annual consumptive quantity" means the 8 estimated or actual annual amount of water diverted pursuant to the 9 water right, reduced by the estimated annual amount of return flows, 10 averaged over the most recent five-year period of continuous beneficial use of the water right. Before any transfer of such right to use water 11 or change of the point of diversion of water or change of purpose of 12 13 use can be made, any person having an interest in the transfer or change, shall file a written application therefor with the department, 14 15 and the application shall not be granted until notice of the application is published as provided in RCW 90.03.280. 16 17 appear that such transfer or such change may be made without injury or detriment to existing rights, the department shall issue to the 18 19 applicant a certificate in duplicate granting the right for such transfer or for such change of point of diversion or of use. 20 The certificate so issued shall be filed and be made a record with the 21 department and the duplicate certificate issued to the applicant may be 22 filed with the county auditor in like manner and with the same effect 23 24 as provided in the original certificate or permit to divert water. 25

- (2) If an application for change proposes to transfer water rights from one irrigation district to another, the department shall, before publication of notice, receive concurrence from each of the irrigation districts that such transfer or change will not adversely affect the ability to deliver water to other landowners or impair the financial or operational integrity of either of the districts.
- of water provided by an irrigation district need only receive approval for the change from the board of directors of the district if the use of water continues within the irrigation district((, and when water is provided by an irrigation entity that is a member of a board of joint control created under chapter 87.80 RCW, approval need only be received from the board of joint control if the use of water continues within the area of jurisdiction of the joint board and the change can be made without detriment or injury to existing rights)). The board of

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directors may approve such a change if the board determines that the 1 change: Will not adversely affect the district's ability to deliver 2 water to other landowners; will not require the construction by the 3 4 district of diversion or drainage facilities unless the board finds that the construction by the district is in the interest of the 5 district; will not impair the financial or operational integrity of the 6 district; and is consistent with the contractual obligations of the 7 8 district.

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(4) Subsections (1), (2), and (3) of this section do not apply to a change regarding a portion of the water governed by a water right that is made surplus to the beneficial uses exercised under the right through the implementation of practices or technologies, including but not limited to conveyance practices or technologies, which are more efficient or more water use efficient than those under which the right was perfected or through a change in the crops grown under the water right. The use within an irrigation district of water supplied by the district and made surplus as provided in this subsection shall be regulated solely as provided by the board of directors of the irrigation district except as follows: Such a use requires the approval of the board of directors of the irrigation district or must otherwise be authorized by the board; the board may approve or authorize such a use only if the use does not impair the financial or operational integrity of the district; and water made surplus through a change in the crops grown with district-supplied water is not available for use as a matter of right by the individual water user making the change, but may be used by the board for the benefit of the district generally. The district's board of directors may approve or otherwise authorize under this subsection uses of such surplus water that result in the total irrigated acreage within the district exceeding the irrigated acreage recorded with the department for the district's water right if the board notifies the department of the change in the irrigated acreage within the district. Such a notification provides a change in the district's water right and, upon receiving the notification, the department shall revise its records for the district's right to reflect the change. The use of water other than irrigation district-supplied water that is made surplus as provided in this subsection is governed by section 22 of this act.

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- 1 $((\frac{4}{}))$ (5) This section shall not apply to trust water rights 2 acquired by the state through the funding of water conservation 3 projects under chapter 90.38 RCW or RCW 90.42.010 through 90.42.070.
- (6) The department may not initiate relinquishment proceedings under chapter 90.14 RCW regarding a water right for which an application for a transfer or change is filed under this section for a period of two years after the date the department receives the filing.
- 8 <u>NEW SECTION.</u> **Sec. 22.** A new section is added to chapter 90.03 RCW 9 to read as follows:
- If a portion of the water governed by a water right is made surplus 10 the beneficial uses exercised under the right through the 11 implementation of practices or technologies, including but not limited 12 to conveyance practices or technologies, which are more efficient or 13 14 more water use efficient than those under which the right was perfected 15 or through a change in the crops grown under the water right, the right 16 to use the surplus water may be changed to use on other lands owned by the holder of the water right that are contiguous to the lands upon 17 18 which the use of the water was authorized by the right before such a change. Such a change shall be made without loss of priority of the 19 right. The holder of the water right shall notify the department of 20 The notification provides a change in the holder's 21 such a change. 22 water right and, upon receiving the notification, the department shall 23 revise its records for the water right to reflect the change.
- 24 This section does not apply to water supplied by an irrigation 25 district.
- 26 **Sec. 23.** RCW 90.03.383 and 1991 c 350 s 1 are each amended to read 27 as follows:
- (1) The legislature recognizes the value of interties for improving the reliability of public water systems, enhancing their management,
- 30 and more efficiently utilizing the increasingly limited resource.
- 31 Given the continued growth in the most populous areas of the state, the
- 32 increased complexity of public water supply management, and the trend
- 33 toward regional planning and regional solutions to resource issues,
- 34 interconnections of public water systems through interties provide a
- 35 valuable tool to ensure reliable public water supplies for the citizens
- 36 of the state. Public water systems have been encouraged in the past to
- 37 utilize interties to achieve public health and resource management

objectives. The legislature finds that it is in the public interest to recognize interties existing and in use as of January 1, 1991, and to have associated water rights modified by the department of ecology to reflect current use of water through those interties, pursuant to subsection (3) of this section. The legislature further finds it in the public interest to develop a coordinated process to review proposals for interties commencing use after January 1, 1991.

- 8 (2) For the purposes of this section, the following definitions 9 shall apply:
- 10 (a) "Interties" are interconnections between public water systems permitting exchange or delivery of water between those systems for 11 other than emergency supply purposes, where such exchange or delivery 12 is within established instantaneous and annual withdrawal rates 13 specified in the systems' existing water right permits or certificates, 14 15 or contained in claims filed pursuant to chapter 90.14 RCW, and which 16 results in better management of public water supply consistent with 17 existing rights and obligations. Interties include interconnections between public water systems permitting exchange or delivery of water 18 19 to serve as primary or secondary sources of supply, but do not include 20 development of new sources of supply to meet future demand.
 - (b) "Service area" is the area designated in a water system plan or a coordinated water system plan pursuant to chapter 43.20 or 70.116 RCW respectively. When a public water system does not have a designated service area subject to the approval process of those chapters, the service area shall be the designated place of use contained in the water right permit or certificate, or contained in the claim filed pursuant to chapter 90.14 RCW.

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(3) Public water systems with interties existing and in use as of 28 January 1, 1991, or that have received written approval from the 29 30 department of health prior to that date, shall file written notice of those interties with the department of health and the department of 31 ecology. The notice may be incorporated into the public water system's 32 33 five-year update of its water system plan, but shall be filed no later 34 than June 30, 1996. The notice shall identify the location of the 35 intertie; the dates of its first use; the purpose, capacity, and current use; the intertie agreement of the parties and the service 36 37 areas assigned; and other information reasonably necessary to modify the water right permit. Notwithstanding the provisions of RCW 38 90.03.380 and 90.44.100, for public water systems with interties 39

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existing and in use as of January 1, 1991, the department of ecology, upon receipt of notice meeting the requirements of this subsection, shall, as soon as practicable, modify the place of use descriptions in the water right permits, certificates, or claims to reflect the actual use through such interties, provided that the place of use is within service area designations established in a water system plan approved pursuant to chapter 43.20 RCW, or a coordinated water system plan approved pursuant to chapter 70.116 RCW, and further provided that the water used is within the instantaneous and annual withdrawal rates specified in the water right permit and that no outstanding complaints of impairment to existing water rights have been filed with the department of ecology prior to September 1, 1991. Where such complaints of impairment have been received, the department of ecology shall make all reasonable efforts to resolve them in a timely manner through agreement of the parties or through available administrative remedies.

(4) Notwithstanding the provisions of RCW 90.03.380 and 90.44.100, exchange or delivery of water through interties commencing use after January 1, 1991, shall be permitted when the intertie improves overall system reliability, enhances the manageability of the systems, provides opportunities for conjunctive use, or delays or avoids the need to develop new water sources, and otherwise meets the requirements of this section, provided that each public water system's water use shall not exceed the instantaneous or annual withdrawal rate specified in its water right authorization, shall not adversely affect existing water rights, and shall not be inconsistent with state-approved plans such as water system plans or other plans which include specific proposals for construction of interties. Interties commencing use after January 1, 1991, shall not be inconsistent with regional water resource plans developed pursuant to chapter 90.54 RCW.

(5) For public water systems subject to the approval process of chapter 43.20 RCW or chapter 70.116 RCW, proposals for interties commencing use after January 1, 1991, shall be incorporated into water system plans pursuant to chapter 43.20 RCW or coordinated water system plans pursuant to chapter 70.116 RCW and submitted to the department of health and the department of ecology for review and approval as provided for in subsections (5) through (9) of this section. The plan shall state how the proposed intertie will improve overall system reliability, enhance the manageability of the systems, provide

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opportunities for conjunctive use, or delay or avoid the need to develop new water sources.

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- (6) The department of health shall be responsible for review and approval of proposals for new interties. In its review the department of health shall determine whether the intertie satisfies the criteria of subsection (4) of this section, with the exception of water rights considerations, which are the responsibility of the department of ecology, and shall determine whether the intertie is necessary to address emergent public health or safety concerns associated with public water supply.
- (7) If the intertie is determined by the department of health to be 11 necessary to address emergent public health or safety concerns 12 13 associated with public water supply, the public water system shall amend its water system plan as required and shall file an application 14 15 with the department of ecology to change its existing water right to 16 reflect the proposed use of the water as described in the approved The department of ecology shall process the 17 water system plan. application for change pursuant to RCW 90.03.380 or 90.44.100 as 18 19 appropriate, except that, notwithstanding the requirements of those 20 sections regarding notice and protest periods, applicants shall be required to publish notice one time, and the comment period shall be 21 fifteen days from the date of publication of the notice. Within sixty 22 days of receiving the application, the department of ecology shall 23 24 issue findings and advise the department of health if existing water 25 rights are determined to be adversely affected. If no determination is 26 provided by the department of ecology within the sixty-day period, the 27 department of health shall proceed as if existing rights are not adversely affected by the proposed intertie. The department of ecology 28 29 may obtain an extension of the sixty-day period by submitting written 30 notice to the department of health and to the applicant indicating a 31 definite date by which its determination will be made. No additional extensions shall be granted, and in no event shall the total review 32 period for the department of ecology exceed one hundred eighty days. 33
 - (8) If the department of health determines the proposed intertie appears to meet the requirements of subsection (4) of this section but is not necessary to address emergent public health or safety concerns associated with public water supply, the department of health shall instruct the applicant to submit to the department of ecology an application for change to the underlying water right or claim as

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- necessary to reflect the new place of use. The department of ecology 1 2 shall consider the applications pursuant to the provisions of RCW 90.03.380 and 90.44.100 as appropriate. If in its review of proposed 3 4 interties and associated water rights the department of ecology determines that additional information is required to act on the 5 application, the department may request applicants 6 to provide 7 information necessary for its decision, consistent with agency rules and written guidelines. Parties disagreeing with the decision of the 8 9 department of ecology on the application for change in place of use may 10 appeal the decision to the pollution control hearings board or a superior court. 11
- 12 (9) The department of health may approve plans containing intertie 13 proposals prior to the department of ecology's decision on the water 14 right application for change in place of use. However, notwithstanding 15 such approval, construction work on the intertie shall not begin until 16 the department of ecology issues the appropriate water right document 17 to the applicant consistent with the approved plan.
- 18 **Sec. 24.** RCW 90.14.041 and 1997 c 440 s 2 are each amended to read 19 as follows:
- (1) All persons using or claiming the right to withdraw or divert 20 and make beneficial use of public surface or ground waters of the 21 state, except as provided in this section((, RCW 90.14.043,)) and RCW 22 23 90.14.068, shall file with the department of ecology not later than 24 June 30, 1974, a statement of claim for each water right asserted on a 25 form provided by the department. Neither this section nor RCW 90.14.068 apply to any water rights which are based on the authority of 26 27 a permit or certificate issued by the department of ecology or one of Further, RCW 90.14.068 does not apply to the 28 its predecessors. 29 beneficial uses of water which are the subject of statements of claim 30 in the water rights claims registry prior to September 1, 1997, or which are exempted from permit and application requirements by RCW 31 90.44.050 and neither this section nor RCW 90.14.068 requires that 32 33 statements of claims for such uses be filed during the filing period 34 established by RCW 90.14.068.
 - (2) Any person who placed water to beneficial use for irrigation or stock watering purposes before January 1, 1996, for which a permit or certificate was not issued by the department of ecology or its predecessor, holds a water right subject to the following conditions:

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- 1 (a) The priority date shall be the effective date of this act; (b) the
- 2 amount of water withdrawn may not exceed the maximum annual amount put
- 3 to beneficial use during the five-year period before January 1, 1996;
- 4 (c) there must not have been a period of nonuse for five consecutive
- 5 years; and (d) the person must have filed an application for a water
- 6 right or a transfer of a water right with the department of ecology
- 7 before December 31, 1997.
- 8 **Sec. 25.** RCW 90.14.065 and 1987 c 93 s 1 are each amended to read 9 as follows:
- Any person or entity, or successor to such person or entity, having
- 11 a statement of claim on file with the water rights claims registry on
- 12 April 20, 1987, may submit to the department of ecology for filing, an
- 13 amendment to such a statement of claim if the submitted amendment is
- 14 based on:
- 15 (1) An error in estimation of the quantity of the applicant's water
- 16 claim prescribed in RCW 90.14.051 if the applicant provides reasons for
- 17 the failure to claim such right in the original claim;
- 18 (2) A change in circumstances not foreseeable at the time the
- 19 original claim was filed, if such change in circumstances relates only
- 20 to the manner of transportation or diversion of the water and not to
- 21 the use or quantity of such water; or
- 22 (3) The amendment is ministerial in nature.
- 23 The department shall accept any such submission and file the same
- 24 in the registry unless the department by written determination
- 25 concludes that the requirements of subsection (1), (2), or (3) of this
- 26 section have not been satisfied. Any person aggrieved by a
- 27 determination of the department may obtain a review thereof by filing
- 28 a petition for review with the pollution control hearings board or
- 29 <u>superior court</u>, if a person so elects, within thirty days of the date
- 30 of the determination by the department. The provisions of RCW
- 31 90.14.081 shall apply to any amendment filed under this section.
- 32 **Sec. 26.** RCW 90.14.071 and 1997 c 440 s 3 are each amended to read
- 33 as follows:
- 34 Except as provided in section ((5)) 36 of this act or as exempted
- 35 from filing by RCW 90.14.041, any person claiming the right to divert
- 36 or withdraw waters of the state as set forth in RCW 90.14.041, who
- 37 fails to file a statement of claim as provided in RCW 90.14.041((-

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- 1 90.14.043,)) or 90.14.068 and in RCW 90.14.051 and 90.14.061, shall be
- 2 conclusively deemed to have waived and relinquished any right, title,
- 3 or interest in said right.

4 **Sec. 27.** RCW 90.14.130 and 1987 c 109 s 13 are each amended to 5 read as follows:

When it appears to the department of ecology that a person entitled 6 7 to the use of water has not beneficially used his or her water right or 8 some portion thereof, and it appears that said right has or may have 9 reverted to the state because of such nonuse, as provided by RCW 90.14.160, 90.14.170, or 90.14.180, the department of ecology shall 10 notify such person by order: PROVIDED, That where a company, 11 12 association, district, or the United States has filed a blanket claim under the provisions of RCW 90.14.060 for the total benefits of those 13 14 served by it, the notice shall be served on such company, association, 15 district or the United States and not upon any of its individual water users who may not have used the water or some portion thereof which 16 they were entitled to use. The order shall contain: (1) A description 17 18 of the water right, including the approximate location of the point of 19 diversion, the general description of the lands or places where such waters were used, the water source, the amount involved, the purpose of 20 21 use, and the apparent authority upon which the right is based; (2) a 22 statement that unless sufficient cause be shown on appeal the water 23 right will be declared relinquished; and (3) a statement that such 24 order may be appealed to the pollution control hearings board or 25 superior court, if a person so elects. Any person aggrieved by such an order may appeal it to the pollution control hearings board or the 26 superior court in the county where the land is located upon which the 27 water was used. Any such appeal to superior court shall be de novo, 28 pursuant to RCW 43.21B.310. The order shall be served by registered or 29 30 certified mail to the last known address of the person and be posted at the point of division or withdrawal. The order by itself shall not 31 32 alter the recipient's right to use water, if any.

33 **Sec. 28.** RCW 90.14.190 and 1987 c 109 s 14 are each amended to 34 read as follows:

Any person feeling aggrieved by any decision of the department of ecology may have the same reviewed pursuant to RCW 43.21B.310. In any such review, the findings of fact as set forth in the report of the

- department of ecology shall be prima facie evidence of the fact of any 2 waiver or relinquishment of a water right or portion thereof. hearings board affirms the decision of the department, a party seeks 3 4 review in superior court of that hearings board decision pursuant to 5 chapter 34.05 RCW, and the court determines that the party was injured by an arbitrary, capricious, or erroneous order of the department, the 6 7 court may award reasonable attorneys' fees. Any order regarding the 8 relinquishment of a water right shall be appealed pursuant to RCW 9 90.14.130.
- 10 RCW 90.40.090 and 1988 c 127 s 83 are each amended to 11 read as follows:
- An application filed by the department of ecology or its assignee, 12 13 the United States Bureau of Reclamation, for a permit to appropriate 14 waters of the Columbia River under chapter 90.03 RCW, for the 15 development of the Grand Coulee project shall be perfected in the same 16 manner and to the same extent as though such appropriation had been 17 made by a private person, corporation, or association((, but no fees, 18 as provided for in RCW 90.03.470, shall be required)).
- Sec. 30. RCW 90.44.100 and 1997 c 316 s 2 are each amended to read 19 20 as follows:
- 21 (1) After an application to, and upon the issuance by the 22 department of an amendment to the appropriate permit or certificate of 23 ground water right, the holder of a valid right to withdraw public 24 ground waters may, without losing the holder's priority of right, construct wells or other means of withdrawal at a new location in substitution for or in addition to those at the original location, or 27 the holder may change the manner or the place of use of the water.

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(2) An amendment to construct replacement or a new additional well 29 or wells at a location outside of the location of the original well or wells or to change the manner or place of use of the water shall be 30 issued only after publication of notice of the application and findings as prescribed in the case of an original application. Such amendment 33 shall be issued by the department only on the conditions that: (a) The additional or replacement well or wells shall tap the same body of 34 35 public ground water as the original well or wells; (b) where a replacement well or wells is approved, the use of the original well or 36 37 wells shall be discontinued and the original well or wells shall be

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properly decommissioned as required under chapter 18.104 RCW; (c) where 1 an additional well or wells is constructed, the original well or wells 2 may continue to be used, but the combined total withdrawal from the 3 4 original and additional well or wells shall not enlarge the right conveyed by the original permit or certificate; and (d) other existing 5 rights shall not be impaired. The department may specify an approved 6 7 manner of construction and shall require a showing of compliance with 8 the terms of the amendment, as provided in RCW 90.44.080 in the case of 9 an original permit.

- 10 (3) The construction of a replacement or new additional well or wells at the location of the original well or wells shall be allowed 11 without application to the department for an amendment. However, the 12 following apply to such a replacement or new additional well: (a) The 13 well shall tap the same body of public ground water as the original 14 15 well or wells; (b) if a replacement well is constructed, the use of the 16 original well or wells shall be discontinued and the original well or 17 wells shall be properly decommissioned as required under chapter 18.104 RCW; (c) if a new additional well is constructed, the original well or 18 19 wells may continue to be used, but the combined total withdrawal from the original and additional well or wells shall not enlarge the right 20 conveyed by the original water use permit or certificate; (d) the 21 construction and use of the well shall not interfere with or impair 22 water rights with an earlier date of priority than the water right or 23 24 rights for the original well or wells; (e) the replacement or 25 additional well shall be located no closer than the original well to a 26 well it might interfere with; (f) the department may specify an approved manner of construction of the well; and (g) the department 27 shall require a showing of compliance with the conditions of this 28 29 subsection (3).
- 30 (4) As used in this section, the "location of the original well or wells" is the area described as the point of withdrawal in the original public notice published for the application for the water right for the well.
- (5) This section does not apply to a change in use of a portion of the water governed by a ground water right that is made surplus to the beneficial uses exercised under the right through the implementation of practices or technologies, including but not limited to conveyance practices or technologies, which are more efficient or more water use efficient than those under which the right was perfected or through a

- 1 change in the crops grown under the water right. RCW 90.03.380(4) and
- 2 section 22 of this act apply to water made surplus as provided in this
- 3 subsection.
- 4 (6) The department may not initiate relinquishment proceedings
- 5 <u>under chapter 90.14 RCW regarding a water right for which an</u>
- 6 application for a transfer or change is filed under this section for a
- 7 period of two years after the date the department receives the filing.
- 8 **Sec. 31.** RCW 90.44.445 and 1993 c 99 s 1 are each amended to read 9 as follows:
- 10 In any acreage expansion program adopted by the department as an
- 11 element of a ground water management program, the authorization for a
- 12 water right certificate holder to participate in the program shall be
- 13 on an annual basis for the first two years. After the two-year period,
- 14 the department may authorize participation for ten-year periods. The
- 15 department may authorize participation for ten-year periods for
- 16 certificate holders who have already participated in an acreage
- 17 expansion program for two years. The department may require annual
- 18 certification that the certificate holder has complied with all
- 19 requirements of the program. The department may terminate the
- 20 authority of a certificate holder to participate in the program for one
- 21 calendar year if the certificate holder fails to comply with the
- 22 requirements of the program.
- 23 This section applies only in an area with a ground water area or
- 24 subarea management program in effect on the effective date of this act.
- 25 The provisions of section 22 of this act, RCW 90.03.380, and 90.44.100
- 26 apply to transfers, changes, and amendments to permits or rights for
- 27 the beneficial use of ground water in any other area.
- 28 **Sec. 32.** RCW 90.54.020 and 1997 c 442 s 201 are each amended to
- 29 read as follows:
- 30 Utilization and management of the waters of the state shall be
- 31 guided by the following general declaration of fundamentals:
- 32 (1) Uses of water for domestic, stock watering, industrial,
- 33 commercial, agricultural, irrigation, hydroelectric power production,
- 34 mining, fish and wildlife maintenance and enhancement, recreational,
- 35 and thermal power production purposes, and preservation of
- 36 environmental and aesthetic values, and all other uses compatible with

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- 1 the enjoyment of the public waters of the state, are declared to be 2 beneficial.
- 3 (2) Allocation of waters among potential uses and users shall be 4 based generally on the securing of the maximum net benefits for the 5 people of the state. Maximum net benefits shall constitute total 6 benefits less costs including opportunities lost.
- 7 (3) The quality of the natural environment shall be protected and, 8 where possible, enhanced as follows:
- 9 (a) Perennial rivers and streams of the state shall be retained 10 with base flows necessary to provide for preservation of wildlife, scenic, aesthetic and other environmental values, and 11 navigational values. Lakes and ponds shall be retained substantially 12 in their natural condition. Withdrawals of water which would conflict 13 therewith shall be authorized only in those situations where it is 14 15 clear that overriding considerations of the public interest will be 16 served.
- 17 (b) Waters of the state shall be of high quality. Regardless of the quality of the waters of the state, all wastes and other materials 18 19 and substances proposed for entry into said waters shall be provided 20 with all known, available, and reasonable methods of treatment prior to entry. Notwithstanding that standards of quality established for the 21 waters of the state would not be violated, wastes and other materials 22 and substances shall not be allowed to enter such waters which will 23 24 reduce the existing quality thereof, except in those situations where 25 it is clear that overriding considerations of the public interest will be served. Technology-based effluent limitations or standards for 26 27 discharges for municipal water treatment plants located on the Chehalis, Columbia, Cowlitz, Lewis, or Skagit river shall be adjusted 28 to reflect credit for substances removed from the plant intake water 29 30 if:
- (i) The municipality demonstrates that the intake water is drawn from the same body of water into which the discharge is made; and
- (ii) The municipality demonstrates that no violation of receiving water quality standards or appreciable environmental degradation will result.
- (4) ((The development of multipurpose water storage facilities shall be a high priority for programs of water allocation, planning, management, and efficiency. The department, other state agencies, local governments, and planning units formed under section 107 or 108

of this act shall evaluate the potential for the development of new 1 storage projects and the benefits and effects of storage in reducing 2 damage to stream banks and property, increasing the use of land, 3 4 providing water for municipal, industrial, agricultural, power generation, and other beneficial uses, and improving stream flow 5 regimes for fisheries and other instream uses)) Development of 6 7 multipurpose storage facilities shall be a high priority for programs 8 of water allocation, planning, management, and efficiency. Federal, state, and local governments, individuals, corporations, regional 9 planning groups formed pursuant to sections 6 through 10 of this act, 10 and other entities shall evaluate the potential for development of new 11 storage projects and the benefits of storage that can reduce the damage 12 to stream banks and property, increase the utilization of land, provide 13 14 water for municipal, industrial, agricultural, and other beneficial uses, provide for the generation of electric power from renewable 15 resources, and improve stream flow regimes for fishery and other 16 17 instream uses.

- 18 (5) Adequate and safe supplies of water shall be preserved and 19 protected in potable condition to satisfy human domestic needs.
- 20 (6) Multiple-purpose impoundment structures are to be preferred 21 over single-purpose structures. Due regard shall be given to means and 22 methods for protection of fishery resources in the planning for and 23 construction of water impoundment structures and other artificial 24 obstructions.
- governments, individuals, 25 (7) Federal, state, and local 26 corporations, groups and other entities shall be encouraged to carry 27 out practices of conservation as they relate to the use of the waters 28 of the state. In addition to traditional development approaches, 29 improved water use efficiency and conservation shall be emphasized in the management of the state's water resources and in some cases will be 30 31 a potential new source of water with which to meet future needs throughout the state. 32
 - (8) Development of water supply systems, whether publicly or privately owned, which provide water to the public generally in regional areas within the state shall be encouraged. Development of water supply systems for multiple domestic use which will not serve the public generally shall be discouraged where water supplies are available from water systems serving the public.

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- 1 (9) Full recognition shall be given in the administration of water 2 allocation and use programs to the natural interrelationships of 3 surface and ground waters.
- 4 (10) Expressions of the public interest will be sought at all 5 stages of water planning and allocation discussions.
- 6 (11) Water management programs, including but not limited to, water 7 quality, flood control, drainage, erosion control and storm runoff are 8 deemed to be in the public interest.
- 9 **Sec. 33.** RCW 90.54.180 and 1989 c 348 s 5 are each amended to read 10 as follows:
- Consistent with the fundamentals of water resource policy set forth 11 12 and local in this chapter, state governments, individuals, corporations, groups and other entities shall be encouraged to carry 13 14 out water use efficiency and conservation programs and practices 15 consistent with the following:
- (1) Water efficiency and conservation programs should utilize an appropriate mix of economic incentives, cost share programs, regulatory programs, and technical and public information efforts. Programs which encourage voluntary participation are preferred.
 - (2) Increased water use efficiency should receive consideration as a potential source of water in state and local water resource planning processes. In determining the cost-effectiveness of alternative water sources, consideration should be given to the benefits of conservation, including waste water recycling, and ((impoundment)) storage of waters.
 - (3) In determining the cost-effectiveness of alternative water sources, full consideration should be given to the benefits of storage which can reduce the damage to stream banks and property, increase the utilization of land, provide water for municipal, industrial, agricultural, and other beneficial uses, provide for the generation of electric power from renewable resources, and improve stream flow regimes for fishery and other instream uses.
- (4) Entities receiving state financial assistance for construction 32 33 of water source expansion or acquisition of new sources shall develop, 34 and implement if cost-effective, a water use efficiency and conservation element of a water 35 supply plan pursuant RCW 36 43.20.230(1).
- 37 (5) State programs to improve water use efficiency should focus on 38 those areas of the state in which water is overappropriated; areas that

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- experience diminished streamflows or aquifer levels; and areas where projected water needs, including those for instream flows, exceed available supplies.
- 4 (6) Existing and future generations of citizens of the state of 5 Washington should be made aware of the importance of the state's water resources and the need for wise and efficient use and development of 6 7 this vital resource. In order to increase this awareness, state agencies should integrate public education on increasing water use 8 efficiency into existing public information efforts. This effort shall 9 10 be coordinated with other levels of government, including local governments and Indian tribes. 11
- NEW SECTION. **Sec. 34.** A new section is added to chapter 90.14 RCW to read as follows:
- 14 Any person or entity, or successor to such person or entity, having a statement of claim on file with the water rights claims registry on 15 the effective date of this act, may submit to the department of ecology 16 for filing an amendment to such a statement of claim as provided in 17 18 this section. Such an amendment may be submitted only to correct an 19 error in the statement filed and the person submitting the amendment shall attest in writing that the amendment does not constitute an 20 expansion of the right for which the statement of claim was intended. 21 22 Such an amendment may be submitted only during the period established 23 in RCW 90.14.068 for filing statements of claim.
- 24 The department shall accept any such submission and file the 25 amendment in the registry unless the department by written determination concludes that the requirements of this section have not 26 been satisfied. Any person aggrieved by a determination of the 27 department may obtain a review thereof by filing a petition for review 28 29 with the pollution control hearings board within thirty days of the date of the determination by the department. The provisions of RCW 30 90.14.081 shall apply to any amendment filed under this section. This 31 32 section shall not be construed as limiting the authority of a person or entity to submit an amendment under RCW 90.14.065. 33
- NEW SECTION. Sec. 35. A new section is added to chapter 90.14 RCW to read as follows:
- During the period beginning March 1, 1997, and ending at midnight June 30, 1999, neither the department of ecology nor the pollution

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- control hearings board may determine or find that a water right has 1 2 been waived or relinquished under this chapter based on the failure of any person or entity to file a statement of claim for the right under 3 4 this chapter. Any finding or determination issued contrary to this 5 section is void. If the department or the board determined that a person waived or relinquished a water right during the time period 6 7 specified in this section, but prior to the effective date of this act, 8 the sole remedy for the person shall be to file a new claim or submit 9 an amendment under section 34 of this act, RCW 90.14.065, or 90.14.068.
- NEW SECTION. Sec. 36. The legislature finds that there are a number of small water supply wells that currently exist in the state for which water rights have been established pursuant to statute but that have not been recorded with the state, nor has the holder of the water right been issued a water right certificate.
- The purpose of this section and section 37 of this act is to establish a mechanism whereby a person who has established a water right for a small well that is exempt from the ground water permit process may obtain a certificate of water right and that the state may obtain data and register the location of small water wells.
- NEW SECTION. Sec. 37. A new section is added to chapter 90.44 RCW to read as follows:
- 22 (1) A person or agency making a small withdrawal exempt under RCW 23 90.44.050 shall be entitled to a right equal to that established under this chapter and may submit an application for a certificate of water 24 right to the department. The applicant shall pay a fee of one hundred 25 dollars at the time the application is submitted. The application must 26 27 include the location of the well and information sufficient to 28 establish that the person or agency has a valid claim to the water. 29 The department shall develop a simple application form to be used by the applicant in meeting the requirements of this section. Information 30 31 that may be provided by the applicant includes: The date that the 32 water was first put to use; a well log, if one exists, prepared in 33 accordance with chapter 18.104 RCW; the date the dwelling was constructed or first occupied and the date water from the well was 34 35 supplied to the dwelling; records of power usage; invoices of well construction or of pump installation; or a sworn affidavit attesting to 36 37 the pertinent facts concerning the well.

- 1 (2) The department shall issue a certificate of water right and a 2 well identification tag to a person or agency who has provided 3 sufficient information to establish a use under this section. The 4 person or agency must affix the well identification tag to the well. 5 The department shall file a copy of the certificate of water right with 6 the department's data system.
- 7 (3) False representations under this section are subject to chapter 8 9A.72 RCW.
- 9 (4) A certificate under this section that is obtained through false 10 representations is void.
- 11 (5) Fees collected under this section shall be deposited into the 12 department's basic data fund, to be used specifically for data 13 processing and watershed planning and the expenses for verification and 14 processing of certificates and well tags.
- 15 (6) The department shall provide public notice of the application 16 process in this section through press releases, publicity campaigns, 17 public education, letters to adjoining landowners, and other media 18 actions.
- 19 (7) Nothing in this section shall authorize the impairment or 20 operate to impair any existing water rights.
- 21 (8) The department shall not accept applications under this section 22 after December 31, 2004.
- NEW SECTION. Sec. 38. The legislature finds that the present delay in the processing of water right applications is not beneficial to the citizens of the state nor is it in keeping with the goal of managing the resource to the highest possible standard and maximum net benefit.
- The legislature further finds that water conservation efforts would be greatly enhanced by a permit system that encourages water right applicants to use only for the amount of water actually necessary to meet their needs.
- NEW SECTION. **Sec. 39.** A new section is added to chapter 90.03 RCW to read as follows:
- 34 (1) The department shall develop a general permit system for 35 appropriating small quantities of surface and ground water. This 36 system must be designed and used to streamline the consideration of 37 applications for small water uses. The general permit system may be

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- l applicable state-wide or within a specified geographic area. For a
- 2 state-wide general permit, all waters of the state shall be eligible
- 3 for coverage under the system unless the department in consultation
- 4 with the affected county or counties determines that insufficient
- 5 waters are available in specific areas to allow additional allocations
- 6 based on concerns for (a) impairment of existing water rights, (b)
- 7 declining ground water levels, or (c) fish and wildlife habitat
- 8 impacts.
- 9 (2) The evaluation and report required for an application under RCW
- 10 90.03.290 are not required for applications processed under the general
- 11 permit system.
- 12 (3) The notice requirements of RCW 90.03.280, including the receipt
- 13 of protests of the application, apply for applications to acquire water
- 14 under a general permit. If a protest appears to have merit and cannot
- 15 be readily resolved, the department shall remove the application from
- 16 further consideration under the general permit and shall instead
- 17 process the application as a standard application to appropriate public
- 18 water.
- 19 (4) The fee for general permits authorized under chapter . . .,
- 20 Laws of 1998 (this act) shall be the same as the fee charged for the
- 21 same quantity of water established under this chapter.
- 22 (5) The department's decision to approve, condition, or deny an
- 23 application under a general permit is appealable as provided in RCW
- 24 43.21B.110.
- NEW SECTION. Sec. 40. A new section is added to chapter 90.03 RCW
- 26 to read as follows:
- 27 (1) For the purposes of this section:
- 28 (a) "Agricultural use" means a use of not more than one-tenth of
- 29 one cubic foot per second of ground or surface water for any purpose
- 30 generally accepted as integral to agricultural production;
- 31 (b) "Multiunit residential use" means a use of not more than one
- 32 thousand gallons of ground water per domestic living unit to provide
- 33 domestic water to housing developments of more than one unit;
- 34 (c) "Nonconsumptive, nonbypass use" means a use of water in which
- 35 water is diverted from a stream or withdrawn from an aquifer and
- 36 following its use is discharged, as determined by the department, back
- 37 to or near the point of diversion or withdrawal without diminishment in
- 38 quantity or quality; and

- 1 (d) "Without diminishment of quality" means that, before being 2 discharged back to its source, the water being discharged meets state 3 water quality standards adopted under chapter 90.48 RCW.
- 4 (2) The department shall immediately commence efforts to establish 5 state-wide general permits for nonconsumptive, nonbypass uses, agricultural uses, and multiunit residential uses by adopting rules in 6 7 accordance with chapter 34.05 RCW. Before the adoption of rules for a 8 general permit system, the department shall consult with 9 representatives of the following groups: Agriculture; aquaculture; 10 home construction and development; county government; city government; tribal governments; other local governmental entities with water system 11 authority; and the environmental and water recreation communities. At 12 13 least four public hearings must be held at various locations around the state. The rules must identify criteria for proposed uses of water for 14 which applications will be processed under the system and must 15 16 establish procedures for filing and processing applications under the 17 general permit system.
- 18 (3) Before January 1, 1999, the department shall file a report with 19 the appropriate standing committees of the legislature regarding 20 progress made toward adoption of the rules required by this section.
- NEW SECTION. **Sec. 41.** A new section is added to chapter 90.03 RCW to read as follows:
- 23 (1) An application for appropriating water under a general permit 24 system established under chapter . . ., Laws of 1998 (this act) must be 25 made on a form adopted and provided by the department. Within sixty days of the completion of the protest period, the department shall 26 determine whether the proposed use is eligible to be processed under 27 the general permit system. If the department determines that the 28 29 proposed use is eligible to be processed under the system, the 30 application must be processed under the system within the following 31 sixty days.
- 32 (2) The priority date of the water right established pursuant to 33 this section is the date that the application is submitted.
- 34 (3) If the department determines that the proposed use is not 35 eligible for the processing, the department shall explain to the 36 applicant in writing the reasons for its determination. For a proposed 37 use determined ineligible for the processing, if the department finds 38 that the information contained on the application form substantially

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satisfies the information requirements for an application for a use that would normally be filed for processing the application outside of the general permit system, the department shall notify the applicant of its finding and shall process the application as if it were filed for processing outside of the system. If the department finds that the information does not substantially satisfy the requirements, the application must be considered to be incomplete for the processing and

the applicant must be notified of this consideration.

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- 9 (4) Nothing in sections 39 and 40 of this act and this section is 10 intended to authorize the impairment or operate to impair any existing water rights. A water right holder who establishes a right under the 11 provisions of sections 39 and 40 of this act and this section shall not 12 13 make withdrawals that impair a senior water right. A holder of a senior water right who believes his or her water right is impaired may 14 15 file a complaint with the department. Where such complaints of impairment have been received, the department shall make all reasonable 16 17 efforts to resolve them in a timely manner through agreement of the parties or through available administrative remedies. 18
- 19 <u>NEW SECTION.</u> **Sec. 42.** A new section is added to chapter 70.119A 20 RCW to read as follows:
- An individual well serving a group domestic use shall be allowed to provide water service connections for up to a number equal to the approved maximum daily withdrawal amount for the well as determined by the water right divided by four hundred. The department may approve a greater number of service connections based on a factor of less than four hundred gallons per day delivered to each residence.
- NEW SECTION. Sec. 43. (1) The water escrow account is established in the state treasury. Funds in the water escrow account may be expended, subject to appropriation in the 1997-98 and subsequent fiscal biennia for the costs of basin-wide water rights adjudications.
- 31 (2) By June 30, 1998, the state treasurer shall transfer five 32 hundred thousand dollars from the state general fund to the water 33 escrow account.
- 34 **Sec. 44.** RCW 43.84.092 and 1997 c 218 s 5 are each amended to read 35 as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

- (2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.
 - (3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.
 - (4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:
 - (a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the common school construction fund, the county criminal justice assistance account, the county sales and use tax equalization account, the data processing building construction

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account, the deferred compensation administrative account, the deferred 1 2 compensation principal account, the department of retirement systems expense account, the drinking water assistance account, the Eastern 3 4 Washington University capital projects account, the construction fund, the emergency reserve fund, the federal forest 5 revolving account, the health services account, the public health 6 7 services account, the health system capacity account, the personal 8 health services account, the highway infrastructure account, the 9 industrial insurance premium refund account, the judges' retirement 10 account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, 11 the local real estate excise tax account, the local sales and use tax 12 13 account, the medical aid account, the mobile home park relocation fund, the municipal criminal justice assistance account, the municipal sales 14 15 and use tax equalization account, the natural resources deposit 16 account, the perpetual surveillance and maintenance account, the public 17 employees' retirement system plan I account, the public employees' retirement system plan II account, the Puyallup tribal settlement 18 19 account, the resource management cost account, the site closure 20 account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state 21 investment board expense account, the state investment board commingled 22 23 trust fund accounts, the supplemental pension account, the teachers' 24 retirement system plan I account, the teachers' retirement system plan 25 II account, the transportation infrastructure account, the tuition 26 recovery trust fund, the University of Washington bond retirement fund, 27 the University of Washington building account, the volunteer fire fighters' relief and pension principal account, the volunteer fire 28 29 fighters' relief and pension administrative account, the Washington 30 judicial retirement system account, the Washington law enforcement officers' and fire fighters' system plan I retirement account, the 31 Washington law enforcement officers' and fire fighters' system plan II 32 33 retirement account, the Washington state patrol retirement account, the 34 Washington State University building account, the Washington State 35 University bond retirement fund, the water escrow account, the water pollution control revolving fund, and the Western Washington University 36 37 capital projects account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the 38 39 permanent common school fund, the scientific permanent fund, and the

- state university permanent fund shall be allocated to their respective beneficiary accounts. All earnings to be distributed under this subsection (4)(a) shall first be reduced by the allocation to the state treasurer's service fund pursuant to RCW 43.08.190.
- 5 (b) The following accounts and funds shall receive eighty percent of their proportionate share of earnings based upon each account's or 6 7 fund's average daily balance for the period: The aeronautics account, 8 the aircraft search and rescue account, the central Puget Sound public 9 transportation account, the city hardship assistance account, the county arterial preservation account, the department of licensing 10 services account, the economic development account, the essential rail 11 12 assistance account, the essential rail banking account, the ferry bond 13 retirement fund, the gasohol exemption holding account, the grade crossing protective fund, the high capacity transportation account, the 14 15 highway bond retirement fund, the highway construction stabilization account, the highway safety account, the marine operating fund, the 16 17 motor vehicle fund, the motorcycle safety education account, the pilotage account, the public transportation systems account, the Puget 18 19 Sound capital construction account, the Puget Sound ferry operations 20 account, the recreational vehicle account, the rural arterial trust account, the safety and education account, the small city account, the 21 special category C account, the state patrol highway account, the 22 23 transfer relief account, the transportation capital facilities account, 24 the transportation equipment fund, the transportation fund, the 25 transportation improvement account, the transportation revolving loan 26 account, and the urban arterial trust account.
- 27 (5) In conformance with Article II, section 37 of the state 28 Constitution, no treasury accounts or funds shall be allocated earnings 29 without the specific affirmative directive of this section.
- 30 **Sec. 45.** RCW 90.03.470 and 1993 c 495 s 2 are each amended to read 31 as follows:
- ((Except as otherwise provided in subsection (15) of this section,)) The following fees shall be collected by the department in advance:
- (1) ((For the examination of an application for permit to appropriate water or on application to change point of diversion, withdrawal, purpose or place of use, a minimum of ten dollars, to be paid with the application. For each second foot between one and five

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hundred second feet, two dollars per second foot; for each second foot between five hundred and two thousand second feet, fifty cents per second foot; and for each second foot in excess thereof, twenty cents per second foot. For each acre foot of storage up to and including one hundred thousand acre feet, one cent per acre foot, and for each acre foot in excess thereof, one-fifth cent per acre foot. The ten dollar fee payable with the application shall be a credit to that amount whenever the fee for direct diversion or storage totals more than ten dollars under the above schedule and in such case the further fee due shall be the total computed amount less ten dollars.

Within five days from receipt of an application the department shall notify the applicant by registered mail of any additional fees due under the above schedule and any additional fees shall be paid to and received by the department within thirty days from the date of filing the application, or the application shall be rejected.

(2) For filing and recording a permit to appropriate water for irrigation purposes, forty cents per acre for each acre to be irrigated up to and including one hundred acres, and twenty cents per acre for each acre in excess of one hundred acres up to and including one thousand acres, and ten cents for each acre in excess of one thousand acres; and also twenty cents for each theoretical horsepower up to and including one thousand horsepower, and four cents for each theoretical horsepower in excess of one thousand horsepower, but in no instance shall the minimum fee for filing and recording a permit to appropriate water be less than five dollars. For all other beneficial purposes the fee shall be twice the amount of the examination fee except that for individual household and domestic use, which may include water for irrigation of a family garden, the fee shall be five dollars.

(3) For filing and recording any other water right instrument, four dollars for the first hundred words and forty cents for each additional hundred words or fraction thereof.

(4) For making a copy of any document recorded or filed in his office, forty cents for each hundred words or fraction thereof, but when the amount exceeds twenty dollars, only the actual cost in excess of that amount shall be charged.

36 (5) For certifying to copies, documents, records or maps, two 37 dollars for each certification.

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(6) For blueprint copies of a map or drawing, or, for such other work of a similar nature as may be required of the department, at actual cost of the work.

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- (7))) For granting each extension of time for beginning construction work under a permit to appropriate water((, an amount equal to one half of the filing and recording fee, except that the minimum fee shall be not less than five dollars for each year that an extension is granted,)) and for granting an extension of time for completion of construction work or for completing application of water to a beneficial use, ((five)) one hundred dollars ((for each year that an extension is granted)).
- $((\frac{(8)}{)})$ (2) For the inspection of any hydraulic works to insure safety to life and property, the actual cost of the inspection, including the expense incident thereto.
- $((\frac{(9)}{)})$ (3) For the examination of plans and specifications as to safety of controlling works for storage of ten acre feet or more of water, a minimum fee of $((\frac{\text{ten}}{}))$ fifty dollars, or the actual cost.
- $((\frac{10}{10}))$ (4) For recording an assignment either of a permit to appropriate water or of an application for such a permit, a fee of $((\frac{10}{10}))$ one hundred dollars.
- 21 ((11) For preparing and issuing all water right certificates, five 22 dollars.
- (12)) (5) For filing and recording a protest against granting any application, ((two)) fifty dollars.
- (((13) The department shall provide timely notification by certified mail with return receipt requested to applicants that fees are due. No action may be taken until the fee is paid in full.
 Failure to remit fees within sixty days of the department's notification shall be grounds for rejecting the application or
- 30 canceling the permit. Cash shall not be accepted. Fees must be paid
- 30 canceling the permit. Cash shall not be accepted. Fees must be paid
- 31 by check or money order and are nonrefundable.
- (14)) (6) For filing an application for and authorizing a seasonal change or rotation, one hundred dollars.
- 34 <u>(7) For filing an application for and authorizing a temporary or</u> 35 short-term water use, one hundred dollars.
- 36 <u>(8) For a consolidated application covering multiple sources or changes:</u>
- 38 <u>(a) The filing fee must be based upon either the total amount of</u> 39 water or the total number of changes requested, or both;

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- (b) The examination fee is the total of the examination fees 1 calculated for the individual applications and changes; and 2
- 3 (c) The certificate fee is as is appropriate for the individual 4 certificates, since separate permits would issue and, therefore, separate certificates would result. 5

For purposes of calculating fees for ground water filings, one 7 cubic foot per second shall be regarded as equivalent to four hundred fifty gallons per minute.

9 (((15) For the period beginning July 1, 1993, and ending June 30, 10 1994, there is imposed and the department shall collect a one hundred dollar surcharge on all water rights applications or changes filed 11 under this section, and upon all water rights applications or changes 12 pending as of July 1, 1993. This charge shall be in addition to any 13 other fees imposed under this section.)) 14

15 NEW SECTION. Sec. 46. A new section is added to chapter 90.03 RCW 16 to read as follows:

- 17 (1) The department shall collect the following fees in advance of 18 each of the three stages of the permitting process:
- (a) Application filing fees for the following: 19

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- (i) Surface water and ground water applications: 20
- (A) Greater than 0.0 and less than or equal 21 to 0.02 cubic feet per second 100 22 \$
- 23 (B) Greater than 0.02 and less than or equal to
- 24 0.1 cubic feet per second \$ 150
- 25 (C) Greater than 0.1 and less than or equal to
- 0.2 cubic feet per second 200 26 \$
- 27 (D) Greater than 0.2 and less than or equal to
- 0.5 cubic feet per second 250 28 \$
- 29 (E) Greater than 0.5 and less than or equal to 1 30
 - 300 cubic feet per second \$
- (F) Greater than 1 and less than or equal to 3 31
- cubic feet per second \$ 400 32
- 33 (G) Greater than 3 and less than or equal to 5
- 1500 34 cubic feet per second
- 35 (H) Greater than 5 and less than or equal to 20
- 36 cubic feet per second 1700
- 37 (I) Greater than 20 and less than or equal to 100

38 cubic feet per second \$ 2,000

1	(J) Greater than 100 cubic feet per second	\$ 2,200
2	(ii) Reservoir applications:	
3	(A) Greater than 0.0 and less than or equal to	
4	10 acre-feet	\$ 100
5	(B) Greater than 10 and less than or equal to	
6	100 acre-feet	\$ 200
7	(C) Greater than 100 and less than or equal to	
8	1,000 acre-feet	\$ 600
9	(D) Greater than 1,000 acre-feet	\$ 1,500
10	(iii) Change applications:	
11	(A) Changing a single element	\$ 150
12	(B) Changing multiple elements	\$ 250
13	(b) Examination fees for the following:	
14	(i) Surface water applications:	
15	(A) Greater than 0.0 and less than or equal to	
16	0.02 cubic feet per second	\$ 100
17	(B) Greater than 0.02 and less than or equal to	
18	0.1 cubic feet per second	\$ 200
19	(C) Greater than 0.01 and less than or equal to	
20	0.2 cubic feet per second	\$ 250
21	(D) Greater than 0.2 and less than or equal to	
22	0.5 cubic feet per second	\$ 300
23	(E) Greater than 0.5 and less than or equal to	
24	1 cubic feet per second	\$ 400
25	(F) Greater than 1 and less than or equal to 3	
26	cubic feet per second	\$ 500
27	(G) Greater than 3 and less than or equal to 5	
28	cubic feet per second	\$ 2,200
29	(H) Greater than 5 and less than or equal to 20	
30	cubic feet per second	\$ 2,500
31	(I) Greater than 20 and less than or equal to 100	
32	cubic feet per second	\$ 2,800
33	(J) Greater than 100 cubic feet per second	\$ 3,200
34	(ii) Ground water applications:	
35	(A) Greater than 0.0 and less than or equal to	
36	0.02 cubic feet per second	\$ 100
37	(B) Greater than 0.02 and less than or equal to	
38	0.1 cubic feet per second	\$ 250
39	(C) Greater than 0.1 and less than or equal to	·
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1		0.2 cubic feet per second	\$	300
2	(D)	Greater than 0.2 and less than or equal to		
3		0.5 cubic feet per second	\$	400
4	(E)	Greater than 0.5 and less than or equal to 1		
5		cubic feet per second	\$	500
6	(F)	Greater than 1 or less than or equal to 3		
7		cubic feet per second	\$	600
8	(G)	Greater than 3 and less than or equal to 5		
9		cubic feet per second	\$ 2	2,600
10	(H)	Greater than 5 and less than or equal to 20		
11		cubic feet per second	\$:	3,000
12	(I)	Greater than 20 and less than or equal to 100		
13		cubic feet per second	\$:	3,400
14	(J)	Greater than 100 cubic feet per second	\$:	3,800
15	(ii	i) Reservoir applications:		
16	(A)	Greater than 0.0 and less than or equal to 10		
17		acre-feet	\$	100
18	(B)	Greater than 10 and less than or equal to 100		
19		acre-feet	\$	250
20	(C)	Greater than 100 and less than or equal to		
21		1,000 acre-feet	\$	900
22	(D)	Greater than 1,000 acre-feet	\$:	2,200
23	(iv) Changes to permits and certificates:		
24	(A)	Changing a single element	\$	200
25	(B)	Changing multiple elements	\$	300
26	(C)	Certificate fees:		
27	(i)	Surface water and ground water applications:		
28	(A)	Greater than 0.0 and less than or equal to		
29		0.02 cubic feet per second	\$	100
30	(B)	Greater than 0.02 and less than or equal to		
31		0.1 cubic feet per second	\$	150
32	(C)	Greater than 0.1 and less than or equal to		
33		0.2 cubic feet per second	\$	200
34	(D)	Greater than 0.2 and less than or equal to		
35		0.5 cubic feet per second	\$	250
36	(E)	Greater than 0.5 and less than or equal to 1		
37		cubic feet per second	\$	300
38	(F)	Greater than 1 and less than or equal to 3		
39		cubic feet per second	\$	400

1	(G)	Greater than 3 and less than or equal to 5		
2		cubic feet per second	\$	1,500
3	(H)	Greater than 5 and less than or equal to 20		
4		cubic feet per second	\$	1,700
5	(I)	Greater than 20 and less than or equal to 100		
6		cubic feet per second	\$	2,000
7	(J)	Greater than 100 cubic feet per second	\$	2,200
8	(ii)	Reservoir applications:		
9	(A)	Greater than 0.0 and less than or equal to 10		
10		acre-feet	\$	200
11	(B)	Greater than 10 and less than or equal to 100		
12		acre-feet	\$	300
13	(C)	Greater than 100 and less than or equal to		
14		1,000 acre-feet	\$	1,000
15	(D)	Greater than 1,000 acre-feet	\$	1,500
16	(iii) Changes to permits and certificates:		
17	(A)	Changing a single element	\$	150
18	(B)	Changing multiple elements	\$	250
19	The	department shall provide timely notification by	certifie	d mail

The department shall provide timely notification by certified mail with return receipt requested to applicants that fees are due. No action may be taken until the fee is paid in full. Failure to remit fees within sixty days of the department's notification shall be grounds for rejecting the application or canceling the permit. Cash shall not be accepted. Fees must be paid by check or money order and are nonrefundable.

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For purposes of calculating fees for ground water filings, one cubic foot per second shall be regarded as equivalent to four hundred fifty gallons per minute.

29 (2) The water right permit processing account is created in the 30 state treasury. All receipts collected under RCW 90.03.470 and this section shall be deposited into the account. Moneys in the account may 31 32 be spent only after appropriation. Expenditures from the account may 33 be used only for functions of the department related to: examination, and certification of water right permits, changes to water 34 35 right permits, and transfer of water rights; and a proportionate share of indirect costs allocated to these functions necessary to fund the 36 37 general administrative functions of the department. The department may expend funds from the water right permit processing account in an 38

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- 1 amount that is substantially equal to the amount expended of funds
- 2 appropriated from the general fund for water right permit processing.
- 3 **Sec. 47.** RCW 90.03.340 and 1987 c 109 s 90 are each amended to 4 read as follows:
- After January 1, 1999, the priority date of the right acquired by appropriation ((shall relate back to)) is the date ((of filing of)) the ((original)) completed application form for the right is filed with the department. For the purposes of this section and RCW 90.03.270, a completed application form is one that contains all of the information
- 10 requested on the form and is accompanied by the application fee.
- 11 **Sec. 48.** RCW 90.03.270 and 1987 c 109 s 85 are each amended to 12 read as follows:
- 13 Upon receipt of ((an)) a completed water right application form, it 14 shall be the duty of the department to ((make an endorsement thereon of the)) date ((of its receipt)), stamp, and ((to)) keep a record of 15 ((same)) <u>it</u>. If ((upon examination,)) <u>an application form is filed</u> 16 17 with the department but the information requested on the application form is ((found to be defective,)) not complete or the form is not 18 accompanied by the proper application fee, the form and any application 19 20 fee filed with it shall be returned to the applicant ((for correction or completion,)) and the date and the reasons for the return thereof 21 22 shall be ((endorsed thereon and made a record in his office. No 23 application shall lose its priority of filing on account of such defects, provided acceptable maps, drawings and such data as is 24 required by the department shall be filed with the department within 25 26 such reasonable time as it shall require)) noted in the department's 27 records and in a letter returning the form. The department may not 28 require an applicant to provide information in support of an 29 application for a water right permit that is not necessary for the department's investigations, determinations, or findings regarding that 30 particular application. 31
- 32 **Sec. 49.** RCW 90.03.280 and 1994 c 264 s 83 are each amended to 33 read as follows:
- 34 Upon receipt of a ((proper)) completed application, the department 35 shall instruct the applicant to publish notice ((thereof)) in a form 36 and within a time prescribed by the department in a newspaper of

- general circulation published in the county or counties in which the 1 storage, diversion or withdrawal, and use is to be made, and in such 2 other newspapers as the department may direct, once a week for two 3 4 consecutive weeks. The notice shall include information pertinent to the proposed appropriation, including the location, the source, the 5 purpose or purposes of use, and the quantity proposed to be diverted or 6 7 withdrawn. The notice shall state that persons wishing to protest the 8 proposed appropriation must do so in writing to the department within 9 thirty days of the last date of publication of the notice. In order to be considered by the department, a protest must be received by the 10 department within thirty days of the last date of publication of the 11 12 notice. Upon receipt by the department of an application it shall send 13 notice thereof containing pertinent information to the director of fish and wildlife. 14
- NEW SECTION. **Sec. 50.** A new section is added to chapter 43.21B RCW to read as follows:
- Only a person with standing as defined in RCW 34.05.530 may appeal to the pollution control hearings board or a superior court a decision of the department of ecology to issue, condition, transfer, amend, or deny a water right under Title 90 RCW.
- NEW SECTION. **Sec. 51.** A new section is added to chapter 90.03 RCW to read as follows:
- A water right applicant may appeal to the pollution control hearings board or a superior court a determination by the department regarding the nature and extent of the information needed to make determinations regarding the application for or the processing of a water right permit.
- 28 **Sec. 52.** RCW 90.03.320 and 1997 c 445 s 3 are each amended to read 29 as follows:
- 30 (1) Actual construction work shall be commenced on any project for which permit has been granted within such reasonable time as shall be prescribed by the department, and shall thereafter be prosecuted with diligence and completed within the time prescribed by the department. The department, in fixing the time for the commencement of the work, or for the completion thereof and the application of the water to the

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beneficial use prescribed in the permit, shall take into consideration

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- 1 the cost and magnitude of the project and the engineering and physical
- 2 features to be encountered, and shall allow such time as shall be
- 3 reasonable and just under the conditions then existing, having due
- 4 regard for the public welfare and public interests affected: and, for
- 5 good cause shown, it shall extend the time or times fixed as aforesaid,
- 6 and shall grant such further period or periods as may be reasonably
- 7 necessary, having due regard to the good faith of the applicant and the
- 8 public interests affected.
- 9 (2) For the purposes of this section, "good cause" includes but is
- 10 not limited to the following circumstances that prevent work completion
- 11 within the prescribed period:
- 12 (a) Active service in the armed forces of the United States during
- 13 <u>a military crisis;</u>
- 14 (b) Nonvoluntary service in the armed forces of the United States;
- 15 (c) The operation of legal proceedings;
- 16 (d) Delays in securing other permits necessary to proceed with the
- 17 <u>development;</u>
- 18 (e) A single transfer in ownership of the property;
- 19 <u>(f) Implementation of water efficiency measures, including</u>
- 20 <u>conservation and reclaimed water use;</u>
- 21 (g) Encountering unanticipated physical impediments to
- 22 construction; and
- 23 (h) Encountering generally depressed economic conditions.
- 24 (3) In fixing construction schedules and the time, or extension of
- 25 time, for application of water to beneficial use for municipal water
- 26 supply purposes, the department shall also take into consideration the
- 27 term and amount of financing required to complete the project, delays
- 28 that may result from planned and existing conservation and water use
- 29 efficiency measures implemented by the public water system, and the
- 30 supply needs of the public water system's service area, consistent with
- 31 an approved comprehensive plan under chapter 36.70A RCW, or in the
- 32 absence of such a plan, a county-approved comprehensive plan under
- 33 chapter 36.70 RCW or a plan approved under chapter 35.63 RCW, and
- 34 related water demand projections prepared by public water systems in
- 35 accordance with state law. An existing comprehensive plan under
- 36 chapter 36.70A or 36.70 RCW, plan under chapter 35.63 RCW, or demand
- 37 projection may be used.
- 38 (4) If the terms of the permit or extension thereof((7)) are not
- 39 complied with, the department shall give notice by ((registered))

<u>certified</u> mail that ((such)) <u>the</u> permit will be canceled unless the ((holders thereof shall)) <u>permittee</u> shows cause within sixty days why the ((same)) <u>permit</u> should not be ((so)) canceled. If cause is not shown, the permit shall be canceled.

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Sec. 53. RCW 90.03.260 and 1987 c 109 s 84 are each amended to read as follows:

((Each application for permit to appropriate water shall set forth the name and post office address of the applicant, the source of water supply, the nature and amount of the proposed use, the time during which water will be required each year, the location and description of the proposed ditch, canal, or other work, the time within which the completion of the construction and the time for the complete application of the water to the proposed use. If for agricultural purposes, it shall give the legal subdivision of the land and the acreage to be irrigated, as near as may be, and the amount of water expressed in acre feet to be supplied per season. If for power purposes, it shall give the nature of the works by means of which the power is to be developed, the head and amount of water to be utilized, and the uses to which the power is to be applied. If for construction of a reservoir, it shall give the height of the dam, the capacity of the reservoir, and the uses to be made of the impounded waters. If for municipal water supply, it shall give the present population to be served, and, as near as may be, the future requirement of the municipality. If for mining purposes, it shall give the nature of the mines to be served and the method of supplying and utilizing the water; also their location by legal subdivisions. All applications shall be accompanied by such maps and drawings, in duplicate, and such other data, as may be required by the department, and such accompanying data shall be considered as a part of the application.)) The department shall adopt rules in accordance with chapter 34.05 RCW by January 1, 1999, that specify the contents of completed water right application forms. The rules shall include specific timelines for the department to follow in making a determination as to whether an application is complete and notifying the applicant of its determination. The rules shall also identify the kinds of inaccuracies that render an application incomplete.

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1 **Sec. 54.** RCW 90.44.060 and 1987 c 109 s 109 are each amended to 2 read as follows:

3 Applications for permits for appropriation of underground water 4 shall be made in the same form and manner provided in RCW 90.03.250 through 90.03.340, as amended, the provisions of which sections are 5 hereby extended to govern and to apply to ground water, or ground water 6 7 right certificates and to all permits that shall be issued pursuant to 8 such applications, and the rights to the withdrawal of ground water 9 acquired thereby shall be governed by RCW 90.03.250 through 90.03.340, 10 inclusive((: PROVIDED, That each application to withdraw public ground water by means of a well or wells shall set forth the following 11 additional information: (1) the name and post office address of the 12 13 applicant; (2) the name and post office address of the owner of the land on which such well or wells or works will be located; (3) the 14 15 location of the proposed well or wells or other works for the proposed withdrawal; (4) the ground water area, sub-area, or zone from which 16 17 withdrawal is proposed, provided the department has designated such area, sub area, or zone in accord with RCW 90.44.130; (5) the amount of 18 19 water proposed to be withdrawn, in gallons a minute and in acre feet a year, or millions of gallons a year; (6) the depth and type of 20 construction proposed for the well or wells or other works: AND 21 PROVIDED FURTHER, That)). The department shall adopt rules in 22 accordance with chapter 34.05 RCW by January 1, 1999, that specify the 23 24 contents of completed water right application forms. The rules shall include specific timelines for the department to follow in making a 25 26 determination as to whether an application is complete and notifying the applicant of its determination. The rules shall also identify the 27 kinds of inaccuracies that render an application incomplete. Any 28 permit issued pursuant to an application for constructing a well or 29 30 wells to withdraw public ground water may specify an approved type and manner of construction for the purposes of preventing waste of said 31 public waters and of conserving their head. 32

- NEW SECTION. **Sec. 55.** A new section is added to chapter 90.03 RCW to read as follows:
- 35 (1) The department shall establish streamlined procedures for its 36 processing of applications for de minimis appropriations of surface 37 water, but only if the department has reserved and set aside the water 38 for future beneficial use under RCW 90.54.050.

(2) Applications for appropriating water under this section shall 1 2 be made on a form provided by the department. Within sixty days of the publication of a notice in accordance with RCW 90.03.280, the 3 4 department shall issue or deny a permit for the requested If the department denies the application, it shall 5 appropriation. explain its determination in writing. 6

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- The department shall waive the evaluation and report requirements of RCW 90.03.290 if during the establishment of the reservation it was conclusively determined that water is available and that no impairment of existing water rights or the public interest will occur.
- (4) This section may not be used in areas that are within urban 12 growth areas as designated under RCW 36.70A.110 or within the service 13 areas of a public water system as defined in chapter 70.119A RCW that 14 15 has an available water supply.
- 16 (5) Unless the context clearly requires otherwise, as used in this 17 chapter, "de minimis appropriation" means diversion and use of surface water in an amount not exceeding four hundred fifty gallons per day and 18 19 not exceeding an instantaneous diversion rate of two one-hundredths 20 cubic feet per second.
- The department shall develop, in cooperation with the 21 department of health, informational materials regarding the risks of 22 drinking untreated surface water. This informational material may be 23 24 provided to prospective applicants. The department shall attach the 25 informational materials to any permit that is approved under this 26 section.
- 27 <u>NEW SECTION.</u> **Sec. 56.** A new section is added to chapter 90.03 RCW to read as follows: 28
- (1) The department may authorize short-term uses of water without publication of the notice required under RCW 90.03.280 and without the report required under RCW 90.03.290. However, before approving a 31 short-term use, the department shall determine to its satisfaction that 33 the substantive criteria in RCW 90.03.290 are met and that a stream affected by a short-term use will be retained with sufficient flows to 34 maintain instream uses and to protect existing water rights. 35 36 department shall adopt and provide application forms for persons applying for a short-term use and shall expedite its consideration of 37 short-term use requests to the extent practicable. 38

- 1 (2) For the purposes of this chapter, "short-term use" means a use 2 of water that will not exceed one year in duration. Short-term uses
- 3 include but are not limited to use in construction, dust control,
- 4 dewatering, and short-term planned fire suppression activities.
- 5 <u>NEW SECTION.</u> **Sec. 57.** A new section is added to chapter 90.03 RCW 6 to read as follows:
- 7 The department shall establish a register that identifies, by water resource inventory area, applications for new water rights and 8 9 applications for water right transfers and changes. The applications appearing in the register shall be limited to those requesting a new 10 appropriation or change or transfer of more than three cubic feet per 11 12 second of water. The register shall identify: The location of the proposed use, change, or transfer; whether the application is for 13 14 surface or ground water; and, for surface water applications, the water 15 source. The department shall produce the register once every two weeks 16 and shall make the register available to interested parties for a fee that is based on the cost of producing and mailing the register. One 17 18 year after the effective date of this act, the department may cease 19 production of the register if the number of requests for the register
- NEW SECTION. Sec. 58. (1) The department shall in conjunction with the task force created in section 3, chapter 495, Laws of 1993 develop a budget process for its water rights administration program that accomplishes the following:

are not adequate to cover the costs of producing and mailing it.

- 25 (a) Identifies targets for permitting activities for the biennium;
- 26 (b) Identifies workload standards;
- 27 (c) Prepares a draft budget;

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- 28 (d) Provides for timely public review of the draft budget; and
- 29 (e) Circulates a final budget.
- 30 (2) The water rights programs review task force shall, in 31 conjunction with the department, establish and periodically review the 32 following:
- 33 (a) Workload standards and proposed incentives to improve such 34 standards;
- 35 (b) Program expenditure categories to account for and track costs 36 related to the water rights administration program; and

- 1 (c) Success measures based upon programmatic results designed to 2 evaluate program effectiveness and standards for defining the measures.
- In establishing the initial workload standards, the legislature has an expectation that the department will process a simple, basic application in six months and an application of intermediate difficulty in one year. The department shall report to the task force, within fifteen days of the end of each calendar quarter, the number of applications that were not processed within this time frame and the
- 10 (3) The task force shall report annually to the legislature on the 11 success measures established, the number of water right permit 12 decisions made, and the associated costs of administering the water 13 rights program.
- (4) The legislature may provide for another state entity or an independent contractor to conduct periodic performance audits or evaluations of the effectiveness and efficiency of the department in meeting its workload standards and achieving programmatic success.
- 18 (5) This section expires December 31, 2001.

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reasons for the delay.

- 19 **Sec. 59.** 1993 c 495 s 3 (uncodified) is amended to read as 20 follows:
- 21 (1) There is created a water rights ((fees)) programs review task 22 force. The task force shall be comprised of ((fourteen)) sixteen 23 members, who are appointed as follows:
- (a) Two members of the Washington state house of representatives, one from each major caucus, to be appointed by the speaker of the house of representatives;
- (b) Two members of the Washington state senate, one from each major caucus, to be appointed by the president of the senate;
- (c) ((Ten)) <u>Twelve</u> members, to be appointed jointly by the speaker of the house of representatives and the president of the senate, to represent the following interests: Agriculture, aquaculture, business,
- 32 cities, counties, the state department of ecology, environmentalists,
- 33 water recreation interests, water utilities, <u>federally recognized</u>
- 34 Indian tribes, rural residential interests, and hydropower interests.
- 35 ((The task force may establish technical advisory committees as 36 necessary to complete its tasks.))
- 37 (2) <u>In addition to the functions established in section 58 of this</u>
- 38 <u>act, the task force shall conduct a ((comprehensive</u>)) review ((of water

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rights fees. The task force's tasks shall include)), including but not ((be)) limited to the following matters:

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- (a) ((Identification of the costs associated with the various activities and services provided by the water rights program and examination of how these costs compare with the fees charged for these activities and services;
- (b) Identification of appropriate accountability measures for the department of ecology to employ in administration of the water rights program. Recommendations of accountability requirements and measurements shall take into account the distinctive characteristics of the water rights program, that is, that the department receives a large number of applications on a one-time basis and that the department of ecology must meet its legal obligations under the doctrine of prior appropriation;
- (c) Identification of which program activities should be eligible
 for cost recovery from fees, as well as which direct and indirect costs
 of program administration;
- (d) Review of the application, examination, and water rights permit requirements for marine water users to determine if these users should receive special fee consideration;
- (e) Review of the definition and treatment of nonconsumptive water uses to determine if special fee consideration should be given to these users;
- 24 (f) Review of the fees and accounting methods for the dam safety 25 program;
 - (g) Identification of the appropriate distribution of responsibility between the applicant and the department of ecology for provision of technical information and analysis; and
- (h) Establishment of a reasonable time framework for completion of new and pending water rights applications, and an analysis of the staff and funding levels required to meet the established time framework)) Implementation of the development and maintenance of the water resource
- 33 <u>data management system, monitored on an annual basis;</u>
- 34 <u>(b) The use and amount of funds available for the water right</u>
 35 permit processing and data management programs;
- 36 (c) The water rights programs review task force will conduct a
 37 study to determine potential savings and efficiencies attainable by
 38 integrating all water resource data management functions among natural
 39 resource management agencies into a single data management system

- compared with the savings and efficiencies currently realized by each 1
- natural resource management agency maintaining independent water 2
- resource information. In reviewing this matter, the task force will 3
- 4 work with the natural resource management agencies to determine the
- nature and extent of each natural resource management agency's: 5
 - (i) Existing water resource data;
- 7 (ii) Existing water resource data management system or systems;
- 8 (iii) Dependence on water resource data to fulfill agency
- 9 responsibilities;

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- 10 (iv) Types of water resource data unique to that agency;
- (v) Types of water resource data common to all natural resource 11 agencies; 12
- 13 (vi) Method of managing water resources information, including an
- 14 assessment of the compatibility of information management systems
- between natural resource management agencies, and the obstacles 15
- inhibiting integration and subsequent free exchange of water resource 16
- data between natural resource management agencies; and 17
- 18 (vii) Biennial cost of acquiring and maintaining each type of water
- 19 resource data used by the agency.
- For the purposes of this section, a "natural resource management 20
- agency" includes any of the following state agencies: Department of 21
- ecology, department of natural resources, department of fish and 22
- 23 wildlife, local conservation districts, and department of health.
- 24 The report shall be presented to the legislature on or before
- December 1, 1998; and 25
- 26 (d) In conjunction with the review required in (a) and (b) of this
- subsection, the task force shall recommend, by December 1, 1998, 27
- appropriate future funding sources for data management development. 28
- 29 (3) On June 1, 2001, the task force shall be reactivated in
- 30 accordance with subsection (1) of this section. Before December 1,
- ((1993)) 2001, the task force shall provide recommendations to the 31
- legislature regarding: 32
- (a) ((Provide recommendations to the department of ecology on ways 33
- 34 to improve the efficiency and accountability of the water rights
- 35 program;
- 36 (b) Provide recommendations to the legislature on statutory changes
- 37 necessary to make these efficiency and accountability improvements; and
- (c) Propose a new fee schedule for the water rights program which 38
- 39 incorporates the results of the task force's work and which funds

- 1 through fees fifty percent of the cost of the activities and services
- 2 provided by the program)) The efficiency and accountability of the
- 3 water right permit processing program and the need for change to the
- 4 level of funding in fiscal year 2003; and
- 5 (b) The future direction of the water resource data management
- 6 program and the need for changes to the level of funding in fiscal year
- 7 2003.
- 8 (4) The department of ecology and the legislature shall jointly
- 9 provide for the staff support of the task force.
- 10 (5) The task force shall convene as soon as possible upon the
- 11 appointment of its members. Task force members shall elect a chair and
- 12 adopt rules for conducting the business of the task force. The task
- 13 force shall expire on June 30, ((1994)) 2002.
- 14 **Sec. 60.** RCW 89.30.001 and 1933 c 149 s 1 are each amended to read
- 15 as follows:
- Reclamation districts including an area of not less than one
- 17 million acres of land may be created and maintained in this state, as
- 18 herein provided, for the reclamation and improvement of arid and
- 19 semiarid lands situated in such districts, and for the generation
- 20 and/or sale of hydroelectric energy((÷ PROVIDED, That no
- 21 appropriation, license, filing, recording, examination or other fee or
- 22 fees, as provided in RCW 90.16.050 through 90.16.090 or in RCW
- 23 90.03.470 shall be applicable to a district or districts created under
- 24 this chapter)).
- 25 <u>NEW SECTION.</u> **Sec. 61.** Sections 6 through 14 of this act are each
- 26 added to chapter 43.27A RCW.
- 27 NEW SECTION. Sec. 62. RCW 43.21A.067 shall be recodified as a
- 28 section in chapter 43.27A RCW.
- NEW SECTION. Sec. 63. RCW 90.14.043 is decodified.
- 30 <u>NEW SECTION.</u> **Sec. 64.** RCW 43.21A.064 and 1997 c 443 s 2, 1995 c
- 31 8 s 3, 1977 c 75 s 46, & 1965 c 8 s 43.21.130 are each repealed.
- 32 <u>NEW SECTION.</u> **Sec. 65.** RCW 90.03.471 and 1987 c 109 s 99 & 1925
- 33 ex.s. c 161 s 3 are each repealed.

- NEW SECTION. Sec. 66. Section 47 of this act takes effect January 2, 1999.
- NEW SECTION. Sec. 67. The sum of five hundred thousand dollars, or as much thereof as may be necessary, is appropriated for the biennium ending June 30, 1999, from the water escrow account to the department of ecology for the purposes of costs of any basin-wide water rights adjudications cases in existence on the effective date of this act.

--- END ---

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