

SENATE BILL REPORT

SB 6507

As Reported By Senate Committee On:
Water, Energy & Environment, January 31, 2006

Title: An act relating to watershed management partnerships.

Brief Description: Concerning watershed management partnerships.

Sponsors: Senators Honeyford, Poulsen, Morton and Fraser.

Brief History:

Committee Activity: Water, Energy & Environment: 1/26/06, 1/31/06 [DPS].

SENATE COMMITTEE ON WATER, ENERGY & ENVIRONMENT

Majority Report: That Substitute Senate Bill No. 6507 be substituted therefor, and the substitute bill do pass.

Signed by Senators Poulsen, Chair; Rockefeller, Vice Chair; Morton, Ranking Minority Member; Delvin, Fraser, Honeyford, Mulliken and Regala.

Staff: Margaret King (786-7416)

Background: State law establishes a mechanism for conducting watershed planning through a locally initiated process. The process requires watershed planning to include an assessment of water supply and use in the planning area and development of strategies for future water use. Watershed planning may include water quality, habitat, and instream flow elements.

Watershed planning may be conducted for one watershed or water resource inventory area (WRIA) or it may be conducted for multiple WRIsAs. Local governments initiating watershed planning create a planning unit and designate a lead agency to provide staff support. The Department of Ecology provides grants for organizing a planning unit and establishing work schedules, conducting assessments, studying storage opportunities, setting instream flows, developing a watershed plan, and making recommendations.

When a watershed plan is approved by the planning unit, it is submitted for approval by the legislative authorities of all counties with territory in the WRIA or WRIsAs for which planning was conducted. If approved by the counties after notice, public hearings, and a joint session to consider the plan, the watershed plan is an approved watershed plan.

In 2003, the Legislature passed ESB5073 that amended the watershed planning provisions of the state code in three ways:

- Authorized local governments and certain special purpose districts to establish interlocal agreements for watershed management plan implementation;
- Allowed use of up to 10 percent of water supply revenues for watershed management plan projects and activities; and

- Included provisions for operation and financing of watershed management partnerships.

A provision that provided for the submission of watershed management partnership revenue proposals by special or general election was subsequently vetoed by the Governor with the concurrence of the prime sponsor because it contained some confusing language.

Summary of Substitute Bill: To help with the implementation of a watershed plan, a watershed management partnership may utilize the following revenue sources upon approval of the voters:

- A watershed management fee as a surcharge on rates, charges, or assessments imposed by special purpose districts within the boundaries of the members of the watershed management partnership; and
- Ad valorem property tax levies, in excess of the one percent limitation, for the retirement of voter-approved general obligation bonds issued by a watershed management partnership or by some or all of its members.

Substitute Bill Compared to Original Bill: Watershed management partnership revenue provisions is entirely rewritten to clarify the revenue authority.

Appropriation: None.

Fiscal Note: Requested on January 19, 2006.

Committee/Commission/Task Force Created: No.

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

Testimony For: The department has been managing the money that flows to watershed groups and as the groups move into implementation of the watershed plans the department agrees that there is a need to for a local funding mechanism. Irrigation districts are initiating governments in many of the watershed planning efforts and it is important for the local communities that are partnering together to have the authority to fund the watershed projects. Recommend that the term "watershed plan" be replaced with the term "watershed management partnership area" to make clear that those outside of partnership will not be taxed. Language needs to be clarified as to what funding mechanism is being proposed.

Testimony Against: None.

Who Testified: PRO: Senator Honeyford, prime sponsor; Ken Slattery, Department of Ecology; Mike Schwisow, Washington State Water Resources Assn.; Kathleen Collins, Washington Water Policy Alliance; Rose Feliciano, City of Seattle; Jack Field, Washington Cattlemen's Assn.