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SECOND SUBSTITUTE SENATE BILL 6803

State of Washington 61st Legislature 2010 Regular Session

By Senate Ways & Means (originally sponsored by Senator Rockefeller) READ FIRST TIME 02/09/10.

AN ACT Relating to clarifying withdrawal of groundwater for stock watering purposes by a dairy farm; amending RCW 90.44.035 and 90.44.050; adding new sections to chapter 90.44 RCW; and creating new sections.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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NEW SECTION. Sec. 1. The legislature finds that effective water resource management and a stable dairy industry are vital to the economic and environmental well-being of the state. The dairy industry is an important part of our state's economy and an important part of many communities in our state, and this industry should be treated fairly as with all other sectors of the economy seeking an assured water supply for its activities. The legislature further finds that achievement of these goals is hindered by uncertainty surrounding the exemption from water right permit requirements for withdrawals of public groundwater for "stock watering purposes." Attorney general opinion No. 17 from 2005 and the decision from the pollution control hearings board in Dennis & DeVries v. Washington (PCHB No. 01-073 (2001)) are not in harmony. Therefore, in order to promote the clarity

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- 1 needed for both a sustainable livestock industry and effective water
- 2 resource management, the legislature intends to provide dairy farms
- 3 with some certainty under the permit exemption.

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- 4 **Sec. 2.** RCW 90.44.035 and 2000 c 98 s 2 are each amended to read 5 as follows:
 - ((For purposes of this chapter:)) The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- 9 (1) "Artificially stored groundwater" means water that is made 10 available in underground storage artificially, either intentionally, or 11 incidentally to irrigation and that otherwise would have been 12 dissipated by natural processes.
- 13 (2) "Dairy farm" means any farm that is licensed to produce milk
 14 under chapter 15.36 RCW.
 - (3) "Department" means the department of ecology($(\dot{\tau})$).
 - $((\frac{2}{2}))$ (4) "Director" means the director of ecology((\div)).
 - ((+3)) (5) "Groundwaters" means all waters that exist beneath the land surface or beneath the bed of any stream, lake or reservoir, or other body of surface water within the boundaries of this state, whatever may be the geological formation or structure in which such water stands or flows, percolates or otherwise moves. There is a recognized distinction between natural groundwater and artificially stored groundwater $((\dot{\tau}))$.
 - ((+4)) <u>(6)</u> "Natural groundwater" means water that exists in underground storage owing wholly to natural processes(+).
 - (((5) "Artificially stored groundwater" means water that is made available in underground storage artificially, either intentionally, or incidentally to irrigation and that otherwise would have been dissipated by natural processes; and
 - (6))) (7) "Underground artificial storage and recovery project" means any project in which it is intended to artificially store water in the ground through injection, surface spreading and infiltration, or other department-approved method, and to make subsequent use of the stored water. However, (a) this subsection does not apply to irrigation return flow, or to operational and seepage losses that occur during the irrigation of land, or to water that is artificially stored due to the construction, operation, or maintenance of an irrigation

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district project, or to projects involving water reclaimed 1 2 accordance with chapter 90.46 RCW; and (b) RCW 90.44.130 applies to those instances of claimed artificial recharge occurring due to the 3 construction, operation, or maintenance of an irrigation district 4 project or operational and seepage losses that occur during the 5 6 irrigation of land, as well as other forms of claimed artificial 7 recharge already existing at the time a groundwater subarea is 8 established.

9 **Sec. 3.** RCW 90.44.050 and 2003 c 307 s 1 are each amended to read 10 as follows:

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After June 6, 1945, no withdrawal of public groundwaters of the state shall be begun, nor shall any well or other works for such withdrawal be constructed, unless an application to appropriate such waters has been made to the department and a permit has been granted by it as herein provided: EXCEPT, HOWEVER, That any withdrawal of public groundwaters for stock watering purposes <u>except as provided in section</u> 4 of this act, or for the watering of a lawn or of a noncommercial garden not exceeding one-half acre in area, or for single or group domestic uses in an amount not exceeding five thousand gallons a day, or as provided in RCW 90.44.052, or for an industrial purpose in an amount not exceeding five thousand gallons a day, is and shall be exempt from the provisions of this section, but, to the extent that it is regularly used beneficially, shall be entitled to a right equal to that established by a permit issued under the provisions of this chapter: PROVIDED, HOWEVER, That the department from time to time may require the person or agency making any such small withdrawal to furnish information as to the means for and the quantity of that withdrawal: PROVIDED, FURTHER, That at the option of the party making withdrawals of groundwaters of the state not exceeding five thousand gallons per day, applications under this section or declarations under RCW 90.44.090 may be filed and permits and certificates obtained in the same manner and under the same requirements as is in this chapter provided in the case of withdrawals in excess of five thousand gallons a day.

NEW SECTION. Sec. 4. A new section is added to chapter 90.44 RCW to read as follows:

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(1) Any existing withdrawal of water put to beneficial use for stock watering purposes under RCW 90.44.050 by a dairy farm before the effective date of this section that does not exceed 13.8 acre feet per year is and remains exempt from the water right permit requirements of this chapter.

- (2) Any existing withdrawal of water put to beneficial use for stock watering purposes under RCW 90.44.050 by a dairy farm before the effective date of this section that does exceed 13.8 acre feet per year is and remains exempt from the water right permit requirements of this chapter if:
- (a) By December 31, 2010, the dairy farm making the withdrawal files a registration with the department to document the quantity and priority of the withdrawal as provided in section 5 of this act;
- (b) Water withdrawn under such a registration does not thereafter exceed the annual quantity withdrawal limits contained in such a registration; and
- (c) By December 31, 2012, for existing dairy farms that, on or before the effective date of this section, are withdrawing water from a groundwater body that has been closed to further withdrawal by rule, that is in hydraulic continuity with surface waters that are closed to further appropriation by rule or have an established instream flow that is not regularly met, or that is in hydraulic continuity with surface waters with depressed or critical salmonid stock status as determined by the Washington department of fish and wildlife under RCW 90.03.360, the dairy farm begins to meter its withdrawals, retains records of the amounts withdrawn, and makes the records available to the department upon request.
- (3)(a) A dairy farm that existed on or before the effective date of this section shall obtain a water right permit, certificate, or claim, a department-approved transfer of an existing water right, or a department-approved change or consolidation amendment as provided under sections 6 and 7 of this act for any amount of water use exceeding the registered annual quantity withdrawal limit contained in the registration required in section 5 of this act.
- (b) A dairy farm that existed on or before the effective date of this section and had a withdrawal for stock watering purposes of less than 13.8 acre feet per year prior to the effective date of this section or a new dairy farm that begins operating after the effective

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date of this section shall obtain a water right permit, certificate, or claim, a department-approved transfer of an existing water right, or a department-approved change or consolidation amendment as provided under sections 6 and 7 of this act for any amount of water use exceeding 13.8 acre feet per year.

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- (4) Any new withdrawal of water put to beneficial use for stock watering purposes by a new dairy farm commenced after the effective date of this section is and remains exempt from the water right permit requirements of this chapter if the total withdrawal for stock watering purposes by the dairy farm does not exceed 13.8 acre feet per year, and annual withdrawal quantities are metered and recorded and metering records are retained and made available to the department upon request.
- 13 (5) Nothing in this act authorizes the impairment of, or operates 14 to impair, any existing water right. Nothing in this act precludes an 15 action, on the basis of priority date, in favor of senior water rights, 16 whether such an action is brought by the holder of an existing water 17 right or by the department which is authorized to use the authorities 18 of RCW 90.03.605 to pursue such an action.
- NEW SECTION. Sec. 5. A new section is added to chapter 90.44 RCW to read as follows:
 - (1)(a) A registration for a dairy farm that existed prior to the effective date of this section that uses over 13.8 acre feet per year for stock watering purposes must be on a form or electronic template provided by the department and must include:
- 25 (i) The name and address of either the water user or the dairy 26 farm, or both;
 - (ii) The name and address of the owner of the land on which the well, wells, or other means used for the withdrawal are located;
- 29 (iii) The legal description of the location of the point of 30 withdrawal and the place of use;
- (iv) The depth, and any other pertinent specifications, of the well, wells, or other means used for the withdrawal that may reasonably be required by the department to determine the body of public groundwater being withdrawn from;
- (v) The date or approximate date, to the best of the registrant's knowledge, of the first beneficial use of groundwater withdrawn;

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- 1 (vi) A description of the stock watering purposes associated with 2 such a withdrawal and use; and
 - (vii) A declaration of the highest annual quantity, estimated to the nearest acre foot, of water withdrawn and beneficially used by the dairy farm for stock watering purposes during the period of January 1, 2005, through December 31, 2009.
 - (b) A registration under this section pertains to the quantity of permit-exempt groundwater withdrawn and not to quantities of water use authorized by an existing water right permit, certificate, or claim. However, where a dairy farm depends upon a mixture of permit-exempt withdrawals and other water rights authorized by a permit, certificate, or claim, the identifying number of the water rights and claims and a brief description of how they contribute to the daily water needs of the dairy farm must also be included in the registration.
 - (c) The department may return registrations for modification as needed, to correct ministerial errors, and to ensure that the information, including but not limited to the annual quantity withdrawn and the priority date, provided in the registration is accurate and consistent.
 - (d) A registration may be amended if the dairy farm increases the highest annual quantity, estimated to the nearest acre foot, of water withdrawn and beneficially used by the dairy farm for stock watering purposes from December 31, 2010, through December 31, 2015. The amendment must be submitted on a form or electronic template provided by the department.
 - (e) Causing a registration or an amendment to be filed with the department constitutes the affirmation or acknowledgment under penalty of perjury under the laws of the state of Washington that the registration is true and complete to the best of the registrant's knowledge.
 - (2) A dairy farm that, prior to the effective date of this section, has relied upon permit-exempt withdrawals that exceeded 13.8 acre feet per year for stock watering purposes, that fails to register by the December 31, 2010, deadline has a priority date as of the date of filing, except that a dairy farm retains their priority date if the dairy farm applies to the department by December 31, 2010, for an extension of time not to exceed December 31, 2012, that may be granted only upon a showing of good cause.

(3) A dairy farm that, prior to the effective date of this section, has relied upon permit-exempt withdrawals of 13.8 or fewer acre feet per year is not required to register under this section. However, a dairy farm may voluntarily register with the department at any time, consistent with the provisions of this chapter.

<u>NEW SECTION.</u> **Sec. 6.** A new section is added to chapter 90.44 RCW to read as follows:

A dairy farm that has registered under section 5 of this act may submit a request in writing to the department that the department undertake a review of the extent and validity of the water used for stock watering purposes described in the registration submitted under section 5 of this act. After such a review, dairy farms registered under section 5 of this act may be approved by the department for transfer and change or amendment to another place or purpose of use, consistent with the requirements of RCW 90.44.100. The department may also approve an expedited transfer and change or amendment to accommodate the expansion or consolidation of registered dairy farms consistent with section 7 of this act and RCW 90.44.100. For purposes of RCW 90.44.100, the department shall treat such registered permit-exempt withdrawals for stock watering purposes as an appropriate permit when considering an application for transfer and change or amendment.

NEW SECTION. Sec. 7. A new section is added to chapter 90.44 RCW to read as follows:

- (1) A dairy farm that has registered under section 5 of this act may submit a request in writing to the department that the department undertake a review of the extent and validity of the water used for stock watering purposes described in the registration submitted under section 5 of this act. After such a review, the department shall expedite change and consolidation amendments under this section.
- (2) Upon the issuance by the department of an amendment to the appropriate permit-exempt groundwater right registrations, claims, permits, or certificates of dairy farms registered under this chapter, the holder of such a valid water right to withdraw public groundwaters may use the expedited procedures provided under this section to change or consolidate water rights with consenting owners of other dairy farms registered under this chapter or water rights used for agricultural

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purposes. Such an amendment does not affect the priority of any water rights involved in the change or consolidation, and may be issued only after a determination has been made by the department that all applicable criteria established under subsections (3) through (7) of this section have been satisfied.

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- (3) Any registered dairy farm that conserves water and reduces the water withdrawal quantities required by the farm may:
- (a) Increase either the dairy farm's numbers or types, or both, of livestock without notice to the department as long as withdrawal quantities authorized under registration with the department are not exceeded; or
- (b) Elect to protect the excess and unused portion of registered withdrawal quantities from relinquishment by submitting the excess and unused portion of the registered withdrawal quantities into the trust water rights program under RCW 90.42.080.
- (4) The department may approve the consolidation of two or more registered stock water rights of dairy farms or a dairy farm and a water right used for agricultural purposes to accommodate the expansion or consolidation of dairy farms. A registered dairy farm may increase water withdrawal associated with a consolidation of livestock to be received from another registered dairy farm if the department first approves the consolidation application in accordance with RCW 90.44.105. Prior to such a consolidation approval, the department shall amend the registrations of the sending and receiving dairy farms to appropriately reflect the corresponding reduction and increase of water withdrawal quantities available.
- (5) Applications for a change or consolidation amendment under this section must:
- (a) Use a change of water right application form provided by the department;
- (b) Provide registration or water right identification numbers for the registered dairy farms proposing to receive conserved water under subsection (2) of this section or proposing to receive livestock and their associated water requirements under subsection (3) of this section;
- 36 (c) Provide registration or water right identification numbers for 37 the registered dairy farm or the water right used for agricultural

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- purposes, if applicable, proposing to send water under subsection (2) of this section or proposing to send livestock and their associated water requirements under subsection (3) of this section;
- (d) Provide the date or approximate date of the change or consolidation, or the date of deposit in the trust water rights program under chapter 90.38 or 90.42 RCW or a water bank established under RCW 90.38.040, 90.42.100, or 90.92.070; and
- (e) Provide the proposed increase and corresponding decrease in the amount of water to be withdrawn and beneficially used by each dairy farm, in gallons per day, following the change of conserved water or the consolidation and movement of animals, based on a prorated operational share of water associated with animals moved.
- (6) Prior to the department making a determination on an application for a change or consolidation amendment under this section, the applicant seeking the consolidation must publish notice of the application in a newspaper of general circulation in the county or counties in which the proposed withdrawal or withdrawals for the water right or rights to be changed or consolidated are located once a week for two consecutive weeks. Preparation of the notice must be consistent with the provisions of RCW 90.03.280. The applicant shall provide evidence of the publication of notice to the department. There is a thirty-day comment period beginning on the date the second notice is published.
- (7) The department may only approve expedited change and consolidation amendments under this section after:
- (a) Conducting a tentative determination, based on the water right's full history, of the extent and validity of any water right registration, permit, certificate, or claim associated with a change or consolidation amendment under this section;
 - (b) Determining that:

- (i) The sending dairy farm or water right for agricultural purposes and receiving dairy farm utilize withdrawals that tap the same body of public groundwater unless the department determines that withdrawing the water from a different body of public groundwater would improve the overall sustainability of groundwater resources;
- (ii) Any increase in water legally withdrawn by the receiving dairy farm will be matched by an equal or greater reduction in water legally

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- withdrawn by the sending dairy farm or water right for agricultural purposes;
 - (iii) Other existing water rights, including groundwater and surface water rights and minimum stream flows adopted by rule, will not be impaired as a result of the change or consolidation amendment; and
- 6 (iv) The proposed change or consolidation amendment will not be 7 detrimental to the public welfare; and
- 8 (c) Requiring that, if the withdrawals do tap different bodies of 9 public groundwater, the priority date be subordinated to existing 10 rights in order to protect existing water right holders from 11 impairment.
- 12 NEW SECTION. Sec. 8. The department of ecology shall convene a 13 dairy stock water advisory group that includes: Members representing the dairy industry; members representing environmental interests; the 14 director of the department of ecology or the director's designee; and 15 the director of the department of agriculture or the director's 16 designee. Affected federally recognized tribes shall be invited to 17 18 send participants. The group shall review issues surrounding the use of permit-exempt wells for stock watering purposes by dairy farms under 19 20 this act and may develop recommendations for legislative action. 21 group shall meet periodically and report its activities and 22 recommendations to the governor and the appropriate legislative 23 committees by December 1, 2013.
 - <u>NEW SECTION.</u> **Sec. 9.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

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