

# SENATE BILL REPORT

## SB 5016

---

---

As Reported by Senate Committee On:  
Agriculture, Water & Rural Economic Development, February 17, 2015  
Ways & Means, February 26, 2015

**Title:** An act relating to retaining water resources to assure the vitality of local economies.

**Brief Description:** Retaining water resources to assure the vitality of local economies.

**Sponsors:** Senators Honeyford and Ericksen.

**Brief History:**

**Committee Activity:** Agriculture, Water & Rural Economic Development: 2/10/15, 2/17/15 [DP-WM].  
Ways & Means: 2/24/15, 2/26/15 [DP, DNP, w/oRec].

---

### SENATE COMMITTEE ON AGRICULTURE, WATER & RURAL ECONOMIC DEVELOPMENT

**Majority Report:** Do pass and be referred to Committee on Ways & Means.

Signed by Senators Warnick, Chair; Dandel, Vice Chair; Hatfield, Ranking Minority Member; Honeyford.

**Staff:** Diane Smith (786-7410)

---

### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass.

Signed by Senators Hill, Chair; Braun, Vice Chair; Dammeier, Vice Chair; Honeyford, Vice Chair, Capital Budget Chair; Hargrove, Ranking Member; Bailey, Becker, Brown, Hatfield, Hewitt, O'Ban, Padden, Parlette, Schoesler and Warnick.

**Minority Report:** Do not pass.

Signed by Senator Hasegawa.

**Minority Report:** That it be referred without recommendation.

Signed by Senators Keiser, Assistant Ranking Member on the Capital Budget; Ranker, Ranking Minority Member, Operating; Billig, Conway, Fraser, Kohl-Welles and Rolfes.

---

*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Staff:** Sherry McNamara (786-7402)

**Background:** The State Parks and Recreation Commission (State Parks), the Washington Department of Fish and Wildlife (WDFW), and the Department of Natural Resources (DNR), manage developed and undeveloped public lands in the state.

The Washington State Trust Water Rights statutes provide a way to hold water rights for future uses without relinquishing the water right. While the water is held in trust it retains its original priority date.

The Watershed Planning Act establishes a process for local groups to develop and implement plans for managing and protecting local water resources and rights. The local groups authorized to develop watershed plans are organized by water resource inventory areas (WRIAs). There are 62 WRIAs, or distinct watersheds, in the state.

**Summary of Bill:** Within existing appropriations, State Parks, WDFW, and DNR must maintain an inventory of water rights appurtenant to lands purchased by their agencies, and at least once per year review and record whether all or a portion of each water right has been used.

A local economy trust water account (local water trust) is established by the Department of Ecology (Ecology). If an agency determines that part or all of a water right has not been used for the prior four consecutive years, the agency would be required to transfer the right to the local water trust.

Water rights held in the local water trust must be available for transfer to a new use or uses within the same WRIA and would be available to the first pending application in line for a new water right. Specific criteria and timelines are provided for requesting a transfer of a water right into or out of the local water trust. Ecology must submit a report to the Legislature under certain circumstances where a new permit has been issued.

Specific conditions are provided for an agency's nonuse of water and when it would not be subject to placement in the local water trust.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

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

**Staff Summary of Public Testimony (Agriculture, Water & Rural Economic Development):** PRO: Agencies buying land and taking the water rights out of beneficial use is the same as sending water south – it dries up the land if it is not used for agriculture. This is a good government bill bringing us toward more-balanced relinquishment. There is a large percentage of land especially in eastern Washington, that is in public ownership which

reduces the tax base. The rest of the counties' tax payers must then take up the burden when agricultural land goes out of production.

CON: We need better records from state lands but this bill prevents agencies from putting water back in-stream.

OTHER: It is good for agencies to account for their water use so as not to inadvertently relinquish water rights. However, the existing Trust Water Account could be used. It has more options such as use for fish flows.

**Persons Testifying (Agriculture, Water & Rural Economic Development):** PRO: Senator Honeyford, prime sponsor; Evan Sheffels, WA Farm Bureau; Kathleen Collins, WA Water Policy Alliance.

CON: Bruce Wishart, Sierra Club, Center for Environmental Law and Policy.

OTHER: Tom Loranger, Ecology.

**Staff Summary of Public Testimony (Ways & Means):** PRO: This bill is all about repurposing water rights held by state agencies that will otherwise be relinquished. The goal is to maintain an economic base in rural areas of the state and this will be accomplished by having the water go to a beneficial use. There really shouldn't be a fiscal impact, I'm surprised by the fiscal note from the agencies.

**Persons Testifying (Ways & Means):** PRO: Kathleen Collins, WA Water Policy Alliance.