SENATE BILL REPORT SB 6175

As of January 27, 2016

Title: An act relating to watershed management actions by watershed improvement districts.

Brief Description: Concerning watershed management actions by watershed improvement districts.

Sponsors: Senator Ericksen.

Brief History:

Committee Activity: Energy, Environment & Telecommunications: 1/27/16.

SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TELECOMMUNICATIONS

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Background: <u>Irrigation Districts.</u> Irrigation districts (Districts) provide construction, improvement, maintenance, and operation of irrigation systems. Districts may also provide drainage, domestic water supply, and electric power facilities. Districts are governed by an irrigation district elected board of directors (Board). All Districts that are operating and maintaining an irrigation system have numerous statutorily enumerated powers, which include the powers to:

- purchase and sell electricity to residents of the District;
- acquire and operate dams, canals, plants, transmission lines, and other power equipment, and to generate and transmit electricity;
- acquire and operate hydroelectric facilities for the generation of electricity, and to sell electricity generated at any such facility;
- acquire and maintain a system of drains, sanitary sewers, and sewage disposal or treatment plants;
- assume indebtedness to the United States under the federal reclamation laws;
- acquire, install, and maintain water mains and fire hydrants for firefighting purposes;
- contract with other entities to jointly acquire and maintain irrigation water, domestic water, drainage, and sewerage works, and electrical power works; and
- acquire and operate a water-sewer district's water system that is wholly within the irrigation district's boundaries to provide water for domestic use of District residents.

In addition to direct provision of irrigation, a District is also authorized to expend revenue on cooperative watershed management actions, including watershed management partnerships

Senate Bill Report - 1 - SB 6175

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and intergovernmental agreements for water supply, water quality, and water resource and habitat protection and management.

Shoreline Management Act (SMA). The SMA was enacted in 1971, and governs uses of the shorelines of the state. Shorelines of the state are all water areas of the state, with some exceptions, and the land underlying them, including reservoirs, and their associated shorelands. Lands that extend landward 200 feet in all directions as measured on a horizontal plane from the ordinary high water mark, wetlands, and river deltas are "shorelands." The SMA provides for a cooperative regulatory approach between local governments - counties, cities, or towns that contain within their boundaries any lands or waters subject to the SMA and the state. Local government has primary responsibility for initiating planning required by the SMA and administering programs that regulate land use activities in shoreline areas. The Department of Ecology acts primarily in a supportive and review capacity.

State Environmental Policy Act (SEPA). SEPA applies to decisions made by state and local agencies, including counties, cities, ports, and special districts. It provides a framework to consider the environmental consequences of a proposed project prior to taking action on the proposal. The SEPA process begins with a permit application or initiation of an agency proposal. The environmental review process involves a project applicant completing an environmental checklist to identify and evaluate probable environmental impacts, and to develop mitigation measures that will reduce adverse environmental impacts. This checklist is then reviewed by the lead agency to determine whether the proposal is likely to have a significant adverse environmental impact. For most proposals, one agency is designated as the lead agency. An environmental threshold determination is made by the lead agency and is documented in either a determination of nonsignificance or a determination of significance.

The Growth Management Act (GMA). GMA is the comprehensive land use planning framework for county and city governments in Washington. GMA directs jurisdictions that fully plan under the act - planning jurisdictions - to adopt internally consistent comprehensive land use plans, which are generalized, coordinated land use policy statements of the governing body. Comprehensive plans, which are the frameworks of county and city planning actions, are implemented through locally adopted development regulations. GMA also includes numerous requirements relating to the use or development of land in urban and rural areas.

Interlocal Cooperation Act (ICA) /Watershed Management Partnerships. Under the ICA public agencies, including local governments, are authorized to contract with one another to provide services either through cooperative action or when one or more agencies pay another for a service. In addition to provisions governing general cooperative actions between public agencies, the ICA authorizes counties, cities, and selected special purpose districts to enter into agreements to form watershed management partnerships to implement all or parts of a watershed management plan, including coordination and oversight of plan implementation. Watershed plans, salmon recovery plans, watershed management elements of comprehensive plans and shoreline master programs, and other types of plans are considered "watershed management plans" for these purposes. The participating entities may expend 10 percent of their water-related revenues for watershed management plan projects or activities that are in

addition to the existing water-related services or activities of the county, city, or district.

<u>County Lands Assessment Fund.</u> The County Lands Assessment Fund may be used by county commissioners to pay for assessments of drainage and diking improvement districts, or districts formed for road improvements, payments due for lands acquired by the county and lands acquired by the county by foreclosure of general taxes. The of levy for county lands assessment fund can not exceed \$0.125 per \$1,000.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Proposed First Substitute): <u>Irrigation Districts.</u> Districts may include ditch maintenance and sediment management as part of their watershed management actions. Ditch and sediment management do not need to be performed through a watershed management partnership or intergovernmental agreement.

Watershed improvement districts (WID), formed under an irrigation district are authorized to receive funds for watershed management actions from any eligible federal or state grant or loan program. In addition, a WID is authorized to request and receive funds for watershed management actions from the county lands assessment fund from the county where the activities will be performed. The county must transfer the requested funds to the WID upon request. A county may not increase the county lands assessment fund levy to provide funds to a WID for watershed management actions.

<u>State Environmental Policy Act.</u> A watershed improvement district's decisions pertaining to watershed management actions are not subject to SEPA requirements.

<u>The Growth Management Act.</u> Any county or city planning under GMA must allow a watershed improvement district to perform watershed management actions.

<u>Shoreline Management Act.</u> Every master program must allow a watershed improvement district to perform watershed management actions.

<u>Interlocal Cooperation Act.</u> A watershed improvement district is not subject to the 10 percent limitation of its water related revenues to implement watershed management plan projects.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Senate Bill Report - 3 - SB 6175