

FINAL BILL REPORT

SSB 6179

C 215 L 16
Synopsis as Enacted

Brief Description: Concerning water banking.

Sponsors: Senate Committee on Agriculture, Water & Rural Economic Development (originally sponsored by Senator Honeyford).

Senate Committee on Agriculture, Water & Rural Economic Development
House Committee on Agriculture & Natural Resources

Background: The phrase "water banking" is widely used to refer to a variety of water management practices. Water banking is typically facilitated by a public or private institution that operates in the role of broker or clearinghouse. Many banks pool water supplies from willing sellers and make them available as mitigation credits to willing buyers.

The Department of Ecology (Department) considers water banking to be an institutional mechanism that facilitates the legal transfer and market exchange of various types of surface water, groundwater, and water storage.

In 2003, legislation was passed to allow water banking in the Yakima Basin using the State Trust Water Rights Program. During the 2009 legislative session, the law was amended to clarify that this tool is available to use for water banking statewide. The Washington Water Trust administers water banks in the Dungeness drainage, the Kittitas Basin, and Walla Walla.

The State Trust Water Rights Program allows either a permanent donation of a water right or a temporary donation that allows the water right holder to maintain the holder's water rights for future use without the relinquishment of the water right. Water enrolled in the program is held by the Department and put to beneficial use. Water enrolled in the State Trust Water Rights Program is held in trust and retains its original priority date.

Under the state building code, adequate water supply for the intended use of the proposed building is required in order to receive a building permit. Counties and cities may condition a building permit on the applicant's connecting to an existing public water system that is ready, willing, and able to provide safe and reliable potable water.

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.

The Department is prohibited from using water banking for four stated purposes, one of which prohibits the issuance of temporary water rights from a water bank when the new potable use requires an adequate and reliable water supply.

The Department must maintain information about water banking on its website.

Summary: The Department must include on its water banking website a table showing:

- any fees charged, in the amount charged for mitigation;
- if applicable, any geographic areas where DOE may issue permits or other approvals to use the water rights associated with the water bank as mitigation;
- the process the water bank used to obtain approval from DOE, or any other governmental agency, to use the water rights as mitigation for new water uses;
- the nature of the ownership interest of the water right available to be conveyed to the landowner and whether the ownership interest will be recorded on the title;
- the amount charged by each water bank for mitigation;
- the priority date; and
- the amount of water made available for mitigation.

The Department must update the schedule quarterly. Water banks must provide the necessary information to the Department upon request.

It is clarified that the operators of the water banks have the obligation to supply the information for the table maintained on DOE's web site.

Votes on Final Passage:

Senate	47	0	
House	94	3	(House amended)
Senate	47	1	(Senate concurred)

Effective: June 9, 2016