
SUBSTITUTE HOUSE BILL 2860

State of Washington

59th Legislature

2006 Regular Session

By House Committee on Economic Development, Agriculture & Trade
(originally sponsored by Representatives Grant, Newhouse, Hankins,
Haler, Walsh and McCune)

READ FIRST TIME 02/07/06.

1 AN ACT Relating to water resource management in the Columbia river
2 basin; amending 2005 c 488 s 332 (uncodified); adding a new chapter to
3 Title 90 RCW; making appropriations; and providing an effective date.

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

5 NEW SECTION. **Sec. 1.** (1) The legislature finds that state water
6 resources management in the Columbia river basin must immediately
7 initiate the development of new water supplies to meet the economic and
8 community development needs of people and the instream flow needs of
9 fish.

10 (2) The legislature therefore declares that a Columbia river basin
11 water supply development program is needed, and directs the department
12 of ecology to aggressively pursue the development of cost-effective
13 water supplies to benefit both instream and out-of-stream uses.

14 NEW SECTION. **Sec. 2.** (1) To support the development of new water
15 supplies in the Columbia river, the department of ecology shall work
16 with all interested parties, including but not limited to, interested
17 watershed planning groups working adjacent to the Columbia river and

1 tribal governments, to develop a Columbia river water supply inventory.

2 The inventory must include:

3 (a) A list of potential conservation and storage projects in the
4 Columbia river basin;

5 (b) Estimates of project costs and benefits;

6 (c) A ranking of projects from the least expensive per acre-foot of
7 water conserved to the most expensive per acre-foot;

8 (d) A ranking of projects from the most beneficial to fish to the
9 least beneficial to fish; and

10 (e) A ranking of projects from the most beneficial to agriculture
11 to the least beneficial to agriculture.

12 (2) The Columbia river water supply inventory should consider
13 long-term trends in water supply and demand, rely on existing project
14 data already completed by local planning groups, and supplement
15 existing information as necessary to develop a useful inventory.

16 (3) The department of ecology shall complete the first Columbia
17 river water supply inventory by November 15, 2006, and shall update the
18 inventory annually thereafter.

19 NEW SECTION. **Sec. 3.** (1) Except as otherwise provided in this
20 section, new water supplies developed and secured through the operation
21 or development of storage facilities made possible with funding from
22 the Columbia river basin water storage and supply account shall be
23 allocated as follows:

24 (a) Two-thirds of active storage shall be allocated to
25 out-of-stream uses; and

26 (b) One-third of active storage shall be placed in the state trust
27 water rights program to enhance instream flows. The timing of releases
28 of this water shall be determined in cooperation with the department of
29 fish and wildlife to maximize benefits to salmon and steelhead
30 populations.

31 (2) The one-third/two-thirds allocation of water resources between
32 instream and out-of-stream uses that is established in this section
33 shall not be applied by the department of ecology when considering
34 applications for changes or transfers of existing water rights in the
35 Columbia river basin.

36 (3) The department of ecology shall focus its efforts to develop
37 water supplies for the Columbia river basin on the following needs:

1 (a) Alternatives to ground water for farmers in the Odessa subarea
2 aquifer;

3 (b) Sources of municipal water supply for pending water right
4 applications;

5 (c) A new uninterruptible supply of water for the holders of
6 interruptible water rights on the Columbia river mainstem that are
7 subject to instream flows or other mitigation conditions to protect
8 stream flows; and

9 (d) New municipal, domestic, industrial, and irrigation water needs
10 within the Columbia river basin.

11 (4) The department of ecology shall monitor and evaluate the new
12 water allocated to instream use under this section and section 5 of
13 this act, in order to identify the maximum streamflow that is
14 beneficial to aquatic life. The department shall submit a decadal
15 report to the appropriate committees of the legislature that identifies
16 how much new water has been dedicated to instream uses and how close
17 the Columbia river basin is to reaching the maximum beneficial flow
18 during the times of the year with the lowest flow levels. Once the
19 maximum beneficial flow that is beneficial to aquatic life has been
20 reached and maintained, all additional new water supplies developed and
21 secured under this section shall be allocated for out-of-stream uses.

22 NEW SECTION. **Sec. 4.** (1) In order to implement the Columbia river
23 basin water supply development program, the department of ecology has
24 the authority to enter into voluntary regional agreements that
25 establish conditions under which water withdrawn from the Columbia
26 river will be approved. These agreements shall pertain to specific
27 geographic areas and to individuals or entities that use or propose to
28 use water from the Columbia river mainstem. Regional solutions must,
29 to the maximum extent practicable, include input from and acceptance by
30 citizens within the affected region, voluntary processes and agreements
31 that develop unique solutions for each region, avoidance of policies
32 that will create precedents impacting the ability of other regions of
33 the state to develop their own unique solutions, and efforts to
34 harmonize such regional efforts with watershed planning efforts
35 conducted under the authority of this chapter or chapter 90.82 RCW.

36 (a) Voluntary regional agreements based upon conserved water are

1 authorized. Conserved water shall be allocated in a manner that
2 concurrently ensures that:

3 (i) Water is provided for out-of-stream uses; and

4 (ii) No reduction in stream flows during fish critical periods in
5 the Columbia river mainstem will occur as a result of the new
6 appropriation of water.

7 (b) Applicants under a voluntary regional agreement must
8 demonstrate efficient water use practices.

9 (c) Voluntary regional agreements based upon accessing water
10 supplies from new or existing storage facilities shall be implemented
11 consistent with the requirements of section 3 of this act. Applicants
12 under a voluntary regional agreement must demonstrate efficient water
13 use practices.

14 (2) The mitigation standards established in this section are
15 intended to streamline issuance of new water rights from the Columbia
16 river. Nothing in this chapter is intended to stop the processing of
17 applications for new water rights. Nothing in this chapter may be
18 interpreted or administered in a manner that precludes the use of
19 existing authority to process water right applications under chapter
20 90.03 or 90.44 RCW, or in a manner that impairs or diminishes a valid
21 water right.

22 (3)(a) Before entering into a voluntary agreement under this
23 section, the department of ecology must:

24 (i) Consult with the department of fish and wildlife and watershed
25 planning groups regarding the benefits that the voluntary agreement can
26 produce for fish and wildlife species and other instream values on the
27 Columbia river mainstem; and

28 (ii) Provide a thirty-day public review and comment period for a
29 draft agreement, and publish a summary of any public comments received.
30 The thirty-day review period shall not begin until after the department
31 of ecology has concluded its consultation with the department of fish
32 and wildlife and the appropriate watershed planning groups.

33 (b) To meet its responsibility under this section, the department
34 of fish and wildlife shall consult with fisheries comanagers and shall
35 inform the department of ecology of the recommendations of fisheries
36 comanagers. The department of fish and wildlife shall provide
37 comments, including the recommendations of fisheries comanagers, to the

1 department within thirty days following receipt of a draft agreement
2 for review.

3 (4) In implementing this section, the department of ecology shall
4 inform the legislature as to such efforts and request any additional
5 authority needed for implementation.

6 NEW SECTION. **Sec. 5.** Conserved water funded by the state:

7 (1) To benefit the Columbia river mainstem shall be permanently
8 held in trust in proportion to the share of funding provided by the
9 state to complete the project. Water held in trust under this section
10 shall be used to improve instream flows for the benefit of fish and
11 other instream values;

12 (2) Developed within the federal Columbia basin reclamation project
13 shall become a portion of the project water supply to be used to
14 replace deep well irrigation within the Odessa ground water management
15 subarea and to reduce water diversions from the Columbia river.

16 NEW SECTION. **Sec. 6.** (1) By July 1, 2006, the department shall
17 convene discussion groups, including all appropriate stakeholders, to
18 consider and make recommendations on the following issues:

19 (a) The public interest in regional equity regarding the sources of
20 water supplies and mechanisms, to determine whether interregional water
21 transfers jeopardize the economic health of any region or tributary
22 basin. The review must also consider mechanisms that might provide for
23 water supplies in other regions while retaining the water right in the
24 region of the water source;

25 (b) Whether a water bank for the Columbia river mainstem would
26 simplify and improve the approval of water acquisitions, leases, loans,
27 and exchanges; reduce the time and costs associated with such
28 transactions; and increase the availability of water supplies and
29 water-related information.

30 (2) Reports from the reviews under this section are due to the
31 appropriate committees of the legislature by December 31, 2006.

32 NEW SECTION. **Sec. 7.** (1) The Columbia river basin water storage
33 and supply account is created in the state treasury. The account may
34 receive direct appropriations from the legislature and receipts of
35 payments made by water users that are based on an appropriate and

1 economically viable share of construction, operation, and maintenance
2 costs of water supply projects. For the biennium ending June 30, 2007,
3 the sum of fifty million dollars is appropriated from the state
4 building construction account to the department of ecology for deposit
5 into the Columbia river basin water storage and supply account.

6 (2) Expenditures from the Columbia river basin water storage and
7 supply account may be used to assess, plan, and develop new storage and
8 improve or alter operations of existing storage facilities designed to
9 provide access to new water supplies within the Columbia river basin
10 for both instream and out-of-stream uses.

11 (3) The department of ecology shall manage any appropriations made
12 from the account for the purposes of developing water supplies in a
13 manner that yields the greatest benefits to the state.

14 (4) The account is subject to legislative appropriation.

15 (5) Interest earned by deposits in the account will be retained in
16 the account.

17 NEW SECTION. **Sec. 8.** (1) In order to better understand current
18 water use in the Columbia mainstem, the department of ecology shall
19 establish and maintain a Columbia mainstem water resources information
20 system that provides the information necessary for effective mainstem
21 water resource planning and management. To accomplish this objective,
22 the department shall consult with and use information already compiled
23 by existing local watershed planning groups, the United States bureau
24 of reclamation, the Bonneville power administration, irrigation
25 districts, and conservation districts in the basin.

26 (2) The data program shall include a system for collecting and
27 providing access to water resource data as well as a system for
28 cataloging, storing, and retrieving the information so it may be made
29 readily available to and effectively used by the department and by the
30 public and also include data on:

31 (a) The total aggregate quantity of water issued under state
32 permits and certificates and filed under state claims on the Columbia
33 river mainstem and for ground water within one mile of the mainstem;

34 (b) The total aggregate volume of current water use under these
35 rights as metered and reported by water users;

36 (c) The aggregate quantity of water that is currently inchoate or
37 under development under these rights;

1 (d) Conservation projects that have been implemented under this
2 chapter and the amount of water conservation they have achieved; and
3 (e) Other relevant water use data.

4 (3) The department of ecology shall collect this data annually and
5 publish it on the department's web site no later than November 1st of
6 each year.

7 **Sec. 9.** 2005 c 488 s 332 (uncodified) is amended to read as
8 follows:

9 **FOR THE DEPARTMENT OF ECOLOGY**

10 Columbia River Initiative (06-2-010)

11 The appropriation in this section is subject to the following
12 conditions and limitations:

13 (1) \$6,000,000 is provided solely for feasibility studies related
14 to off-mainstem storage projects and impacts of changing operations at
15 the Potholes reservoir, and grant funding for the purchase and
16 installation of water measuring devices.

17 (2) Of the amount appropriated in this section, \$10,000,000 (~~may~~
18 ~~not be expended prior to enactment of state legislation that~~
19 ~~establishes the policy requirements for a new water resources and water~~
20 ~~rights management program for the Columbia river mainstem. If such~~
21 ~~legislation is not enacted prior to June 30, 2006, this amount shall~~
22 ~~lapse~~) is provided to begin implementation of the Columbia basin water
23 storage and supply development program established in this act. Within
24 this amount, the department shall support, to the extent that projects
25 are ready to proceed and to the extent that resources allow, the
26 following water supply projects, including but not limited to: Storage
27 development or storage enhancement projects, projects that provide
28 surface water supply for the Odessa subarea within the boundaries of
29 the Columbia river basin project, projects which enhance water supplies
30 for the Walla Walla and Yakima rivers through exchanges and other
31 methods, projects which address water supply needs for the Quad-Cities,
32 and investments resulting in water use efficiency. The department
33 shall report progress under this section to the appropriate committees
34 of the legislature by December 1, 2006.

35 Appropriation:

36 State Building Construction Account--State \$16,000,000

1	Prior Biennia (Expenditures)	\$0
2	Future Biennia (Projected Costs)	\$52,610,000
3	TOTAL	\$68,610,000

4 NEW SECTION. **Sec. 10.** Sections 1 through 8 of this act constitute
5 a new chapter in Title 90 RCW.

6 NEW SECTION. **Sec. 11.** This act takes effect July 1, 2006.

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