AN ACT Relating to the Walla Walla water 2050 plan; amending RCW 90.90.020; and adding a new section to chapter 90.90 RCW.

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

- **Sec. 1.** RCW 90.90.020 and 2011 c 83 s 4 are each amended to read as follows:
- (1) (a) Water supplies secured through the development of new storage facilities made possible with funding from the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, and the Columbia river basin water supply revenue recovery account shall be allocated as follows:
- (i) Two-thirds of active storage shall be available for appropriation for out-of-stream uses; and
- (ii) One-third of active storage shall be available to augment instream flows and shall be managed by the department of ecology. The timing of releases of this water shall be determined by the department of ecology, in cooperation with the department of fish and wildlife and fisheries comanagers, to maximize benefits to salmon and steelhead populations.
- (b) Water available for appropriation under (a)(i) of this subsection but not yet appropriated shall be temporarily available to augment instream flows to the extent that it does not impair existing water rights.
- (2) Water developed under the provisions of this section to offset out-of-stream uses and for instream flows is deemed adequate mitigation for the issuance of new water rights provided for in subsection (1)(a) of this section and satisfies all consultation requirements under state law related to the issuance of new water rights.
- (3) The department of ecology shall focus its efforts to develop water supplies for the Columbia river basin on the following needs:

- (a) Alternatives to groundwater for agricultural users in the Odessa subarea aquifer;
- (b) Sources of water supply for pending water right applications;
- (c) A new uninterruptible supply of water for the holders of interruptible water rights on the Columbia river mainstem that are subject to instream flows or other mitigation conditions to protect streamflows; and
- (d) New municipal, domestic, industrial, and irrigation water needs within the Columbia river basin.
- (4) The one-third/two-thirds allocation of water resources between instream and out-of-stream uses established in this section does not apply to ((applications)):
- (a) Applications for changes or transfers of existing water rights in the Columbia river basin; or
- (b) Applications for water rights in the Walla Walla river basin implementing the Walla Walla water 2050 plan adopted June 30, 2021.
- NEW SECTION. Sec. 2. A new section is added to chapter 90.90 RCW to read as follows:
- (1) The Walla Walla water 2050 plan must be used as an integrated water resource strategy, through a coordinated effort between the states of Washington and Oregon, affected federally recognized tribes, affected federal, state, and local agencies, and agricultural, environmental, business, and other community stakeholders.
- (2) In developing water supply solutions in the Walla Walla river basin, the department of ecology should employ an integrated water resource management strategy and seek tothat will provide concurrent water supply benefits to both instream and out-of-stream uses, and address a variety of water resource and ecosystem challenges affecting fish passage, habitat functions, and agricultural, municipal, industrial, and domestic water supply, consistent with the Walla Walla water 2050 plan.

- (3) The department of ecology shall consider aAny increase in the quantity of water supply due to a project being implemented under the Walla Walla water 2050 plan must be that is completed after the effective date of this section to be considered water supply developed under this section.
- (4) In implementing subsection (2) of this section, the department of ecology will be advised by the Walla Walla basin advisory committee, including representatives from a broad range of interests, including agricultural, environmental, and other stakeholders, and tribal, local, state, and federal governments.
- (5) In consultation with affected federally recognized tribes, the department of ecology shall evaluate the development of a bistate legal regulatory framework for allocation of developed water resources, in collaboration with the state of Oregon.
- (6) The department of ecology shall submit a report to the relevant committees of the legislature by June 30, 2025, with a recommendation for the bistate legal regulatory framework necessary for equitable allocation and management of developed water resources from the build out of water supply projects envisioned in the Walla Walla water 2050 plan.
- (7) The department of ecology is authorized to fund the development, construction, and implementation of projects to implement the Walla Walla water 2050 plan that may be located outside of the state, provided that the projects benefit instream and out-of-stream water demands in the state.
- (8) Water supplies developed under this section must be apportioned between the states consistent with any written agreements entered into with the state of Oregon and the confederated tribes of the Umatilla Indian reservation related to the management of water in the Walla Walla river basin.
- (9) The department of ecology has the authority to designate water supplies developed under this section for instream flow purposes and placed into the trust water rights program authorized under chapter 90.42 RCW. Water supplies developed under this section

that are designated for instream flow purposes are unavailable to satisfy existing water rights, including water rights with superior priority, and are exempt from provisions under RCW 90.42.070.

- (10) Water supplies developed under this section must be managed consistent with the intent of the specific project being implemented.
- (11) In financing projects to implement the Walla Walla water 2050 plan authorized under this section, the department of ecology shall obtain no more than 50 percent of the total project costs from state funding sources, with the remaining costs funded through local, federal, and private funding sources from entities that benefit from projects. The condition on state funding applies to the total of all costs toward implementation of the Walla Walla water 2050 plan and not to individual projects funded under this section.

It is the intent of the legislature for the state to share in the cost to implement the Walla Walla water 2050 plan authorized under this section. At least one-half of the total costs to finance the implementation of the Walla Walla water 2050 plan must be funded through federal, private, and other nonstate sources, including private funding sources from entities that benefit from projects. This section applies to the total costs of the Walla Walla water 2050 plan and not to individual projects within the plan, and includes funding for projects that have been completed prior to the effective date of this section.

(12) Nothing in this section prevents the department of ecology from regulating water users consistent with existing adjudications to ensure that water use by holders of adjudicated surface water right certificates are not impaired by use under junior groundwater right certificates, claims, and permits.

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