Water Banking Trust Water Rights

Water Resources Advisory Committee
July 12, 2021

Overview of Activities

- 2019: Ecology evaluation of trust and banking
- 2020: Legislative Proviso in supplemental budget
 - Hosted Advisory Group on Water Trust, Banking and Transfers
 - Presentation to Legislature during assembly days
 - Identified statutory recommendations, changes under existing authority, areas for further study
 - Began work under existing authority
- 2021: Legislative Proviso for FY 21-23 biennium
 - Significant funding for water banking
 - Direction to implement recommendations and continue to work on policy issues



Water Banking



Water Banking Grant Pilot

Up to \$2 million per qualifying applicant:

- 1. A public entity or a partner with a public entity
- 2. Sufficient expertise and capacity to develop and maintain a water bank
- 3. Secure a valid interest to purchase a water right
- 4. Show that the water right is adequate for the intended use
- 5. Permanently commit one-third of purchased right to instream flow benefiting fish and wildlife



Water Banking Grant Pilot: Rural Headwater Counties

- Adams
- Asotin
- Chelan
- Clallam
- Columbia
- Cowlitz
- Ferry
- Garfield
- Grays Harbor

- Jefferson
- Kittitas
- Klickitat
- Lewis
- Lincoln
- Mason
- Okanogan
- Pacific
- Pend Oreille

- Skagit
- Skamania
- Stevens
- Wahkiakum
- Walla Walla
- Whitman
- Yakima



Actions under existing authority and continuing policy development



Policy Development Under Existing Authority

Sec 302(31)(a): Develop recommendations and implement actions under existing authority to modify the process for the review of water banks to ensure that key information is made available to the public...

Draft policy on *The Administration of the Statewide Trust Water Rights Program* forthcoming in late July.

- Public comment period through early September.
- Discussion at the August WRAC meeting.
- Details forthcoming via email.

Policy Development Legislative Recommendations

Sec 302(31)(b): The department must build off its work ...to refine recommendations on improving the state's framework for water banking, water trust, and water right transfers. Recommendations should address issues of private investment in water banking and the merits of incentives and regulations pertaining to the out-of-basin transfer of water rights.

In refining its recommendations, the department shall **consult with tribes** and **consider input from stakeholders** with expertise in water banking.

- Update to the Legislature by Dec 31, 2021.
- Report to the Legislature by Dec 31, 2022.

Policy Development Legislative Recommendations

| Task | Estimated Timeframe |
|---|------------------------|
| Solicit input on the problem statement & potential statutory changes • WRAC 2-hour discussion August 9 | July 1 – Aug 15 |
| Internally develop draft concepts paper on statutory changes | Aug 15 – Sept 15 |
| Share the draft concepts paper with tribes & stakeholders WRAC 2-hour discussion October 10 Follow-up meetings to discuss content 30 day period for accepting written comments | Sept 15 – Oct 15 |
| Finalize policy concepts. Share final version externally | Oct 15 – Nov 10 |
| Present update at Legislative Assembly Days | Nov 15 – Nov 19 |