

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1322 HB	<b>Title:</b> Walla Walla water 2050 plan
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## Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	No fiscal impact					
Local Gov. Total						

## Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Ecology	.0	0	0	0	.0	0	0	0	.0	0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Ecology	Non-zero but indeterminate cost and/or savings. Please see discussion.								
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	No fiscal impact								
Local Gov. Total									

## Estimated Capital Budget Breakout

Department of Ecology	Non-zero but indeterminate cost and/or savings. Please see discussion.
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This revised package includes Ecology's revised notes.

<b>Prepared by:</b> Myra Baldini, OFM	<b>Phone:</b> (360) 688-8208	<b>Date Published:</b> Revised 2/13/2023
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# Individual State Agency Fiscal Note

Revised

<b>Bill Number:</b> 1322 HB	<b>Title:</b> Walla Walla water 2050 plan	<b>Agency:</b> 461-Department of Ecology
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## Part I: Estimates

No Fiscal Impact

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

NONE

### Estimated Capital Budget Impact:

**Non-zero but indeterminate cost and/or savings. Please see discussion.**

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Robert Hatfield	Phone: 360-786-7117	Date: 01/17/2023
Agency Preparation: Jim Skalski	Phone: 360-584-3805	Date: 02/13/2023
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 02/13/2023
OFM Review: Myra Baldini	Phone: (360) 688-8208	Date: 02/13/2023

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.*

Background: In 2019, the legislature tasked the Walla Walla Management Partnership and the Department of Ecology to collaboratively develop a 30-year strategic plan for water management in the Walla Walla Basin. Together with the Confederated Tribes of the Umatilla Indian Reservation, the State of Oregon and stakeholders on both sides of the state border, the partners began this process, dubbed Walla Walla Water 2050, later that year. The final Walla Walla Water 2050 Strategic Plan was released in June 2021 and is being implemented by the partners with the assistance of the Walla Walla Basin Advisory Committee. The Walla Walla Water 2050 initiative has been authorized by the legislature as an effort to improve streamflows and water supplies in the Walla Walla River Basin over the next 30 years.

Under current law, the Department of Ecology implements water supply solutions through the Office of Columbia River under chapter 90.90 RCW as part of the Columbia Basin Water Supply Initiative.

This bill would codify existing practice and approach to implementing the Walla Walla 2050 Strategic Plan through the Department of Ecology's Office of Columbia River. The bill would provide additional options to implement individual water supply projects and elements of the Walla Walla 2050 Plan.

Section 1 of the bill would amend RCW 90.90.020 by clarifying that the one-third instream and two-thirds out-of-stream water supply allocation required under chapter 90.90 RCW for applications for water rights in the Walla Walla 2050 Plan adopted June 30, 2021, does not apply.

Section 2 of the bill would add a new section to chapter 90.90 RCW declaring that:

- (1) The Walla Walla Water 2050 Plan must be used as an integrated water resource strategy between Oregon, Washington and affected entities;
- (2) Ecology should seek to provide concurrent benefits to both instream and out-of-stream uses consistent with the 2050 Plan;
- (3) Any increase in water supply due to a project implement under Walla Walla Water 2050 would need to be considered water supply developed under this section;
- (4) Ecology will be advised by the Walla Walla Basin Advisory Committee and a broad range of interests;
- (5) Ecology will consult with federally recognized affected tribes and evaluate the development of a bi-state legal regulatory framework for new water resources;
- (6) Ecology shall submit a report to the legislature by June 30, 2025, with recommendations for the bi-state legal framework;
- (7) Ecology is authorized to fund projects to implement the Walla Walla 2050 Plan that may be located outside the state;
- (8) New water supplies developed under this section must be allocated consistent with written agreements entered into with the State of Oregon and the Confederated Tribes of the Umatilla Indian reservation;
- (9) Ecology is authorized to designate water supplies developed under this section for instream flow purposes and placed into the trust water rights program;
- (10) Water supplies developed under this section need to be managed consistent with the intent of the specific project;
- (11) No more than 50% of the funding to implement projects from the Walla Walla 2050 Plan shall be from state funding sources and the remaining share shall be from local, federal or private funding sources, and;
- (12) Nothing in this section prevents Ecology from regulating water users consistent with existing adjudications to ensure there is no impairment of water rights in the basin.

### II. B - Cash receipts Impact

*Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.*

### II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

This bill would have no fiscal impact on the operating budget for Ecology.

This bill would further define how the Walla Walla 2050 Strategic Plan would be implemented, but the bill would not require any operating expenditures to implement. Section 1 would provide clarification in statute for existing practice. Section 2 would require a legislative report due by June 30, 2025. Ecology already produces legislative reports related to the Columbia Basin, including the Walla Walla Basin so there is no change in current workload to provide this report. Other elements included in section 2 is work already included in the workplan of the Office of Columbia River.

### Part III: Expenditure Detail

#### III. A - Operating Budget Expenditures

NONE

#### III. B - Expenditures by Object Or Purpose

NONE

#### III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

#### III. D - Expenditures By Program (optional)

NONE

### Part IV: Capital Budget Impact

#### IV. A - Capital Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.

#### IV. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.

#### IV. C - Capital Budget Breakout

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

Non-zero but indeterminate cost and/or savings. Please see discussion.

#### IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

This bill would have an indeterminate fiscal impact on the capital budget for Ecology.

This bill would codify existing practice and approach to implementing the Walla Walla 2050 Strategic Plan through the Department of Ecology’s Office of Columbia River (OCR). The bill would provide additional options to implement individual water supply projects and elements of the plan.

Implementing projects to achieve the goals of the Walla Walla 2050 Strategic Plan would require future capital appropriations. However, funding plan implementation, and decisions on which projects to implement, are independent of the

bill, and are currently indeterminate.

Ecology submits capital project requests to OFM, the Governor, and the Legislature for consideration each biennium that include a comprehensive listing of all specific projects within OCR for the Columbia Basin and Walla Walla Basin. For the 2023-25 biennium, the Governor's proposed capital budget includes funding for the 2023-25 Columbia River Water Supply Development Program (project 40000583) within the OCR, which includes Walla Walla 2050 Plan implementation subprojects.

Regardless of this bill, Ecology would continue existing practice to include proposed projects for the Walla Walla 2050 Plan as part of the OCR biennial Columbia River Water Supply Development Program capital project request. With the changes in this bill, the selected projects each biennium may be different than without this bill, given the additional options that would be made available.

## **Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

# LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

**Bill Number:** 1322 HB

**Title:** Walla Walla water 2050 plan

**Part I: Jurisdiction**-Location, type or status of political subdivision defines range of fiscal impacts.

## Legislation Impacts:

- Cities:
- Counties:
- Special Districts:
- Specific jurisdictions only:
- Variance occurs due to:

## Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option:
- Key variables cannot be estimated with certainty at this time:

### Estimated revenue impacts to:

None

### Estimated expenditure impacts to:

None

## Part III: Preparation and Approval

Fiscal Note Analyst: Angie Hong	Phone: 360-725-5041	Date: 01/23/2023
Leg. Committee Contact: Robert Hatfield	Phone: 360-786-7117	Date: 01/17/2023
Agency Approval: Allan Johnson	Phone: 360-725-5033	Date: 01/23/2023
OFM Review: Lisa Borkowski	Phone: (360) 742-2239	Date: 01/24/2023

## **Part IV: Analysis**

### **A. SUMMARY OF BILL**

*Description of the bill with an emphasis on how it impacts local government.*

This bill will not impact local government revenues or expenditures.

Section 1 amends RCW 90.90.020 [Columbia River Basin Water Supply - Allocation and development of water supplies] to specify the “application for water rights in the Walla Walla river basin implementing the Walla Walla water 2050 plan adopted June 30, 2021” is not subject to the one-third/two-thirds allocation of water resources between instream and out-of-stream uses.

Section 2 adds a new section to chapter 90.90 RCW [Columbia River Basin Water Supply] to describe how the Walla Walla water 2050 plan will be implemented by the Dept. of Ecology. Section 2, subsection 4, describes “the Dept. will be advised by an advisory committee, including representatives from... local governments” among others.

### **B. SUMMARY OF EXPENDITURE IMPACTS**

*Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.*

This bill will require a local government representative to serve on an advisory committee. As of September 2022, there were four local government representatives on the Walla Walla Advisory Committee. Therefore, this requirement will not be a new cost and this bill will not impact local government expenditures.

### **C. SUMMARY OF REVENUE IMPACTS**

*Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.*

This bill will not impact local government revenues.

#### **SOURCES**

Association of Washington Cities

Dept. of Ecology