

Capital budget for the pilot grant program for water banking strategies to meet local water needs. These are excerpts from the 2023-25 capital budget on the OFM website.

CAPITAL BUDGET – ESSB 5200, Chapter 474, Laws of 2023

Sec 6328 – ECY – Page 281

2021-23 Water Banking (91000373)

The reappropriations in this section are subject to the following 16 conditions and limitations:
The reappropriations are subject to the provisions of section 7052 of this act.

Reappropriation:

State Building Construction Account—State	\$5,000,000
State Drought Preparedness Account— State	\$9,000,000
Subtotal Reappropriation	\$14,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$14,000,000

Sec 7052 – ECY – Page 415

2021-23 Water Banking (91000373)

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

(1)(a) The appropriations in this section are provided solely for the department to administer a pilot grant program for water banking strategies to meet local water needs.

(b) \$2,000,000 is provided solely for qualified applicants located within the Methow River Basin.

(2)(a) Grant awards may only be used for:

- (i) Development of water banks in rural counties as defined in RCW 82.14.370(5);
- (ii) Acquisition of water rights appropriate for use in a water bank including all costs necessary to evaluate the water right for eligibility for its intended use; and
- (iii) Activities necessary to facilitate the creation of a water bank.

(b) For applicants located outside of the Methow River Basin, grant awards may only be used for the development of water banks in rural counties that have the headwaters of a major watershed within their borders and only for water banking strategies within the county of origin. For purposes of this section, "major watershed" has the same meaning as shoreline of statewide significance in RCW 90.58.030(2)(f)(v) (A) and (B).

(3) Grant awards may not exceed \$2,000,000 per applicant.

(4) For the purposes of a grant pursuant to this section, a water bank must meet water needs, which include, but are not limited to, agricultural use and instream flow for fish and wildlife. The water bank must preserve water rights for use in the county of origin and for permanent instream flows for fish and wildlife through the primary and secondary reaches of the water right.

(5) To be eligible to receive a grant under this section, an applicant must:

(a) Be a public entity or a participant in a public-private partnership with a public entity;

(b) Exhibit sufficient expertise and capacity to develop and maintain a water bank consistent with the purposes of this appropriation;

(c) Secure a valid interest to purchase a water right;

(d) Show that the water rights appear to be adequate for the intended use; and

(e) Agree to have one-third of any water right purchased with the funds appropriated under this section to have its purpose of use changed permanently to instream flow benefiting fish and wildlife.

(6) In determining whether a grant request is eligible for funding under this section, the department may not disqualify proposals that purchase water rights from an existing water bank.

Appropriation:

State Building Construction Account—State	\$5,000,000
State Drought Preparedness Account— State	\$9,000,000
Subtotal Reappropriation	\$14,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$14,000,000