



Water Right Transfers, Water Banking, and Trust

DRAFT Legislative Report and Recommendations

Trust Policy & Guidance

- Implements statute
- Does not change statute
- Finalized

Water Banking Pilot Grants Program

- Legislature funded grants
- Current grant round ongoing

Recommendations

- Water right transfers
- Trust Water Rights Program
- Water Banking

Concerns


General concerns about private investors acquiring and selling water rights.

- Out-of-basin water right transfers
- Speculation using the trust water rights program (TWRP)
- Private investment and water banking

Wall Street spends millions to buy up Washington state water

October 27, 2019 at 6:00 am | Updated November 1, 2019 at 6:48 pm



 **1 of 10** Don Lundgren's family ranch sits next to the Chewuch River. Lundgren hoped to sell water rights to Crown Columbia for...

By [Evan Bush](#) 

Seattle Times staff reporter

Concepts Considered

| Topic | Option |
|--------------------------------------------|--------------------------------------------|
| Address out-of-basin water right transfers | Continue funding grant program |
| | Right of first refusal |
| | Fee for out-of-basin water right transfers |
| | Upstream transfers |
| | Rulemaking to close some basins |
| | Ban out-of-basin water right transfers |
| Limit temporary donations | Cap on size |
| | Time and re-enrollment limits |
| | Cool-off period |
| Limit who can use the TWRP | Public/public-private partnership banks |
| | Only WA entities can use the TWRP |
| Public interest | Further define PI criteria |
| | Extend PI test to surface transfers |
| Water markets and prices | Promote water markets |
| | Regulate water bank prices |
| Streamflow dedication for new water banks | |
| Water right sales disclosure | |
| Water banking fees | |

Recommended

Concepts recommended:

1. Continue funding pilot water banking grant program
2. Water right ownership and sales disclosure
3. Legislature further define public interest evaluation criteria and extend public interest evaluations to surface water changes

Concepts that warrant further analysis:

1. Fee for transferring water rights out-of-basin
2. Time and re-enrollment limits on temporary donations
3. “Cool-off” period for changes after a right is removed from temporary donation
4. Permanent streamflow dedication for new water banks
5. Regulate water bank prices like other water utilities
6. Charge a fee for new water banks

Warrant Further Analysis

Concepts considered but **not recommended** at this time:

1. Right of first refusal for local governments
2. Mechanism to transfer water rights upstream
3. Allow rulemaking to close some basins to out-of-basin water right transfers
4. Ban out-of-basin water right transfers
5. Cap the size of temporary donations
6. Only allow new public/public-private partnership water banks
7. Only allow WA entities to use the water banking
8. Direct Ecology to actively promote water markets

**Considered
But Not
Recommended
At This Time**

Legislative Report Schedule

- Available for public comment through September 6.
 - Links are on the [WRAC page](#) for the August 8 meeting.
- Finalize report.
- Final report to the Legislature by December 1, 2022.



Thank you

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