

Focus on: Water Banking Pilot Grants Program



In July 2021, the Legislature provided up to \$14 million to buy water for developing water banks in rural headwater counties. This funding will help public entities and their partners to preserve water rights in their basin for local use and to protect streamflows. Ecology is soliciting proposals from eligible applicants to immediately begin addressing water banking needs in rural counties. Ecology will award grants based upon eligibility, suitability, and need, for as long as funds are available.

Water Banking in Washington

This program uses existing authority for water banking activities under chapter 90.42 RCW. A water bank is a contractual arrangement between Ecology and a water right holder to hold their water right in the Trust Water Rights Program to mitigate for new or existing water uses. The water bank is established when the water right is deeded into trust and Ecology and the water right holder have signed a water banking agreement specifying their roles and responsibilities for governing the bank. Water banks are already in use throughout the state for a variety of purposes.

Pilot Grant Program

Over time, as demand for water use has increased statewide, supplies available for new water uses have become increasingly scarce. As a result, market interest in existing water rights has increased dramatically in recent years, leading to a number of high-profile water right purchases and transfers. Due to the nature of water law, it is much easier to transfer a water right downstream than upstream, even if an upstream transfer simply seeks to return that water right to its original place of use.

Many communities in headwater basins are concerned about the potential impacts of water right transfers that move large water uses far downstream. The intent of the Water Banking Pilot Grant Program is to help these communities acquire water and develop water banks to promote local water use. Additionally, one-third of all water rights acquired under this pilot program must be set aside for permanent instream use to support aquatic resources.

Eligibility

Applicants must meet the following eligibility requirements to qualify for grant funding under this pilot program:

- Status as a public entity or formal partnership with a public entity.

- Sufficient expertise and capacity to develop and maintain a water bank.
- A valid interest to purchase a water right.
- Adequacy of the water right for the intended use.
- A permanent commitment of one-third of each purchased water right calculated as a share of Ecology’s determination of total valid quantity, to instream flow benefiting fish and wildlife.

Geographic Eligibility

Additionally, projects must be located in one of the following counties to be eligible for grant funding:

- 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



Eligible Activities

Grant funding will only be available for the following activities:

- Develop water banks in rural headwater counties.
- Acquire water rights appropriate for use in a water bank, including costs necessary to evaluate the water right for eligibility for its intended use.
- Fund activities necessary to create a water bank.

Related Information

- [Water banking grants webpage](https://ecology.wa.gov/WaterBankingGrants) (ecology.wa.gov/WaterBankingGrants)
- [Water banks webpage](https://ecology.wa.gov/WaterBanks) (ecology.wa.gov/WaterBanks)
- Watch for new policy and guidance documents for water banking activities that will support this program.



Vanessa Brinkhuis
WaterBankingGrants@ecy.wa.gov
509-406-6505



To request an ADA accommodation, contact Ecology by phone at 360-407-6831 or email at WRPubs@ecy.wa.gov, or visit <https://ecology.wa.gov/accessibility>. For Relay Service or TTY call 711 or 877-833-6341.