

section 2, chapter 63, Laws of 1967 ex. sess. and RCW 79.64.040 are each amended to read as follows:

The board shall determine the amount deemed necessary in order to achieve the purposes of this chapter and shall provide by rule for the deduction of this amount from the gross proceeds of all leases, sales, contracts, licenses, permits, easements, and rights of way issued by the department and affecting public lands. The deductions authorized under this section shall in no event exceed (~~twenty~~) twenty-five percent of the total sum received by the department in connection with any one transaction pertaining to public lands other than second class tide and shore lands and the beds of navigable waters, and fifty percent of the total gross proceeds received by the department pertaining to second class tide and shore lands and the beds of navigable waters.

Passed the House March 18, 1971.

Passed the Senate May 6, 1971.

Approved by the Governor May 21, 1971.

Filed in Office of Secretary of State May 21, 1971.

CHAPTER 225

[Engrossed House Bill No. 394]

WATER RESOURCES ACT OF 1971

AN ACT Relating to water; providing for a state plan for water resource management; and creating new sections.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Section 1. The legislature finds that proper utilization of the water resources of this state is necessary to the promotion of public health and the economic well-being of the state and the preservation of its natural resources and aesthetic values. The legislature further finds that the availability of waters of the state is being evaluated by interests who desire to remove portions thereof from the state in a manner inconsistent with the public interest of people of the state. It is the purpose of this chapter to set forth fundamentals of water resource policy for the state to insure that waters of the state are protected and fully utilized for the greatest benefit to the people of the state of Washington and, in relation thereto, to provide direction to the department of ecology and other state agencies and officials, in carrying out water and related resources programs.

NEW SECTION. Sec. 2. Utilization and management of the waters of the state shall be guided by the following general declaration of fundamentals:

(1) Uses of water for domestic, stock watering, industrial, commercial, agricultural, irrigation, hydroelectric power production, mining, fish and wildlife maintenance and enhancement, recreational, and thermal power production purposes, and preservation of environmental and aesthetic values, and all other uses compatible with the enjoyment of the public waters of the state, are declared to be beneficial.

(2) Allocation of waters among potential uses and users shall be based generally on the securing of the maximum net benefits for the people of the state. Maximum net benefits shall constitute total benefits less costs including opportunities lost.

(3) The quality of the natural environment shall be protected and, where possible, enhanced as follows:

(a) Perennial rivers and streams of the state shall be retained with base flows necessary to provide for preservation of wildlife, fish, scenic, aesthetic and other environmental values, and navigational values. Lakes and ponds shall be retained substantially in their natural condition. Withdrawals of water which would conflict therewith shall be authorized only in those situations where it is clear that overriding considerations of the public interest will be served.

(b) Waters of the state shall be of high quality. Regardless of the quality of the waters of the state, all wastes and other materials and substances proposed for entry into said waters shall be provided with all known, available, and reasonable methods of treatment prior to entry. Notwithstanding that standards of quality established for the waters of the state would not be violated, wastes and other materials and substances shall not be allowed to enter such waters which will reduce the existing quality thereof, except in those situations where it is clear that overriding considerations of the public interest will be served.

(4) Adequate and safe supplies of water shall be preserved and protected in potable condition to satisfy human domestic needs.

(5) Multiple-purpose impoundment structures are to be preferred over single-purpose structures. Due regard shall be given to means and methods for protection of fishery resources in the planning for and construction of water impoundment structures and other artificial obstructions.

(6) Federal, state, and local governments, individuals, corporations, groups and other entities shall be encouraged to carry out practices of conservation as they relate to the use of the waters of the state.

(7) Development of water supply systems, whether publicly or privately owned, which provide water to the public generally in regional areas within the state shall be encouraged. Development of

water supply systems for multiple domestic use which will not serve the public generally shall be discouraged where water supplies are available from water systems serving the public.

(8) Full recognition shall be given in the administration of water allocation and use programs to the natural interrelationships of surface and ground waters.

(9) Expressions of the public interest will be sought at all stages of water planning and allocation discussions.

(10) Water management programs, including but not limited to, water quality, flood control, drainage, erosion control and storm runoff are deemed to be in the public interest.

NEW SECTION. Sec. 3. For the purpose of insuring that the department is fully advised in relation to the performance of the water resources program provided in section 4 of this act, the department is directed to become informed with regard to all phases of water and related resources of the state. To accomplish this objective the department shall:

(1) Collect, organize and catalog existing information and studies available to it from all sources, both public and private, pertaining to water and related resources of the state;

(2) Develop such additional data and studies pertaining to water and related resources as are necessary to accomplish the objectives of this chapter;

(3) Determine existing and foreseeable uses of, and needs for, such waters and related resources;

(4) Develop alternate courses of action to solve existing and foreseeable problems of water and related resources and include therein, to the extent feasible, the economic and social consequences of each such course, and the impact on the natural environment.

All the foregoing shall be included in a "water resources archive" established and maintained by the department. The department shall develop a system of cataloging, storing and retrieving the information and studies of the archive so that they may be made readily available to and effectively used not only by the department but by the public generally.

NEW SECTION. Sec. 4. (1) The department, through the adoption of appropriate rules, is directed, as a matter of high priority to insure that the waters of the state are utilized for the best interests of the people, to develop and implement in accordance with the policies of this chapter a comprehensive state water resources program which will provide a process for making decisions on future water resource allocation and use. The department may develop the program in segments so that immediate attention may be given to waters of a given physioeconomic region of the state or to specific critical problems of water allocation and use.

(2) In relation to the management and regulatory programs relating to water resources vested in it, the department is further directed to modify existing regulations and adopt new regulations, when needed and possible, to insure that existing regulatory programs are in accord with the water resource policy of this act and the program established in (1) of this section.

(3) The department is directed to review all statutes relating to water resources which it is responsible for implementing. When any of the same appear to the department to be ambiguous, unclear, unworkable, unnecessary, or otherwise deficient, it shall make recommendations to the legislature including appropriate proposals for statutory modifications or additions. Whenever it appears that the policies of any such statutes are in conflict with the policies of this act, and the department is unable to fully perform as provided in subsection (2) of this section, the department is directed to submit statutory modifications to the legislature which, if enacted, would allow the department to carry out such statutes in harmony with this act.

NEW SECTION. Sec. 5. In conjunction with the programs provided for in section 4(1), whenever it appears necessary to the director in carrying out the policy of this act, the department may by rule adopted pursuant to chapter 34.04 RCW:

(1) Reserve and set aside waters for beneficial utilization in the future, and

(2) When sufficient information and data are lacking to allow for the making of sound decisions, withdraw various waters of the state from additional appropriations until such data and information are available.

Prior to the adoption of a rule under this section, the department shall conduct a public hearing in each county in which waters relating to the rule are located. The public hearing shall be preceded by a notice placed in a newspaper of general circulation published within each of said counties. Rules adopted hereunder shall be subject to review in accordance with the provisions of RCW 34.04.070 or RCW 34.04.080.

NEW SECTION. Sec. 6. To insure that all of the various persons and entities having an interest in the water resources of the state and the programs of the chapter are provided with a full opportunity for involvement not only with the development of the program but the implementation by the department under this act, the following directions are given:

(1) The department shall make reasonable efforts to inform the people of the state about the state's water and related resources and their management. The department in the performance of the responsibilities provided in this act shall not only invite but

actively encourage participation by all persons and private groups and entities showing an interest in water resources programs of this act.

(2) The department shall similarly invite and encourage participation by all agencies of federal, state and local government, including counties, municipal and public corporations, having interests or responsibilities relating to water resources. Said state and local agencies are directed to fully participate to insure that their interests are considered by the department. The department shall, when funds are made available to it for such purposes, provide assistance grants to said state and local agencies for the purposes of financing activities directed to be performed by them under this subsection.

NEW SECTION. Sec. 7. The department shall report to each regular session of the legislature:

(1) On the experience of the department, including the progress made and any difficulties encountered, in formulating, adopting, and maintaining a state management program for water resources as provided in section 4(1) of this act, and

(2) Recommendations on legislation necessary to meet these objectives: PROVIDED, That the department shall submit to the next regular or special session, by the first day of said session, a report setting forth, in addition to the information hereinbefore provided, a detailed outline of the basics of the program developed by the department to carry out the direction of section 4(1) of this act.

NEW SECTION. Sec. 8. The state shall vigorously represent its interest before water resource regulation, management, development, and use agencies of the United States, including among others the federal power commission, environmental protection agency, army corps of engineers, department of the interior, department of agriculture and the atomic energy commission, and of interstate agencies with regard to planning, licensing, relicensing, permit proposals, and proposed construction, development and utilization plans. Where federal or interstate agency plans, activities, or procedures conflict with state water policies, all reasonable steps available shall be taken by the state to preserve the integrity of this state's policies.

NEW SECTION. Sec. 9. Nothing in this act shall affect any existing water rights, riparian, appropriative, or otherwise; nor shall it affect existing rights relating to the operation of any hydroelectric or water storage reservoir or related facility; nor shall it affect any exploratory work, construction or operation of a thermal power plant by an electric utility in accordance with the provisions of chapter 80.50 RCW. Nothing in this act shall enlarge or reduce the department of ecology's authority to regulate the

surface use of waters of this state or structures on the underlying beds, tidelands or shorelands.

NEW SECTION. Sec. 10. All agencies of state and local government, including counties and municipal and public corporations, shall, whenever possible, carry out powers vested in them in manners which are consistent with the provisions of this act. The director of the department of ecology shall submit a report to the legislature, not later than thirty days prior to each regular session, setting forth any failures by such agencies to comply with the mandate of this section, and the circumstances surrounding such failure.

NEW SECTION. Sec. 11. The department of ecology shall as a matter of high priority evaluate the needs for water resource development projects and the alternative methods of financing of the same by public and private agencies, including financing by federal, state and local governments and combinations thereof. Such evaluations shall be broadly based and be included as a part of the comprehensive state water resources program relating to uses and management as defined in section 3 of this act. A report of the department relating to such evaluations, including any recommendations, shall be submitted to the legislature in accordance with section 7 of this act.

NEW SECTION. Sec. 12. The department of ecology is authorized to obtain the benefits including acceptance of grants, of any program of the federal government or any other source to carry out the provisions of this act and is empowered to take such actions as are necessary and appropriate to secure such benefits.

NEW SECTION. Sec. 13. For the purposes of this act, unless the context is clearly to the contrary, the following definitions shall be used:

- (1) "Department" means department of ecology.
- (2) "Utilize" or "utilization" shall not only mean use of water for such long recognized consumptive or nonconsumptive beneficial purposes as domestic, stock watering, industrial, commercial, agricultural, irrigation, hydroelectric power production, thermal power production, mining, recreational, maintenance of wildlife and fishlife purposes, but includes the retention of water in lakes and streams for the protection of environmental, scenic, aesthetic and related purposes, upon which economic values have not been placed historically and are difficult to quantify.

NEW SECTION. Sec. 14. This chapter shall be known and may be cited as the "Water Resources Act of 1971."

Passed the House March 12, 1971.

Passed the Senate May 5, 1971.

Approved by the Governor May 21, 1971.
Filed in Office of Secretary of State May 21, 1971.

CHAPTER 226
[Engrossed House Bill No. 84]
CHARITABLE TRUSTS

AN ACT Relating to charitable trusts and similar relationships: amending section 2, chapter 53, Laws of 1967 ex. sess. and RCW 19.10.020; amending section 6, chapter 53, Laws of 1967 ex. sess. and RCW 19.10.060; amending section 7, chapter 53, Laws of 1967 ex. sess. and RCW 19.10.070; adding new sections to chapter 53, Laws of 1967 ex. sess. and chapter 19.10 RCW; and repealing section 3, chapter 53, Laws of 1967 ex. sess. and RCW 19.10.030.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 2, chapter 53, Laws of 1967 ex. sess. and RCW 19.10.020 are each amended to read as follows:

When used in this chapter, unless the context otherwise requires:

"Person" means an individual, organization, group, association, partnership, corporation, or any combination of them.

"Trustee" means (1) any person holding property in trust for a public charitable purpose; except the United States, its states, territories, and possessions, the District of Columbia, Puerto Rico, and their agencies and subdivisions; (~~(2) any corporation which has accepted property to be used for a particular charitable corporate purpose as distinguished from the general purposes of the corporation;~~) and ((3)) (2) a corporation formed for the administration of a charitable trust (~~(7 pursuant to the directions of the settler or at the instance of the trustee)~~) or holding assets subject to limitations permitting their use only for charitable, religious, eleemosynary, benevolent, educational, or similar purposes: PROVIDED, That the term "trustee" does not apply to (a) religious corporations duly organized and operated in good faith as religious organizations, which have received a declaration of current tax exempt status from the government of the United States; their duly organized branches or chapters; and charities, agencies, and organizations affiliated with and forming an integral part of said organization, or operated, supervised, or controlled directly by such religious corporations nor any officer of any such religious organization who holds property for religious purposes: PROVIDED, That if such organization has not received from the United States government a declaration of current tax exempt status prior to the