

TESTIMONY OF

Andrew Nygren, Division Director, Water Appropriation Division

Chairman Headland, and members of the House Finance and Taxation Committee, I am Andrew Nygren, the Water Appropriation Division Director of the Department of Water Resources. I'm here today to provide testimony in opposition of House Bill 1573.

The primary concern the Department of Water Resources has with House Bill 1573 is the potential implications this new chapter may have on managed aquifer recharge projects. Managed aquifer recharge is a means of taking excess surface water and storing that water in an aquifer for future (or potential future) use.

The present wording of the bill potentially implies that should a water line transport water more than 25 miles and inject the water into an aquifer, the injected water may be taxed at a rate of \$5.00 per ton. There is approximately 240 gallons of water per ton. Therefore, the tax per acre-foot of recharged water is almost \$6,800.

Thank you for the opportunity to testify, and I'm happy to answer any questions.