

Water Resources Department

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MEMORANDUM

TO: Water Resources Commission

FROM: Brenda Bateman

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SUBJECT: Agenda Item H, June 10, 2009

Water Resources Commission Meeting

Legislative Update

During the 75th Oregon Legislative Assembly, the Water Resources Department has been tracking a number of water resource-related bills. Below is a list of key bills that remained as of May 2009. Department staff will provide updates for each during the June 9 meeting.

Bills Originating with the Water Resources Department:

SB 193A "Integrated Water Resources Strategy"

This is a pared-down version of the original bill, which removes the fiscal impact. A policy statement, this bill provides guidance to the Department in the development of an integrated water resources strategy. The bill would require the Department, as it develops a state-wide strategy, to consult with the Department of Environmental Quality and Department of Fish and Wildlife, and other state, local, federal agencies, other states, tribes, and stakeholders. A strategy would take effect upon adoption by the Water Resources Commission. The strategy should be reviewed and updated every five years. The first progress report would be due by Feb 1, 2011, and include legislative amendments, budget recommendations, and recommended funding sources. This bill is awaiting action in the Natural Resources Subcommittee of the Ways and Means Committee.

SB 194 "Water-Use Measurement"

This is also a pared-down version of the original bill, which removes the fiscal impact. Codifying the Water Measurement Strategy established by the Water Resources Commission in 2000, this bill would define the strategy in statute and would require a report from the Department during the 76th Legislative Assembly as to its progress towards implementing the strategy. This bill is awaiting action in the Natural Resources Subcommittee of the Ways and Means Committee.

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SB 195 "Allowing Wave Energy Pilot Projects to Connect to the Grid"

This bill has passed the Senate with unanimous support and awaits a vote on the House floor.

HB 2231A "Start Card Fee Increases"

This bill is designed to maintain WRD's <u>current</u> well inspection program, and increases the Start Card Fee from \$125 to \$225. The last increase was in 2003. This bill is awaiting action in the Natural Resources Subcommittee of the Ways and Means Committee.

HB 2232A "Geo Tech Hole Report Fees"

This bill would establish a fee to collect, enter, and post data related to geotechnical holes (test holes for which data about subsurface conditions is collected and posted). The fee would be \$25 for the first report and \$10 for each additional report at a project site within a seven-day period. The bill would establish a Geotechnical Hole Fund for Department duties related to geotechnical holes. On-line database is currently accessed about 175 times each day. This bill is awaiting action in the Natural Resources Subcommittee of the Ways and Means Committee.

Other Bills:

SB 740 "Relating to Water Rights"

This bill would establish a \$100 annual fee for each water right. There are more than 85,000 water rights and about 60,000 unique water right holders in Oregon. At full program build-out, the program could collect as much as \$14 million per biennium in revenues. Program implementation could be costly at outset; as much as \$900,000 in the first biennium. Revenues could support our field services and technical services, including the Department's Water Distribution, Hydrographics, Ground Water, and Water Right Transfer Programs. This bill is awaiting action in the Natural Resources Subcommittee of the Ways and Means Committee.

SB 788A "Relating to Water"

This bill focuses on new exempt use wells and would require a map by taxlot to be submitted to the Department, as well as one-time \$250 recording fee. At full program implementation, fees collected could total as much as \$1 million per biennium. The fees could support ground water studies, ground water monitoring, and the administration / implementation of the bill. This bill is awaiting action in the Natural Resources Subcommittee of the Ways and Means Committee.

SB 5535 "Lottery-Backed Bonds"

This bill contains a request for \$2.5 million in lottery-backed bonds for the Umatilla Basin Aquifer Recovery Project. If authorized, \$2.2 million would be available to begin project implementation, with the remainder going toward debt service and bond administration. This project is currently in the feasibility study stage, using grant monies made available in the 2008 Legislative Session. This bill is awaiting action in the Capital Construction and Information Technology Subcommittee of the Ways and Means Committee.

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HB 3369A "The 2009 Water Investment Act"

This bill would re-capitalize two already existing funds at the Water Resources Department, providing funds in the 2009-11 biennium for feasibility study grants and construction loans. It would also establish a new fund, providing lottery bonds funding for grants to implement water development projects. Finally, it invests in a state-wide, integrated water resources strategy, building upon work already begun by the Department and its partners.

HB 3454A "Integrated Water Resources Strategy"

The content of this bill closely mirrors the original text of SB 193, and the fiscal request from the Water Resources Department and Department of Environmental Quality totaling three full-time equivalents (FTE) remains attached to this bill. The bill would require the Department, as it develops a state-wide strategy, to consult with the Department of Environmental Quality and Department of Fish and Wildlife, and other state, local, federal agencies, other states, tribes, and stakeholders. A strategy would take effect upon adoption by the Water Resources Commission. The strategy should be reviewed and updated every five years.

The first progress report would be due by February 1, 2011 and include: benchmarks and progress toward the development of the strategy, a discussion of whether the strategy will be complete by December 31, 2012, as well as any legislative amendments, budget recommendations, and recommended funding sources. This bill is awaiting action in the Natural Resources Subcommittee of the Ways and Means Committee.

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