



# REVISED Staff Report

**TO:** Water Resources Commission

**FROM:** Bryn Hudson, Legislative Coordinator  
Lisa Snyder, Administrative Services Division Administrator

**DATE:** February 26, 2026

**SUBJECT:** Agenda Item G  
Water Resources Commission

## BUDGET AND LEGISLATIVE UPATE

### I. Introduction

This report provides an overview of the 2026 Legislative Session and the efforts underway to prepare for the 2027 Legislative Session, including potential areas for legislative work and investment. Commissioners will be asked to provide input on 2027 topics during this agenda item.

### II. Integrated Water Resources Strategy Recommended Action

- 13.B Fund water resources management activities at state agencies

### III. 2026 Legislative Session

Oregon's Legislative Assembly convened in Salem on February 2 for the 2026 Legislative Session, with a Constitutional *Sine Die* date of March 8, 2026. Staff will provide the Commission with an overview of 2026 water-related legislation and summarize any relevant budgetary discussions. A list of select bills is included in Attachment 1.

### IV. 2027 Legislative Session and Budget Development

Proposals for legislative concepts are due to the Department of Administrative Services (DAS) in April 2026 for the 2027 Legislative Session. DAS's official kickoff of development of the 2027-2029 Biennium Budget will occur in March 2026. The final Agency Request Budget document is typically due to DAS by the end of July.

Governor Kotek will establish expectations for the process each agency will use to develop Agency Request Budgets. Work with the Governor's Office is ongoing and will include prioritizing and likely narrowing the budget requests across agencies. The Department is considering areas of focus for the 2027-2029 budget discussions which may include supporting information technology, implementation of the Governor's Executive Order on resiliency (EO 25-26), resources for legal expenses, and opportunities to restore any 2026 reductions.

There is no certainty that these budget items will advance forward into the Agency's Requested Budget document; however, Commission input helps inform the discussions that we will have with the Governor's office. Discussions with interested parties will occur later in accordance with timelines set out by the Governor's office.

The Department is also considering areas of focus for more legislative work for the 2027 Legislative Session. Topics on the list at this time include the Deschutes mitigation program and flexibility, Harney Conservation Reserve Enhancement Program, spending authorities, and water data. Proposals may change upon further discussions with the Governor's Office, the Commission, and interested parties.

## V. Conclusion

The Department has begun work on budget development and legislative concepts for the 2027 Legislative Session. Over the next few months, proposals will be narrowed and refined in coordination with the Governor's Office.

### Attachments:

#### 1. 2026 Select Active Legislation

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<b>Bill Number</b>	<b>Relating To</b>	<b>Bill Summary</b>	<b>Current Committee</b>
<a href="#">HB 4004 B</a>	Relating to natural resources; prescribing an effective date.	Provides that additional taxes otherwise imposed upon disqualification of land from certain forestland special assessment programs may not be collected if the disqualification is due to the suspension of reforestation requirements as a result of insects or disease.	
<a href="#">HB 4049 A</a>	Relating to Harney Basin water; prescribing an effective date.	Authorizes the Water Resources Commission to encourage and approve voluntary agreements between ground water users in the Greater Harney Valley Groundwater Area of Concern to achieve reasonably stable ground water levels.	Ways and Means (J)
<a href="#">HB 4084 A</a>	Relating to economic development; prescribing an effective date.	Establishes the Joint Permitting Council.	Ways and Means (J)
<a href="#">SB 1585 A</a>	Relating to matching grants for cities; prescribing an effective date.	Sets maximum matching fund requirements for state grants to small incorporated cities for certain capital construction and municipal infrastructure and improvements.	Commerce and Consumer Protection (H)
<a href="#">SB 1586 INTRO</a>	Relating to economic development; prescribing an effective date.	Modifies the tax credit allowed for semiconductor research.	Finance and Revenue (S)
<a href="#">HB 4073 INTRO</a>	Relating to administrative law.	Modifies provisions relating to administrative law.	Rules (H)
<a href="#">HB 4002 INTRO</a>	Relating to legislative measures; declaring an emergency.	Limits to 25 the number of legislative measures that a member of the Legislative Assembly may ask the Legislative Counsel to prepare for a regular session of the Legislative Assembly that begins in an odd-numbered year.	Rules (H)
<a href="#">HB 4005 A</a>	Relating to Water Professionals Appreciation Week; prescribing an effective date.	Designates the first Saturday of October of each year through the end of the Sunday of the following weekend as Water Professionals Appreciation Week.	
<a href="#">HB 4019 INTRO</a>	Relating to permits; prescribing an effective date.	Requires certain agencies to base approval or denial of an application for a new permit on the rules and standards that are applicable at the time that the agency determines the application is complete.	Rules (H)
<a href="#">HB 4020 A</a>	Relating to permits; prescribing an effective date.	Requires certain agencies to specify the authority justifying the denial of a permit application and provide the applicant a guide on how to contest the denial.	Ways and Means (J)
<a href="#">HB 4021 A</a>	Relating to administrative rules; prescribing an effective date.	Modifies effective date and notice requirements for certain permanent rules adopted, amended or repealed by certain agencies.	Rules (S)
<a href="#">HB 4121 A</a>	Relating to emergency management.	Creates statewide emergency preparedness offices and authorities to coordinate emergency management.	Ways and Means (J)

<a href="#">HB 4134 A</a>	Relating to funding for natural resource matters; prescribing an effective date; providing for revenue raising that requires approval by a	Increases the state transient lodging tax.	
<a href="#">HB 4139 A</a>	Relating to cannabis; prescribing an effective date.	Increases quarterly distributions to the Oregon Criminal Justice Commission for deposit into the Illegal Marijuana Market Enforcement Grant Program Fund from \$750,000 to \$3 million.	Ways and Means (J)
<a href="#">HB 4161 INTRO</a>	Relating to use of official position or office; declaring an emergency.	Provides exceptions to the prohibited use by a public official of official position or office to obtain financial gain or avoid financial detriment that permit a public body to give public officials food, beverages and merchandise.	
<a href="#">HB 4177 INTRO</a>	Relating to public meetings; prescribing an effective date.	Restates the serial communications prohibitions for public meetings law purposes.	Rules (H)
<a href="#">SB 1541 A</a>	Relating to greenhouse gas emissions; prescribing an effective	Establishes the Climate Superfund Cost Recovery Program as an interagency response to the effects of climate change.	Ways and Means (J)
<a href="#">SB 1595 INTRO</a>	Relating to professional workforce; declaring an emergency.	Requires a professional licensing board to publish specified guidance regarding licensure and ensure certain staff receive culturally responsive training not later than January 1, 2028.	Rules (S)
<a href="#">SCR 205 INTRO</a>	Adjourning sine die the 2026 regular session of the Eighty-third Legislative	Adjourns sine die the 2026 regular session of the Eighty-third Legislative Assembly.	Rules (S)