74th OREGON LEGISLATIVE ASSEMBLY - 2007 Regular Session STAFF MEASURE SUMMARY House Committee on Energy and the Environment

MEASURE: CARRIER:

HB 3525

KE VERGE: 10 revenue impact	
FISCAL: May have fiscal impact, statement not yet issued	
Action:	Do Pass and Be Referred to the Committee on Ways and Means by Prior Reference
Vote:	5 - 2 - 0
Yeas:	Beyer, Burley, Jenson, Macpherson, Smith G.
Nays:	Cannon, Dingfelder
Exc.:	-
Prepared By:	Cat McGinnis, Administrator
Meeting Dates:	4/13, 4/27

REVENUE: No revenue impact

WHAT THE MEASURE DOES: Directs Water Resources Department (WRD) to issue permits to appropriate 500,000 acre-feet per year of water from the Upper Columbia River (above Bonneville Dam) apportioned as follows: 195,000 acre-feet per year for use in lieu of ground water to which the permit holder has a legal right in a critical ground water area, or for use in recharging or replenishing ground water in a critical groundwater area; 300,000 acre-feet per year to support business development projects by persons certified by WRD as capable of using best management practices in the use of water; and 5,000 acre-feet per year to existing municipal water corporations to augment municipal water supplies. Directs WRD to charge an annual fee of \$10 per acre-foot for water appropriated to support business development and prohibits charging a fee for water appropriated for other described uses. Directs that fees be deposited in the Columbia River Water Account, continuously appropriated to WRD for use in administering the act and creating in-stream water conservation projects with Tribes of the Columbia River Basin. Sunsets January 2, 2034. Exempts permits issued before sunset from repeal.

ISSUES DISCUSSED:

- Current availability of winter water rights on the Columbia River
- · Obstacles to winter water draws, water storage, and replenishing ground water during winter
- Impact on interstate agreements regarding appropriation of Columbia River flows
- Impact on Tribal water projects in Columbia River Basin
- Use of Columbia River water to support biofuel production

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The Water Resources Department (WRD) reports that Umatilla and Morrow Counties have experienced serious water supply issues and significant ground water declines (over 400 feet in some wells) in recent years. As a result, WRD has instituted ground water use restrictions in the area.

Oregon has not issued new water rights from the mainstem of the Columbia River during the growing season (April 15 to September 30) for many years, largely due to flow targets established to protect threatened and endangered fish. WRD reports that water allocation on the Columbia River mainstem is complex due to overlapping jurisdictional and legal interests of states, the federal government and Indian Tribes. Since the listing of endangered fish species in the 1990s, the states of Idaho, Montana, Oregon and Washington have generally limited new water withdrawals during key fish periods.