

## HB 2813 A STAFF MEASURE SUMMARY

### House Committee On Agriculture, Land Use, Natural Resources, and Water

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**Action Date:** 03/02/23

**Action:** Do pass with amendments and be referred to Ways and Means by prior reference.  
(Printed A-Eng.)

**Vote:** 8-0-1-0

**Yeas:** 8 - Boice, Gamba, Hartman, Helm, Levy B, Marsh, McLain, Owens

**Exc:** 1 - Scharf

**Fiscal:** Fiscal impact issued

**Revenue:** No revenue impact

**Prepared By:** Anna Glueder, LPRO Analyst

**Meeting Dates:** 2/2, 3/2

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#### WHAT THE MEASURE DOES:

Directs the Oregon Watershed Enhancement Board (OWEB) to establish a grant program for water suppliers to protect, restore or enhance drinking water. Specifies eligible grant uses and a maximum grant cap of \$3 million, and the application and selection process. Requires OWEB to adopt rules that may include (1) eligibility criteria for water suppliers, including water system types and requirements that eligible water suppliers serve rural or low-income communities, (2) grant requirements, (3) criteria for grant ranking, (4) fund matching requirements, (5) deadlines and award timelines, and (6) verification processes for the use of grant funds. Specifies grant recipient's responsibilities and exempts OWEB from liability for the failure of a grant recipient to fulfill the terms or conditions of any agreement between a landowner, or other person involved in the grant project and the grant recipient. Requires OWEB to submit a report on the grant program by April 1, 2025. Establishes Community Drinking Water Enhancement and Protection Fund and appropriates \$5 million General Fund moneys for the grant program. Takes effect on 91st day following adjournment sine die.

#### ISSUES DISCUSSED:

- Management of Arch Cape watershed
- Applicability of Private Forest Accord to Arch Cape watershed
- Intent of the measure for grants to be directed towards small communities and water systems
- Ability of Oregon Watershed Enhancement Board to administer the program
- Voluntary nature of the provisions in the bill

#### EFFECT OF AMENDMENT:

Replaces the measure. Eliminates requirement for the Oregon Health Authority (OHA) to engage in specified activities to ensure communities have access to sufficient quantities of water to meet their needs, for those communities that use surface water as their drinking water source. Directs the Oregon Watershed Enhancement Board (OWEB) to establish a grant program for water suppliers to protect, restore, or enhance drinking water sources in the same manner OHA would in the original measure. Allows a grant to also be used for repaying a loan that financed a project to protect, restore, or enhance certain lands. Adds requirement that application must demonstrate that the project will protect, restore, or enhance a drinking water source, and must be supported by evidence. Specifies ways OWEB can verify grant funds have been used for intended purposes. Specifies grant recipient's responsibilities and exempts OWEB from liability for the failure of a grant recipient to fulfill the terms or conditions of any agreement between a landowner or other person involved in the grant project and the grant recipient. Requires OWEB to submit a first report on grant program performance to water-related interim legislative committees by April 1, 2025, and by April 1 of every even-numbered year thereafter. Establishes

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### **BACKGROUND:**

The Oregon Watershed Enhancement Board (OWEB) provides grants to help protect and restore healthy watersheds and natural habitats. Grant types dispensed by the board include acquisition grants, emergency response grants, open solicitation grants, and operating capacity grants, among others. Currently, 2.8 million Oregonians from 163 communities source their water from forested watersheds. Pollution sources for these watersheds includes landslides, eroding stream banks, agricultural fertilizers and herbicides, as well as infrastructure builds like boat ramps.

House Bill 2813 A would establish the Community Drinking Water Enhancement and Protection Fund, deposit \$5 million General Fund moneys into the fund, and direct OWEB to use fund moneys to establish a grant program for water suppliers to protect, restore, or enhance drinking water.