

## HOUSE AMENDMENTS TO HOUSE BILL 2813

By COMMITTEE ON AGRICULTURE, LAND USE, NATURAL RESOURCES, AND  
WATER

March 6

1 On page 1 of the printed bill, delete lines 4 through 29 and delete page 2 and insert:

2 **“SECTION 1. (1) As used in this section, ‘water supplier’ and ‘water system’ have the**  
3 **meanings given those terms in ORS 448.115.**

4 **“(2) The Oregon Watershed Enhancement Board shall establish a program to provide**  
5 **grants to water suppliers to protect, restore or enhance sources of drinking water.**

6 **“(3) Grants awarded under this section shall be used by a grant recipient for:**

7 **“(a) Acquiring lands from willing sellers where the protection, restoration or enhance-**  
8 **ment of those lands will benefit a source of drinking water used by the water supplier;**

9 **“(b) Entering into covenants, easements or similar agreements to protect, restore or**  
10 **enhance lands described in paragraph (a) of this subsection; or**

11 **“(c) Repaying a loan used to finance a project to protect, restore or enhance lands con-**  
12 **sistent with paragraph (a) or (b) of this subsection.**

13 **“(4)(a) Grants awarded under this section may not exceed \$3,000,000.**

14 **“(b) The board shall award grants under this section on a rolling basis.**

15 **“(5) For purposes of obtaining a grant under this section, a water supplier may form a**  
16 **partnership with a holder, as defined in ORS 271.715, other than a state agency. The board**  
17 **may establish by rule requirements for partnerships formed pursuant to this subsection.**

18 **“(6) Applications for a grant under this section shall be made in the form and manner**  
19 **prescribed by the board. An application must demonstrate that the project will protect, re-**  
20 **store or enhance a source of drinking water, and must be supported by evidence. The board**  
21 **shall review completed grant applications, rank grant applications based on criteria estab-**  
22 **lished by the board by rule under subsection (7) of this section and approve or deny the ap-**  
23 **plications. If the board denies a grant application, the board shall notify the applicant in**  
24 **writing of the reason or reasons that the grant application was denied.**

25 **“(7) The board shall adopt rules for the administration of the grant program established**  
26 **under this section. Rules adopted under this subsection may include, but need not be limited**  
27 **to:**

28 **“(a) Eligibility criteria for water suppliers, including but not limited to:**

29 **“(A) Eligible water system types; and**

30 **“(B) Requirements that eligible water suppliers serve rural communities, communities**  
31 **experiencing lower incomes or communities that are at or below a specified population level;**

32 **“(b) Requirements for grant applications and the grant application process;**

33 **“(c) Criteria for ranking grant applications;**

34 **“(d) Requirements setting forth the amount of matching funds a grant applicant must**  
35 **provide to be eligible to receive a grant;**

1       “(e) A schedule for when grant applications are due and grants will be awarded; or  
2       “(f) Provisions setting forth how the board will verify that grant funds have been used  
3 for the purposes for which the grant was awarded, including but not limited to:  
4       “(A) Provisions requiring status reports or other verification measures that ensure that  
5 the terms and conditions of any agreement between the board and the grant recipient are  
6 being performed;  
7       “(B) Provisions describing methods of protecting, enhancing or restoring sources of  
8 drinking water; and  
9       “(C) Provisions requiring the development of a long-term management plan for acquired  
10 lands.  
11       “(8)(a) A grant recipient is responsible for fulfilling the terms and conditions of any  
12 agreement:  
13       “(A) Between the grant recipient and the board; and  
14       “(B) Between the grant recipient and a landowner, or other person, necessary for the  
15 grant recipient to carry out the project for which a grant has been awarded.  
16       “(b) The board is not liable to any person for the failure of a grant recipient to fulfill the  
17 terms or conditions of any agreement between the person and the grant recipient.  
18       “SECTION 2. No later than April 1 of each even-numbered year, the Oregon Watershed  
19 Enhancement Board shall submit a report, in the manner provided by ORS 192.254, to the  
20 interim committees of the Legislative Assembly related to water. The report shall describe  
21 the performance of the grant program established under section 1 of this 2023 Act. The re-  
22 port must include, but need not be limited to:  
23       “(1) Each grant awarded under the program since the last report;  
24       “(2) The types and amounts of resources leveraged by grant moneys;  
25       “(3) A description of projects currently in development;  
26       “(4) An estimate of future project demand; and  
27       “(5) Recommendations, if any, for changes to the design, scope or administration of the  
28 program to better fulfill the purposes of section 1 of this 2023 Act.  
29       “SECTION 3. Notwithstanding section 2 of this 2023 Act, the Oregon Watershed En-  
30 hancement Board shall first submit a report under section 2 of this 2023 Act no later than  
31 April 1, 2025.  
32       “SECTION 4. The Community Drinking Water Enhancement and Protection Fund is es-  
33 tablished in the State Treasury, separate and distinct from the General Fund. Interest  
34 earned by the Community Drinking Water Enhancement and Protection Fund shall be cred-  
35 ited to the fund. Moneys in the fund are continuously appropriated to the Oregon Watershed  
36 Enhancement Board for the purpose of carrying out section 1 of this 2023 Act.  
37       “SECTION 5. In addition to and not in lieu of any other appropriation, there is appro-  
38 priated to the Oregon Watershed Enhancement Board, for the biennium beginning July 1,  
39 2023, out of the General Fund, the amount of \$5,000,000, for deposit in the Community  
40 Drinking Water Enhancement and Protection Fund established under section 4 of this 2023  
41 Act.  
42       “SECTION 6. This 2023 Act takes effect on the 91st day after the date on which the 2023  
43 regular session of the Eighty-second Legislative Assembly adjourns sine die.”  
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