

# A-Engrossed House Bill 2971

Ordered by the House March 30  
Including House Amendments dated March 30

Sponsored by Representatives OWENS, HELM; Representative KROPF (at the request of Deschutes River Conservancy) (Pre-session filed.)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

*[Includes as permissible farm use for purposes of property tax special assessment operation or use of farmland subject to farm-related government program for voluntary in-stream leasing of water rights.]*

**Provides that specially assessed irrigated farmland may not be disqualified from special assessment if landowner has active in-stream lease for water rights appurtenant to such irrigated farmland and farmland is being used according to accepted farming practices that are mode of operation customarily utilized in conjunction with farm use.**

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to voluntary in-stream leasing of water rights; creating new provisions; amending ORS  
3 308A.743; and prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 308A.743 is amended to read:

6 308A.743. (1) Land that is specially assessed under ORS 308A.050 to 308A.128, 308A.300 to  
7 308A.330, 308A.403 to 308A.430, 308A.450 to 308A.465, 321.257 to 321.390, 321.700 to 321.754 or  
8 321.805 to 321.855, or land that is exempt from property tax under ORS 308A.350 to 308A.383, may  
9 not be disqualified from the special assessment or exemption, and may not be subject to additional  
10 taxes under ORS 308A.700 to 308A.733 or other law, if the property owner has:

11 (a) Entered into a wildlife habitat conservation and management plan, as described in ORS  
12 308A.403 to 308A.430, approved by the State Department of Fish and Wildlife; *[or]*

13 (b) Executed a conservation easement, as defined in ORS 271.715, or a deed restriction and the  
14 land:

15 (A) Is managed in compliance with the conservation easement or deed restriction; and

16 (B) Continues to meet the requirements for special assessment or exemption. The existence of  
17 the conservation easement or deed restriction may not cause the disqualification of the land from  
18 special assessment or exemption or preclude the disqualification of the land from special assessment  
19 or exemption for some other reason[.]; **or**

20 (c) **With respect to specially assessed irrigated farmland, an active in-stream lease for**  
21 **water rights appurtenant to the irrigated farmland under ORS 537.348 (2) and the farmland**  
22 **is being used according to accepted farming practices that are a mode of operation custom-**  
23 **arily utilized in conjunction with farm use.**

24 (2) A property owner who executes a conservation easement may convey the easement to a land

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 trust or other qualified entity without a loss of benefits under this section.

2 (3) In order for land to be subject to this section:

3 (a) The conservation easement, deed restriction or wildlife habitat conservation and management  
4 plan must be recorded in the records of the clerk of the county in which the land is located; and

5 (b) A copy of the conservation easement, deed restriction, [or] wildlife habitat conservation and  
6 management plan **or final order issued by the Water Resources Department approving an in-**  
7 **stream lease**, along with the property tax account number for the land, must be sent to the county  
8 assessor.

9 **SECTION 2. The amendments to ORS 308A.743 by section 1 of this 2023 Act apply to**  
10 **property tax years beginning on or after July 1, 2024.**

11 **SECTION 3. This 2023 Act takes effect on the 91st day after the date on which the 2023**  
12 **regular session of the Eighty-second Legislative Assembly adjourns sine die.**

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