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To: Natural Resources Subcommittee

From: April McDonald, Legislative Fiscal Office

Date: May 29, 2025

Subject: HB 3806 – Relating to water banks Work Session Recommendations

HB 3806 authorizes the Oregon Water Resources Commission to approve a Deschutes River water bank pilot program for surface water.

Water banking is a structured system that supports the management of water resources through deposits and withdrawals to enable the transfer of water between various users or to maintain emergency water supplies during times of drought.

HB 3806 specifies that Deschutes River Conservancy will manage the operations of the water bank in coordination with participants, outlines eligible participants, the contents of a charter, and establishes specific operating requirements for a water bank. The water bank pilot program sunsets on January 2, 2034.

To support this pilot program, the Water Resources Department will require a permanent fulltime position (0.75 FTE) at an estimated cost of \$216,394 for the 2025-27 biennium. Funding for this position will come from a transfer from the Deschutes River Conservancy.

Amendment

LFO recommends adoption of the –6 amendment, which increases Other Funds expenditure limitation for the Water Resources Department, Field Services, by \$216,394.

MOTION: I move adoption of the –6 amendment to HB 3806. (vote)

Final Subcommittee Action

LFO recommends that HB 3806, as amended by the –6 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 3806, as amended, to the Full Committee with a do pass recommendation. (vote)

Carriers

