



Legislative Fiscal Office
83rd Oregon Legislative Assembly
2025 Regular Session

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Bill Title: Relating to water banks.

Government Unit(s) Affected: Cities, Confederated Tribes of Warm Springs, Department of Fish and Wildlife, Special Districts, Water Resources Department, Department of State Lands

Summary of Fiscal Impact

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Water Resources Department	\$ -	\$ -	\$ 216,394	\$ -	\$ 216,394	1	0.75
Total Fiscal Impact	\$ -	\$ -	\$ 216,394	\$ -	\$ 216,394	1	0.75

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Water Resources Department	\$ -	\$ -	\$ 287,688	\$ -	\$ 287,688	1	1.00
Total Fiscal Impact	\$ -	\$ -	\$ 287,688	\$ -	\$ 287,688	1	1.00

Measure Description

The measure authorizes the Water Resources Commission to approve a Deschutes River water bank pilot program above Lake Billy Chinook and in areas served by points of diversion from the Deschutes River, subject to public comment and approval by the Confederated Tribes of Warm Springs. The water bank must be managed by the Deschutes River Conservancy and include only specified participants. Annual operations require submission of an operating plan by January 1, approval by the Water Resources Department (WRD) by March 1, public input, and coordination with state and tribal entities. The measure allows consolidated applications for water transactions, permits limited transfers under defined conditions, and requires a minimum of 1,800 acres to be committed to in-stream leases each year. Water bank activities may not increase total water use, and violations may result in deactivation. An annual report on in-stream flow benefits and monitoring data must be submitted to the Department.

The measure increases the Water Resources Department's Other Funds expenditure limitation by \$216,394 in the 2025-27 biennium to support the Deschutes River water bank pilot program.

Fiscal Analysis

The total estimated fiscal impact of this measure is \$216,394 Other Funds and one position (0.75 FTE) in 2025-27 and \$287,688 Other Funds and one position (1.00 FTE) in the 2027-29 biennium.

Water Resources Department

WRD is anticipated to add one permanent full-time Natural Resource Specialist 3 position to support implementation of the Deschutes River water bank pilot program. Duties will include reviewing the annual

operating plan and charter, processing consolidated applications, verifying in-stream and reservoir releases, and developing tracking tools for transaction oversight. The position will also support coordination with the Water Resources Commission, the Oregon Department of Fish and Wildlife, and the Confederated Tribes of Warm Springs, as well as reviewing public comments and annual reports as required by the measure.

The estimated cost of the permanent full-time Natural Resource Specialist 3 position (0.75 FTE in 2025-27 and 1.00 FTE in 2027-29) is \$177,675 Other Funds in 2025-27 and \$236,902 Other Funds in 2027-29. Associated services and supplies are estimated at \$38,719 Other Funds in 2025-27 and \$50,786 Other Funds in 2027-29. WRD anticipates funding this position with resources provided by the Deschutes River Conservancy and will use the added Other Funds expenditure limitation and position authority to support the work.

Other entities

The fiscal impact of this measure to the Confederated Tribes of Warm Springs is indeterminate pending the Legislative Commission on Indian Services' receipt and review of information provided by the Tribe. If additional information is provided that changes the measure's current indeterminate impact on the Tribe, the Legislative Fiscal Office will issue a revised fiscal impact statement.

The measure is anticipated to have either no or a minimal impact to cities, special districts, the Oregon Department of Fish and Wildlife, and the Department of State Lands.

Relevant Dates

The measure takes effect on January 1, 2026.

The water bank pilot program sunsets on January 2, 2034.