

HB 3806 A BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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**Water Resources Department
2025-27**

Budget Summary*

	2023-25 Legislatively Approved Budget ⁽¹⁾	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ -	\$ -	\$ 216,394	\$ 216,394	100.0%
Total	\$ -	\$ -	\$ 216,394	\$ 216,394	100.0%

Position Summary

Authorized Positions	0	0	1	1
Full-time Equivalent (FTE) positions	0.00	0.00	0.75	0.75

⁽¹⁾ Includes adjustments through January 2025

* Excludes Capital Construction expenditures

Summary of Revenue Changes

For the 2025-27 biennium, House Bill 3806 increases Other Funds expenditure limitation by \$216,394 for the Water Resources Department (WRD) to support the Deschutes River water bank pilot program upon approval of the Water Resources Commission and the Confederated Tribes of Warm Springs. The Deschutes River Conservancy will manage the operations of the water bank, and are pursuing public and private funds to do so. The bill provides that the Department shall not approve an operating plan for the bank, if it doesn't not have the capacity to undertake the actions in the bill. Section seven of the bill allows for WRD to enter into agreement and accept monies from any public or private source to carry out the purposes of the bill. Therefore, the Other Fund expenditure limitation and associated position authority are needed assuming a third party source of funding.

Summary of Natural Resources Subcommittee Action

House Bill 3806 authorizes the Water Resources Commission to approve a Deschutes River water bank program pilot, if the charter is approved by the Confederated Tribes of Warm Springs and adheres to all requirements. The pilot program, assuming it has a successful implementation, is slated for sunset on January 2, 2034. Water banking is a structured system that allows for the management of water resources through deposits and withdrawals to shift water uses away from lower value to higher value uses. The bill establishes the following items specific to water banks: which persons or entities are authorized to participate, content requirements for water bank charters, specific requirements regarding volumes dedicated to legally protected in-stream flows, operational and annual planning requirements, reporting requirements and authorization of split rate and duty for an irrigation district water rights and public notice requirements. The bill also requires a water master to integrate water bank transactions into management operations for the irrigation season under certain conditions, establishes under which condition an approved water bank is not allowed to operate during a calendar year and authorizes the Water Resources Department either

alone or in consultation with specific entities, to cease operation if it causes injury to existing water rights or reduces surface water flow of a scenic water way.

To fund the Deschutes River water bank pilot program, the Natural Resources Subcommittee increased Other Funds expenditure limitation by \$216,394 on an ongoing basis to support one permanent Natural Resource Specialist 3 position (0.75 FTE) in the 2025-27 biennium.

PRELIMINARY

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Water Resources Department
Angela Parada – 971-720-0987

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS</u>									
SCR 010-03 - Field Services									
Personal Services	\$ -	\$ -	\$ 177,675	\$ -	\$ -	\$ -	177,675	1	0.75
Services and Supplies	\$ -	\$ -	\$ 38,719	\$ -	\$ -	\$ -	38,719		
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ 216,394	\$ -	\$ -	\$ -	216,394	1	0.75
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ 216,394	\$ -	\$ -	\$ -	216,394	1	0.75

*Excludes Capital Construction Expenditures