

HB 3806 A STAFF MEASURE SUMMARY**House Committee On Agriculture, Land Use, Natural Resources, and Water****Action Date:** 04/07/25**Action:** Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)**Vote:** 7-2-0-0**Yeas:** 7 - Boice, Hartman, Helm, Marsh, McDonald, McLain, Owens**Nays:** 2 - Levy B, Scharf**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Prepared By:** Anna Glueder, LPRO Analyst**Meeting Dates:** 3/12, 4/7**WHAT THE MEASURE DOES:**

The measure authorizes the Oregon Water Resources Commission to approve a Deschutes River water bank pilot program if the charter is approved by the Confederated Tribes of the Warm Springs and adheres to all requirements. It sunsets the pilot program on January 2, 2034.

Detailed Summary

- Makes legislative findings and authorizes the Oregon Water Resources Commission to approve a charter for a Deschutes River water bank pilot program after public notice and comment opportunity, if the charter is approved by the Confederated Tribes of the Warm Springs and adheres to all requirements.
- Establishes which persons and entities are authorized to participate in a water bank and which waters can be deposited into a water bank.
- Establishes approval procedures for proposed water bank operating plans and content requirements for a proposed annual operating plan.
- Establishes content requirements for water bank charters.
- Establishes specific requirements regarding volumes dedicated to legally protected in-stream flows.
- Establishes operation requirements for water banks and authorizes the Oregon Water Resources Department (OWRD) to deactivate a water bank if requirements are not adhered to.
- Establishes reporting requirements for water banks.
- Specifies that OWRD may not approve a proposed annual operating plan if insufficient resources are available for OWRD to carry out its duties.
- Authorizes approved water banks to submit a consolidated, instead of individual, lease and temporary forbearance water transfer application to OWRD at least 30 days prior to an irrigation season start.
- Specifies application requirements and directs a water bank to publish their application on a publicly available website.
- Requires a water master to integrate water bank transactions into management operations for the irrigation season under certain conditions.
- Establishes under which conditions OWRD may approve a water bank to split the rate and duty of an irrigation district water right and establishes public notice requirements for such applications.
- Establishes under which condition an approved water bank is not allowed to operate during a calendar year.
- Authorizes OWRD, either alone, or in consultation with specified entities, to require water bank operations to cease operation if it causes injury to existing water rights, or reduces the surface water flow of a scenic water way.

HB 3806 A STAFF MEASURE SUMMARY

- Authorizes OWRD to enter into agreements and accept moneys from any public or private source to implement the measure.
- Sunsets the water bank pilot program on January 2, 2034.

ISSUES DISCUSSED:

- Content of the amendment
- Continuation of discussions beyond the work session

EFFECT OF AMENDMENT:

The amendment replaces the measure.

BACKGROUND:

Water banking is a structured system that allows for 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. Its primary objective is to shift water from uses with lower value to those with higher value.

SMS corrected on 4/29/25 to accurately reflect the vote taken in committee on 4/7/25