HB 3419-2 (LC 4562) 2/12/25 (AG/ps)

Requested by Representative HELM

PROPOSED AMENDMENTS TO HOUSE BILL 3419

1	In line 2 of the printed bill, after "water" insert "; creating new pro-
2	visions; amending ORS 536.021, 536.900, 537.101 and 537.735; and repealing
3	540.435".
4	Delete lines 4 through 8 and insert:
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6	"WATER USE MEASUREMENT AND REPORTING
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8	"SECTION 1. ORS 537.101 is amended to read:
9	"537.101. (1) As used in this section, 'water use measurement or re-
10	porting requirement' includes requirements to measure or report wa-
11	ter use under:
12	"(a) ORS 390.835.
13	"(b) Section 10 of this 2025 Act.
L4	"(c) ORS 537.099.
15	"(d) ORS 537.141.
16	"(e) ORS 537.348.
L 7	"(f) ORS 537.545.
18	"(g) A rule adopted pursuant to ORS 537.735.
19	"(h) ORS 540.310.
20	"(i) ORS 540.330.
21	"(j) A rule described in section 7 of this 2025 Act.

- 1 "(k) Section 11 of this 2025 Act.
- 2 "(L) ORS 541.692.

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- "(m) A condition of a water right, an order approving a change under ORS 537.211 or 537.610, an order approving a transfer under ORS chapter 540 or an order approving an extension under ORS chapter 537.
- 6 "(n) Subsection (2) of this section.
- "(o) Any other provision in ORS chapter 536, 537, 538, 539, 540, 541, 542, 543 or 543A or a rule or order adopted thereunder.
- "[(1) If the Water Resources Department requires an entity to measure the use of water diverted, stored or otherwise appropriated by the entity under a right established by a water right permit, water right certificate, limited license, decree, order of determination or ground water registration, the department may require the entity to report the measured use to the department.]
 - "(2) In addition to any other authority, the Water Resources Department may require a person that uses water as described in ORS chapter 536, 537, 538, 539, 540, 541, 542, 543 or 543A to measure the use of the water and report to the department on the use of the water, including on the quantity of the water diverted, rediverted, stored, released or otherwise appropriated or used.
 - "[(2)] (3) The Water Resources Commission shall adopt rules as provided under ORS 536.027 to carry out [subsection (1) of] this section and other sections that establish water use measurement or reporting requirements.
 - "(4) In adopting rules pursuant to subsection (3) of this section, the commission shall, to the extent practicable, develop consistent standards, methods, procedures and enforcement practices to implement and enforce all water use measurement or reporting requirements.
- 28 "(5) A water user that violates a water use measurement or re-29 porting requirement may be subject to:
 - "(a) A prohibition on the diversion, storage or use of water pursu-

1	ant to an order by a watermaster.
2	"(b) Civil penalties under ORS 536.900.
3	"SECTION 2. Section 3 of this 2025 Act is added to and made a part
4	of ORS chapter 537.
5	"SECTION 3. The Water Resources Department may require water
6	use measurement and reporting in any order approving an extension
7	under ORS 537.230 or 537.630.
8	"SECTION 4. Section 5 of this 2025 Act is added to and made a part
9	of ORS chapter 540.
10	"SECTION 5. The Water Resources Department may require water
11	use measurement and reporting in any order approving a transfer
12	under this chapter.
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14	"WATER MANAGEMENT PROBLEM AREAS
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16	"SECTION 6. ORS 540.435 is repealed.
17	"SECTION 7. The Water Resources Commission may enforce, mod-
18	ify or repeal rules establishing serious water management problem
19	areas that were adopted before July 1, 2026.
20	"SECTION 8. Section 7 of this 2025 Act and the repeal of ORS 540.435
21	by section 6 of this 2025 Act become operative on July 1, 2026.
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23	"WATER DATA PRIORITY AREAS
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"SECTION 9. Section 10 of this 2025 Act is added to and made a part of ORS chapter 537.

"SECTION 10. (1) The Water Resources Commission may establish by rule water data priority areas, based on factors that may include, but are not limited to, the following:

"(a) The decline of ground water levels.

- "(b) The overappropriation of surface water.
- 2 "(c) Unresolved disputes among water users.
- 3 "(d) Frequent water shortages.
- "(e) Inadequate data existing to quantify the surface water or ground water resource.
- 6 "(f) Water quality impairment.
- "(2) Before establishing a water data priority area under subsection
 (1) of this section, the commission shall:
 - "(a) Cause a hearing to be conducted in the affected area to determine whether a water data priority area should be established; and
 - "(b) Allow any affected person or entity an opportunity to present alternative methods or devices that could be used to provide the information necessary to manage the water resource or to alleviate the water management problem.
 - "(3) The commission may require a person or entity using any surface or ground water source within a water data priority area to:
 - "(a) Install a water measuring device;
 - "(b) Measure the water diverted, rediverted, stored, released or otherwise appropriated or used; and
 - "(c) Report to the Water Resources Department.

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"WATER MEASUREMENT COST SHARE PROGRAM

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- "SECTION 11. (1) The Water Resources Department shall establish a water measurement cost share program.
- "(2) Under the program, the department may use moneys in the Water Measurement Cost Share Program Revolving Fund:
- "(a) To award a grant for up to 75 percent of the moneys needed to install, replace or substantially repair infrastructure that measures the diversion, appropriation, storage, release, rediversion or use of

- water, that protects in-stream flow or existing water rights or that monitors water rights and streamflow, in the following order of priority:
- "(A) Installation of infrastructure that measures the diversion, appropriation, storage, release or use of water.
- 6 "(B) Replacement of infrastructure that measures the diversion, 7 appropriation, storage, release or use of water.
- 8 "(C) Substantial repair of infrastructure that measures the diver-9 sion, appropriation, storage, release or use of water.
- 10 "(D) Installation, replacement or substantial repair of 11 infrastructure that measures the rediversion of water.
 - "(b) For the costs of administering the program and the fund and implementing the program.
 - "(3) The department may require a recipient of a grant under the program to measure and report water use.
 - "(4) To implement the program, the department may receive funds from, and may enter into agreements or contracts with, any person, public body, federally recognized Indian tribe or nonprofit organization.
 - **"SECTION 12.** ORS 536.021 is amended to read:
- "536.021. (1) The Water Measurement Cost Share Program Revolving Fund is established separate and distinct from the General Fund. All moneys in the Water Measurement Cost Share Program Revolving Fund are continuously appropriated to the Water Resources Department for the purposes described in [this] section 11 of this 2025 Act.
- "(2) The fund [established in this section consists] shall consist of all moneys appropriated by the Legislative Assembly and moneys gifted, bequested, donated or granted from any person for the [purpose of installing, substantially repairing or replacing streamflow gauges, measuring devices or headgates with measuring devices] purposes described in section 11 of this

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- "[(3) The department may use the moneys in the fund to contribute up to 75 percent of the moneys needed to install, substantially repair or replace a streamflow gauge, measuring device or headgate with a measuring device on authorized diversions or points of appropriation where the gauge, measuring device or headgate will be used to protect in-stream flow or existing water rights, measure ground water use or monitor water rights and streamflow.]
- 8 "[(4) The department may receive funds from, and may enter into agree-9 ments or contracts with, any person for the purpose of implementing the Water 10 Measurement Cost Share Program Revolving Fund.]
 - "[(5) The department shall prioritize the expenditure of moneys from the fund for streamflow gauges, measuring devices and headgates with measuring devices in the following descending order:]
- "[(a) Installation.]
- "[(b) Replacement.]
- "[(c) Substantial repair.]

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"CRITICAL GROUND WATER AREAS

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"SECTION 13. ORS 537.735 is amended to read:

- "537.735. (1) A rule adopted by the Water Resources Commission under ORS 537.730 shall:
- "(a) Define the boundaries of the critical ground water area and shall indicate which of the ground water reservoirs located either in whole or in part within the area in question are included within the critical ground water area. Any number of ground water reservoirs which either wholly or partially overlie one another may be included within the same critical ground water area.
- "(b) Contain a provision requiring a periodic review of conditions in the critical ground water area. The review shall be in sufficient detail to evalu-

- ate the continuing need for the critical ground water area designation and shall occur no less frequently than once every 10 years.
- "(2) In adopting the rule, the commission shall consider any orders or permits applicable to the reservoir issued by the governing board or State Geologist of the State Department of Geology and Mineral Industries under ORS chapter 522.
- 7 "(3) A rule by the commission under subsection (1) of this section may 8 include any one or more of the following corrective control provisions:
 - "(a) A provision closing the critical ground water area to any further appropriation of ground water, in which event the commission shall thereafter refuse to accept any application for a permit to appropriate ground water located within such critical area.
 - "(b) A provision determining the permissible total withdrawal of ground water in the critical area each day, month or year.
 - "(c) The disposition of any application for a water right permit for the use of water in the area that is pending at the time the commission initiates the rulemaking process or that is received during the rulemaking process.
 - "(d) Any one or more provisions making such additional requirements as are necessary to protect the public welfare, health and safety in accordance with the intent, purposes and requirements of ORS 537.505 to 537.795 and 537.992.
 - "(e) A provision closing all or part of the critical ground water area to further appropriation of ground water for its thermal characteristics.
- "(f) A provision determining the permissible change in thermal characteristics of ground water in all or part of the critical ground water area each day, month or year. Insofar as may be reasonably done, the Water Resources Director shall apportion the permissible total temperature impact among those appropriators whose exercise of valid rights in the critical area affect the thermal characteristics of the ground water, in accordance with the relative dates of priority of such rights.

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"(g) One or more provisions requiring the measurement and reporting of water use in the critical ground water area.

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"CIVIL PENALTIES

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- **"SECTION 14.** ORS 536.900 is amended to read:
- 536.900. (1) In addition to any other liability or penalty provided by law,
- 8 the Water Resources Commission may impose a civil penalty on a person for
- 9 violation of:
- "(a) A term or condition of a permit, certificate or license issued under ORS chapters 536 to 543A.
- 12 "(b) ORS 537.130 or 537.535.
- "(c) ORS 537.545 (5) or a rule described in ORS 537.545 (7).
- "(d) A commission rule or order that pertains to well maintenance.
- "(e) ORS 540.045, 540.145, 540.210, 540.310, 540.320, 540.330, 540.340,
- 16 [540.435,] 540.440, 540.570 (5), 540.710, 540.720 and 540.730 or rules adopted
- 17 under ORS 540.145.
- 18 "(f) ORS 537.897 or 537.898 (2).
- 19 "(g) ORS 537.387.
 - "(h) A water use measurement or reporting requirement, as defined in ORS 537.101.
- "(2) A civil penalty may be imposed under this section for each day of violation of ORS **537.101**, 537.130, 537.535, 540.045, 540.310, 540.330, 540.570 (5), 540.710, 540.720 or 540.730.
- "(3) In the event the petitioner knowingly misrepresents the map and petition required in ORS 541.329, the commission may assess a penalty of up to \$1,000 based upon guidelines to be established by the commission. In addition, the petition and map shall be amended to correct the error at the petitioner's cost. Affected users shall be given notice as provided in ORS 541.329 (5).

- "(4) A civil penalty may not be imposed until the commission prescribes a reasonable time to eliminate the violation. The commission shall notify the violator of the time allowed to correct a violation within 10 business days after the commission first becomes aware of the violation.
- "(5) Notwithstanding any term or condition of a permit, certificate or license, the rotation of the use of water under ORS 540.150 may not be considered a violation under subsection (1) of this section.
- "(6) **Notwithstanding ORS 536.910,** the commission may impose a civil penalty of not more than \$2,000 per occurrence for a violation described in subsection (1)(g) of this section.

"CAPTIONS

"SECTION 15. The unit captions used in this 2025 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2025 Act.".