

### **HB 2813 -1 Amendment Forthcoming**

A -1 amendment will change the name of the fund to the Groundwater Conservation Reserve Enhancement Program Match Fund and allow funds to be used in basins where a federally approved Groundwater Conservation Reserve Enhancement Program has been established, so long as state match is only used towards voluntary cancellation of groundwater rights.

#### **Background and Rationale**

Overallocation of groundwater resources can result in declining groundwater levels and conflicts between different groundwater uses. The Harney Basin is currently the only basin with a federally approved Groundwater Conservation Reserve Enhancement Program, which would provide compensation for voluntary cancellation of groundwater rights. Other basins are interested in using this approach to alleviate pressure on overallocated groundwater resources.

There is no current pathway in Oregon for permanent voluntary cancellation of groundwater rights in areas of over-allocation. There also is not a statewide program to compensate groundwater rights holders for voluntary cancellation of groundwater rights where groundwater has been over-allocated by the Water Resources Department. The current bill focuses specifically on the Harney Basin, which limits its applicability to other areas that are also in need. The amendment would expand the use of match funds from the Fund to any basin with a federally approved Groundwater Conservation Reserve Enhancement Program so long as state match was only used towards voluntary cancellation of groundwater rights. In order to qualify for use of state match, a federally approved Groundwater Conservation Reserve Enhancement Program would have to be developed for a basin and must seek voluntary cancellation of groundwater rights. This would ensure responsible use of public funds and result in permanent actions to alleviate pressure on over-allocated groundwater resources. The initial allocation into the Fund would be used for the established program in Harney Basin, but future allocations could be used towards programs established in other basins.

# House Bill 2813

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Tina Kotek for Water Resources Department)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act creates a new fund related to ground water conservation in Harney County. The Act puts money in the fund. (Flesch Readability Score: 75.3). Establishes the Harney Conservation Reserve Enhancement Program Match Fund in the State Treasury, separate and distinct from the General Fund. Appropriates moneys for the Harney Conservation Reserve Enhancement Program Match Fund. Declares an emergency, effective on passage.

### A BILL FOR AN ACT

1  
2 Relating to water right retirement under the Conservation Reserve Enhancement Program; and de-  
3 claring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Notwithstanding any other provision of law, the General Fund appropriation**  
6 **made to the Water Resources Department, by \_\_\_\_\_, for the biennium beginning July 1, 2025,**  
7 **for technical services, is decreased by \$500,000.**

8 **SECTION 2. (1) There is established in the State Treasury, separate and distinct from the**  
9 **General Fund, the ~~Harney-Groundwater~~ Conservation Reserve Enhancement Program Match Fund. Inter-**  
10 **est earned by the ~~Harney-Groundwater~~ Conservation Reserve Enhancement Program Match Fund shall be**  
11 **credited to the fund.**

12 **(2) All moneys in the fund are continuously appropriated to the Water Resources De-**  
13 **partment to provide the state contribution for water users ~~located in the Greater Harney~~**  
14 **~~Valley Groundwater Area of Concern~~ who cancel ground water rights as part of enrollment**  
15 **in the federal Conservation Reserve Enhancement Program (16 U.S.C. 3831).**

16 **(3) The fund shall consist of all moneys credited to the fund, including moneys appropri-**  
17 **ated or transferred to the fund by the Legislative Assembly.**

18 **SECTION 3. In addition to and not in lieu of any other appropriation, there is appropri-**  
19 **ated to the Water Resources Department, for the biennium beginning July 1, 2025, out of the**  
20 **General Fund, the amount of \$500,000, for deposit in the ~~Harney-Groundwater~~ Conservation Reserve En-**  
21 **hancement Program Match Fund ~~established under section 2 of this 2025 Act, for the purposes of groundwater right~~**  
22 **~~retirement in the Harney Valley Groundwater Conservation Reserve Enhancement Program~~ established under section 2**  
23 **~~of this 2025 Act.~~**

24 **SECTION 4. Notwithstanding any other law limiting expenditures, the limitation on**  
25 **expenditures established by \_\_\_\_\_, for the biennium beginning July 1, 2025, as the maximum**  
26 **limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous**  
27 **Receipts, and including federal funds received under cooperative agreements with or con-**  
28 **tracts from the Bureau of Reclamation of the United States Department of the Interior, the**  
29 **United States Army Corps of Engineers, the United States Geological Survey, the Bonneville**  
30 **Power Administration and the National Fish and Wildlife Foundation, but excluding lottery**

NOTE: Matter in boldfaced type in an amended section is new; matter [italic and bracketed] is existing law to be omitted. New sections are in boldfaced type.

1 funds and federal funds not described in this section, collected or received by the Water  
2 Resources Department, for technical services, is increased by \$500,000, for authorized  
3 expenditures of moneys deposited in the ~~Harney-Groundwater~~ Conservation Reserve Enhancement Pro-  
4 gram Match Fund established under section 2 of this 2025 Act.

5 SECTION 5. This 2025 Act being necessary for the immediate preservation of the public  
6 peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect  
7 on its passage.  
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