

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass
Vote: 4 - 0 - 1
Yeas: Bates, Beyer, Prozanski, Avakian
Nays: 0
Exc.: Atkinson
Prepared By: Sue Marshall, Administrator
Meeting Dates: 5/3

WHAT THE MEASURE DOES: Provides that the Water Resources Director may refund the protest fee if the order of the Water Resources Commission establishes that all or part of the water right has not been canceled or modified.

ISSUES DISCUSSED:

- Potential forfeiture of a water right after five years of non-use
- Whether there were any complaints about the current protest fee assessment

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The use of water in Oregon generally requires written authorization in the form of a court decree, permit or certificate issued by the Water Resources Department. If the permitted water right is not utilized for a period of five consecutive years within a 15-year period, it may be subject to cancellation.

The process for determining whether a water right is subject to cancellation starts with the Water Resources Commission issuing a notice of proceedings to cancel a forfeited water right to the legal owner or occupant of the lands to which a water right is granted. The notice gives the owner or occupant 60 days to protest the cancellation. The protest fee that the landowner must pay is \$250. The process then moves to a contested case proceeding. Current law does not allow the department to refund a protest fee if the landowner or occupant successfully defends the validity of their water right.

House Bill 2099 allows the Water Resources Department to provide a full or partial refund of the protest fee should the landowner or occupant prevail in the case.