## A-Engrossed House Bill 2564

Ordered by the House May 11 Including House Amendments dated May 11

Sponsored by COMMITTEE ON ENERGY AND THE ENVIRONMENT

## **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.

[Requires all water users to measure amounts of water withdrawn or stored. Applies to new water users on and after effective date of Act. Applies to existing water users on and after January 1, 2012.] Directs Water Resources Department to establish requirements for measuring water use of significant diversions. Allows Water Resources Commission to require water users to report [water use measurements] amount of water diverted. Allows commission to require owner or manager of reservoir to install water measuring devices. Allows commission to require owner of water right to report water level data. Directs Oregon Watershed Enhancement Board to establish grant program to provide funds for water measuring devices and gauging stations. Directs department to issue report on water measurement activities to Seventy-fifth Legislative Assembly.

Declares emergency, effective on passage.

2	Relating to measurement of water use; creating new provisions; amending ORS 537.777, 540.310
3	540.330 and 540.435; and declaring an emergency.
4	Whereas water use measurement is a valuable water management tool, contributing to a variety

Whereas water use measurement is a valuable water management tool, contributing to a variety of water management goals, including water conservation, the restoration of in-stream flows and the protection of out-of-stream water uses and agricultural economies; and

A BILL FOR AN ACT

Whereas the Water Resources Commission is responsible for establishing coordinated programs for the use and control of all water resources of this state; and

Whereas in 2000 the Water Resources Commission adopted the "Water Resources Department Strategic Measurement Plan," which implements a sound approach to increasing water use measurement; and

Whereas the first phase of the plan is focused on increasing measurement of significant diversions in high priority watersheds where potential stream flow restoration and fish recovery efforts under the Oregon Plan for Salmon and Watersheds are greatest; and

Whereas there are potential costs to water right holders in installing and operating water use measurement devices; and

Whereas there is a need for the State of Oregon to establish a program to share in the cost of installing measurement devices; now, therefore,

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

SECTION 1. Section 2 of this 2007 Act is added to and made a part of ORS chapter 536.

<u>SECTION 2.</u> The Water Resources Department may implement the Strategic Measurement Plan adopted by the Water Resources Commission in 2000. Under the first phase of the plan, the department has identified high priority watersheds or basins where there is poten-

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- tial for flow restoration as identified by the department or a need for habitat and fish restoration as identified by the department in conjunction with the State Department of Fish and Wildlife. Under subsequent phases of the plan:
  - (1) The Water Resources Department shall:

- (a) Prioritize and establish requirements for measuring water use of significant diversions according to:
  - (A) The quantity of water diverted; and
  - (B) The potential effects of water diversion on stream flows; and
- (b) Utilize a phased approach, and available department staff and resources, to implement the plan.
  - (2) The Water Resources Department may:
  - (a) Encourage water users to participate through collaboration and opportunities to share costs;
  - (b) Work cooperatively with local watershed councils and local soil and water conservation districts;
    - (c) Provide technical assistance related to measuring and reporting water use; and
  - (d) Pursue available sources of public and private funding to support an increased stream gauging network and defray the costs of purchasing water measurement devices.

**SECTION 3.** ORS 537.777 is amended to read:

- 537.777. (1) The Water Resources Commission shall regulate or cause to be regulated the controlling works of wells and distribute ground water to secure compliance or equal and fair distribution if the commission finds that:
- (a) Any person or public agency is using or attempting to use any ground water or is operating or permitting the operation of any well owned or controlled by such person or public agency except upon compliance with ORS 537.505 to 537.795 and 537.992 and any applicable order or rule of the commission under ORS 537.505 to 537.795 and 537.992; or
- (b) It is necessary in order to secure the equal and fair distribution of ground water in accordance with the rights of the various ground water users.
- (2) The regulation of controlling works and distribution of ground water under subsection (1) of this section shall be, as nearly as possible, in the same manner as provided in ORS 540.010 to 540.130, **540.310** and **540.320**.

SECTION 4. ORS 540.310 is amended to read:

- 540.310. (1) The owner of any ditch, [or] canal or other conveyance structure shall maintain to the satisfaction of the Water Resources Commission a substantial headgate at the point where the water is diverted from a stream. It shall be of such construction that it can be locked and kept closed by the watermaster.
- (2) The owner shall construct and maintain, when required by the commission, suitable measuring devices at such points along **the conveyance structure** [the ditch] as may be necessary to assist the watermaster in determining the amount of water that is to be diverted into **the conveyance structure** [the ditch] from the stream, or taken from it by the various users.
- (3) When necessary for the protection of other water users, the commission may require flumes to be installed along the line of any **conveyance structure** [ditch].
- (4) The commission may require that the owner report the amount of water diverted according to a schedule established by the commission.

**SECTION 5.** ORS 540.330 is amended to read:

- 540.330. (1) When required by the Water Resources Commission, any owner or manager of a reservoir[,] located across or upon the bed of a natural stream[,] shall construct and maintain[, when required by the Water Resources Commission,] a measuring device below, and one above, the reservoir on each stream or source of supply discharging into the reservoir, to assist the watermaster in determining the amount of water to which appropriators are entitled and thereafter diverting it for their use.
- (2) Any owner or manager of a reservoir required to install measuring devices under subsection (1) of this section may be required to report the amount of water used or diverted according to a schedule established by the commission.
- [(2)] (3) If any owner or manager of a reservoir located across the bed of a natural stream neglects or refuses to put in a measuring device after 10 days' notice by the commission, the watermaster may open the sluicegate or outlet of the reservoir, and it shall not be closed, under penalties of the law for changing or interfering with headgates, until the requirements of the commission as to such measuring devices are complied with.

## **SECTION 6.** ORS 540.435 is amended to read:

- 540.435. (1) In addition to any other authority of the Water Resources Commission to order installation of a measuring device, if the commission finds accurate water use information necessary because of serious water management problems created by ground water decline, unresolved user disputes or frequent water shortages, the commission by rule may require a water right owner using any surface or ground water source within the state to install a totalizing measuring device, provide water level data or [and to] submit [annually] a water use report according to a schedule established by the commission.
- (2) Before the commission implements any requirements under subsection (1) of this section the commission shall:
- (a) Cause a hearing to be conducted in the affected area to determine whether a serious management problem exists; and
- (b) Allow any affected person 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 watermaster may prohibit the diversion or use of water by anyone who has failed to comply with a commission rule or order requiring installation of measuring devices or submission of a water use report.
- SECTION 7. Notwithstanding the provisions of ORS 541.375, for the biennium beginning July 1, 2007, the Oregon Watershed Enhancement Board shall operate a grant program that provides funds for water measuring devices and gauging stations. Grants awarded under this section shall be prioritized by considering:
- (1) Previous investment in the watershed or basin from funds provided by the board or other public funds; or
- (2) High priority watersheds or basins identified under the Strategic Measurement Plan for the measurement of water use described in section 2 of this 2007 Act.
- SECTION 8. Not later than February 1, 2009, the Water Resources Department shall report to the Seventy-fifth Legislative Assembly on the activities of the department related to water use measurement and reporting during the 2007-2009 biennium. The report shall include, but need not be limited to:
  - (1) Information on the progress of the department in fully implementing the Strategic

- Measurement Plan for the measurement of water use described in section 2 of this 2007 Act, including the identification of goals and a schedule for completing the first phase of the Strategic Measurement Plan.
- (2) An assessment of the success of the grant program operated by the Oregon Watershed Enhancement Board under section 7 of this 2007 Act in providing funds for the acquisition and installation of measuring devices to water users required to measure water use, including a recommendation about whether the grant program should be continued. The department shall work with the board to complete the assessment and develop the recommendation required under this subsection.

SECTION 9. Sections 7 and 8 of this 2007 Act are repealed on January 2, 2010.

<u>SECTION 10.</u> This 2007 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect on its passage.