

2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 3369 **STATUS:** A Engrossed
SUBJECT: Water Development Loans and Grants Program
GOVERNMENT UNIT AFFECTED: Water Resources Department, Department of Administrative Services, Department of Fish and Wildlife, Parks and Recreation Department and Department of Environmental Quality
PREPARED BY: Dawn Farr
REVIEWED BY: Monica Brown
DATE: May 4, 2009

	<u>2009-2011</u>	<u>2011-2013</u>
EXPENDITURES: See Comments.		
REVENUES: See Comments.		
EFFECTIVE DATE: July 1, 2009.		

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: The bill directs the Water Resources Commission (WRC) to adopt rules establishing standards for borrowers obtaining loans from Water Development Loan Fund; authorizes State Treasurer, with concurrence of Director of Department of Administrative Services, to issue bonds for funding water development projects; establishes Water Resources Investment Fund and the Resources Grant Fund; authorizes issuance of lottery bonds in amount not to exceed \$10 million with one-half of proceeds to be deposited in Water Resources Investment Fund and one-half of proceeds to be deposited in Water Resources Grant Fund; appropriates \$500,000 to Department of Forestry for deposit into the Water Conservation, Reuse and Storage Investment Fund; directs loan recipient to pay to Water Resources Department (WRD) a shared savings fee in specified amount; establishes application requirements and allows WRC to establish application filing fees; requires public notice of accepted applications and reasonable notice by WRD to Department of Fish and Wildlife (ODFW), Parks and Recreation Department and Department of Environmental Quality (DEQ); authorizes WRC to establish guidelines for WRD review of applications and establishes required criteria for WRD to approve loan or grant applications; directs WRC to adopt rules for use by WRD in evaluating net public benefit of a project and rules require concurrence of ODFW and DEQ prior to adoption; authorizes lottery bond issuance and use of proceeds to fund integrated strategy for implementing state water resources policy; and, directs WRD to report to Seventy-sixth Legislative Assembly on operation of loan and grant programs.

This fiscal impact statement is for the purpose of transmitting the measure from the House Committee on Water to the Joint Committee on Ways and Means. A more complete fiscal analysis on the bill will be prepared as the measure is considered in the Joint Committee on Ways and Means.