

Senate Bill 787

Sponsored by Senator DINGFELDER, Representative SHIELDS; Senators MONROE, ROSENBAUM, Representative BAILEY

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**.

Specifies requirements that municipal water use provider, agricultural water user or agricultural water supplier must meet to be eligible for funding for water supply development project.

Requires Water Resources Department to provide public notice of applications for funding for water supply development projects.

Creates Water Supply Development Project Fund. Appropriates moneys in fund to department for administration of provisions related to water supply development projects.

A BILL FOR AN ACT

1
2 Relating to water; and appropriating money.

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

4 **SECTION 1. The Legislative Assembly finds and declares that:**

5 (1) **All water within Oregon belongs to the public pursuant to ORS 537.110. Public ac-**
6 **countability requires that before this state spends public moneys on new water supply de-**
7 **velopment projects, existing water supplies must be managed responsibly.**

8 (2) **Responsible water management includes ensuring that basic conservation, efficiency**
9 **and management measures are being implemented, if feasible, before public moneys are**
10 **spent on new water supply development projects.**

11 **SECTION 2. As used in sections 1 to 8 of this 2009 Act:**

12 (1) **"Agricultural water supplier" means any public or private entity that supplies water**
13 **to one or more agricultural water users.**

14 (2) **"Agricultural water user" means any entity that uses or supplies water for irrigating**
15 **crops or watering livestock.**

16 (3) **"Municipal water use provider" means any entity that provides water that is used for**
17 **ordinary municipal uses.**

18 (4) **"State funding" means funding from the Water Resources Department for a water**
19 **supply development project.**

20 (5)(a) **"Water supply development project" means any project related to the development**
21 **of a water supply system that will have the effect, in whole or in part, of developing a new**
22 **water supply or increasing the capacity of an existing water supply.**

23 (b) **"Water supply development project" does not include projects related to the treat-**
24 **ment of wastewater discharges or any other projects meant to improve water quality.**

25 **SECTION 3. (1) To be eligible for state funding for a water supply development project,**
26 **a municipal water use provider shall complete implementation of any water conservation**
27 **measures specified in rules adopted by the Water Resources Commission, including but not**
28 **limited to the following measures:**

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 (a) Complete a water audit by December 31 of each calendar year that employs a sys-
2 tematic and documented methodology for estimating any unauthorized or unmetered uses
3 of water.

4 (b) Ensure that water measuring devices are installed on all water service connections.

5 (c) Implement a program to test and maintain water measuring devices.

6 (d) Implement a rate structure in which the bills of customers are based, at least in part,
7 on the quantity of water metered at water service connections.

8 (e) Conduct a regularly scheduled and systematic program to detect leaks in water supply
9 systems using methods and technology appropriate to the size and capabilities of the mu-
10 nicipal water use provider in order to ensure that the annual leakage from the water supply
11 system does not exceed 10 percent of water metered at water service connections.

12 (f) Conduct a public education program to encourage efficient water use and communi-
13 cate periodically with customers regarding the municipal water use provider's conservation
14 activities.

15 (g) Establish a systemwide leak repair program and line replacement program in order
16 to reduce leakage from the water supply system to 15 percent, and if possible, to reduce the
17 leakage from the water supply system to 10 percent of water metered at water service con-
18 nections.

19 (h) Carry out technical and financial assistance programs to encourage and aid residen-
20 tial, commercial and industrial customers in implementation of water conservation meas-
21 ures.

22 (i) Carry out a program for the replacement of inefficient water fixtures. The program
23 must include the distribution of residential water conservation kits and rebates for customer
24 investments in water conservation initiatives.

25 (j) Adopt rate structures, billing schedules and other programs that support and en-
26 courage water conservation.

27 (k) Provide opportunities for water reuse and recycling.

28 (L) Submit a water demand forecast consistent with professionally accepted methodol-
29 ogies.

30 (m) Implement any other feasible water conservation measures.

31 (2) A municipal water use provider that fails to meet a requirement specified in sub-
32 section (1) of this section is eligible for state funding if the Water Resources Department
33 finds, in accordance with the guidelines established pursuant to section 7 of this 2009 Act,
34 that one or more of the following conditions exist:

35 (a) State funding is sought for the purpose of implementing the requirement, and the
36 municipal water use provider has an implementation plan approved by the department that
37 will ensure that the requirement is met.

38 (b) Funding other than state funding has been secured to ensure that the requirement
39 will be implemented.

40 (c) Implementation of the requirement is not feasible or will not reduce the use of water.

41 (3) The requirements of this section do not apply to state funding for any water supply
42 development project that costs less than \$10,000.

43 **SECTION 4.** (1) To be eligible for state funding for a water supply development project,
44 an agricultural water user must:

45 (a) Implement full measurement of its existing water use;

1 (b) Demonstrate that full measurement of all water use related to the water supply de-
2 velopment project is scheduled and financed;

3 (c) Conduct an analysis consistent with professionally accepted methodologies demon-
4 strating a need for the water to be provided by the water supply development project; and

5 (d) Submit an inventory and assessment of the water conservation and water efficiency
6 measures that the agricultural water user is implementing, including but not limited to those
7 related to agricultural water conservation elements specified in rule by the Water Resources
8 Commission.

9 (2) To be eligible for state funding for a water supply development project, an agricultural
10 water supplier must:

11 (a) Show that each agricultural water user to be served by the water supply development
12 project has implemented full measurement of existing water use;

13 (b) Show that each agricultural water user to be served by the water supply development
14 project has implemented full measurement of all water use related to the water supply de-
15 velopment project or demonstrate that such implementation is scheduled and financed;

16 (c) Conduct an analysis consistent with professionally accepted methodologies demon-
17 strating a need for the water to be provided by the water supply development project; and

18 (d) Submit an inventory and assessment, including an estimate of projected savings, of
19 the water conservation and water efficiency measures the agricultural water supplier is im-
20 plementing, including but not limited to those related to agricultural water conservation el-
21 ements specified in rule by the commission.

22 (3) An agricultural water user that fails to meet a requirement specified in subsection
23 (1)(a) or (b) of this section, or an agricultural water supplier that fails to meet a requirement
24 specified in subsection (2)(a) or (b) of this section, is eligible for state funding if the Water
25 Resources Department finds, in accordance with the guidelines established pursuant to sec-
26 tion 7 of this 2009 Act, that either of the following conditions exists:

27 (a) State funding is sought for the purpose of implementing water measurement and the
28 department has approved an implementation plan to ensure that the requirement is met; or

29 (b) Funding other than state funding has been secured to ensure that the water meas-
30 urement will be implemented.

31 (4) The requirements of this section do not apply to state funding for any water supply
32 development project that costs less than \$10,000.

33 **SECTION 5.** Sections 1 to 8 of this 2009 Act apply to all water supply development
34 projects that benefit an agricultural water user or a municipal water use provider, even if
35 the applicant for state funding is not an agricultural water user or a municipal water use
36 provider.

37 **SECTION 6.** (1) After the Water Resources Department receives an application for state
38 funding for a water supply development project, the department shall provide public notice
39 of the application in the manner the department determines to be most appropriate, and al-
40 low 60 days for public comment before determining whether the application meets the eligi-
41 bility requirements.

42 (2) The department shall make the results of its determination under subsection (1) of
43 this section available to the public in the manner the department determines to be most
44 appropriate.

45 **SECTION 7.** The Water Resources Commission shall establish by rule guidelines related

1 to the eligibility requirements and exceptions specified in sections 3 and 4 of this 2009 Act.

2 **SECTION 8.** The Water Resources Commission may establish by rule a schedule of fees
3 for applicants for state funding for water supply development projects under sections 1 to 8
4 of this 2009 Act sufficient to pay the costs of the Water Resources Department in adminis-
5 tering the provisions of sections 1 to 8 of this 2009 Act.

6 **SECTION 9.** The Water Supply Development Project Fund is established in the State
7 Treasury, separate and distinct from the General Fund. The Water Supply Development
8 Project Fund consists of fees received pursuant to section 8 of this 2009 Act. Interest earned
9 by the Water Supply Development Project Fund shall be credited to the fund. Moneys in the
10 fund are continuously appropriated to the Water Resources Department for the purposes of
11 administering sections 1 to 8 of this 2009 Act.

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