

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	7 - 1 - 0
Yeas:	Boone, Esquivel, Johnson, Schaufler, Sprenger, Clem, Jenson
Nays:	Cowan
Exc.:	0
Prepared By:	Liz Puskar, Administrator
Meeting Dates:	2/4, 3/30

WHAT THE MEASURE DOES: Eliminates fee for renewal of instream water rights leases except where applicant receives compensation for lease or, prior to lease expiration, applicant permanently withdraws from all beneficial use activities or transfers ownership of appurtenant property. Limits term of instream water right leases and lease renewals to five years, with unlimited number of renewals.

ISSUES DISCUSSED:

- Incentives for instream water right owners to use water beneficially
- Financial impact of fee reduction to Water Resources Department
- Benefits to the public of instream water right leases

EFFECT OF COMMITTEE AMENDMENT: Eliminate fees for renewal applications unless the applicant is receiving compensation for the lease or, before the lease renewal period expires, the owner withdraws from all beneficial use activities or there is a transfer in ownership of the appurtenant land. Limit term of all instream water right leases and lease renewals to five years, with no limit to the number of times a lease may be renewed.

BACKGROUND: Beneficial use is the reasonably efficient use of water without waste for a purpose consistent with the laws, rules, and best interests of the people of Oregon. Examples of types of beneficial uses include irrigation, fish and aquatic life, industrial and municipal uses, recreation, storage, and pollution control. In 1987, the Legislative Assembly added instream water rights as a beneficial use to support instream flows, fish and wildlife habitat, recreation, and pollution abatement. Since passage of that legislation, about 1,400 instream water rights have been established. A water right holder may lease his right for instream use. House Bill 2983 A would eliminate the fee for lease renewals under some circumstances and limit lease terms to five years, with unlimited renewals permitted.