

**Minority Report**  
**A-Engrossed**  
**Senate Bill 1513**

Ordered by the Senate February 16  
Including Senate Minority Report Amendments dated February 16

Sponsored by nonconcurring members of the Senate Committee on Environment and Natural Resources: Senators  
OLSEN, THOMSEN

**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.

*[Eliminates sunset and continues in effect]* **Extends sunset for provision conditionally allowing water right lease to split use of water between existing right and in-stream right within same year. Subjects such transfers to certain provisions related to transfer of water rights.**

**A BILL FOR AN ACT**

1  
2 Relating to water right leases that split water use between existing rights and in-stream rights;  
3 amending ORS 537.348 and section 3, chapter 205, Oregon Laws 2001.

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

5 **SECTION 1.** ORS 537.348 is amended to read:

6 537.348. (1) Any person may purchase or lease all or a portion of an existing water right or  
7 accept a gift of all or a portion of an existing water right for conversion to an in-stream water right.  
8 Any water right converted to an in-stream water right under this section shall retain the priority  
9 date of the water right purchased, leased or received as a gift. At the request of the person the  
10 Water Resources Commission shall issue a new certificate for the in-stream water right showing the  
11 original priority date of the purchased, gifted or leased water right. *[A person who transfers a water*  
12 *right by purchase, lease or gift under this subsection shall comply with the requirements for the*  
13 *transfer of a water right under ORS 540.505 to 540.585.]*

14 (2) Any person who has an existing water right may lease all or a portion of the existing water  
15 right for use as an in-stream water right for a specified period without the loss of the original pri-  
16 ority date. During the term of such lease, the use of the water right as an in-stream water right  
17 shall be considered a beneficial use.

18 (3) A lease of all or a portion of an existing water right for use as an in-stream water right  
19 under subsection (2) of this section may allow the split use of the water between the existing water  
20 right and the in-stream right during the same water or calendar year provided:

21 (a) The uses are not concurrent; *[and]*

22 (b) The holders of the water rights measure and report to the Water Resources Department the  
23 use of the existing water right and the in-stream water right[.]; **and**

24 (c) **The term of the lease provision allowing the split use of the water between the ex-**  
25 **isting water right and the in-stream water right during the same year is not more than five**

**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 **water or calendar years.**

2 **(4) A person who transfers all or a portion of a water right by purchase, lease or gift**  
3 **under subsection (1) or (3) of this section shall comply with the requirements for the transfer**  
4 **of a water right under ORS 540.505 to 540.585.**

5 **SECTION 2.** ORS 537.348, as amended by section 2, chapter 205, Oregon Laws 2001, is amended  
6 to read:

7 537.348. (1) Any person may purchase or lease all or a portion of an existing water right or  
8 accept a gift of all or a portion of an existing water right for conversion to an in-stream water right.  
9 Any water right converted to an in-stream water right under this section shall retain the priority  
10 date of the water right purchased, leased or received as a gift. At the request of the person the  
11 Water Resources Commission shall issue a new certificate for the in-stream water right showing the  
12 original priority date of the purchased, gifted or leased water right. [*A person who transfers a water*  
13 *right by purchase, lease or gift under this subsection shall comply with the requirements for the*  
14 *transfer of a water right under ORS 540.505 to 540.585.*]

15 (2) Any person who has an existing water right may lease all or a portion of the existing water  
16 right for use as an in-stream water right for a specified period without the loss of the original pri-  
17 ority date. During the term of such lease, the use of the water right as an in-stream water right  
18 shall be considered a beneficial use.

19 **(3) A person who transfers all or a portion of a water right by purchase, lease or gift**  
20 **under subsection (1) of this section shall comply with the requirements for the transfer of**  
21 **a water right under ORS 540.505 to 540.585.**

22 **SECTION 3.** Section 3, chapter 205, Oregon Laws 2001, as amended by section 1, chapter 355,  
23 Oregon Laws 2007, is amended to read:

24 **Sec. 3.** The amendments to ORS 537.348 by section 2, chapter 205, Oregon Laws 2001, become  
25 operative on January 2, [2014] **2020**.

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