HB 2297-1 (LC 638) 2/6/17 (CDT/ps)

Requested by HOUSE COMMITTEE ON AGRICULTURE AND NATURAL RESOURCES

## PROPOSED AMENDMENTS TO HOUSE BILL 2297

- In line 2 of the printed bill, after the second semicolon delete the rest of the line and line 3 and insert "and amending ORS 541.576 and 541.581.".
- 3 Delete lines 5 through 23 and insert:

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- "SECTION 1. Section 2 of this 2017 Act is added to and made a part of ORS 541.561 to 541.581.
- "SECTION 2. (1) The Water Resources Department shall establish
  a program to pay qualifying costs of planning studies performed to
  mitigate the actual or potential impacts of existing or future drought
  conditions. The department may pay the costs of the planning studies
  by awarding grants or by paying the cost of provided direct services,
  including but not limited to technical planning services.
  - "(2) A local government as defined in ORS 174.116, an Indian tribe as defined in ORS 391.802 or a person may qualify for a grant or for the payment of costs of provided direct services under this section. Planning studies receiving grants or payments under this section must be for the development of:
  - "(a) A water management or conservation plan for a public water system that serves a population of less than 10,000 and is not required by law to have a plan governing water management and conservation;
  - "(b) A water management and conservation plan for an irrigation district or water control district that is not otherwise required by law

- to have a plan governing water conservation and management;
- 2 "(c) A regional plan to increase drought resiliency; or
- 3 "(d) A plan to mitigate the impacts of drought.

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- "(3) In evaluating planning studies for awarding grants or paying the cost of provided direct services under this section, the department shall give priority to studies in areas identified by the department as having higher than normal susceptibility to drought impacts.
  - "(4) The total of grants awarded or costs paid for a single planning study may not exceed \$500,000. A grant or payment may be provided under this section for a planning study only if the grant or payment amount is matched by funding from another source that is not less than a dollar-for-dollar match.
  - "(5) Grants and payments under this section must be paid for from moneys available in the Water Conservation, Reuse and Storage Investment Fund. Notwithstanding section 12, chapter 812, Oregon Laws 2015, fund moneys from the proceeds of lottery bonds authorized by section 12, chapter 812, Oregon Laws 2015, may be used for the economic development purpose of furthering the efficient use of water resources by providing grants and payments under this section.

**"SECTION 3.** ORS 541.576 is amended to read:

- "541.576. (1) The Water Conservation, Reuse and Storage Investment Fund 21 is established in the State Treasury, separate and distinct from the General 22 Fund. Interest earned by the Water Conservation, Reuse and Storage In-23 vestment Fund shall be credited to the General Fund. Moneys in the Water 24 Conservation, Reuse and Storage Investment Fund are continuously appro-25 priated to the Water Resources Department to award grants and to pay the 26 cost of direct services provided under ORS 541.561 and section 2 of this 2017 27 Act. 28
- "(2) The Water Conservation, Reuse and Storage Investment Fund shall consist of:

- "(a) Moneys appropriated to the fund by the Legislative Assembly;
- 2 "(b) Any moneys that may be transferred to the fund by the federal gov-
- 3 ernment, a state agency or a local government; and
- 4 "(c) Grant repayments, if any.

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- **"SECTION 4.** ORS 541.581 is amended to read:
- 6 "541.581. The Water Resources Commission shall adopt rules necessary to 7 administer ORS 541.561 to 541.581, including rules that:
- 8 "(1) Establish reporting requirements for grants awarded under ORS 9 541.561 or section 2 of this 2017 Act;
  - "(2) Provide for public comment before the award of grants and payment for direct services under ORS 541.561 or section 2 of this 2017 Act; and
- "(3) Implement the priorities required by ORS 541.561 and section 2 of this 2017 Act.".

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