HB 3092 A STAFF MEASURE SUMMARY

House Committee On Water

Action Date: 04/01/21

Action: Do pass with amendments and be referred to Ways and Means by prior reference.

(Printed A-Eng.)

Vote: 8-0-0-0

Yeas: 8 - Breese-Iverson, Helm, Leif, Owens, Reardon, Reynolds, Wilde, Witt

Fiscal: Fiscal impact issued **Revenue:** No revenue impact

Prepared By: Allison Daniel, LPRO Analyst

Meeting Dates: 2/25, 4/1

WHAT THE MEASURE DOES:

Directs Water Resources Department (WRD) to establish program for replacing, repairing, or deepening domestic personal use wells affected by overallocation of ground water within the Greater Harney Valley Groundwater Area of Concern (GWAC). Lists actions by WRD to administer program. Allows grant to provide up to 75 percent of total cost of replacing, repairing, or deepening well, not to exceed \$10,000. Requires that, if replacement of well is funded in whole or in part by program, replaced well be abandoned and allows grant to provide up to \$3,500 for this purpose. Directs WRD, in reviewing applications for grant, to prioritize grants or payments for wells owned by or serving persons of lower or moderate income and for wells based on severity of changes and declines in ground water. Establishes that funding eligibility includes, but is not limited to, domestic personal use wells affected by declining ground water levels within Greater Harney Valley GWAC and wells that have served domestic personal use at a residence existing as of April 15, 2016. Directs Commission to adopt a definition for the term "Greater Harney Valley Groundwater Area of Concern." Directs WRD to make initial program report on or before January 1, 2024. Establishes Domestic Well Remediation Fund (Fund) and continuously appropriates all moneys in the Fund to WRD to carry out the purposes of this Act. Appropriates \$500,000 to WRD, for the biennium beginning July 1, 2021, to deposit into the Fund. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Overallocation of water rights within Harney Basin
- Current percentage of domestic well users in Harney Basin
- Cost of addressing domestic water needs in the Harney Basin
- Potential for expanding program to other basins in the state

EFFECT OF AMENDMENT:

Makes technical corrections. Directs Water Resources Department (WRD) to establish program for replacing, repairing, or deepening domestic personal use wells affected by declining ground water levels resulting from overallocation of ground water within the Greater Harney Valley Groundwater Area of Concern (GWAC). Authorizes WRD to: enter into contracts, intergovernmental agreements, or other arrangements with public or private entities to collaboratively award grants for costs or services related to replacement, repair, or deepening of wells; and require grant recipient to report use of funds to WRD. Directs WRD to: develop process for applying for a grant or payment; biennially review program and report to Water Resources Commission (Commission) on program implementation and outcomes; and, based on the report, modify program as necessary. Allows grant to provide up to 75 percent of total cost of replacing, repairing, or deepening well, not to exceed \$10,000. Requires, if replacement of well is funded in whole or in part by program, replaced well be abandoned and allows grant to provide up to \$3,500 for this purpose. Directs WRD, in reviewing applications for grant, to prioritize grants or payments for wells owned by or serving persons of lower or moderate income and for wells based on severity of

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BACKGROUND:

The Greater Harney Valley Area is a drainage basin located almost entirely in Harney County, including Malheur Lake and Harney Lake. In 2015, initial ground water level data analysis and aquifer recharge estimates indicated annual ground water use and other discharge likely exceeded annual recharge in the Greater Harney Valley Area. The Oregon Water Resources Commission adopted a rule to limit pending and new applications for ground water uses in the Malheur Basin that went into effect on April 15, 2016. The Commission also established the Greater Harney Valley Groundwater Area of Concern (GWAC) to ensure that ground water in the area was appropriated within the limits of available water resources and to maintain reasonably stable ground water levels to protect existing water users.

House Bill 3092 A would require WRD to establish a grant program intended to share the cost of remediating domestic personal use wells in the Greater Harney Valley GWAC due to overallocation of ground water resources, establish the Domestic Well Remediation Fund, and appropriate \$500,000 to WRD to deposit into the Fund for remediation purposes.