### FISCAL IMPACT OF PROPOSED LEGISLATION

82nd Oregon Legislative Assembly – 2023 Regular Session Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

Prepared by: Haylee Morse-Miller

Reviewed by: Matt Stayner, April McDonald, Amanda Beitel

Date: April 2, 2023

# **Measure Description:**

Authorizes certain Deschutes Basin irrigation districts to temporarily allow change of place of use of water, or change in point of diversion, within Deschutes Basin irrigation districts.

## **Government Unit(s) Affected:**

Oregon Watershed Enhancement Board, Water Resources Department, Department of Fish and Wildlife, Special Districts Association of Oregon

#### **Summary of Fiscal Impact:**

Costs related to the measure are indeterminate but anticipated to be minimal at this time - See explanatory analysis.

#### **Analysis:**

HB 3365 - 1 permits certain irrigation districts in the Deschutes Basin to temporarily allow, for a water use subject to transfer, the use of water on any land within the legal boundaries of the district or another district under certain circumstances. Districts may also temporarily allow the diversion of water at a point of diversion downstream of the point of diversion allowed under the water right of record, under certain circumstances. The Water Resources Department (WRD) may require that use of water in these manners cease if certain qualifications are not met, or if these actions would result in injury to an existing water right or an enlargement of the original water right.

These requirements sunset January 2, 2030. The measure declares an emergency and takes effect on passage.

While this measure is anticipated to have a minimal impact for WRD, the agency notes that the types of transfers allowed under this measure are complex and could require extensive tracking for local watermaster staff. The agency may also need to conduct rulemaking under this measure, which would require additional resources. A large number of transfers under this measure could lead to the need for additional staff resources, but the potential need is indeterminate at this time since it is not clear how many transfers will be done. The agency may need to return to legislative Emergency Board or a future legislative session if the work required exceeds existing staff capacity.

There is no fiscal impact for special districts, Oregon Department of Fish and Wildlife, and Oregon Watershed Enhancement Board.

Page 1 of 1 HB 3365 - 1

Measure: HB 3365 - 1