



Oregon Water Resources Congress
HB 3365-1 Overview

District Water Management Flexibility and Accountability in Deschutes Basin – Pilot Program

Deschutes Basin irrigation districts are in need of additional tools to optimize the use of their existing water rights in order to support efforts to implement the Deschutes Basin Habitat Conservation Plan, increase instream flows in the Deschutes River and its tributaries, and respond to ongoing drought conditions.

In 2020, Arnold Irrigation District, Central Oregon Irrigation District, Lone Pine Irrigation District, North Unit Irrigation District, Swalley Irrigation District, Three Sisters Irrigation District, and Tumalo Irrigation District (the “Districts”), along with Ochoco Irrigation District and the City of Prineville, received approval from the U.S. Fish and Wildlife Service for the Deschutes Basin Habitat Conservation Plan. The Plan is designed to increase instream flows and enhance habitat for several species listed as threatened under the Endangered Species Act, including Mid-Columbia River steelhead, bull trout, and the Oregon spotted frog.

The Districts are in the early stages of Plan implementation, and particularly given the severe and ongoing drought conditions in the basin the last several years, the Districts are realizing that more flexibility, along with corresponding accountability, in how they manage their water rights in collaboration with one another would help to expedite efforts to increase instream flows while also responding to drought-fueled shortages.

HB 3365-1 would provide the Districts the flexibility to do the following as part of a 6-year pilot program under the existing Deschutes Water Bank Pilot Program administered by the Deschutes River Conservancy:

- Temporarily change the authorized place of use under a District irrigation water right so that water under the right may be used for irrigation within another District’s boundary without subjecting that water right to potential forfeiture.
- Temporarily allow for District water rights to be managed on a split-season, split-rate, or split-duty basis with the requisite District management structure, water measurement, landowner agreements, applicable fish screening, and mapping.
 - For example, a District could temporarily split a water right so that part of the season the right is used in one District, and part of the season it’s used in another District.
 - Similarly, a District could deliver less rate and duty to some acres under a given water right, with the unused rate and duty made available to other existing irrigated acres that are water-short, so long as the total authorized rate and duty of the given water right is not exceeded.
- Temporarily allow water to be diverted at a point of diversion downstream of the point of diversion authorized under the water right.

The Districts have been working together to coordinate water diversions and deliveries among them to address streamflow needs and minimize the impacts of drought, but having more definitive authorizations in conjunction with the Deschutes Water Bank would help to ensure instream flow benefits and remove uncertainties around their efforts. HB 3365-1 limits the authorizations to only the seven Districts listed above, with the authorizations sunseting January 2, 2030. These Districts divert water primarily from the Deschutes River, including several tributaries to the Deschutes River. Further, the authorizations under HB 3365 are temporary only, as HB 3365 does not allow for permanent changes to any District water rights.

The Districts are collectively investing millions of dollars in water delivery infrastructure modernization improvements to help meet the requirements of the Deschutes Basin Habitat Conservation Plan while also facing severe and ongoing drought conditions. HB 3365-1 provides the Districts with needed flexibility to get the most out of these system improvements by optimizing use of the Districts’ water rights. HB 3365-1 will help the Districts successfully implement the Plan, increase streamflows, continue to deliver water to farmers and ranchers, and help the Deschutes Basin be more resilient to future droughts.

**Support HB 3365-1 and Provide the Deschutes Basin Districts with
Essential Water Management Tools**

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