

**SB 5543 BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

**Prepared By:** Angela Parada, Department of Administrative Services

**Reviewed By:** April McDonald, Legislative Fiscal Office

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**Water Resources Department  
2025-27**

PRELIMINARY

**Budget Summary\***

	2023-25 Legislatively Approved Budget <sup>(1)</sup>	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 88,114,428	\$ 80,870,715	\$ 91,142,469	\$ 3,028,041	3.4%
Lottery Funds Debt Service Limited	\$ 14,102,838	\$ 24,352,512	\$ 24,352,512	\$ 10,249,674	72.7%
Other Funds Limited	\$ 177,826,762	\$ 125,603,884	\$ 127,379,053	\$ (50,447,709)	(28.4%)
Other Funds Debt Service Limited	\$ 1,755,115	\$ -	\$ -	\$ (1,755,115)	(100.0%)
Federal Funds Limited	\$ 2,153,385	\$ 2,190,179	\$ 2,190,179	\$ 36,794	1.7%
<b>Total</b>	<b>\$ 283,952,528</b>	<b>\$ 233,017,290</b>	<b>\$ 245,064,213</b>	<b>\$ (38,888,315)</b>	<b>(13.7%)</b>

**Position Summary**

Authorized Positions	259	248	245	(14)
Full-time Equivalent (FTE) positions	248.71	245.25	242.75	(5.96)

<sup>(1)</sup> Includes adjustments through January 2025

\* Excludes Capital Construction expenditures

**Summary of Revenue Changes**

The Water Resources Department (WRD) operations are funded from a combination of General Fund and Other Funds revenues generated by fees for water right and storage transactions, licensing, and permits. Federal Funds revenues are specific to cooperative studies and monitoring, in addition to providing some position support. Lottery Funds from the Administrative Services Economic Development Fund are used to pay debt service on outstanding Lottery bonds. Other Funds are also attributable to various contract work performed by the Department and American Rescue Plan Act (ARPA) funding carrying forward in the 2025-27 biennium.

**Summary of Natural Resources Subcommittee Action**

WRD administers laws governing surface and groundwater resources. The Department’s goal is to balance the use of the state’s water among current and future generations of Oregonians. WRD processes applications for new and transfers of water rights, permits, and certificates; administers hydroelectric relicensing; inspects construction and maintenance of wells and dams; provides technical information and analysis on surface water and groundwater availability; adjudicates pre-1909 and federal reserved water rights; and negotiates Native American reserved water rights.

The Subcommittee recommended a total funds budget of \$245,064,213, including \$91,142,469 General Fund, \$24,352,512 Lottery Funds, \$127,379,053 Other Funds expenditure limitation, \$2,190,179 Federal Funds expenditure limitation, and 245 positions (242.75 FTE). The total funds budget is a 13.7% decrease from the 2023-25 legislatively approved budget, and a 5.9% increase from the 2025-27 adjusted current service level.

### **Administrative Services**

The Administrative Services Division provides fiscal, human resources, and business support services for the daily operation of the Department. In addition, the Division provides contract assistance to the Oregon Watershed Enhancement Board and the Department of State Lands. The Subcommittee recommended a total funds budget of \$41,801,858 and 43 positions (42.50 FTE), including the following packages:

Package 070: Revenue Shortfall. This package reduces Other Fund expenditure limitation by \$227,328 and eliminates one permanent position (1.00 FTE) in the Administrative Services Division. The reduction is the result of a fee revenue shortfall for water right transaction fees and is necessary to adjust the current service level budget to anticipated revenue.

Package 102: Maintain Water Right & Dam Safety Services. This package includes funding in both the Administrative Services and the Water Right Services divisions. In total, the package provides \$1.3 million General Fund, \$374,637 Other Funds expenditure limitation, and reestablishes seven positions (7.00 FTE) abolished in Package 070 due to the fee revenue shortfall in water right transaction fees. The Other Funds expenditure limitation is increased assuming revenue from the passage of House Bill 2803 (2025), which raises most water right transaction fees by 50% and raises dam safety fees in a range between 56% and 58%. The portion of the package in the Administrative Services Division provides \$227,328 General Fund and re-establishes one Water Resource Data Technician (1.00 FTE).

### **Field Services**

This Division processes water rights transfer and permit amendment applications, provides planning assistance, inspects the construction and maintenance of wells and dams, and provides technical information on surface water and groundwater availability. The Subcommittee recommended a total funds budget of \$27,838,033 and 83 positions (82.50 FTE), including the following packages:

Package 110: State Scenic Waterway Revenue Gap. This package includes funding in the Field Services, Technical Services, and the Water Right Services divisions. In total, the package provides \$290,165 General Fund to backfill a revenue shortfall for the State Scenic Waterways program. Six positions are funded partly by General Fund and partly by a transfer from the Oregon Parks and Recreation Department. These six positions spend a portion of their time ensuring a proposed water right application or transfer will not negatively impact a state scenic waterway. The contracted inflationary increases have not kept pace with staffing costs over the past few biennia, therefore the shortfall has been widening. The portion of the package in Field Services shifts \$83,894 from Other Funds to General Fund for personal services expenditures.

Package 802: Vacant Position Reductions. This package eliminates one vacant administrative specialist 2 (1.00 FTE) in the Field Services Division and reduces General Fund by \$255,227, which includes \$27,040 for associated services and supplies.

### **Technical Services**

The Technical Services Division provides scientific data and technical analysis for the Department's water right processing, water distribution and management, and water resources development activities. The Division's programs include dam safety, well construction and compliance, information services, surface water hydrology, and groundwater hydrology. The Subcommittee recommended a total funds budget of \$27,374,522 and 59 positions (58.25 FTE), including the following packages:

Package 101: Maintain Well Construction Program Services. This package is revenue-only assuming the passage of House Bill 2808 (2025), which increases various fees administered by the Department related to well construction, alteration, abandonment, and conversion. Start card fees for new well construction and modification are increased by 40%; the water well driller examination fee is increased by 25%; licensing fees are raised by 10%; and the permit fee for landowners constructing wells on their properties is increased by 10%. Collectively, the fee increases are anticipated to generate \$920,000 Other Funds revenue during the 2025-27 biennium.

Package 106: American Rescue Plan Act Carryover. This package includes \$1.5 million Other Funds expenditure limitation for the Technical Services division to carry forward obligated but unspent ARPA funds. Federal requirements state ARPA funds must be obligated by December 31, 2024 and expended by December 31, 2026. Funding allocations include \$1.2 million in the Dam Safety program to provide engineering services for flood methodology and inundation assessments, as well as \$0.3 million for the purchase of surface water and groundwater data collection equipment.

Package 110: State Scenic Waterway Revenue Gap. This package includes funding in the Field Services, Technical Services, and the Water Right Services divisions. The portion of the package in the Technical Services division shifts \$49,548 from Other Funds to General Fund for personal services expenditures.

### **Water Rights Services**

The Water Rights Services Division evaluates and acts upon applications for new in-stream and out-of-stream water rights. The program also administers water rights certification, adjudication, hydroelectric relicensing, water rights policy development, and permit extension evaluation. The adjudication section is responsible for ruling on pre-1909 and federal reserved water rights, and for the negotiation of Native American reserved water rights. The Subcommittee recommended a total funds budget of \$10,008,298 and 32 positions (31.50 FTE), including the following packages:

Package 070: Revenue Shortfall. This package reduces Other Fund expenditure limitation by \$1,464,003 and eliminates six permanent positions (6.00 FTE) in the Water Right Services division. The reduction is the result of a fee revenue shortfall for water right transaction fees and is necessary to adjust the current service level budget to anticipated revenue.

Package 102: Maintain Water Right & Dam Safety Services. This package includes funding in both the Administrative Services and the Water Right Services divisions. In total, the package provides \$1.3 million General Fund, \$274,637 Other Funds expenditure limitation, and reestablishes seven position (7.00 FTE) abolished in Package 070 due to the fee revenue shortfall in water right transaction fees. The Other Funds expenditure limitation is increased assuming revenue from the passage of House Bill 2803, which raises most water right transaction fees by 50% and raises dam safety fees in a range between 56% and 58%. The portion of the package in the Water Right Services division provides \$1,089,366 General Fund, \$374,637 Other Fund expenditure Limitation, and reestablishes six positions (6.00 FTE).

Package 110: State Scenic Waterway Revenue Gap. This package includes funding in the Field Services, Technical Services, and the Water Right Services divisions. The portion of the package in the Water Right Services division shifts \$156,723 from Other Funds to General Fund for personal services expenditures.

#### **Director's Office**

This program includes strategic planning and support for the Water Resources Commission, alternative dispute resolution, contested case hearings, administrative rules coordination, legislative coordination, and citizen response and information services. The Subcommittee recommended a total funds budget of \$138,041,502 and 28 positions (28.00 FTE), including the following packages:

Package 106: American Rescue Plan Act Carryover. This package includes \$1.8 million Other Funds expenditure limitation for the Technical Services Division to carry forward obligated but unspent ARPA funds. Funding allocations in the Director's Office include \$0.4 million for place-based planning; \$0.8 million for the water measurement cost share program; and \$0.6 million for the Umatilla County ordinance project.

Package 801: LFO Analyst Adjustment. This package includes \$4.7 million General Fund on a one-time basis to carry forward funding for DOJ costs and legal fees approved in Senate Bill 5550 (2025). Additionally, the package reappropriates \$4.6 million General Fund on a one-time basis to carry forward unspent grants for water supply projects including: approximately \$1.2 million to the Deschutes River Conservancy for the Conserving Water Through Piping and Improved Monitoring and Measurement project; \$1.5 million to the Rogue River Irrigation District for the Fourmile Creek project; \$1.5 million to the City of Monroe for the Pre-filter and Automated Controls Infrastructure project; and \$370,000 to the City of Sodaville for water system planning and water hauling. Lastly, the package includes an increase of \$182,028 Other Funds expenditure limitation to spend ARPA funds, which have been reallocated from fish passage projects to the Water Well Abandonment, Repair, and Replacement Fund.

Package 802: Vacant Position Reductions. This package eliminates two vacant positions (1.50 FTE) and reduces General Fund by \$426,598, which includes \$40,000 for position related services and supplies. Positions include an Administrative Specialist 1 (0.50 FTE) and a Natural Resources Specialist 5 (1.00 FTE).

**Summary of Performance Measure Action**

See attached Legislatively Adopted 2025-27 Key Performance Measures form.

PRELIMINARY

## DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

**Water Resources Department**  
**Angela Parada – 971-720-0987**

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2023-25 Legislatively Approved Budget at Jan 2025 *	\$ 88,114,428	\$ 14,102,838	\$ 179,581,877	\$ -	\$ 2,153,385	\$ -	\$ 283,952,528	259	248.71
2025-27 Current Service Level (CSL)*	\$ 80,870,715	\$ 24,352,512	\$ 125,603,884	\$ -	\$ 2,190,179	\$ -	\$ 233,017,290	248	245.25
<b>SUBCOMMITTEE ADJUSTMENTS (from CSL)</b>									
<b>SCR 010-01 - Administration Services (PS)</b>									
Package 070: Revenue Shortfall.									
Personal Services	\$ -	\$ -	\$ (227,328)	\$ -	\$ -	\$ -	\$ (227,328)	(1)	(1.00)
Package 102: Maintain Water Right & Dam Safety Services.									
Personal Services	\$ 227,328	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 227,328	1	1.00
<b>SCR 010-03 - Field Services</b>									
Package 110: State Scenic Waterway Revenue Gap.									
Personal Services	\$ 83,894	\$ -	\$ (83,894)	\$ -	\$ -	\$ -	\$ -	0	0.00
Package 802: Vacant Position Reductions.									
Personal Services	\$ (228,187)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (228,187)	(1)	(1.00)
Services and Supplies	\$ (27,040)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (27,040)		
<b>SCR 010-04 - Technical Services</b>									
Package 106: American Rescue Plan Act Carryover.									
Services and Supplies	\$ -	\$ -	\$ 1,200,000	\$ -	\$ -	\$ -	\$ 1,200,000		
Capital Outlay			\$ 250,000				\$ 250,000		
Package 110: State Scenic Waterway Revenue Gap.									
Personal Services	\$ 49,548	\$ -	\$ (49,548)	\$ -	\$ -	\$ -	\$ -	0	0.00
<b>SCR 010-06 - Water Right Division (PS)</b>									
Package 070: Revenue Shortfall.									
Personal Services	\$ -	\$ -	\$ (1,464,003)	\$ -	\$ -	\$ -	\$ (1,464,003)	(6)	(6.00)
Package 102: Maintain Water Right & Dam Safety Services.									
Personal Services	\$ 1,089,366	\$ -	\$ 374,637	\$ -	\$ -	\$ -	\$ 1,464,003	6	6.00
Package 110: State Scenic Waterway Revenue Gap.									
Personal Services	\$ 156,723	\$ -	\$ (156,723)	\$ -	\$ -	\$ -	\$ -	0	0.00
<b>SCR 010-07 - Director's Office</b>									
Package 106: American Rescue Plan Act Carryover.									
Special Payments	\$ -	\$ -	\$ 1,750,000	\$ -	\$ -	\$ -	\$ 1,750,000		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 801: LFO Analyst Adjustment.									
Services and Supplies	\$ 4,741,720	\$ -	\$ -	\$ -	\$ -	\$ -	4,741,720		
Special Payments	\$ 4,605,000	\$ -	\$ 182,028	\$ -	\$ -	\$ -	4,787,028		
Package 802: Vacant Position Reductions.									
Personal Services	\$ (386,598)	\$ -	\$ -	\$ -	\$ -	\$ -	(386,598)	(2)	(1.50)
Services and Supplies	\$ (40,000)	\$ -	\$ -	\$ -	\$ -	\$ -	(40,000)		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 10,271,754</b>	<b>\$ -</b>	<b>\$ 1,775,169</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>12,046,923</b>	<b>(3)</b>	<b>(2.50)</b>
<b>SUBCOMMITTEE RECOMMENDATION *</b>	<b>\$ 91,142,469</b>	<b>\$ 24,352,512</b>	<b>\$ 127,379,053</b>	<b>\$ -</b>	<b>\$ 2,190,179</b>	<b>\$ -</b>	<b>245,064,213</b>	<b>245</b>	<b>242.75</b>
% Change from 2023-25 Leg Approved Budget	3.4%	72.7%	(29.1%)	0.0%	1.7%	0.0%	(13.7%)	(5.4%)	(2.4%)
% Change from 2025-27 Current Service Level	12.7%	0.0%	1.4%	0.0%	0.0%	0.0%	5.2%	(1.2%)	(1.0%)

\*Excludes Capital Construction Expenditures

PRELIMINARY



# Legislatively Approved 2025 - 2027 Key Performance Measures

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Agency: Water Resources Department

**Mission Statement:**

To serve the public by practicing and promoting responsible water management.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
1. FLOW RESTORATION - Percent of watersheds that need flow restoration for fish that had a significant quantity of water put instream through WRD administered programs.		Approved	26%	32%	32%
2. PROTECTION OF INSTREAM WATER RIGHTS - Ratio of regulatory orders issued to protect senior water rights when the senior water right is an instream right to all regulatory orders issued to protect senior water rights.		Approved	34%	50%	50%
3. MONITOR COMPLIANCE - Percent of total regulatory actions that found water right holders in compliance with water rights and regulations.		Approved	99%	99%	99%
4. STREAM FLOW GAGING - Percent change from 2001 in the number of WRD operated or assisted gauging stations.		Approved	17%	23%	23%
5. ASSESSING GROUND WATER RESOURCES - Percent change from 2001 in the number of wells routinely monitored to assess ground water resources.		Approved	20%	20%	20%
6. EQUIP CITIZENS WITH INFORMATION - Number of times water management related data was accessed through the WRD's Internet site.		Approved	7.25	5	5
7. NUMBER OF SIGNIFICANT DIVERSIONS WITH MEASUREMENT DEVICES INSTALLED - To fully implement the Water Resources Commission's 2000 Water Measurement Strategy		Approved	1,123	1,265	1,265
8. PROMOTE EFFICIENCY IN WATER MANAGEMENT AND CONSERVATION PLAN REVIEWS - Percent of water management and conservation plans that received a preliminary review within 90 days of plan submittal.		Approved	100%	100%	100%
9. PROMOTE EFFICIENCY IN WATER RIGHT APPLICATION PROCESSING - Percent of water right applications that receive an initial review within 45 days of application filing.		Approved	35%	55%	55%
10. PROMOTE EFFICIENCY IN TRANSFER APPLICATION PROCESSING - Percent of transfer final orders issued within 120 days of application filing.		Approved	12%	40%	40%
11. INCREASE WATER USE REPORTING - the percent of water users with an annual water-use reporting requirement that have submitted their reports to the Department.		Approved	78%	85%	85%
12. CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent" in overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Timeliness	Approved	47%	90%	90%
	Expertise		70%	90%	90%
	Helpfulness		73%	90%	90%
	Accuracy		66%	90%	90%
	Availability of Information		69%	90%	90%
	Overall		67%	90%	90%

SB 5543

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
13. PROMOTE EFFICIENCY IN TEMPORARY TRANSFER APPLICATION PROCESSING - Percent of temporary transfer applications issued within 120 days of application filing.		Approved		75%	90%

**LFO Recommendation:**

The Legislative Fiscal Office recommends approval of the proposed key performance measures and targets.

**SubCommittee Action:**

The Natural Resources Subcommittee approved the key performance measures and targets with modification of the targets for the new measure, number 13. The Subcommittee increased the targets from 50% of temporary transfer applications issued within 120 days of filing in both 2026 and 2027, to 75% in 2026 and 90% in 2027.

PRELIMINARY