

HB 4049 A STAFF MEASURE SUMMARY

House Committee On Agriculture, Land Use, Natural Resources, and Water

Action Date: 02/16/26

Action: Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)

Vote: 11-0-0-0

Yeas: 11 - Boice, Cate, Hartman, Helm, Levy B, Marsh, McDonald, McLain, Munoz, Owens, Scharf

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 2/4, 2/11, 2/16

WHAT THE MEASURE DOES:

The measure directs the Oregon Water Resources Commission to encourage, promote, and approve voluntary agreements among groundwater users within the same subarea of the Greater Harney Valley Groundwater Area of Concern to control water use, in lieu of a formal order of the commission or Oregon’s Groundwater Act and associated civil penalties. The measure takes effect on the 91st day following adjournment sine die.

Detailed Summary:

- Specifies the following:
 - Types of parties to be included in a voluntary agreement
 - Types of groundwater rights to be included in a voluntary agreement
 - Components of a voluntary agreement
 - Procedure of voluntary agreement approval, including responsibilities of the parties seeking approval, the Oregon Water Resources Department (OWRD), the OWRD director, and the Oregon Water Resources Commission
 - Conditions under which a voluntary agreement must be approved by the commission
 - Responsibilities of the parties to a voluntary agreement prior to implementation
 - The circumstances under which a voluntary agreement may be terminated
- Restricts the State of Oregon’s rights of a party to a voluntary agreement to the state’s capacity as a landowner
- Prohibits the commission from requiring a minimum level of participation in a voluntary agreement as a condition of approval
- Provides that the commission’s decision on a voluntary agreement constitutes an order, other than in a contested case
- Prohibits the commission from delegating its authority to approve or reject a voluntary agreement, but allows the commission to postpone review of additional voluntary agreements when staff capacity is insufficient
- Authorizes parties to a voluntary agreement to make minor amendments after providing them to OWRD and specifies when and under which conditions amendments may be implemented
- Specifies that parties to a voluntary agreement may temporarily change the place of use, type of use, point of diversion, or point of appropriation of water covered under the voluntary agreement without making an application to OWRD
- Requires parties to track and annually report temporary changes to OWRD

ISSUES DISCUSSED:

- Harney (Division 512) Rulemaking
- OWRD memo regarding voluntary agreements in the Harney Basin Groundwater Reservoir

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EFFECT OF AMENDMENT:

The amendment updates the voluntary groundwater agreement framework by revising eligibility and definitions, adding review, reporting, and procedural requirements, and clarifying agency authority and applicant responsibilities.

Detailed Summary:

- Removes the definition of “subarea”
- Revises which groundwater rights or points of appropriation associated with the Harney Valley Critical Groundwater Area may be included in a voluntary agreement
- Requires voluntary agreements to include a periodic review schedule by the commission
- Requires voluntary agreements and supporting documents to be submitted to the OWRD director
- Requires OWRD to consider the benefits and timing of voluntary groundwater use reductions when making recommendations to the Oregon Water Resources Commission
- Allows the commission to postpone review of additional voluntary agreements when staff capacity is insufficient and extend related review and revision deadlines as needed
- Authorizes parties and OWRD to extend applicable review and revision deadlines
- Places the burden on applicants to demonstrate how and to what extent a voluntary agreement will minimize and mitigate regional economic impacts
- Requires parties to complete post-approval responsibilities before implementation
- Requires parties to track and annually report temporary changes to OWRD

BACKGROUND:

The Conservation Reserve Enhancement Program (CREP), a component of the U.S. Department of Agriculture Farm Service Agency’s Conservation Reserve Program, provides an annual rental payment for voluntary non-use of ground water during a contract period of 14–15 years. In Oregon, CREP is administered by OWRD and is currently limited to groundwater irrigators in the Greater Harney Valley.