

2025 Legislative Concepts and 2025-27 Agency Request Budget Summary



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Water Resources Department Legislation

LC 393 – Klamath Leases and Temporary Transfers Sunset Date

The Department’s authority to approve temporary transfers and leases for determined claims in the Upper Klamath Basin, which is undergoing an active adjudication, sunsets in January 2026. If this authority sunsets, the Department will not be able to approve leases or temporary transfers until the adjudication is completed, which limits water users’ ability to use their water rights. Because it is unclear when the adjudication will be completed, the Department proposes to extend the current sunset date and insert language to repeal the program upon completion of the adjudication.

LC 397 – Water Right Transaction and Dam Safety Fees

This bill accompanies package 102. Staff in both the Dam Safety and Water Right Transactions Division are partially supported by fees. These programs are core to the Department's mission of responsibly managing Oregon's water resources and maintaining public safety. The Department is facing shortfalls to support staff funded by dam safety annual fees and water right transaction fees. This bill increases Water Right Transaction Fees by 135% and Dam Safety Annual Fees by 56% to maintain existing service levels.

LC 402 – Well Construction Program Fees

This bill accompanies package 101. The Department’s well construction program is almost entirely funded by fees. The ability for the agency to inspect wells to protect public health and safety and to prevent groundwater contamination and waste of groundwater resources requires (1) inspections of wells; (2) well log technical reviews; (3) licensing of well drillers. The Department is facing shortfalls to support staff funded by Start Card fees and Well Driller Licensing and Landowner Permit fees. The bill increases the Start Card fee by 40% and Well Driller Licensing and Landowner Permit fees by 10%.

LC 408 – Harney Conservation Reserve Enhancement Program Other Funds Transfer

This bill accompanies package 103. The Harney Valley CREP is a voluntary program operated through the USDA Farm Service Agency (FSA) in partnership with OWRD that seeks to improve groundwater conditions in the Harney basin by incentivizing landowners to voluntarily cancel groundwater rights within the Greater Harney Valley Groundwater Area of Concern. The bill proposes a technical change that would allow the unspent general fund allocation to roll into an “other funds” account each biennium, which would allow for the Department to commit to longer term or lump sum contracts to meet the needs of the participants enrolling in the program. Longer-term contracts (up to 15 years) would allow OWRD to enroll more participants and to better meet the needs of individual participants as the funding would be available beyond the current biennium.

Water Resources Department Agency Request Policy Option Packages

Package 101 - Maintain Well Construction Program Services - \$920k OF Revenue - *IWRS recommended actions 7.A, 7.C, and 13.B.*

This package accompanies LC 402. The current fee schedule for start cards provides \$2.17 million to support 9.87 FTE that support well construction programs: 3.19 FTE in the Well Construction Section, 5 FTE well inspectors in the Field Services Division, 1 FTE Data Tech, and 0.68 FTE in the Administrative Services Division. The current fee schedule for well construction licensing and permits provides \$110k to support 0.57 FTE that support the well construction licensing and permitting functions in the Well Construction Section. This package proposes to increase start card fees by approximately 40% and well program fees by 10% percent for the 2025-2029 biennia. The fee increase will allow the Department to maintain its well program fee supported staff and will help the Department to provide timely service to the public.

Package 102 - Maintain Water Right & Dam Safety Services - \$3.5m OF Revenue - \$1.7m OF – 7.00 FTE / 7 Positions - *IWRS recommended actions 7.C, 10.G, and 13.B.*

This package accompanies LC 397. The current fee schedule provides \$330k to support 0.95 FTE in the Dam Safety program and \$2.35 million to fund 14.93 FTE: 12.43 FTE in the Water Right Services Division, 0.5 FTE in the Groundwater Section, and 2.0 FTE Water Right Data Techs. To maintain current service levels, increases to water right transaction fees by approximately 135% percent and annual dam safety fees by 56% are needed for the 2025-2029 biennia. The fee increase will allow the Department to continue to serve farmers, water supply providers, entities seeking to restore streamflows, and others on their water rights proposals and to support the dam safety program. This package retains 7 of the 7 FTE reduced in POP 070.

Package 103 - Harney Conservation Resource Enhancement Fund - \$544k OF Expenditure Limitation

This package accompanies LC 408 and contains a technical change that would allow the unspent general fund allocation to roll into an “other funds” account each biennium. This would allow for the Department to commit to longer term contracts and increase enrollment, while structuring payments to meet the needs of the participants enrolling in the program.

Package 104 - Feasibility Studies, Water Projects, & Wells - \$23.3 million Total Funds (\$22.3m LRB; \$1m LF) - *IWRS recommended actions 5.B, 10.E, 12.A, 13.D, and 13.E.*

This proposal includes investment in several of the Department’s funding programs, including, 1) Feasibility Study Grants; 2) Water Projects Grants and Loans; and 3) Well Abandonment, Repair, and Replacement Fund.

Package 105 – Expanding Engagement & Equity in Complex Issues

This package would broaden the scope of \$600k general funds appropriated via package 801 in the 23-25 biennium to allow them to be used for facilitation, outreach and engagement, communications, trainings, translations, and other consulting services, with an emphasis on centering equity. This expansion will help the agency accomplish the goal of addressing Oregonian’s water needs and working to implement solutions to those water needs in a manner that engages with the people we serve.

Package 106 - American Rescue Plan Act Carryover - \$3.35 million OF

This package proposes to carry forward American Rescue Plan Act funding authorized in the 2021-2023 budget for those efforts to be completed and to have desired outcomes be achieved. The federal requirements state that these dollars must be obligated by December 31, 2024, and expended by 2026 for the following: 1) place-based planning; 2) ordnance project in Umatilla County; 3) engineering services for flood methodology & inundation assessments; 4) surface water and groundwater data collection field equipment; and 5) funding for the water measurement cost share program.

Water Resources Department Agency Request Policy Option Packages

Package 107 - Strategic Modernization of IT Systems & Tools - \$251k GF; 0.88 FTE / 1 Position

This package adds a business analyst to the IT section. The Department needs to modernize its IT functions and the first start is to invest in business analysis and project management to ensure that the agency can successfully scope and execute much needed modernization projects.

Package 108 – Human Resources & Workplace Safety Needs - \$214k GF; 0.75 FTE / 1 Position

This package creates a 0.75 FTE Safety Specialist position dedicated to developing and administering the agency's safety, worker's compensation and wellness program. This will address employee safety concerns, help meet regulatory requirements, and reduce the workload of HR staff, which have seen a significant increase in work and requirements related to Paid Leave Oregon and Workday. The package also reclasses one AS2 to an HRA1 per recommendation from the Chief Human Resources Office.

Package 109 – Complying with Internal Audit Requirement - \$311k Total Funds (\$156k GF; \$156k OF); 0.88 FTE / 1 Position

The Department is required to have an internal audit function. This package proposes to add an internal auditor position that would be shared with the Oregon Watershed Enhancement Board to provide critical information for senior management to understand risks, deficiencies, and needed improvements.

Package 110 - State Scenic Waterway Revenue Gap – \$0 Total Funds (\$290k GF; (\$290k OF)) - *IWRS recommended actions 10.G and 13.B.*

This proposal will backfill funding gaps for six existing positions with general fund in the amount above the existing contracted amount with the Oregon Parks and Recreation Department for Scenic Waterway work. These positions are currently funded with a blend of Scenic Waterway funds and general fund.

Package 111 – Improving Accessibility of Agency Website - \$128k GF – 0.5 FTE / 1 Position

This package would add a 0.5 FTE part-time web coordinator responsible for ensuring the Department's website is up to date with information desired by the public, while also considering ease of use, transparency, and website accessibility. Content updates would be conducted by the position to ensure consistency of design, content, methods, and accessibility.

REDUCTIONS

Package 070 – Water Rights Transactions Fee Schedule Revenue Shortfalls Package – (\$1.7m) OF – (7.00) FTE / (7) Positions

This package eliminates seven fee-funded positions necessary to adjust Current Service Level to available revenues, if additional funding is not approved.