

WORK SESSION ON HB 3700 TAPES 001 A

**CONFERENCE COMMITTEE ON HB 3700**

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**MARCH 21, 1997 - 3:00 P.M. - HEARING ROOM 50 - STATE CAPITOL BUILDING**

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Members Present: Sen. Joan Dukes

Sen. Bob Kintigh

Sen. Veral Tarno

Rep. Ken Messerle, Chair

Rep. Lynn Lundquist

Rep. Tim Josi

Staff: Richard Yates, Economist

Carol Phillips, Committee Assistant

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**TAPE 001, SIDE A**

005 <sup>Chair</sup>  
Messerle      Opened meeting at 3:16 a.m.

007 Richard  
Yates      Exhibits A, B, C, D, E, and F. For the benefit of House members, Yates briefly discussed changes made in the B-Engrossed bill. On page 1 lines 14 and 15 the tax rate was increased. There was an addition to the allowable uses to include the acquisition of an interest in land for watershed resources. There was clarification of the conditions under which the harvest tax is repealed.

018 Yates Discussed Exhibit G - HB 3700-(B14). These Amendments add an additional allowable use of the money in the Watershed Improvement Grant Fund, as specified in lines 12 through 16 of the Amendments.

044 Sen. Kintigh Asked how long the time period could be for, and after discussion determined it was up to the landowner and agency.

049 Rep. Lundquist MOVES THE (-B14 ) AMENDMENTS TO HB 3700 BE ADOPTED.

053 Sen. Tarno Requested a basic understanding of exactly what is referred to in (e) which will take the place of the subsection (5) of the bill where it pertains to lease of land or a lease under ORS 537.348 which is the section controlling state water rights leases or issues. The way he understands it a person can lease the land or lease the water rights, and that is strictly a lease for both the land or the water. That was confirmed as correct.

063 Rep. Lundquist Gave an example of how that might work. There is an incidence in Tigh Valley where a landowner leased his water right to an entity. The entity paid the owner a dollar amount calculated on how much hay the owner had to buy in order to subsidize his loss of irrigation water for his pasture. In Speaker Lundquist's opinion it has to be a lease only, not a buy of a water right.

073 Sen. Tarno If that is the case, does this mean that someone can go to the Governor's Watershed Enhancement Board and ask for funding to obtain a lease for water from a private property rights holder and the state in turn will pay for that lease?

076 Rep. Messerle Believes that is correct, but for a specific project.

078 Rep. Lundquist Believes there would have to be an application for a grant, then it would go through regular review process but would have to be approved by the review committee. Questions and discussion interspersed.

117 Rep. Lundquist Sees this as one of the tools which could be available when reviewing a particular watershed. If one of criteria lacking is adequate water at a certain time, this could be one of tools to do this.

127 Rep. Messerle MOVES (-B14) AMENDMENTS TO HB 3700 BE ADOPTED.  
HEARING NO OBJECTION, THE CHAIR SO ORDERED.

RECOMMENDS THE HOUSE CONCUR IN THE SENATE AMENDMENTS DATED MARCH 19 AND THAT HB 3700 BE AMENDED AS FOLLOWS AND REPASSED.

ROLL CALL VOTE: MOTION PASSES: 6 - 0

132 Rep.  
Lundquist THOSE VOTING AYE: DUKES, JOSI, KINTIGH, LUNDQUIST, TARNO,  
MESSERLE.

Speaker Lundquist and Sen. Tarno will carry the bill on the Floor.

141 Messerle Adjourned meeting at 3:27 p.m.

Carol Phillips

Committee Assistant

Kim James

Office Manager

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Exhibit Summary:

A. HB 3700B, Yates, Staff Measure Summary, 1 page

B. HB 3700B, Yates, Revenue Impact Statement, 1 page

C. HB 3700B, Yates, Fiscal Impact, Statement, 1 page

D. HB 3700A, Yates, Staff Measure Summary, 1 page

E. HB 3700A, Yates, Revenue Impact Statement, 1 page

F. HB 3700A, Yates, Fiscal Impact Statement, 1 page

G. HB 3700 (-B14), Amendments, (JH/ps) 3/21/97, 1 page