



2027-2029 Agency Request Budget and Legislation

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General Fund = GF, Lottery Revenue Bond = LRB, Other Funds = OF, IWRS = [Integrated Water Resources Strategy](#), FTE= Full-Time Equivalent

OWRD Legislation

LC 378 - General spending authority

To provide clarity on OWRD's authority to expend funds, this concept adds the authority for OWRD to enter into grant agreements, contracts, and make direct payments of funds for the purposes appropriated by the Legislature.

LC 379 - Deschutes Groundwater Mitigation Program

This concept extends the program sunset date from 2029 to 2039 to allow more time for existing permits to develop their mitigation requirements and to provide more time for program improvement. This concept also proposes to add requirements for formal consultation with the Confederated Tribes of Warm Springs on any rulemaking activities related to the program and clarifies injury and program review and reporting requirements to include assessments of impacts on the Confederated Tribes of the Warm Springs' Reserved Right in the settlement agreement.

OWRD Agency Request Policy Option Packages

Package 101 - Conservation Reserve Program GF Carryforward - \$40k GF - This package reappropriates \$40,000 of unspent 2025-27 GF to be expended in 2027-29 biennium to continue facilitating enrollment in the Harney Valley Conservation Reserve Enhancement Program (HV CREP). HV CREP is a voluntary program operated through the USDA Farm Service Agency (FSA) in partnership with OWRD. The program 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 program is intended to provide payments to landowners who volunteer to permanently cancel groundwater rights. Reducing groundwater use in the basin is a high priority for OWRD and HV CREP has a major role in achieving that goal and slowing groundwater declines in the basin. [IWRS Actions 3A, 10D, 11E, 13B, and 13C](#)

Package 102 - Feasibility Study Grant GF Carryforward - \$472k GF - This package reappropriates \$472,505 in unspent 2025-27 GF allocated for Feasibility Study Grants for expenditure into the 2027-29 biennium to continue offering grants to determine the feasibility of water conservation, reuse, and storage projects to address water supply needs. These funds were not spent in the 2025-27 biennium because there was insufficient time to solicit and award grants and for grantees to fully expend the resources. The Department anticipates interest in these funds for grant applicants in the 2027-2029 biennium. [IWRS Action 13C](#)

Package 103 - DOJ Legal Expenses GF Carryforward - \$1m GF - This package reappropriates \$1m in unspent 2025-27 GF allocated for Department of Justice (DOJ) expenditures for expenditure into the 2027-29 biennium. There is a longer-term need to adjust the OWRD's budget given the sustained increased costs that have continued to exceed the base budget over multiple biennia, with no signs of costs decreasing. Reappropriating unspent funds for future expenditures will allow the Department to continue making progress on key initiatives that require DOJ resources, including water right protest backlog reduction, the Harney Basin groundwater management and regulation, permit condition enforcement, and the Klamath Basin adjudication. The final amount requested may change depending on expenditures made through the rest of the biennium.

OWRD Agency Request Policy Option Packages

Package 104 - Water Projects Recapitalization - \$21m LRB – This package requests \$20 million LBR, plus debt service and cost of issuance, to the Water Projects Grants and Loans program to be awarded as grants to address instream and out-of-stream water supply needs and produce economic, environmental, and community benefits. Water Projects Grants and Loans funding program provides direct investment in water supply solutions and often serves as match for federal programs. [IWRS Action 13C](#)

Package 105 - Agency Structure Alignment – This package reconciles changes made to the agency structure in 2025-27 to better position the agency to help Oregonians better meet current and future instream and out of stream needs. In addition to codifying structure changes, this package also repurposes five vacant positions to create 4 new positions to support IT and data, fiscal responsibility, and workplace safety and modifies position funding splits to better align position related work with appropriate revenue sources. This is a budget neutral package.

Package 106 - Scenic Waterways Position Restoration – This package restores 0.61 FTE (across eight positions) reduced in Package 070 to maintain Scenic Waterway services beyond the 2025-27 biennium by reducing an existing vacant position to cover the shortfall created by the lost revenue. OWRD has eight positions that support and are partially funded by the State Scenic Waterways program administered by the Oregon Parks and Recreation Department (OPRD). OPRD does not have Scenic Waterway funds available to support the Scenic Waterway Work at OWRD beyond the 2025-27 biennium. This is a budget neutral package. [IWRS Actions 10F, 11B and 13B](#)

REDUCTIONS

Package 070 – Scenic Waterways Revenue Shortfall – \$208,093 OF; (0.61 FTE / 8 positions) – This package eliminates 0.61 FTE (across 8 positions) Scenic Waterway funded positions necessary to adjust Current Service Level to available revenues, if package 106, or another funding solution, is not approved.