Relating to a water planning fund; declaring an emergency.

SECTION 1. Sections 2 and 3 of this 2021 Act are added to and made a part of ORS 536.220

SECTION 2. As used in sections 3 and 4 of this act:

(1) Place based integrated water resources planning means planning that addresses water quantity, water quality, and ecosystem needs within a geographic area and is developed consistent with the principles in section 4 subsection 8.

(2) State recognized means that a place-based integrated water resources plan has been reviewed and recognized by resolution of the Oregon Water Resources Commission.

SECTION 3. The Water Planning Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Water Planning Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Water Resources Department for the purpose of carrying out the program purposes described in section 3 of this 2023 Act. The fund shall consist of any moneys designated for deposit in the fund or for carrying out the program purposes, including but not limited to appropriations or other provisions of moneys by the Legislative Assembly and public or private moneys from gifts, grants or donations. The purpose of this fund is to establish a means for state government to support water planning.

SECTION 4.
(1) Moneys in the Water Planning Fund may be disbursed under authority of the Water Resources Director as authorized in subsections (2) and (3) of this section to fund eligible planning efforts that:
   (a) increase understanding of water resources and challenges;
   (b) develop strategies or solutions to increase water resiliency to sustainably meet water needs; or
   (c) coordinate implementation of strategies or solutions.

(2) The Department may issue grants consistent with subsection (1) to provide financial assistance for eligible planning efforts as specified in subsection (5):
   (a) To persons as defined in ORS 536.007, Indian tribes as defined in ORS 391.802, and nonprofit organizations;
   (b) As cost-sharing with other programs that support water planning; and
   (c) For costs of administering grants;

(3) The Department may enter into contracts or agreements to carry out the purposes provided in subsection 3 of this section.

(3) The Oregon Water Resources Department, the Oregon Department of Fish and Wildlife, the Oregon Department of Environmental Quality, and the Oregon Department of Agriculture may provide technical assistance and information to, and enter into contracts or agreements with, a person or an Indian tribe to provide data development, technical assistance, and other support consistent with subsection (1) of this section.

(4) Financial assistance provided under subsection (2) of this section may not exceed 75 percent of the costs of an eligible planning effort.

(5) Eligible place-based integrated water resource planning efforts include:
   (a) Pre-planning situational assessments;
   (b) Pre-planning work;
(c) Community capacity building to facilitate participation in current or future place based integrated water resources planning through education, outreach, and financial support, including to environmental justice communities as defined in ORS 182.535*

(c) Place-based integrated water resources planning that addresses water quantity, quality, and ecosystem needs;

(d) Implementation coordination of state-recognized place-based integrated water resource plans;

(6) Pre-planning situational assessments may evaluate:
(a) a community’s readiness and capacity to engage in place-based integrated water resources planning;
(b) potential gaps in state and local capacity and data for the planning area needed to complete a place-based integrated water resources plan; or
(c) actions that should be undertaken before place-based integrated water resources planning is started to ensure timely completion of the planning effort once started.

(7) Pre-planning work may include, but need not be limited to:
(a) filling gaps in local and state agency core competencies;
(b) developing data and associated analyses tailored to the planning area’s needs;
(c) creating training materials to fill gaps in local capacity, knowledge, skill sets;
(d) building relationships between state agencies and communities in the planning area.

(8) Place-based integrated water resources plans must:
(a) Be developed in collaboration with a balanced representation of interests;
(b) Balance current and future in-stream and out-of-stream needs;
(c) Include the development of actions that are consistent with the existing state laws concerning the water resources of this state and state water resources policy;
(d) Facilitate implementation of local solutions;
(e) Be developed utilizing an open and transparent process that fosters public participation;
(f) Be developed in partnership with the Department and other state agencies as defined in rule;
(g) Strive to integrate solutions to cost-effectively achieve multiple benefits; and
(h) Follow the guiding principles of the state integrated water resources strategy.

(9) The Water Resources Department may authorize funding the development of place-based integrated water resources plans that focus on planning for specific issues such as, drought resiliency, climate change, floods, earthquakes, or the mitigation of other natural hazards.

(10) In addition to funding place based integrated water resources plans, the department may provide funding for:
(a) Up to ____ percent of the costs of development of a water conservation and management plan, curtailment plan, or water conservation plan for an irrigation district that is not required by law to develop a plan;
(b) Up to _____ percent of the costs of development of a water system master plan for a community water system serving less than _____ people;
(c) Up to __ percent of the costs of development of a drought plan for a community water system serving less than _____ people that explores system vulnerability to drought and strategies for preparing a response to potential water supply shortages resulting from drought;
(d) Up to ____ percent of the cost of community capacity building to facilitate participation in current or future planning efforts identified in (a) through (c) of this subsection, including education, outreach, and financial support, including to environmental justice communities as defined in ORS 182.535*. 
(11) Plans described in subsection (10) of this section must:
(a) Be developed in collaboration with a balanced representation of interests;
(b) Include the development of actions that are consistent with the existing state laws concerning the water resources of this state and state water resources policy;
(c) Be developed utilizing an open and transparent process that fosters public participation;
(d) Encourage conservation of water resources, seeks proposals that minimize impacts to or positively impact ecosystems, and facilitates community resiliency to natural disasters.

(12) The Department shall consider state-recognized plans funded under this section in each update of the integrated state water resources strategy as required under ORS 536.220.

(13) The Water Resources Commission may adopt rules to implement this section, including rules that:
(a) Further define expenditures allowable under this fund for a purpose described in this section.
(b) Prioritize the issuance of the funding for a purposes described in subsections (5) and (10) of this section.
(c) Establish requirements for engagement of environmental justice communities as defined in ORS 182.535.
(d) Define the criteria and process for state-recognition of a place-based integrated water resources plan.

* ORS 182.535 as amended by HB 4077 in 2022: “Environmental justice community” includes communities of color, communities experiencing lower incomes, communities experiencing health inequities, tribal communities, rural communities, remote communities, coastal communities, communities with limited infrastructure and other communities traditionally underrepresented in public processes and adversely harmed by environmental and health hazards, including seniors, youth and persons with disabilities.