

New Provisions for Water Hauling and Cannabis Operations

Effective – June 3, 2022

House Bill 4061, passed by the Oregon Legislature in 2022, provides additional enforcement tools to curb unauthorized water use at locations growing hemp or marijuana plants (more broadly referred to as cannabis), as well as establishes new provisions related to water hauling. This flyer provides an overview of the new civil and criminal penalties as well as provisions related to water hauling.

The use of water without a water right at any cannabis site that is not licensed with Oregon Liquor and Cannabis Commission (OLCC) or the Department of Agriculture (ODA), or Oregon Health Authority (OHA) and exceeds the amount of personal plants allowed under law may be punishable as a Class A misdemeanor, which is punishable by up to one year in prison, with a maximum fine of \$25,000.

Hauling or arranging to haul water to any cannabis site that is not licensed with the OLCC, ODA, or OHA and exceeds the amount of personal plants allowed under law may, if done with criminal negligence, is punishable as a Class A misdemeanor, which is punishable by up to one year in prison and up to a \$6,250 fine. If the violator is the owner of the water hauling business or the responsible party for the cannabis grow operation, the maximum fine is increased to \$25,000.

Hauled Water - Records Retention for Persons Hauling Water - A person purchasing water from a water supplier at a fire hydrant, water fill station, or other distribution location, in order to haul the water to another location to be used for irrigation or nursery purposes is required to: (1) maintain records for 12 months from the date of purchase, and (2) present those records to law enforcement or the Oregon Water Resources Department (OWRD) upon request.

This means that any person who purchases water in order to haul the water to grow a crop (irrigation and nursery use) must keep records. This includes, but is not limited to:

- Water hauling businesses that purchase water and deliver it to a location where the water is then used to grow plants or crops.
- A person employed by an operation growing crops that purchases and hauls water, and the hauled water is then used to grow plants or crops.
- A person that owns an operation growing crops if that person purchases and hauls water themselves and the hauled water is then used to grow plants or crops.

Records must include:

1. The date the water was purchased.
2. The location from which the water was purchased.
3. Name and contact information of the person the water was delivered to.
4. How the water will be used (irrigation or nursery), including the plant type.
5. Quantity of water delivered.
6. Location the water was delivered to for use.
7. Date the water was delivered.

Producers and staff that are purchasing and hauling their own water to grow plants must retain records in accordance with the requirements above. Those who fail to keep and present purchase records in accordance with the above provisions may be subject to civil penalties to be defined in rule at a later date, but not to exceed \$5,000 per day ([ORS 536.900](#) and [OAR 690-260](#)).

Finally, the law prohibits any person from willfully or negligently providing false information to the Oregon Water Resources Department or law enforcement related to water hauling for cannabis plants. The Department interprets this prohibition to include both verbal and/or written information and that it applies to anyone – including an grow site owner, operator, or employee or water hauler – that provides false information about whether water has been hauled for use at a site growing cannabis.

Please note that this summary does not explain requirements, violations, or penalties of other laws; this handout focuses only on new provisions instituted by the 2022 Oregon Legislature through HB 4061. Refer to the Oregon Water Resources Department and your appropriate licensing entity (OLCC, ODA, or OHA), for other requirements.

More information can be found at <https://go.usa.gov/xum7h>. Please reach out to your local watermaster, <https://go.usa.gov/xum77>, with any questions.