

OREGON



WATER RESOURCES
DEPARTMENT

OWRD Fee Discussion

April 3, 2024



Overview

- Water Right Transaction Fees
- Well Construction and Compliance
 - Start Card Fee
 - Well Construction Licensing and Landowner Permit Fees
 - Continuing Education Fee

Fee-Supported Programs

Well Construction

Start Card
Fee

Licensing and
Landowner
Permit Fees

Water Right Services Division

Water Right
Transaction
Fees

Dam Safety Section

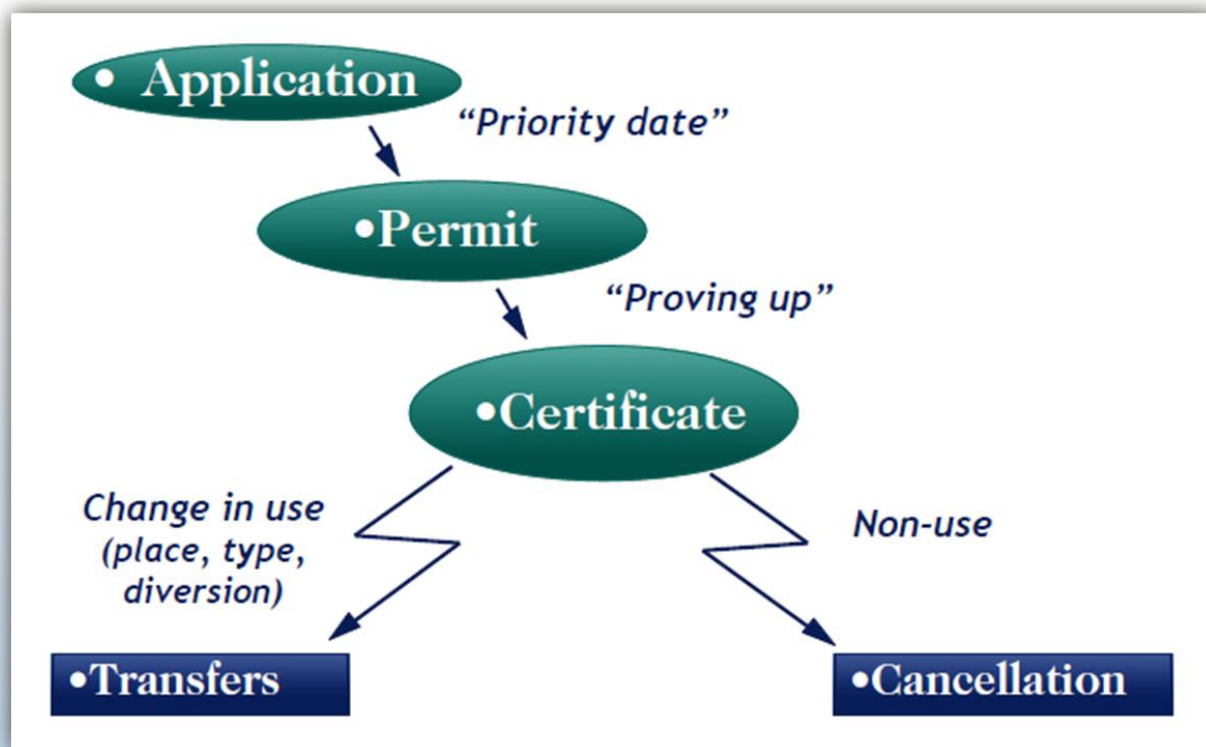
Annual Fee



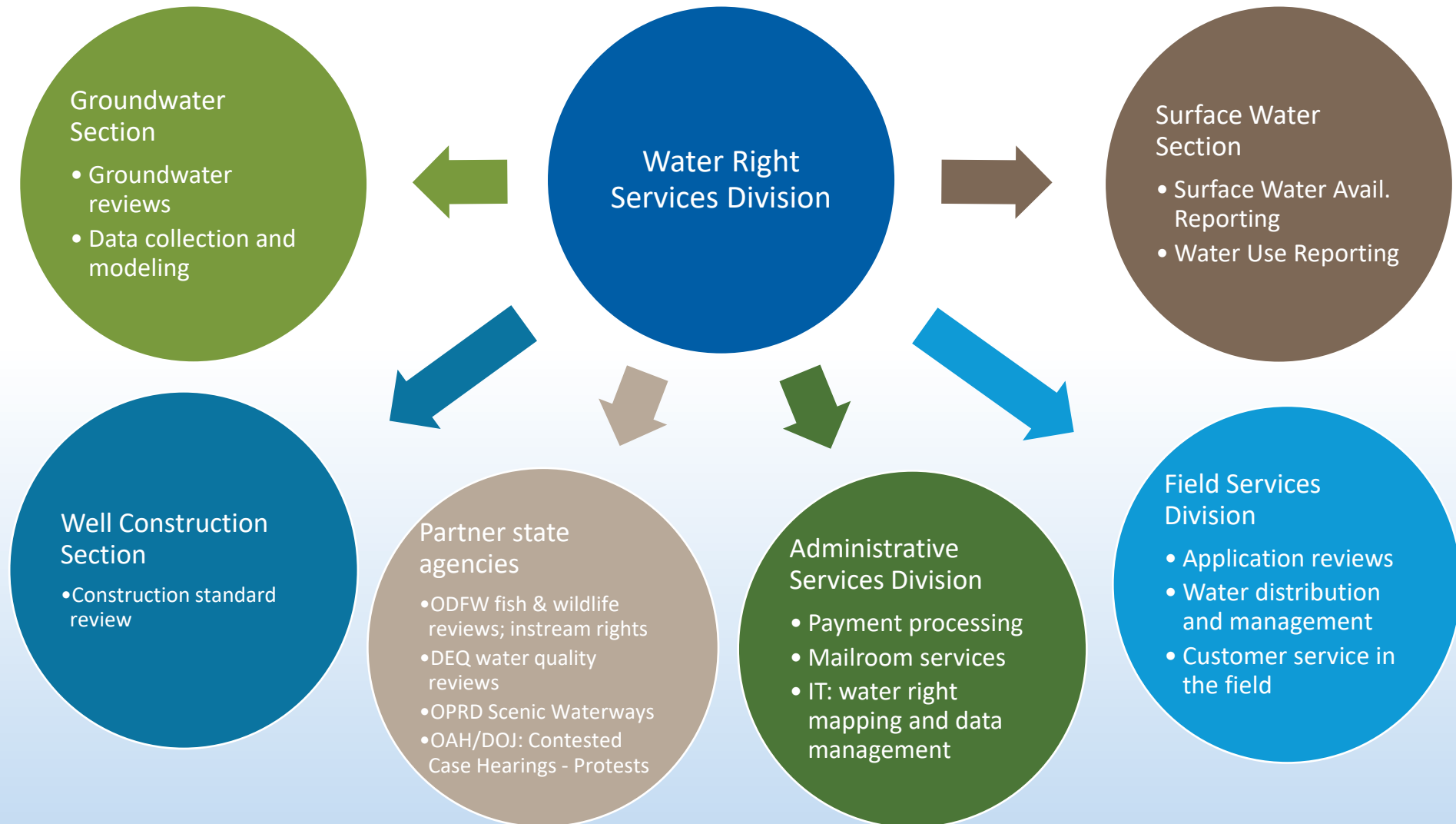
Water Right Transactions

Processing water right transactions from application to certification or decree and providing customer service

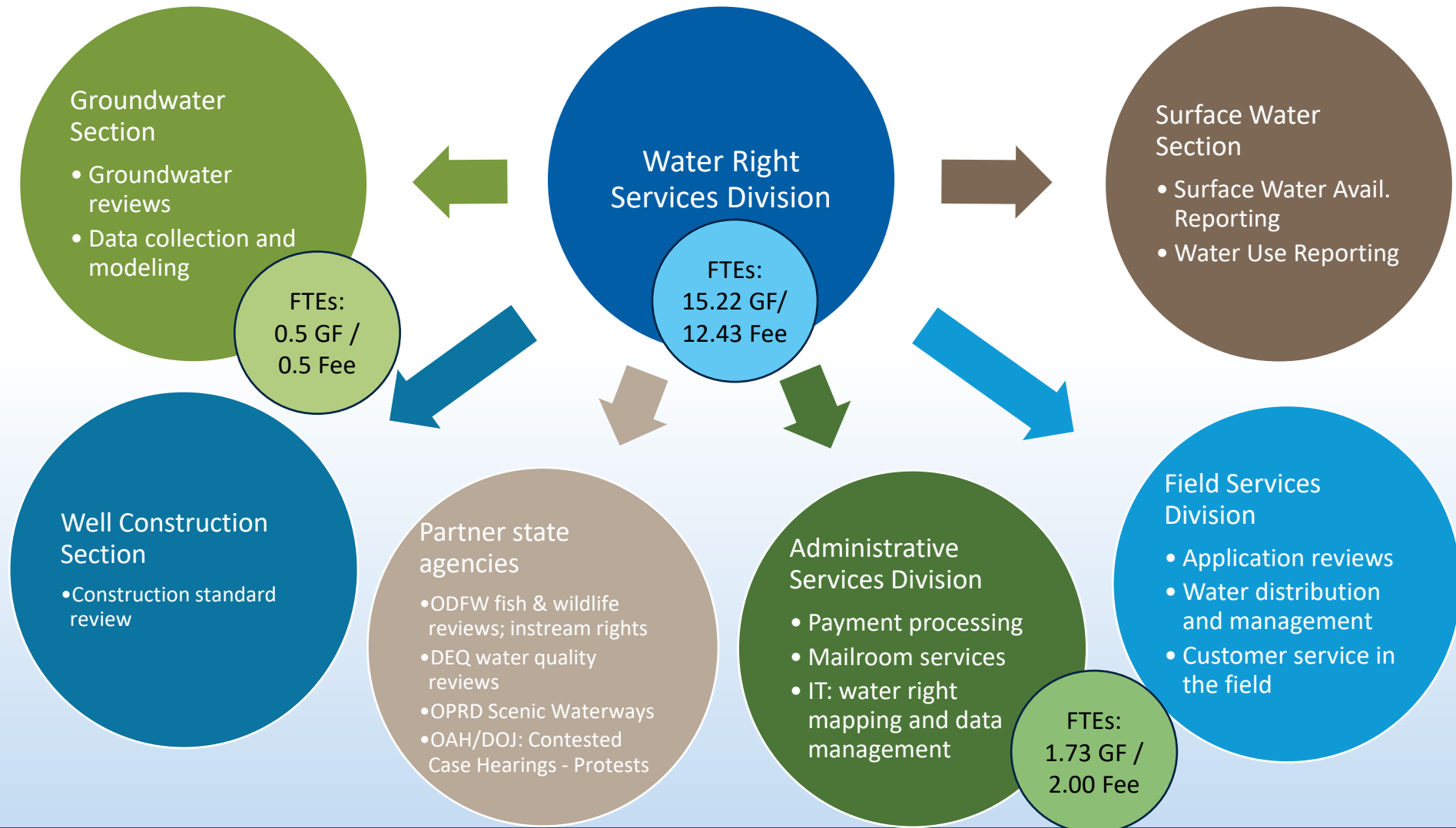
- Water right applications
- Permits
- Extensions
- Protests
- Certificates
- Transfers
- Adjudication



Many entities involved in water right transactions



Many entities involved in water right transactions



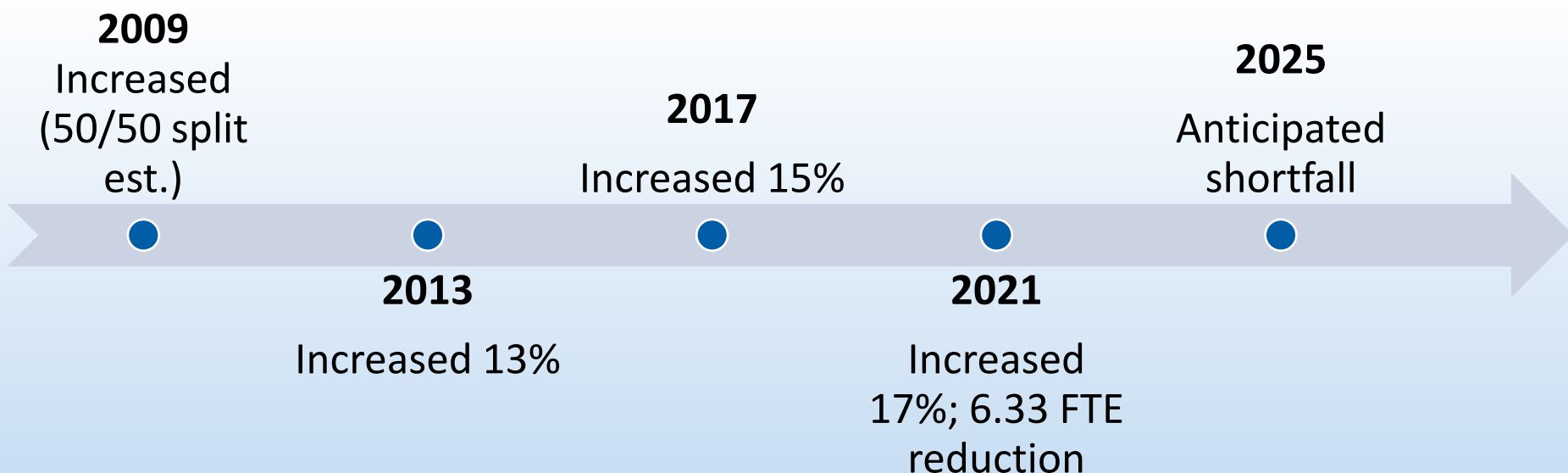


Water Right Transaction Fees

- Supports staff who process water right transactions from application to certification and provide customer service
 - Front desk customer service
 - Water right related transactions
 - Protests and contested case participation
 - Data processing and mapping
- Supports 14.93 FTE / 18 positions

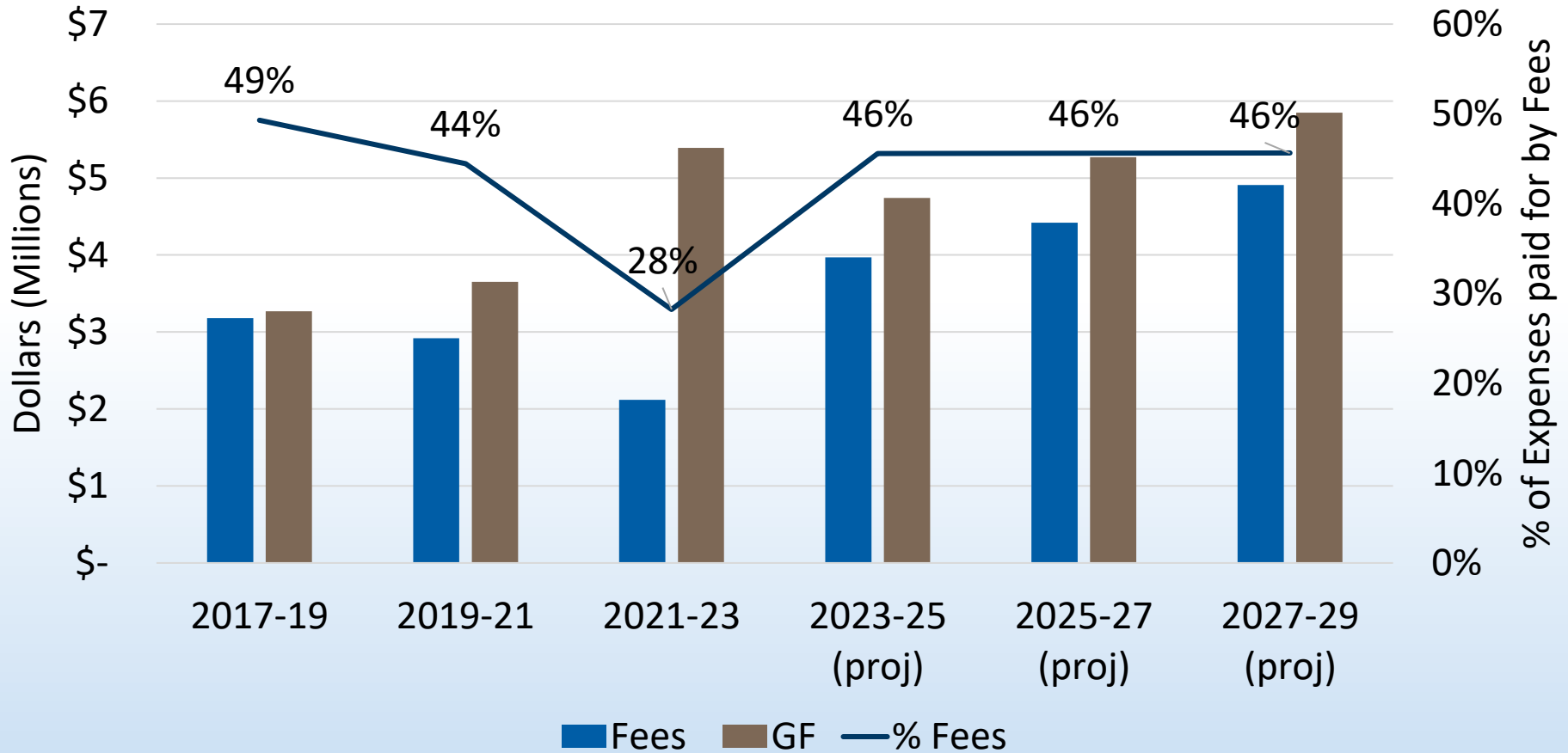
Water Right Transaction Fee History

- Fees increased every 4 years
- 2009: 50/50 General Fund – Fee Funded split
- 2021: Fees were increased, but positions were still cut
- History of inadequate increases to cover work



Water Right Transactions Expenditures

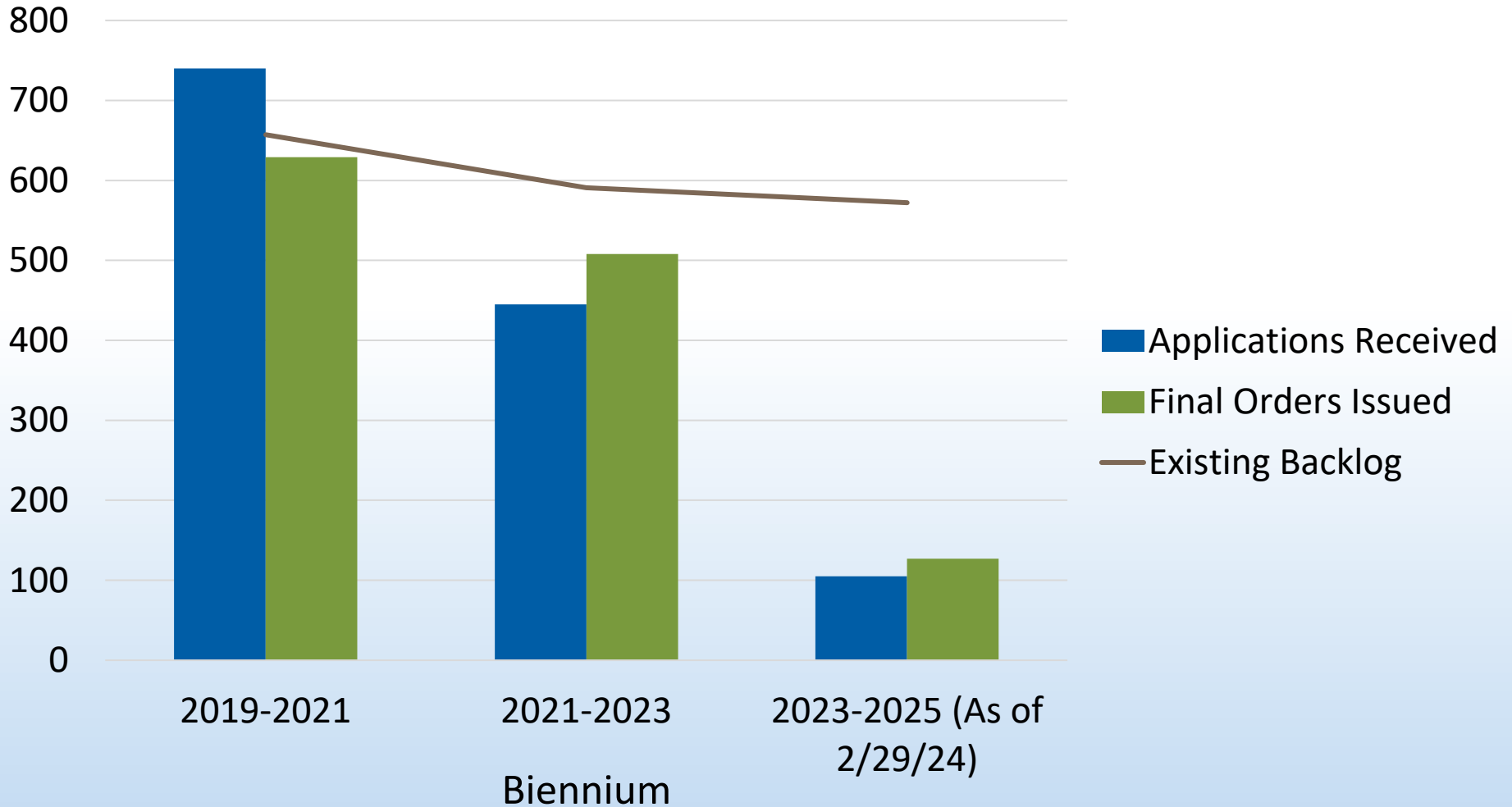
Water Right Related Spending (in millions)



2021-2023: ARPA Influx, Fee FTE Reduction in 2021-23

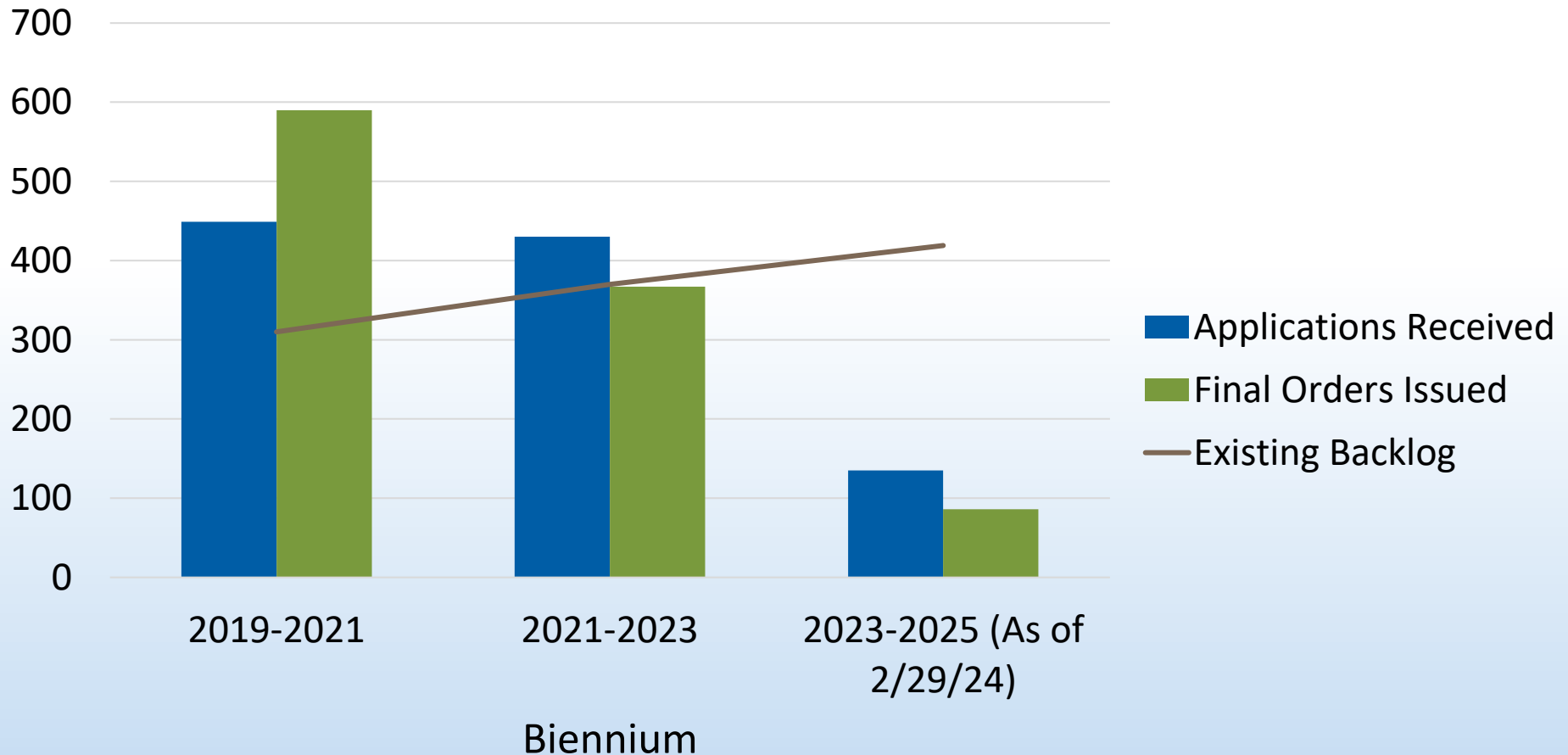
Workloads and Backlogs

Water Rights



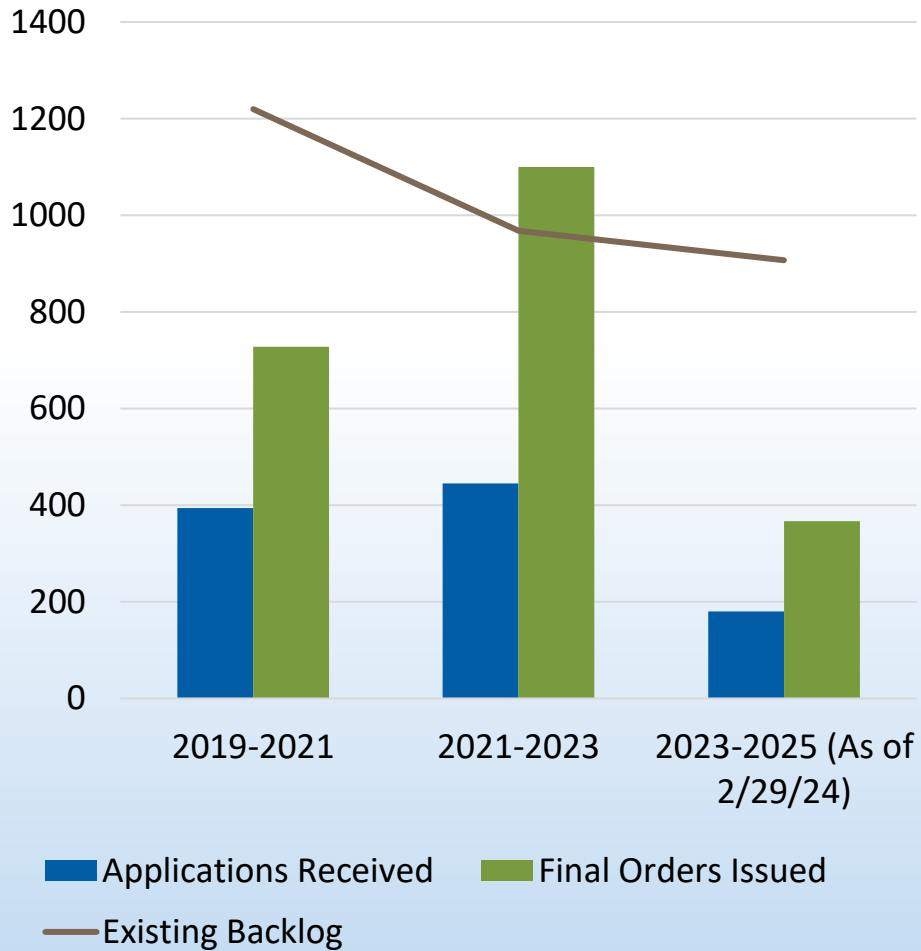
Workloads and Backlogs

Transfers

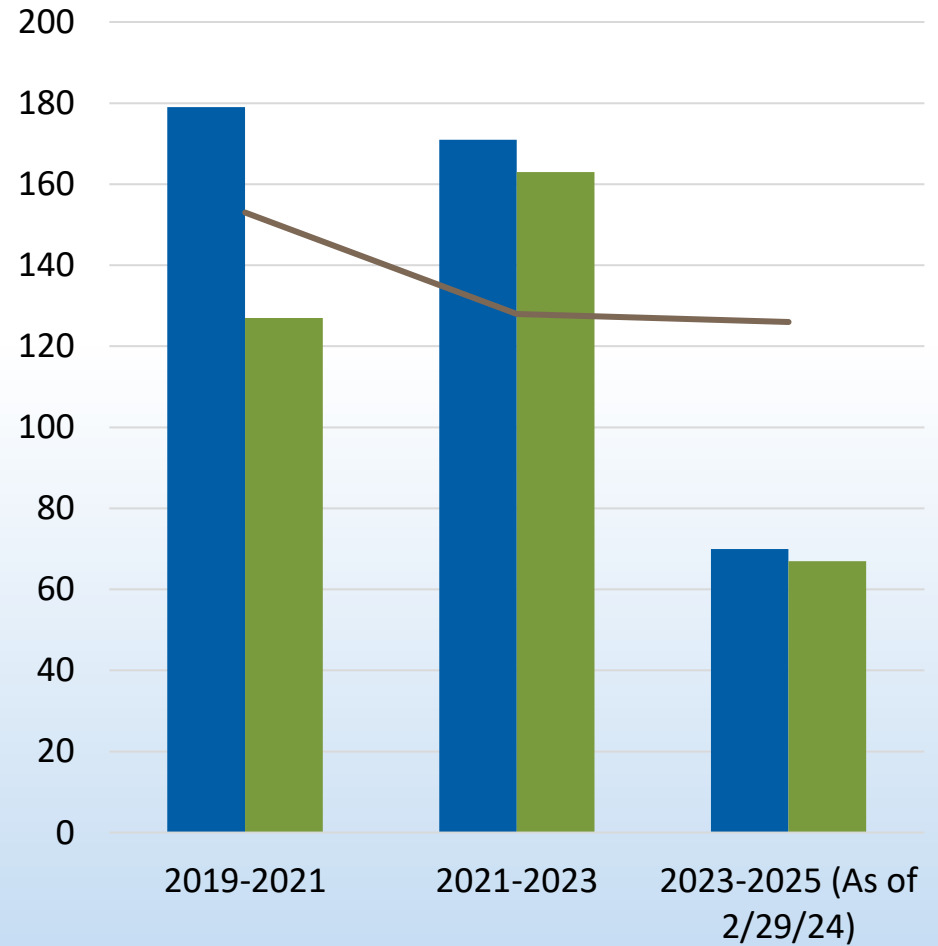


Workloads and Backlogs

Claims of Beneficial Use

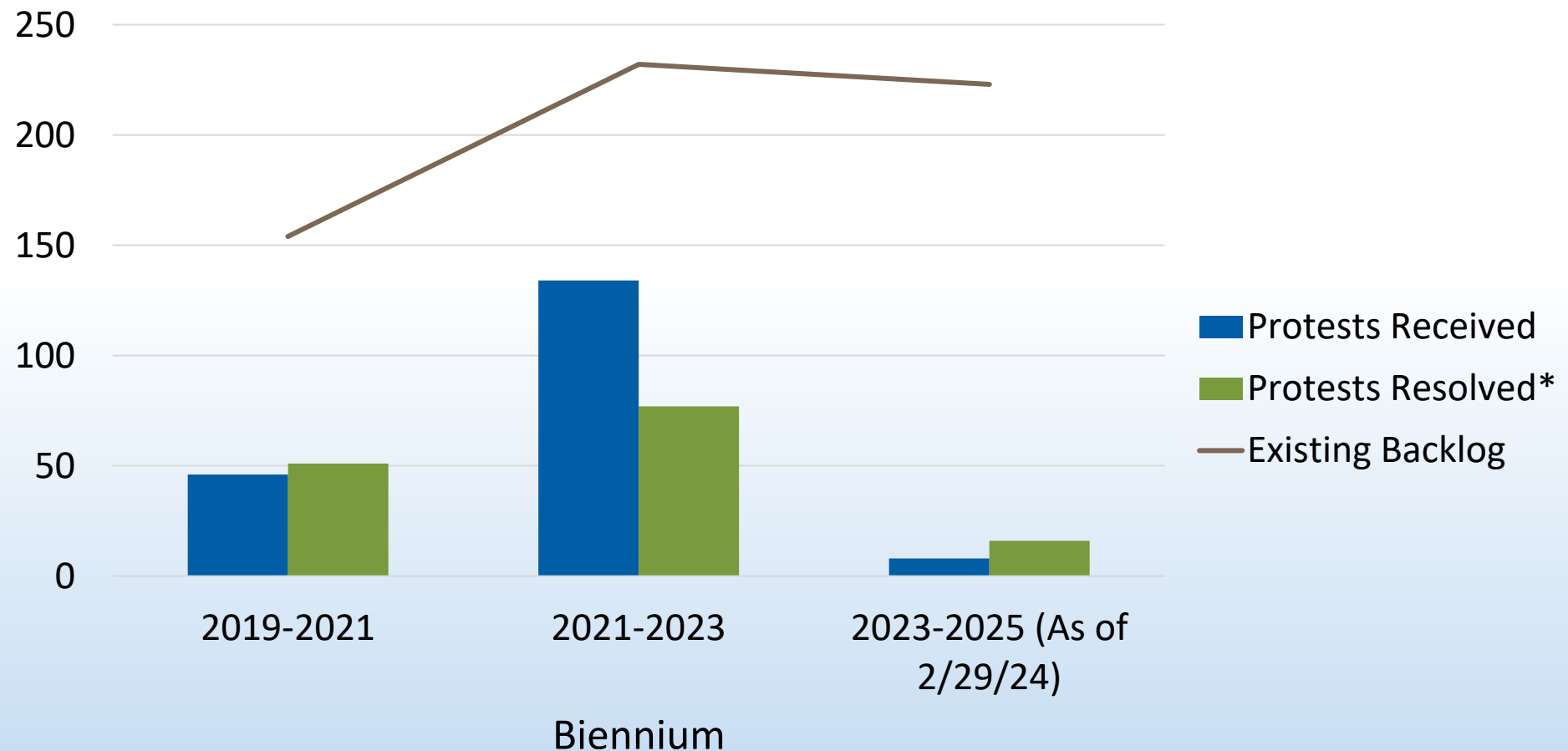


Extensions



Workloads and Backlogs

Protests



Workload and Fee Drivers

- **Increased cost of services**
- **Increasing complexity** due to water scarcity, legal challenges, and public interest
 - Re-reviews, mitigation discussions, repeated engagement with applicants, contested cases
- **Backlog accumulation**
- **Staffing uncertainty** funding, temporary/limited duration staff, training
- **Additional tasks** not covered by fees



Water Right Transaction Fee Shortfalls and Impacts

Shortfalls: Projected \$3.6 million - \$4.8 million shortfall by 2027-2029

- Equivalent to resources for 8-10 FTE
- 64-86% increase to fill shortfall with fees alone

Transaction	Current Fee (2021-25)	64%-86% Fee Increase (2025-2029)
Water Right Application – Surface Water	\$1,090	\$1,788-\$2,028
Transfer	\$1,360	\$2,231-\$2,530
Claim of Beneficial Use	\$230	\$377-\$428
Protest (non-applicant)	\$950	\$1,558-\$1,767



Well Construction

Well Construction Program

Protect public health, safety and groundwater resources by preventing wells from serving as a conduit for groundwater contamination or draining of aquifers

- Licensing and permitting
- Continuing Education
- Start Card program
- Well Report program
- Well identification program
- Well inspection and regulation
- Special standard implementation
- General customer service
- Geotechnical hole program



Well Construction Licensing and Landowner Permit Fees

- Cost of staff to operate licensing and renewal program, administer continuing education program and process landowner permit applications
- Supports: 0.57 FTE / 1 position
- Four fees are combined
 - Licensing Exam
 - License Fee / Renewal
 - Late renewal fee
 - Continuing Education (Online exam)
 - Landowner permit

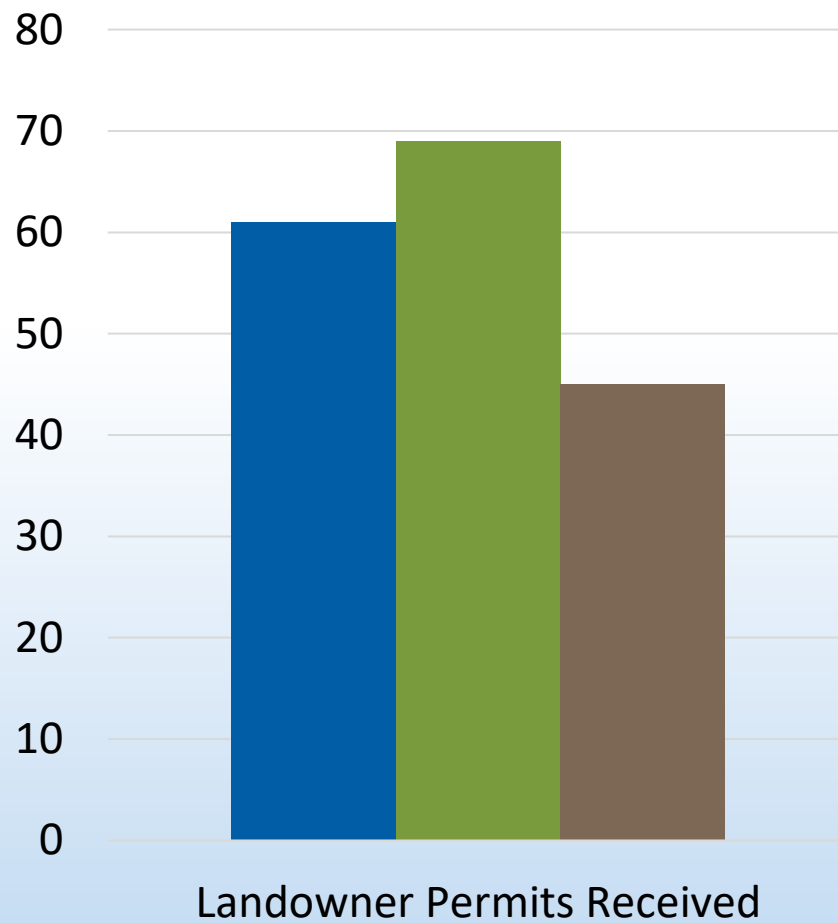
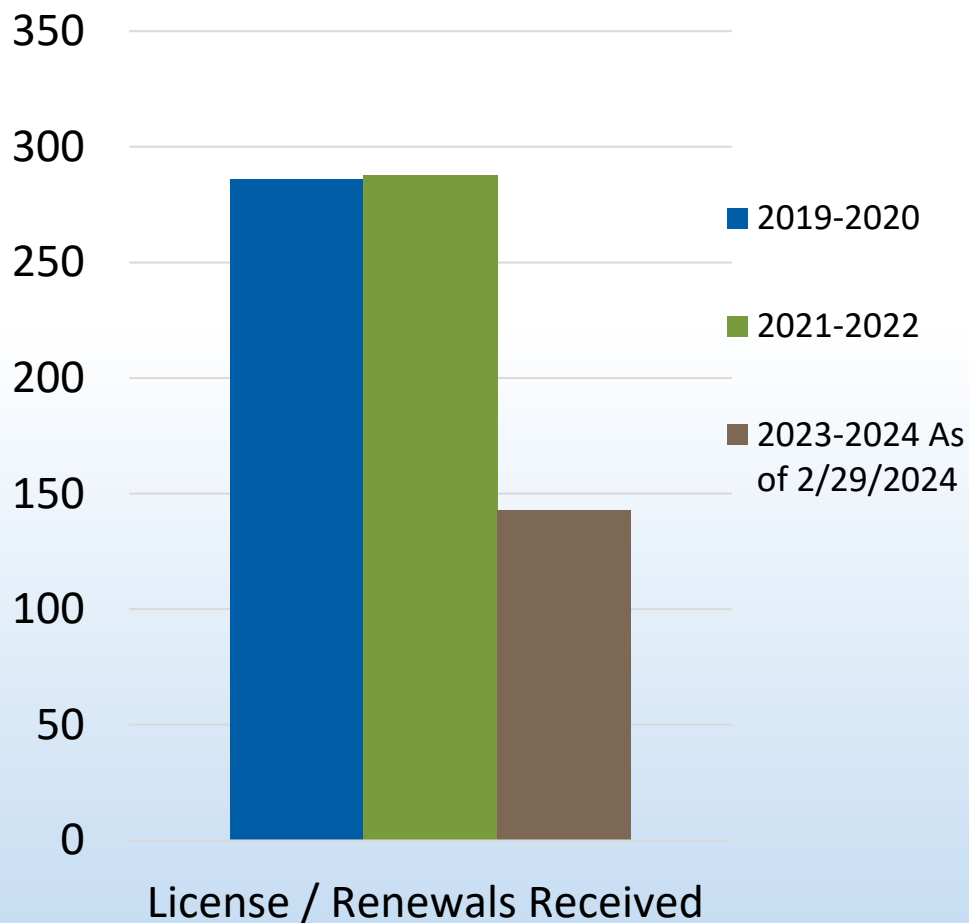


Well Construction Licensing and Landowner Permit Fee History

Fee Name	Current Fee	Year Established	Last Increase
License Exam Fee	\$20	1981	N/A
Driller License Fee / Renewal	\$150 (+\$100 late fee)	1981	2001
Continuing Education Fee	\$40/credit hour	2007	N/A
Landowner Permit	\$500	1981	2017

Licensing and Landowner Permit Fee-Supported Workloads

Two Calendar Year Workloads



Well Construction Licensing and Landowner Permit Fee Shortfalls

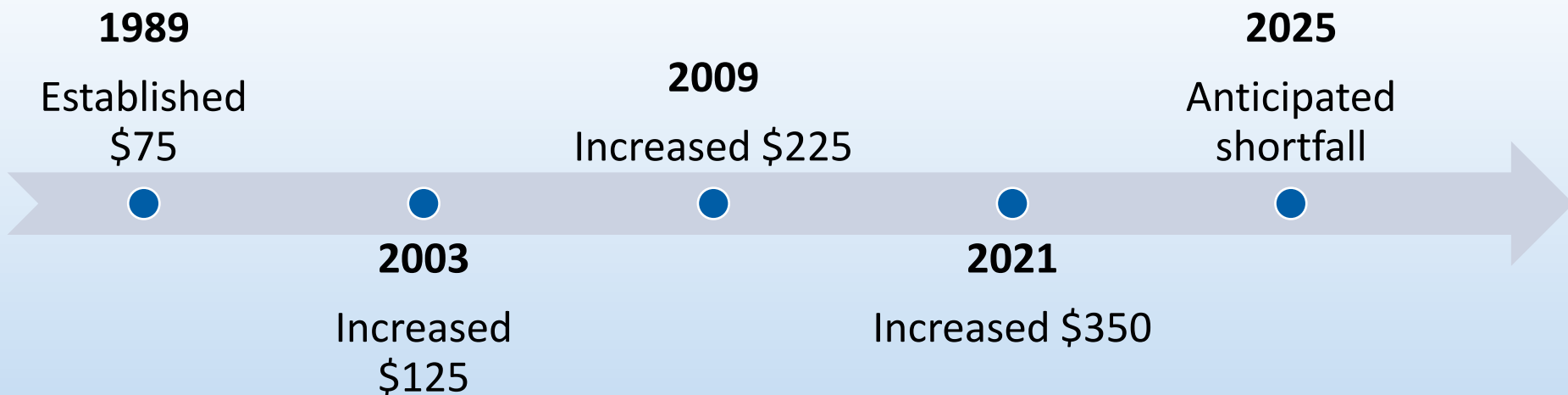
Shortfalls: Projected \$26,000 - \$51,000 shortfall by 2025-2029

- Equivalent to resources for 0.25 FTE
- 12-23% increase to fill shortfall with fees alone

Fee Name	Current Fee	Projected Fee 2025-2029 (12% – 23%)
License Exam Fee	\$20	\$23-\$25
Driller License Fee / Renewal	\$150 (+\$100 late fee)	\$168-\$185 (+\$112-\$123 late fee)
Continuing Education Fee	\$40/credit hour	\$45-\$50
Landowner Permit	\$500	\$560-\$615

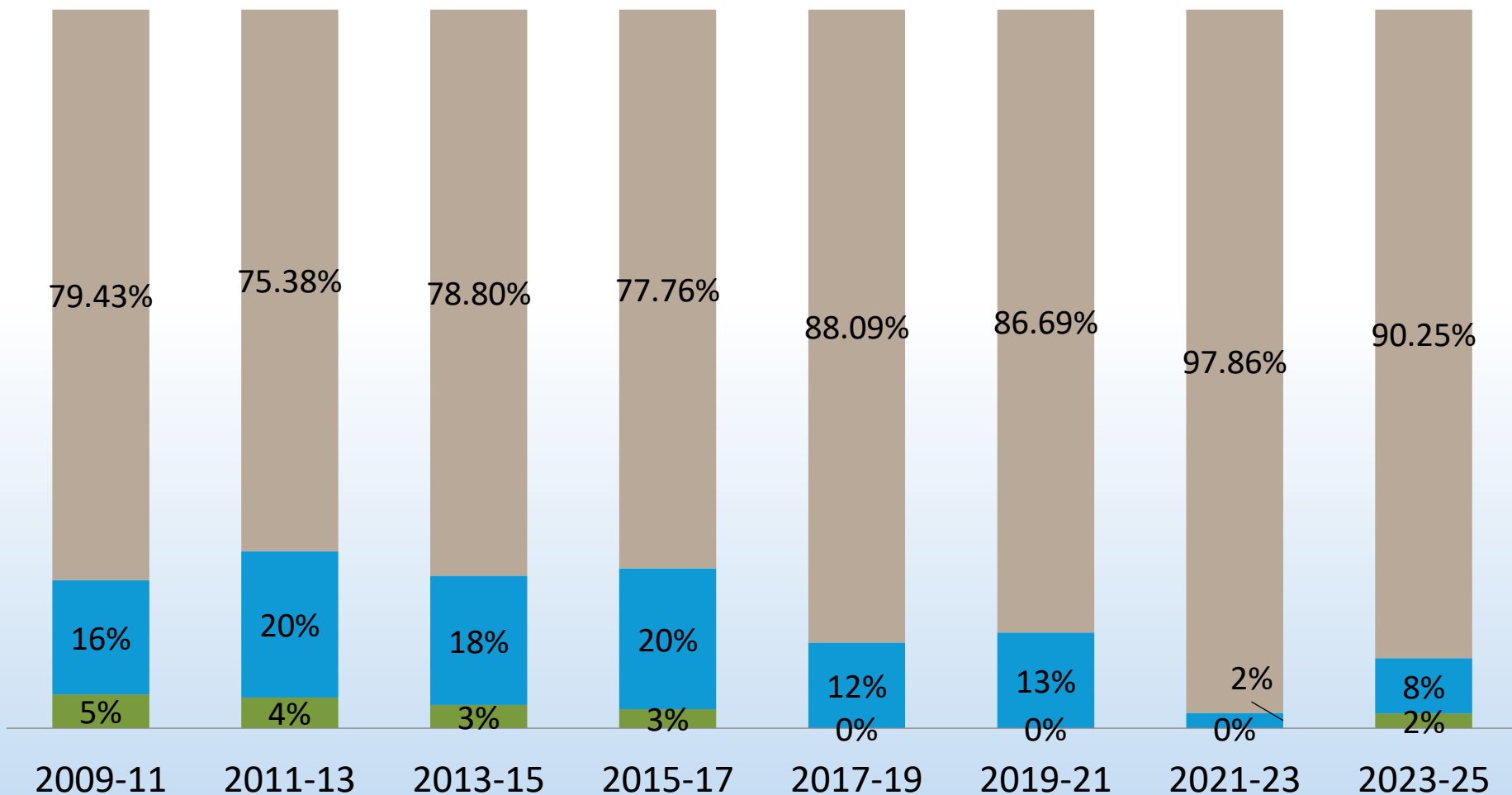
Start Card Fee Background

- Costs of staff to inspect wells and well construction and ensure compliance with standards
- Current Fee: \$350
- Supports: 9.87 FTE / 15 positions

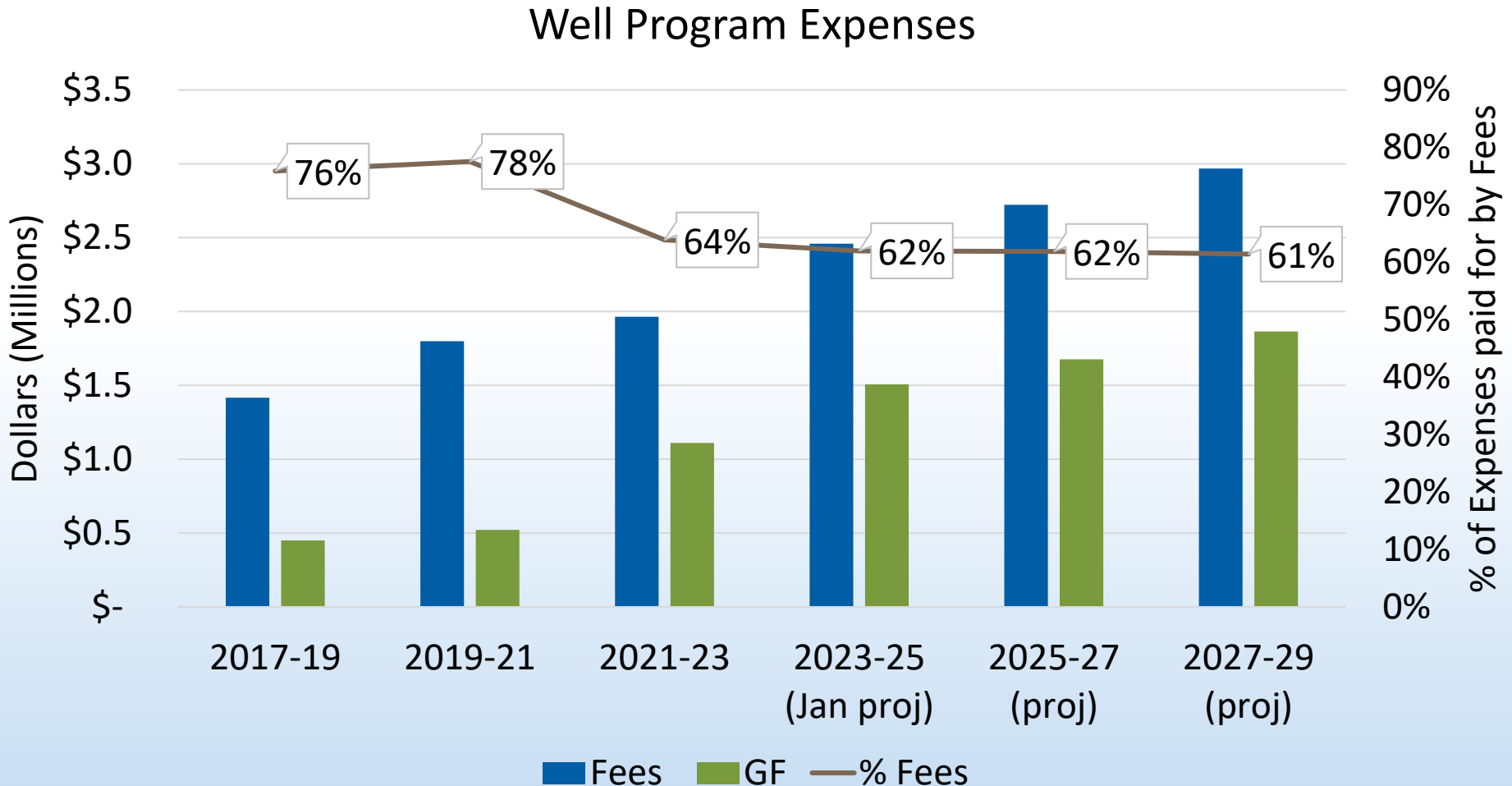


Historic Start Card Expenditures and Use

■ Admin - 5% ■ Technical - 20% ■ Field & Enf - 75%

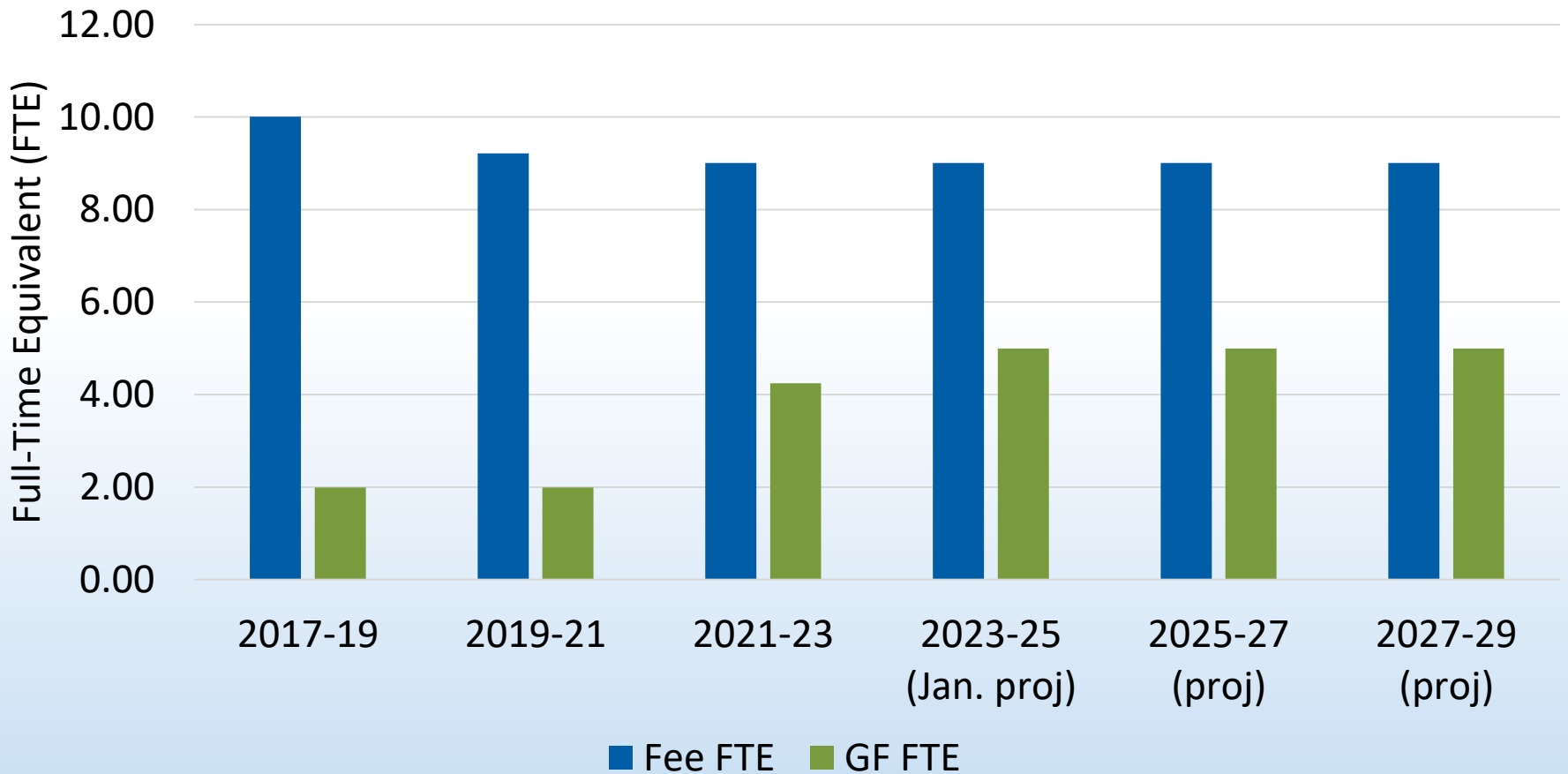


Historic Well Program Expenses



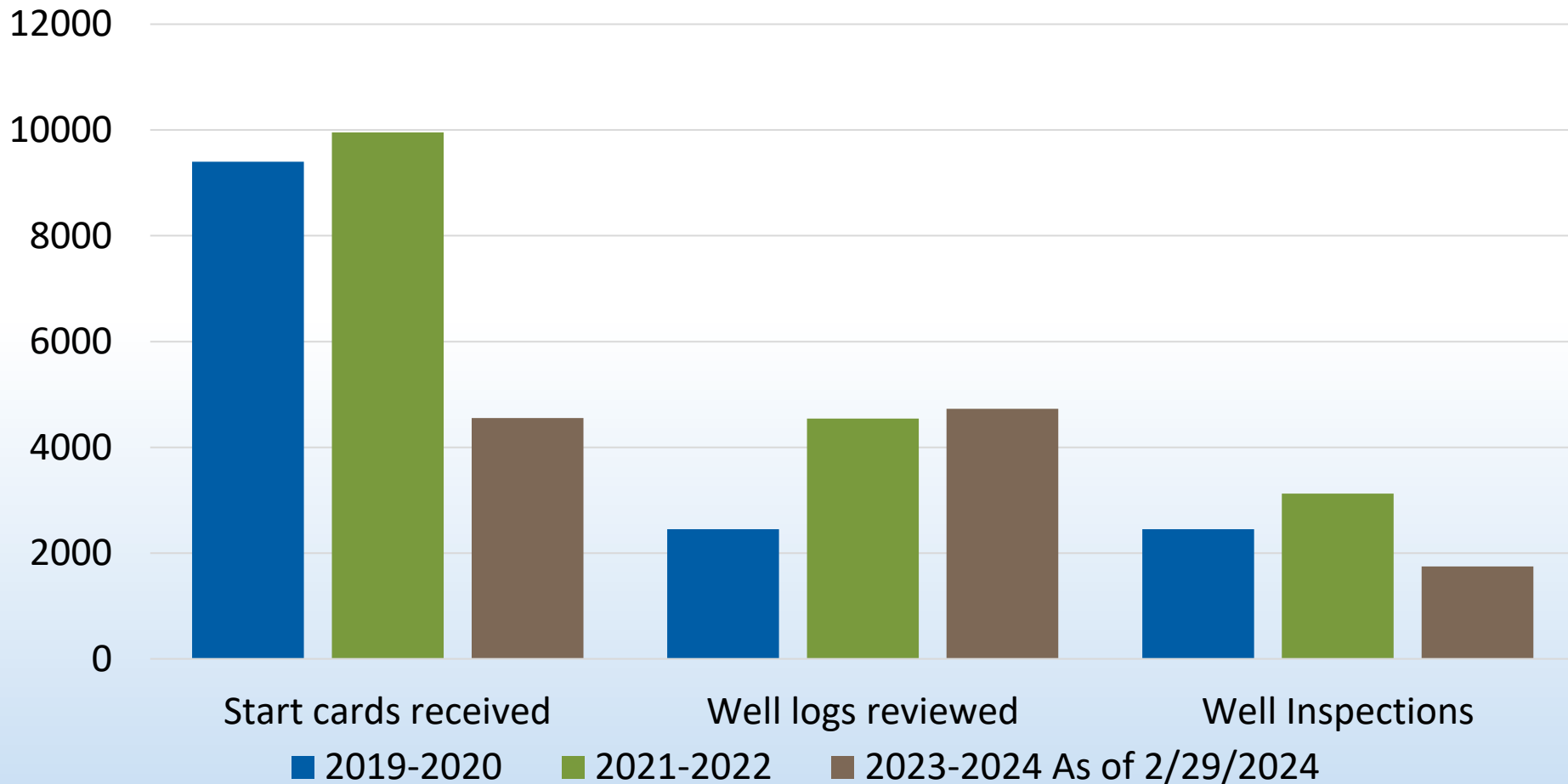
Historic Well Program FTE

Well Program Staffing



Start Card / Construction Workloads

Two Calendar Year Workloads*



*7/1/2022: OWRD began reviewing 100% well logs per HB 2145 requirements



Start Card Fee Shortfalls and Impacts

Shortfalls: Projected \$210,000 - \$975,000 shortfall by 2027-2029

- Equivalent to resources for 0.5-2.25 FTE
- 5-22% increase to fill shortfall with fees alone

Current Fee (2021-25)	5%-22% Fee Increase (2025-2029)
\$350	\$368-\$427

Next Steps and Meetings

April 30



June 7



May 24

April 30 Meeting Topics

- Water Rights Transaction Improvements
 - **Question:** what are some efficiency or broader policy improvements you would like to see?

OREGON



WATER RESOURCES
DEPARTMENT