

**Testimony to the House Committee
on Energy and the Environment on House Bills 2705, 2706 and 2707**

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Founded in 1968, the Oregon Environmental Council (OEC) is a nonprofit, nonpartisan, membership-based organization. We advance innovative, collaborative and equitable solutions to Oregon's environmental challenges for today and future generations.

Oregon Environmental Council supports HB 2705, 2706 and 2707 to advance sustainable management of Oregon's critical water resources for growing communities, businesses, agriculture, native fish and wildlife.

Oregon has a limited supply of water available to meet current and future demands, including the needs of healthy rivers, fish and wildlife. Water scarcity has become a regular and growing problem in both the Willamette Valley and on the east side of the Cascade Mountains, exacerbated by reduced winter snowpack and climate change. Because nearly all of Oregon's rivers are fully allocated - if not over-allocated - in warm months, a majority of new water right applications are for groundwater sources. But groundwater levels are also decreasing in some areas, with groundwater pumped at a greater rate than can be replenished.

The Oregon Water Resources Department (WRD), charged with managing the state's water resources for all uses into the future, must have the funding, staffing and tools to balance water resource protection and sustainability with the issuance of new water rights. Unfortunately, as reported in the December 2016 Secretary of State audit of the WRD, the department is chronically underfunded and unable to balance the needs of water users and Oregon's rivers based on sound data. Sufficient data to enable informed decisions, especially about groundwater availability, is sorely lacking in many parts of the state. House Bills 2705, 2706 and 2707 provide the means to increase collection of critical water availability and use data, and a stable source of funding for sustainable management of our limited resources into the future.

HB 2705: Common Sense Accounting of Water Use

Measurement of actual water use is a key piece of the water balance equation, akin to recording checks in order to balance a checkbook, yet only 20% of water right holders in Oregon currently measure and report their water use. **All government entities, including municipalities and irrigation districts, are currently required to measure water use, and since 1993, nearly all new water rights are conditioned to require measurement.** There are thousands of water rights issued before 1993, however, many allowing large volumes of water use, that do not measure or report use. The importance and need for measurement of water usage by all water right holders has been recognized for decades and noted as a priority by the Water Resources Commission through their 2000 Water Measurement Strategy and the 2012 Integrated Water Resources Strategy, but progress has been limited.

Water use data is essential to WRD's management and balancing of the state's water resources. It is used to analyze water use trends, develop groundwater models and conduct hydrologic studies, and allows Oregon's watermasters to ensure water is distributed according to water

rights among all legal users. Water use measurement is also valuable to water users, providing feedback to inform conservation and cost-saving efficiencies. Washington has been requiring measurement of surface water diversions from waterways with critical fish stocks since 1993, and began requiring measurement of all water rights greater than one cubic foot per second (236 million gallons per year) in 2000. Just last year, California began requiring water measurement for all water rights diverting over 10 acre feet/year, the equivalent of about 326,000 gallons per year. It is time for Oregon to take a more proactive approach to increase water use measurement around the state. We urge your support for HB 2705 to improve accountability of water use.

HB 2706: Stable, Fair Funding for Water Management

Oregon's waters belong to the public, but other than the one-time fee for the processing of an application to use this public resource, water right holders do not pay for the water they use. The state, and subsequently Oregon taxpayers, incur all the costs associated with administering these water rights. To responsibly manage and balance the distribution of water across the state, WRD field staff, including watermasters, inspectors, scientists and technicians work to make sure senior water rights are protected, track water right ownership, balance use among senior and junior water rights holders, guard against waste of water, and protect in-stream flows. Reliance on the General Fund for these functions has resulted in significant reductions in field staff and capacity, and the ability of the state to adequately perform these critical duties.

Beginning in 2010, the Water Resources Commission (WRC) formed a subcommittee to consider alternative funding sources for these functions. After two years of research and stakeholder meetings involving more than thirty organizations from around the state and consideration of twenty-nine options, WRC recommended an annual water management fee for all water right holders. A key component in their evaluation was that water users bear the cost for the service of long-term management of water rights. We support HB 2706 which forwards this same goal, providing a stable funding source for essential services and reducing the reliance on taxpayer subsidy of administering private water use.

HB 2707: Sound Groundwater Management

As water right applications for groundwater sources increase across the state, significant gaps in information about the availability and sustainability of the resource prevents informed decision-making. Issuing new water rights without scientific knowledge of the groundwater source can result in use beyond its capacity, impacting other water right holders as well as the streams, lakes and wetlands dependent upon groundwater. Ideally, comprehensive studies of each groundwater basin in the state would provide the baseline for sustainable groundwater management, but targeted data collection in areas with the most significant lack of information would also advance informed decision-making. HB 2707, which increases funding for groundwater data collection and investigation, provides the means to begin to address the significant gaps in groundwater knowledge.

We strongly urge your support for HB 2705, 2706 and 2707 to advance sustainable management of Oregon's precious water resources.