

May 1, 2013

Brad Witt, Chair House Committee on Agriculture and Natural Resources Oregon State Capitol 900 Court Street NE, Room H-347 Salem, OR 97301

RE: Testimony in Support of Senate Bill 199-A: Split Season Instream Leasing

Dear Chairman Witt:

I am writing to express the Deschutes River Conservancy's (DRC) support for SB 199-A and the 10 year extension of the 2014 sunset on Oregon's split season instream leasing law. The Senate passed SB 199-A with a 28-0 vote and only 2 senators absent. Split season instream leasing is a powerful tool to help balance instream and out-of-stream water needs. Under this provision, irrigators can divide their use of water between growing a crop and instream leasing - irrigating during the early summer when crop growth is most robust and dedicating water instream late in the summer when fish need it most.

The Deschutes River Conservancy is a non-profit organization that restores instream flows and water quality in Oregon's Deschutes Basin. The DRC's board of directors is comprised of 28 stakeholders that represent the major water related interest in the basin including Native American Tribes, irrigated agriculture, environmental protection and restoration, hydroelectric power generation, municipal water supply, economic development, as well as local, state and federal agencies. Together, this group of diverse stakeholders works to develop and implement restoration strategies that can be agreed upon by a consensus of the board and create lasting improvements to watershed health.

Since its formation in 1996, the DRC has used its consensus-based approach to water management to restore approximately 70,000 acre-feet of water to streams and rivers throughout the Deschutes Basin. As a result, measurable improvements have been made in water quality and fish habitat in over 225 miles of stream. This work has been accomplished in close partnership with irrigation interests, and as a result, benefits to local producers have been substantial. The DRC estimates that flow restoration efforts have improved the efficiency of water deliveries to over 100,000 acres of irrigated land, helped to construct three in-conduit

hydroelectric facilities, and provided pressurized water to over 2,000 acres of commercial farms. In addition to strengthening agriculture in the basin, the DRC has also helped municipal water providers by operating a groundwater mitigation bank and by coordinating long-range water supply planning efforts.

When split season leasing was first enacted, the legislation included a sunset to provide time for the tool to be tested. Today, the DRC and others across the state have demonstrated the success of split season instream leasing. Based on this success and on the prospects for expanding the use of this tool in the coming years, an extension of the sunset will be useful. The extension will clear up lingering uncertainty that landowners may have about participating in split season instream leases beyond 2014, allowing the DRC and others to continue to expand the use of this important tool and moving toward making split season leasing a permanent feature of Oregon law.

In 2012, Oregon introduced its first Integrated Water Resources Strategy, the primary purpose of which is to balance instream and out-of-stream needs now and in the future. Split season instream leasing is one of the best tools Oregon has to help achieve this goal. We urge your support in passing SB199-A.

Sincerely,

Scott McCaulou Program Director