

## House Rural Communities, Land Use, and Water Committee Representative Brian Clem, Chair

Testimony on Senate Bill 267 "Extending Irrigation District Pilot Project Allowing Temporary Transfers within Boundaries"

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Thank you for the opportunity to present testimony in support of Senate Bill 267A, a bill that would extend a pilot project program that authorizes irrigation districts to temporarily change the place of use of water rights within their boundaries without applying for a transfer with the Department.

## Background

In 2003, the Legislative Assembly authorized a pilot project allowing Talent, Tualatin Valley, and Owyhee Irrigation Districts to make annual place of use changes to water rights within their legal boundaries without making application to the Water Resources Department for a temporary transfer.

The intent of the pilot project is to look for ways to provide increased flexibility for irrigation districts to temporarily change the place of use of water rights without reducing protections for existing water users. To temporarily change the place of use of water rights under the pilot program, districts are required to satisfy standard water right transfer criteria and maintain records. This includes ensuring that there is no injury to other water rights or an expansion of the authorized irrigated acres.

Between passage of the legislation in 2003 and the 2007 legislative session, only a small number of transfers were completed under the pilot and there was insufficient data available to assess how well the program functioned. The program was extended in 2007, providing an additional two years for the three pilot districts to continue testing the approach. In 2009, the Department reported to the legislature that the program seemed to be working and no injury or enlargement had been found. The Department recommended, and the Legislature agreed, that the program should be continued and expanded to allow further assessment of its implementation. The program was expanded to include 15 irrigation districts and set to sunset June 30, 2016.

## **Pilot Project Evaluation**

As outlined in the January 2015 report to the Legislature, the Department continues to annually evaluate the pilot project program, working with districts and the Oregon Water Resources Congress to make improvements and conduct trainings as necessary to ensure the program works as intended.

In 2014, the Department conducted an evaluation of the program and found that five of the 15 districts did not use the program, and only four districts utilized the program every year. Between 2010 and 2013, no instances of injury to other water rights were found and there were two instances of incidental enlargement on less than five acres in each instance (2011 and 2012), which were addressed with timely, voluntary compliance. Since the two instances of enlargement, the Department has requested that notice be submitted prior to the changes occurring in order to allow the Watermaster to evaluate the notice and prevent enlargement before it occurs.

The pilot program is providing the districts with more management flexibility, while also ensuring that other water users are protected. Based on the evaluation of the program, the Department is recommending continuation of the pilot program to further assess its implementation.

## What the Bill Does

Senate Bill 267A requires a report to the Legislature no later than January 31, 2021 on implementation of the pilot program and extends the sunset on the program to January 2, 2022. It also clarifies that the program applies to irrigation transfers, and requires the Department, prior to the irrigation season each year, to provide notice of the districts that believe they will use the program. Finally, if a district that is not specified in statute seeks to utilize the pilot program in lieu of another district, the bill requires the Department to provide notice and allow the public to provide information that could help the Department determine whether the district meets the criteria to participate in the program.