

March 11, 2021

Representative John Lively, Chairman
House Committee On Economic Recovery and Prosperity
Oregon State Capitol
Salem, Oregon

RE: Support House Bill 2334

Chairman Lively and Members of the Committee:

My name is Sharon Waterman and our operation is a Century Ranch in Coos County. I appreciate the opportunity to provide input on House Bill 2334 and to ask for your support of this bill. As our family has worked the land and ran a business for well over a century, we have quite a history of how "regulations" have impacted the economics of our business and the management of the land on which we raise livestock and timber. As Legislators, I hope I can help you understand how the regulatory system can have huge financial impacts on Oregon's agriculture community and the sustainability of those businesses by sharing just one rulemaking example.

One set of regulations which have had major impacts on Coos County farmers and ranchers are the regulations for Essential Salmon Habitat (ESH) and Fish Passage. We used to own a beautiful ranch in the Coquille Valley and my husband was Chairman of a Drainage District. We had no idea how the rules would change and ultimately impact our operation. There was a time when agriculture was considered important to provide food for the people. When we needed to maintain the infra-structure of the drainage system, we could get permits in a timely fashion to maintain the ditches and replacement of the tide control structure was a fairly simple process that could be completed in a year or so. That is no longer the case. Due to fish passage regulations and ESH, the process to maintain the drainage systems are extensive and totally beyond an individual rancher's economic capabilities. In the old days, the tide gates worked with the natural ebb and flow of the tides and many tide gates were built by the rancher. Tide gate replacement now requires expensive hydrology reports, engineering, mechanical MTR gates, and mitigation due to all the rules. To comply with ESH and Fish Passage rules, tide gate replacement projects now end up costing \$1,000,000 more or less. Small ranchers can no longer afford to replace their failing tide gates without getting financial help from the non-profits or agency grants which all require extensive mitigation that can impact the ranch operation. The laws put forth by the legislature and the rulemaking by agencies have had a tremendous financial impact on this ranching community. Currently, there is more rulemaking under consideration for Fish Passage that may make maintaining these drainage systems even more difficult. Lack of adequate drainage impacts production and ultimately the economics of the ranch operation. I could write a book on how agency rulemaking has and continues to impact our operation's management, finances, and sustainability.

I support this bill because it reinforces that Oregon's agencies need to consider the economic consequences of their rules on agriculture and timber operations and small businesses. When a state agency creates a rule, the agency is supposed to prepare a statement identifying any significant economic impacts to businesses. However, our agencies are not taking this seriously and are not working with those who the rules impact to see what the financial burden may be. Administrative agencies must follow the law and clearly identify, analyze, and mitigate such economic burdens on businesses.

Thank you again for the opportunity to provide comments on this bill. Please vote YES on HB 2334.

Respectfully,

Sharon Waterman, Rancher and Timber Owner
Coos County, Oregon