

March 22, 2021

Joint Ways & Means Subcommittee on Natural Resources

Testimony on SB 5545: Water Resources Department Budget

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Co-Chair Taylor, Co-Chair Reardon and Members of the Committee:

Thank you for the opportunity to provide comments on HB 5545, the budget for the Oregon Water Resources Department (OWRD) for the 2021-23 biennium.

The Nature Conservancy (TNC) is a science-based, non-partisan organization committed to conserving the lands and waters on which all life depends. In Oregon, TNC has over 80,000 supporters and members in every county. Based in communities around the state, we manage lands and waters in varied ecosystems and partner with ranchers, farmers, fishers, timber and environmental interests on some of the most challenging conservation issues facing people and nature.

TNC works closely with the Water Resources Department and other water stakeholders, particularly around groundwater issues. TNC is a member of the Community-Based Water Planning Collaborative in the Harney Basin, joining state agencies, irrigators, conservation organizations, and domestic well users to work through the water crisis in that basin. With this experience in mind, we would like to highlight the following themes that apply to the OWRD budget discussion this year:

OWRD provides a core service: This small agency has been tasked with the sustainable management of one of the most critical resources that people and nature depend upon, and they need to be supported in that role.

OWRD should be kept whole: This agency is already challenged by resource limitations and can't afford additional cuts. TNC is particularly concerned about potential reductions to planning (Planning Coordinator position) and data (stream gages, groundwater studies, and associated FTE). Though we recognize the difficult choices ahead of you this budget cycle, now more than ever the state should be *increasing* the portions of OWRD budget dedicated to planning and data if we are to have any hope of achieving the goals outlined in the Integrated Water Resources Strategy.

OWRD can do more to leverage federal funds: A common discussion point among water stakeholders, and OWRD staff, is the lack of capacity available to undertake the efforts necessary to access federal grants and other dollars that could support core water needs. Money is being left on the table while the agency's work is suffering from financial strictures. With the current incoming federal aid, and perhaps subsequent packages as well, we encourage you to keep intact the capacity necessary to ensure the state is well positioned to utilize these opportunities for investment.

With that framework in mind, we would like to draw your attention the following funding items for particular consideration:

We support the following POPs which are fully/partially funded in the Governor's Recommended Budget (GRB):

- **POP 103: funding legal expenses to prevent service impacts**
Our concern is that without receiving this funding, the agency will be forced to reduce capacity elsewhere to manage legal costs, further hindering otherwise burdened programs.
- **POP 108: funding feasibility studies & projects**
Developing and implementing place-based integrated water resource strategies is inherently complex and resource intensive. This funding is critical to complete the Place Based Planning already underway, including in the Harney Basin. In addition to the funded items, TNC also supports the funding for the Place-based Planning coordinator position that is related to HB 3105, but was not included in the GRB.

In addition, we encourage the legislature to fund the following proposals not included in the GRB:

- **POP 109: Field staff**
Additional capacity in OWRD watermasters would enhance data collection and create more chances for proactive, collaborative relationships between water users, conservation organizations and the agency.
- **POP 110: Foundational data for groundwater studies**
The single most effective solution to promote sustainable management of our aquifers is the development of modern groundwater studies throughout the state. Continuing to develop the science, data, and understanding of Oregon's groundwater is fundamental to effective resource management and allows the state and stakeholders to proactively develop solutions to avoid water resource crises. *The funding in this POP is related to HB 2018.*
- **POP 112: Conservation Reserve Enhancement Program**
Incentive programs like the Conservation Reserve Enhancement Program (CREP) are valuable tools to reduce water use while offering an economic glidepath for small businesses that are dependent upon groundwater. To be successful, OWRD needs the capacity to evaluate applicant eligibility, ensure accountability of enrollees, and increase trust in the community that the program is meeting its goals. *The funding in this POP is related to HB 2257.*

Concerning GRB Reductions that we recommend the Committee restore:

- **Package 090 reductions:** This package removes funding for critical water data FTE, gauging stations, groundwater studies, and observation wells. Each of these elements are core to OWRD's work and would hinder the agency's ability to continue current efforts, let alone position the state strongly for the future.
- **Package 092 reductions:** Though specific positions have not yet been identified to cut, our concern is that this will continue vacancy savings in the Groundwater program, which would undermine the trajectory of that area of work.

In closing, we note that today's hearing took place on World Water Day. Water underpins our life and our natural world. We celebrate the ongoing work in Oregon as a bright spot that can demonstrate how people and nature can both thrive when science-based collaborations guide decision-making. The Water Resources Department will play an integral role in ensuring that we have enough water for people, ecosystems and agriculture in the decades to come, and we encourage you to invest now in the data and tools that our state will need to make informed future decisions about water management.