

April 29, 2021

To: Chair Ken Helm, Vice-Chair Mark Owens, Vice-Chair Jeff Reardon, and Members of the House Water Committee

RE: Testimony in Support of SB 130, Extension of District Temporary Transfer Pilot Program

Chair Helm, Vice-Chair Owens, Vice-Chair Reardon, and Members of the Committee:

The Oregon Water Resources Congress (OWRC) is testifying in support of SB 130, which will **extend** an important pilot program providing critical flexibility to irrigation districts so they can continue to efficiently deliver water resources to the farmers they serve.

OWRC is a nonprofit association of irrigation districts, water control districts, water improvement districts, drainage districts and other local government entities delivering agricultural water supplies. The water stewards we represent operate complex water management systems, including water supply reservoirs, canals, pipelines, and hydropower facilities, and deliver water to roughly 1/3 of all irrigated land in Oregon. The fifteen districts in the pilot program are geographically and hydrologically diverse, with three districts in Southern Oregon, five districts in Eastern Oregon, five districts in Central Oregon, and two districts in the Willamette Valley. These districts collectively serve thousands of farmers, ranchers, and other agricultural producers of food and fiber—including some of the world's finest pears, onions, strawberries, blueberries, watermelons, asparagus, potatoes, and carrot seed.

Background & Need

SB 130 will extend the sunset of a pilot program that allows fifteen specified districts to temporarily transfer irrigation water within their district using an expedited process through the Oregon Water Resources Department (WRD). The program allows for a less cumbersome application process that saves time and money and is only used for "place of use" transfers that revert to their original place at the end of the irrigation season. The participating districts are required to provide records, reports, and other information to local WRD staff and the headquarters in Salem as well as keep available at the district office. Participants still have to follow the standard water right transfer criteria but are able to put the water to use without going through a more lengthy and expensive review by WRD.

As an example, in early spring a farmer decides that he does not need irrigation water on Parcel A and through this program the district can transfer that water to another district farmer who needs that amount of water on Parcel B. After the end of irrigation season, the place of use for that water right returns to Parcel A and the farmer can decide what do with the water right next year. Weather, crop prices, and other circumstances factor into whether an individual farmer needs more or less water and sometimes these decisions are made just prior to irrigation season starting. The traditional temporary transfer process can take several months and may not be approved quick enough to allow for those changes, which is why having the expedited process through this pilot program is so crucial.

The transfer pilot program has little to no risk of water injury as it is only applicable to water transfers within district boundaries and requires the consent of the landowners whose water rights are subject to transfer. There are a variety of safeguards in place and WRD has the ability to discontinue a specific temporary transfer as well as an individual district's participation in the program. There are also ongoing efforts between WRD and OWRC to improve the pilot program's efficiency in anticipation of its eventual permanence. To date, there have not been any injuries to other water rights from the program.

The mission of the Oregon Water Resources Congress is to promote the protection and use of water rights and the wise stewardship of water resources.

Program History

The pilot program was created by the 2003 Legislature (SB 820) and originally had three participants. The program was extended in 2007 (SB 89), extended and expanded in 2009 (SB 664) to include the fifteen current districts, and then extended with additional requirements in 2015 (SB 267). More information about the history and progress of the program is included in WRD's recently submitted legislative report. While WRD has been successful in reducing the backlog of pending applications, the traditional temporary transfer process has a more extensive review that doesn't fit these simple transactions and it can still take several months to be processed. This situation is untenable for a farmer that needs water during the current irrigation season and can be alleviated through participation in the district transfer pilot program. The pilot program also aids in regulatory streamlining by freeing up WRD staff time to be spent on more complex transfers and other water right transactions.

Since the pilot program's inception, OWRC, the participating districts, and WRD have worked together to clarify and improve the program so that it meets the intent of providing districts with needed flexibility while ensuring responsible management of the water resources. Revisions have been made to the type and timing of various reporting mechanisms, including ensuring that the local Watermasters receive accurate maps showing the "from" and "to" lands involved in the temporary transfer prior to the changes occurring. There are also ongoing efforts to ensure that the reporting methods keep pace as mapping and other technologies change while allowing other districts to use more traditional methods as they upgrade computers and software capabilities.

OWRC and WRD also periodically provide training to the participating districts to ensure compliance as well clear expectations for both districts and WRD staff. Additionally, there is open communication between WRD (headquarters and the local offices), OWRC, and the participants and a strong commitment to identify and address any issues that may arise in the pilot program as early as possible. This ongoing partnership, open communication, and commitment to dual education has been instrumental in making the program run smoothly for both district and WRD staff as well as providing the foundation for the program's permanence.

We would like the pilot program to become permanent and expanded to include additional districts meeting the criteria; however, since the last expansion in 2009, the economic and water conditions did not yield the number of transactions (and corresponding data) needed before making the program permanent. There are also other tools that districts are interested in having available through this or a similar program, however; as noted in the WRD report, additional information and discussion is needed to explore various options for expanding the program and ensure a strong track record of success before making the program permanent. Extending the pilot program to 2030 will allow ample time for further documentation and evaluation of options for its eventual expansion and permanence.

In summation, the district temporary transfer pilot program is an extremely valuable tool for the participating districts and the farmers they serve. The program is also beneficial to the state, allowing WRD time and resources to be allocated to more complex transactions. With the numerous benefits and minimal risks of this program we look forward to future legislative discussions about the permanence of this program. We respectfully request that you support SB 130, extend the pilot to 2030, and help provide irrigated agriculture with the tools and flexibility needed to efficiently manage Oregon's limited water supplies.

Sincerely,

April Snell Executive Director