



To: Joint Committee on Ways and Means Subcommittee on Natural Resources
Co-Chair Senator Taylor
Co-Chair Representative Reardon
Senator Anderson
Senator Frederick
Representative Breese-Iverson
Representative Holvey
Representative Pham
Representative Brock Smith

From: Caylin Barter, Oregon Water Program Manager

Date: May 3, 2021

RE: Support for HB 5009 (ODFW Budget) -- with Modifications

Co-Chairs Taylor and Reardon and Members of the Committee:

Thank you for the opportunity to provide testimony on HB 5009, which we support with add-backs of several Policy Option Packages (POPs) that were either not included in the Governor's Recommended Budget (GRB) or were funded with unspecified Federal Funds instead of the requested General Funds.

Wild Salmon Center (WSC) works with partners to conserve healthy wild salmon fisheries across the North Pacific. In Oregon, WSC has worked for nearly three decades to protect and restore stronghold salmon habitats, using science to drive policy changes, lead planning processes, and support implementation. Our Oregon water program advocates for state policies and programs that improve flow in streams where salmon have the best chance of recovery. Low flows and high stream temperatures are stressing even our strongest salmon runs, and these problems are worsening due to climate change and increased human demand for water.

Oregon Department of Fish and Wildlife (ODFW) is a key partner in WSC's work on behalf of Oregon's streams, and it is the only state agency actively involved in applying for new instream water rights. These water rights protect the state's most at-risk streams from further flow reductions, and where flows are already overallocated, instream water rights provide a science-based restoration target. With the requested funding, the state can come closer to achieving its policy goal "to obtain an instream water right on every waterway exhibiting fish and wildlife values" (OAR 635-400-0005). ODFW is also required by law to review new out-of-stream water right applications and hydroelectric license applications to ensure the state's fish resources will not be harmed. In addition, the value of having ODFW staff engaged in local water and restoration planning efforts statewide cannot be overstated. WSC is not unique in its support of ODFW's water work; during development of its ARB, comments from ODFW's External Budget Advisory Committee and from the public expressed support for the agency's water planning POPs.

INTERNATIONAL HEADQUARTERS

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SUMMARY OF PRIORITY POLICY OPTION PACKAGES:

WSC is pleased that the GRB includes funding as requested for two POPs that directly contribute to the important work of ODFW's Water Program: **POP 115**, which funds three new General Fund positions to engage the ongoing Willamette Basin Reallocation process, and **POP 104**, which continues authority for a key position working on the agency's Statewide Aquatic Habitat Prioritization using ODOT and OWEB funds. And we agree with the inclusion of **POP 112**, which reestablishes the Habitat Division, though we do not support the drastic changes made to it in the GRB.

However, we are disappointed that the GRB did not include **POP 114**, which would add the capacity needed for ODFW to participate in complex basin water planning. And we are deeply concerned that the GRB has shifted millions of dollars of General Fund requests for existing and new positions onto unspecified Federal Funds, amounting to a 5% reduction in current service level in General Funds. Without reinvestment of General Funds, the Department is now looking at losing 17 positions in the Native Fish Conservation Program, three positions in the Fish Screens and Passage Program, and even the two new administrative positions in the Habitat Division under modified POP 112. Finally, we will add ours to the chorus of voices advocating for this Subcommittee to fund **POP 103**, which was apparently omitted by error in the GRB, and would continue authority for the limited-duration Klamath Reintroduction & Monitoring Biologist leading the implementation of salmon and steelhead reintroduction in the Upper Klamath River Basin as the dams come down.

In addition to taking a fresh look at the Agency Request Budget in light of the state's improved financial outlook, **WSC urges the Subcommittee to include the following POPs** in order to preserve agency functions that are critical to the protection of Oregon's iconic salmon streams.

OMITTED FROM GRB:

- **POP 114 – Basin Water Planning & Mitigation Coordination** (\$472,885 GF; not in GRB)
 - Funding constraints have prevented ODFW from participating in regional integrated water planning processes currently underway across the state, including OWRD's four Place-Based Planning pilots. This has resulted in unmet data requests on species' seasonal needs for water quality and quantity, and lack of capacity to develop mitigation options necessary for issuance of new water rights. This POP adds two positions to ODFW's Water Program and enables robust participation in integrated water planning efforts statewide. It is the agency's top priority for new POPs behind reestablishment of the Habitat Division.
- **POP 103 – Klamath Reintroduction & Monitoring Bio.** (\$134,500 GF/\$134,500 OF; not in GRB)
 - For more than a century, dams have prevented salmon, steelhead, and Pacific lamprey from accessing high-quality historic habitat in the Upper Klamath River Basin. The 2016 Klamath Hydroelectric Settlement Agreement that requires removal of those dams also requires development of an anadromous reintroduction and implementation plan. This respected staff biologist has been integral to the planning process, and this POP, which we are told was omitted by mistake in the GRB, continues authority for the limited duration position.

MODIFIED IN GRB:

- **POP 112 – Habitat Division Establishment** (\$1,287,992 GF; not in GRB, \$437,790 FF instead)
 - **Reestablishing the Habitat Division is the #1 priority of ODFW and the Commission.** POP 112 would restore a focus on habitat that is key to the agency's duty under its Climate and Ocean Change Policy to prioritize protection of stronghold habitats likely to retain ecosystem function despite the impacts of climate change. POP 112 sought General Funds for

a new division administrator and executive support specialist, and 5 new regional habitat biologists to provide critical capacity the Department currently lacks to focus on habitat issues in each watershed. Yet the GRB proposes funding only the two administrative positions, and with unspecified Federal Funds at that. Realigning existing FTE without adding needed science capacity undermines the agency's ability to accomplish its mission: "to protect and enhance Oregon's fish and wildlife and their habitats for the use and enjoyment of present and future generations."

INCLUDED IN GRB:

- **POP 115 – Willamette Basin Complex Water Issues** (\$700,248 GF; in GRB)
 - Thirteen federal reservoirs in the Willamette Basin, totaling 1.6 million acre-feet of stored water, are in the final stages of federal reallocation of the stored water, adding municipal, industrial, and fish and wildlife uses to the currently authorized use of irrigation. This POP funds three new ODFW Water Program staff to work with OWRD to coordinate basin activities, facilitate meetings, provide technical analyses, develop instream flow targets, manage contested case processes, shepherd necessary law changes, and track streamflow and reservoir releases for new instream water rights.

- **POP 104 – Habitat Tools for Oregon Coast and Beyond** (\$222,012 OF (ODOT/OWEB); in GRB)
 - Beginning in the 2017-19 biennium, ODFW began work to analyze and model current and future streamflows and fish species distributions in order to inform conservation and management planning efforts in a changing climate. Initially developed for the Oregon Coast Coho ESU, this POP will allow the models to be expanded to other species and geographies, helping to prioritize conservation planning and investments where they are most likely to result in durable outcomes for Oregon's fish and wildlife.

UPSTREAM NEEDS WITH DOWNSTREAM IMPACTS:

- **HB 2143 A – Maintain Hydroelectric Services at Three Agencies** (\$759,344 OF new revenue)
 - OWRD collects annual hydroelectric project fees, most of which are disbursed to DEQ for water quality certifications and ODFW for species protection and mitigation, but current revenue is insufficient to cover the costs of these services. HB 2143 A will generate an additional \$759,344 in revenue in 2021-23 and \$1,414,643 in 2023-25, avoiding projected fiscal shortfalls at all three agencies by making hydroelectric fees more equitable across project types and more adaptable over time. WSC's [testimony](#) on HB 2143 gives more detail.

Wild Salmon Center recognizes the challenges facing the Subcommittee, the legislature, and the State during these uncertain times. We urge your support of these investments, which are critical to Oregon's streams and the salmon they sustain.

Thank you for the opportunity to testify.



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