



To: House Committee on Water
Chair Helm
Vice-Chair Owens
Vice-Chair Reardon
Rep. Breese-Iverson
Rep. Leif
Rep. Reynolds
Rep. Wilde
Rep. Witt

From: Caylin Barter, Wild Salmon Center

Date: January 28, 2021

RE: Support for HB 2142 re: increasing application fees charged by Water Resources Dept.

Chair Helm and Members of the Committee:

For the record, my name is Caylin Barter, and I lead the Oregon water policy program for the Wild Salmon Center. Wild Salmon Center works with partners to conserve healthy wild salmon fisheries across the North Pacific, and streamflow is key that conservation effort. Many salmon runs in Oregon are listed as endangered, and low summer flows are limiting their recovery. These problems are worsening due to climate change and increased demand for water. Wild Salmon Center has a stake in maintaining key agency processes that protect instream values and contribute to fair and predictable water rights administration. We all do.

Thank you for the opportunity to submit this testimony **in support of HB 2142**, which increases the application fees charged by the Water Resources Department in order to minimize staffing cuts in the Water Right Services Division.

Oregon's salmon depend on Department's stewardship of water resources

The work of the Water Right Services Division is critical to the Department's duties as steward of the public's water resources. Every application for a new water right – every transfer application to change an existing water right – every instream lease application – and more – requires Division staff review to prevent injury to existing water rights and ensure regulatory compliance. I've walked through this review process with landowners both for instream and out-of-stream water uses and I'm always impressed with staff across the Water Right Services Division. HB 2142 helps keep those outstanding staff around.

HB 2142's fee proposal is reasonable, necessary, and in line with prior increases

HB 2142 is consistent with past fee increases, and the expanded revenue would allow the Department to “buy back” 2.5 FTE of the 8.83 FTE proposed for elimination in the 2021-23 Governor's Recommended Budget. The Department's last fee increase was authorized in 2017 (HB

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2295) and raised application fees by 15.88% – representing the anticipated increase in state employee personnel costs from 2017 to 2021. That increase was supported by water users and conservation groups alike, because it preserved staffing levels, helped backlogs and enhanced regulatory certainty. It’s important to note that the 2017 increase was necessary just to *maintain* service levels – it was not sold as a means to expand services, nor was it understood to be by those who supported it.

HB 2142 now proposes an across-the-board fee increase on the same basis – the anticipated 17.39% increase in state personnel costs over the *next* two biennia through 2025. The bill also adds a fee for each additional point of appropriation sought in a transfer application. This accounts for the extra staff time required to consider potential impacts of withdrawing groundwater at multiple wells – a reasonable response to lower-than-anticipated application numbers and increasing application complexity in the four years since the Legislature last approved a fee increase.

HB 2142 is crucial to preserving Department’s core water right services

Unfortunately, given the current state budget environment, the new fee schedule proposed in HB 2142 won’t altogether prevent staffing cuts and associated service impacts. But it will lessen the severity of those cuts, thereby preserving institutional knowledge, keeping backlogs to a minimum, and maintaining Department capacity to tackle long-planned modernization projects and absorb unexpected workload demands. The rationale for these fee increases is as sound as it was in 2017, and the revenue now all the more critical.

We support HB 2142 as a fair and reasonable approach that offers the best available path for preserving core capacity in the Water Right Services Division during these challenging times. And we also look forward to advocating for expanded general fund investments in the Department, now and into the future.

Thank you for the opportunity to provide testimony on this important matter.