



February 13, 2023

House Committee on Agriculture, Land Use, Natural Resources, and Water  
900 Court St. NE  
Salem, OR 97301

Re: Central Oregon LandWatch Testimony Opposing HB 3142

Chair Helm, Vice-Chairs Hartman and Owens, and Honorable Members of the Committee:

Thank you for the opportunity to provide testimony on HB 3142. Central Oregon LandWatch (“LandWatch”) is an Oregon non-profit, public interest organization of about 700 members. Its offices are located in Bend, Oregon. LandWatch’s mission is to defend and plan for Central Oregon’s livable future, and it has advocated for the preservation of natural resources in Central Oregon for over 30 years.

In 2019, an effort funded by the Bureau of Reclamation and State of Oregon Water Resources Department published a report on water supply, demand, and management options in the Deschutes Basin, an area which includes all or portions of each of the six counties identified as eligible for funding in HB 3142.

The 2019 study—known as the [Upper Deschutes River Basin Study](#)—outlines broad management categories to address water shortfalls for agriculture and instream needs across the basin; these management options include water conservation projects (e.g. piping projects, and on-farm infrastructure upgrades), market-based incentives (e.g. water leasing, transfers, and duty reduction), and enhanced or new storage (e.g. relocating existing storage farther downstream and restoring water storage capacity). The greatest opportunities for increasing water supplies fell under water conservation projects and market-based approaches.

While not identified as a priority water conservation action in the 2019 study, management of upland habitats is nevertheless an important consideration in addressing ecological integrity. However, LandWatch is concerned that HB 3142 as written fails to provide the necessary information and sideboards to ensure projects would truly provide an ecological benefit. Our main concerns are outlined below.

**1) HB 3142 should establish a process for determining greatest benefit**

The bill does not define a process for identifying strategic locations within each county that would provide the “greatest benefit to water resources and ecological health.” The process for determining “greatest benefit” is left entirely to the grant applicant, without broader geographic coordination, application of best available science, or other ecological considerations.

At a minimum, the bill must provide additional guidance on how project funding will be administered and coordinated across counties to target areas that will truly have the greatest benefit to water resources and ecological health. Funding should only be granted to projects that can demonstrate a high likelihood at providing the greatest benefit to water resources and ecological health. This determination should be made by Oregon State University, not the recipient. Further, additional requirements should be placed on the quarterly and annual effectiveness monitoring and reporting, including making the reports public, and using assessments of project effectiveness to inform future grant awards.

**2) HB 3142 should outline ecologically based sideboards on where projects could occur**

HB 3142 should provide important sideboards on where juniper removal projects could take place to ensure projects provide the greatest benefit to water resources and ecological health. For example, the bill should only fund projects that target phase 1, and in ecologically appropriate places, phase 2 stands where there is a better chance for native plant understories to remain intact, limiting the potential establishment of invasive annual grasses species (e.g. cheatgrass and medusahead), erosion, and other negative impacts.

**3) “Greatest benefit” to water resources and ecological health should be the primary driver of project selection and implementation**

A significant concern with HB 3142 is how it intersects with plans to establish a biofuels facility in Crook County. While the bill purports to put ecological process as *the* driver of juniper removal projects, LandWatch is concerned that demands to supply the biofuels facility will ultimately drive project selection and funding, leading to implementation of projects that fail to provide the greatest benefit to ecological processes, and ultimately, the degradation of the ecological integrity of arid landscapes in central and eastern Oregon.

**4) Existing programs already provide grants for similar projects**

Existing programs like the Oregon Watershed Enhance Board (“OWEB”) and the Oregon Conservation and Recreation Fund (“OCRF”) already provide restoration dollars for projects that aim to benefit water resources and ecological health. HB 3142 does not fill a needed funding gap and is not necessary to conduct these types of projects.

**5) Allocating this \$10 million to other efforts would provide greater benefits to water resources and ecological health**

Drought impacts across central and eastern Oregon have brought water management into sharp focus. A well-defined and coordinated strategy that addresses water shortfalls and improves

water resources is critically needed for our rivers and farmers. LandWatch suggests that this \$10 million could provide greater uplift to water resources and ecosystem integrity by being allocated to other efforts. One important example are water conservation projects that assist in on-farm infrastructure upgrades, a key prerequisite to implementing other water conservation strategies identified in the 2019 Upper Deschutes River Basin Study.

In summary, LandWatch believes HB 3142 is unnecessary and opposes the bill without significant amendments.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeremy Austin', written in a cursive style.

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