



OREGON
ASSOCIATION OF
NURSERIES

**Testimony before House Committee
Agriculture, Land Use, Natural Resources, and Water
House Bill 3164 - Relating to Split Season Leasing**

By Jeff Stone, Executive Director, Oregon Association of Nurseries
February 21, 2023

Chair Helm, Vice-Chairs Hartman and Owens, members of the committee, my name is Jeff Stone and I serve as the Executive Director of the Oregon Association of Nurseries. Good water policy is difficult to come by and it is important to make adjustments to bills as time passes and this is why we support House Bill 3164.

The OAN supports HB 3164

Split season water right leasing is a voluntary water management tool that has been in place since HB 2712 was passed in the 2001 legislative session. The law is currently scheduled to sunset at the end of 2023 unless extended or made permanent. The OAN supports this legislation making split season leasing a permanent part of the Oregon Water Code.

Background on the Nursery and Greenhouse Industry

The nursery and greenhouse industry are the state's largest agricultural sectors, with over \$1.2 billion in sales across the nation and the globe. Nationally, Oregon ranks third in nursery production. Nearly 80% of the nursery stock grown in our state leaves our borders – with over 50% reaching markets east of the Mississippi River. The nursery industry employs more than 22,000 full time workers with an annual payroll over \$327 million. We send ecologically friendly, carbon sequestering, green products out of the state, and we bring traded sector dollars back to Oregon. Nursery association members represent wholesale plant growers, Christmas tree growers, retailers, and greenhouse operators. Our members are located throughout the state, with our largest nursery growing operations found in Clackamas, Marion, Washington, Yamhill, and Multnomah Counties.

House Bill 3164 is a net benefit to agriculture

The OAN supports water policy for Oregon that creates jobs to help grow our economy, keeps our cities healthy, strengthens vital agricultural production, and protects and enhances our environmental assets. Toward this end, we are focused on three key areas: water supply management, conservation, and water quality.

Split season instream leasing is an important tool for water supply management and conservation. Split season leasing is a voluntary mechanism that allows water users to irrigate a crop early in the irrigation season and then lease the remaining unused portion of their annual water right allowance to instream use for the remainder of the season. The tool allows water right holders to use their water right for irrigation or other uses for part of the water year, and then be compensated to lease it instream late in the summer when it matters most to fish and aquatic ecosystems.

Split season leasing is the kind of flexible tool that Oregon water users need now and into the future. It recognizes the irreplaceable productivity of water for irrigation and other uses, while providing flexibility to address instream needs at targeted times.

Please support House Bill 3164 to remove the sunset on the split season instream leasing program and keep this important water management tool in toolbox. Thank you for your time and attention.