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March 3, 2023

House Committee on Agriculture, Land Use, Natural Resources, and Water
Chair Ken Helm,
Vice-Chair Mark Owens,
Vice-Chair Annessa Hartman,
Oregon State Legislature
900 Court St. NE
Salem, OR 97301

RE: Testimony on HB 3163

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

The Oregon Water Resources Congress (OWRC) is providing testimony on HB 3163, which would create a Place-Based Planning Fund. We understand that there will likely be amendments to the bill and are engaged in discussions about potential language revisions. OWRC is generally supportive of the concept of place-based planning and the need for related funding to support collaborative water planning at the local and regional level.

OWRC is a nonprofit trade association representing irrigation districts, water control districts, drainage districts, water improvement districts, and other local government entities delivering agricultural water supplies throughout Oregon. These water stewards operate complex water management systems, including water supply reservoirs, canals, pipelines, and hydropower facilities. OWRC members deliver water to approximately 600,000 acres of farmland in Oregon, which is over one-third of all the irrigated land in our state. Many of our members are involved in local and regional planning efforts to help meet current and future water needs, including watershed councils, soil and water conservation districts, and federal supported programs (US Bureau of Reclamation, Natural Resources Conservation Services).

I also served on the HB 5006 (2021 Session) Workgroup and several related subgroups that discussed "State-Supported Regional Planning & Management" for 12 months. OWRC also participated in related but separate stakeholder conversations led by the Oregon Water Resources Department (OWRD) as part of legislative concept development. It is important to note that neither process resulted in consensus on specific bill language but there were many common themes. The current language in HB 3163 mirrors some aspects of those discussions but needs a bit of refining to better reflect stakeholder input and provide a clear and viable path for OWRD to expand the place-based planning program.

OWRC has been a stalwart proponent of funding programs supporting planning, feasibility, and implementation of multi-benefit projects addressing Oregon's complex water problems. Our association was heavily engaged in the creation of the OWRD Feasibility Study Grant Program, (SB 1069, 2008 Session); Water Project Grants and Loans Program (SB 839, 2013 Session); and the Place-Based Planning Pilot Program (SB 266, 2015 Session). Since the initial four pilots were selected there has been no funding to support new planning efforts and a formal statewide structure to support locally-driven regional water planning efforts is a crucial missing piece in Oregon's complex puzzle of water challenges.

In an ideal world, there is technical expertise and funding to support planning, feasibility, and implementation of collaborative, locally-driven, multi-benefit water supply projects around the state. These efforts are inclusive of interests within a unique place, informed by the best available information, structured to incentivize the best outcomes. In the current reality, there are only a few functional parts of this continuum and a general lack of capacity for communities to convene such efforts and for water related agencies to engage or provide technical data and agency expertise crucial to water planning efforts.

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

Funding for place-based planning should also be accompanied by a robust funding package that supports existing core agency functions, particularly water data (collection, useability, and accessibility) as well as capacity for agencies to participate in planning efforts and provide technical information requested by communities. Increased funding to support core functions of water related agencies is needed regardless of any planning program. However, if an agency does not have capacity (or has other priorities), communities should be able to access applicable data and other available information to help inform their planning efforts. Section 2. (6) of HB 3163 needs to be revised to ensure that communities can receive funding to support planning efforts even if an agency does not have the capacity to participate. The bill (or subsequent rulemaking) should also clarify how agencies can access place-based planning funds to support their engagement and/or technical support.

The concept of place-based planning should not be controversial; yet there is inherent tension in the spectrum of interests who worry about planning be forced upon them, being left out of the process, and/or not having support for their efforts moving forward. None of these outcomes are desirable and as a result, any statewide water planning grant program needs to leverage and catalyze voluntary community efforts with a structure, guidance and incentives that supports the best outcomes. There also needs to be viable financial and regulatory pathways for communities to take their planning efforts to the next stage and to show the value in going through a statewide structure. Furthermore, common themes from place-based planning efforts can help other areas of the state with water planning, inform updates to the Integrated Water Resources Strategy (IWRS), and provide lessons for other related efforts to ensure Oregon can meet its in-stream and out-of-stream water needs.

If interested stakeholders are unable to reach agreement on language changes to HB 3163 within the short legislative timeframe, we would be supportive of extending (and refunding) the existing Place-Based Planning Program to support local and regional water planning efforts. A rulemaking to implement HB 3361 can provide additional clarity on program elements such as how the grant program can be used by agencies to engage and support planning efforts, how themes from state recognized plans can inform updates to the IWRS, and other key elements that do not need to be addressed in legislation. Recommendations from the HB 5006 Workgroup could be discussed as part of the rulemaking and/or be added to OWRD's current guidelines, such as the recommended Community Engagement Guide and other non-statutory recommendations that received high support from workgroup members. We need to build upon what we have and provide communities with resources to better prepare for current and future water challenges.

A state-supported place-based planning program can provide the necessary resources to support an inclusive and transparent process, a consistent structure for communities to follow, and pathways for moving ideas into outcomes using. A refined version of HB 3163 and a subsequent rulemaking can provide the clarity needed to launch a statewide program that meets all of these needs.

We greatly appreciate Representative Helm and Representative Owens for advancing this legislation and we look forward to further discussion on this important issue.

Sincerely,
April Snell,
Executive Director