

DATE: April 20, 2023

TO: Joint Committee on Ways and Means Subcommittee on Natural Resources
Co-Chair Dembrow
Co-Chair Pham
Senator Anderson
Senator Frederick
Representative Holvey
Representative Bobby Levy
Representative Emerson Levy
Representative Owens

FROM: Oregon Water Partnership

RE: **SB 5539, 5540 (OWEB 2023-25 Budget)** – Continuity of funding for watershed resilience

Co-Chair Dembrow, Co-Chair Pham, and Members of the Committee,

Oregon Water Partnership (OWP) supports investments in the Oregon Watershed Enhancement Board (OWEB) that build on historic watershed resilience funding allocated during the 2021-2023 biennium.

We are a diverse partnership of statewide conservation groups with a common goal: to advocate for balanced water policies that ensure cold clean water to sustain healthy communities, livelihoods, and ecosystems. In 2022, we helped secure a \$25.6 million, first-of-its-kind state investment in programs and projects that enhance the drought resilience of Oregon's aquatic ecosystems, including \$10 million to OWEB's Flexible Incentive Account to restore streamflows through voluntary water acquisitions. Our priorities for the 2023 legislative session are to build resilience for Oregon's water future, bring water data into the 21st century, support smart water management, and protect and restore our waters.

As drought and flooding become more frequent and precipitation patterns shift across the state, investing in projects and programs that help prepare our watersheds for the next extreme weather event is critical. Significant investments during the 2021-2023 biennium helped kickstart a broad range of projects that increase ecosystem resilience and leverage historic federal funding, but many need more time and agency support to fully ripen. Continuation of grant funding and extension of position authority will ensure these projects can deliver benefits to communities across Oregon in the form of enhanced natural resilience to drought, flooding, wildfire, and heat waves.

We have reviewed OWEB's Agency Request Budget and the Governor's Recommended Budget (GRB). We have also offered [coalition input on HB 3124](#), the Bipartisan Drought Relief and Water Security (BiDRAWS) Package, as well as on many of the policy concepts it contains. While each of our organizations has its own priorities and perspectives on other components of OWEB's 2023-25 budget, **we are united in supporting the following investments to benefit nature and people in Oregon:**

- **POP 101, Agency Reorganization: Special Programs (not funded in GRB)** — 1.0 FTE (Special Programs Manager), \$386K GF. This new position will oversee special programs (including post-fire recovery and drought relief) and initiatives to leverage new federal funding for watershed restoration on behalf of the state natural resources agencies. *BiDRAWS Element #5-1.*
- **POP 150, Emergency Response/Recovery Program Continuity (not funded in GRB)** — Limitation of \$2.2 million in General Funds to continue 8.0 FTE limited duration positions is necessary to complete deployment of more than \$36 million in new legislative funding allocated during 2021-2023 biennium. *BiDRAWS Element #5-2.*
- **POP 201, Carryforward for General Fund Emergency Response/Recovery Grants (not funded in GRB)** — Carryforward of \$27 million in General Funds will allow time needed for grantees in local communities impacted by wildfire and drought to complete implementation of OWEB-funded projects that are underway. *BiDRAWS Element #5-2.*



- **POP 145, Water Acquisition Continuity (funded in GRB, only extends LD)** — Limitation of \$382K OF (Flexible Incentive Account) to continue 1.0 FTE (Water Acquisitions Coordinator) and convert to permanent position will enable the state to build a pipeline of voluntary water acquisitions (with companion POP 245). *BiDRAWS Element #5-3.*
- **POP 245, Water Acquisition Grant Funds Continuity (funded in GRB)** — \$9.2 million OF (Flexible Incentive Account) limitation to access funds allocated in 2022 session will support voluntary water acquisitions to improve drought resiliency (with companion POP 145). *BiDRAWS Element #5-3.*

Note on BiDRAWS Element #6-1: Irrigation Modernization: House Bill 3124 (BiDRAWS) requests \$70M of OWEB grant funding plus unspecified OWEB staff to administer these funds. Oregon Water Partnership recommends that “Irrigation Modernization” project implementation funding only be available to applicants that use the Allocation of Conserved Water Program to legally protect a portion of the conserved water, ensuring public benefit for public funds.

We believe the investments identified above are consistent with the 2023-25 Co-Chair Budget Framework general principles to Protect Vital Services, Get the Most for Every Dollar, Prioritize Investments in Key Areas, and Plan for the Future. Robust funding for the Water Acquisitions Program also meets the specific Natural Resources program area framework, ensuring “the continuation of existing critical programs and services” and targeting “any available resources for the Natural Resources program area in climate resilience, including wildfire and drought.”

Funding these items will leverage and build upon prior investments in the agency, and help OWEB achieve its mission “to help protect and restore healthy watersheds and natural habitats that support thriving communities and strong economies.” Members of OWP supported various investments at OWEB during the 2021 and 2022 Legislative Sessions. **We strongly support funding for 2023-2025 that will build upon these prior investments.**

Thank you for considering our request to fund these critical needs, and please contact us if you have any questions.

Oregon Water Partnership

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