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February 10, 2025

House Committee on Agriculture, Land Use, Natural Resources, and Water
Co-Chair Ken Helm,
Co-Chair Mark Owens,
Vice-Chair Sarah Finger-McDonald,
Oregon State Legislature

RE: Testimony in Support of HB 2169

Dear Co-Chair Helm, Co-Chair Owens, Vice-Chair Finger-McDonald, and Members of the Committee:

The Oregon Water Resources Congress (OWRC) is providing testimony in support of HB 2169, which will provide funding and resources to improve and enhance opportunities for water reuse projects in Oregon. The bill directs and funds the Oregon Department of Environmental Quality (DEQ), in consultation with other state agencies, to develop recommendations and technical resources for expanded development of beneficial water reuse projects in Oregon. HB 2169 ensures that the work funded in the 2023 session (HB 2020) is continued and provides state agencies with the necessary direction and resources to work together in addressing barriers to increased water reuse. Finding innovative ways to use and reuse every drop of water is essential to meeting Oregon's water needs and has a plethora of benefits to communities, agriculture, and the environment.

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 the state. There are numerous potential water reuse or recycled water projects around Oregon, several of which have opportunities to partner with irrigation districts and similar water supplier entities.

While there are a variety of potential projects involving districts, to date only one of our members has been involved in the successful implementation of a municipal water reuse project, the West Extension Irrigation District, which partnered with the City of Hermiston in the Umatilla Basin. This project required millions of dollars and nearly a decade to complete necessary studies, federal and state permitting, and resolve related regulatory challenges before the district could finally receive the city's highly treated and highly clean, Class A, recycled water and use that water for beneficial irrigation purposes. This project has been successfully operating since 2016 and helped clear the trail for other types of innovative water reuse projects. However, for most districts and potential partners in primarily small rural communities, the high likelihood of difficulty and lack of a clear regulatory path forward is a huge disincentive to attempt development of a water reuse project.

There are at least four different potential water reuse projects involving irrigation district partners in Oregon, including in the Willamette Valley, Central Oregon, and Southern Oregon. Each potential project has encountered a slew of regulatory barriers and technical questions not easily addressed by districts, their municipal and community partners, or the agencies themselves. While issues of water quality can be complex, there are some projects that are made unduly complicated by the rubric of state and federal laws that were not developed with water reuse in mind. HB 2169 will address these issues by building on the momentum of past legislative investment to identify recommended statutory changes, develop user-friendly regulatory guidance documents, and funding dedicated staff at DEQ and the Oregon Water Resources Department (OWRD).

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

OWRC is supportive of these types of innovative projects and recognizes increasingly frequent and severe droughts and population growth present challenges that cannot be solved by conservation alone. Today's water treatment and monitoring technologies make recycled water a viable water supply that could bridge demands for irrigation, manufacturing, and other water uses. Every drop of water that is reused helps relieve pressure on constrained surface and groundwater supplies, reduces energy use and related expenses to communities and individuals, and creates additional opportunities for innovative water quality improvement projects and other environmental benefits.

While water reuse and similar infrastructure projects can be expensive, this is one area where funding is not necessarily the biggest hurdle. The OWRD provides funding to explore the feasibility of water reuse projects, through the Feasibility Study Grants program, which requires a 50% cost-share match. There are also federal funding programs to support water reuse, such as the U.S. Bureau of Reclamation's WaterSMART program for Title XVI - Water Reclamation and Reuse. This program provides funding for identifying and investigating opportunities to reclaim and reuse wastewater and impaired ground and surface water. Funding is available to support the planning, design, and construction of water recycling and reuse projects in the seventeen Western States and Hawaii, in partnership with local government entities.

The Title XVI program and other water reuse related funding programs are severely underutilized in Oregon due to the myriad of regulatory hurdles for potential projects. Other Western states, particularly California, but also Idaho, Kansas, New Mexico, Oklahoma, Texas, Utah, and Washington) are actively pursuing water reuse and water recycling projects. However, the first hurdle to a water reuse project is funding out where to start and securing funding for permits and regulatory compliance is virtually impossible. HB 2169 would help reduce uncertainty around future projects and allow Oregon to better leverage funding for planning, feasibility, and implementation of multi-benefit water infrastructure projects, including various water reuse projects.

HB 2169 will help advance water reuse in Oregon by providing resources and guidance to the DEQ to identify unnecessary regulatory barriers, coordinate with other agencies to modernize how we manage treated wastewater, and to develop necessary technical resources to assist communities in project planning and permitting for innovative water reuse projects. This legislation is needed to support the development of new and expanded approaches to using recycled water, which is a key part of addressing Oregon's complex water challenges.

We urge you to pass HB 2169 and thank you for your consideration of our testimony.

Sincerely,
April Snell
Executive Director