

March 11, 2025

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

Re: Deschutes River Conservancy Supports HB 3806

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

Thank you for the opportunity to provide testimony on HB 3806. The Deschutes River Conservancy (DRC) is a 501©3 non-profit that restores streamflow and improves water quality in the Deschutes Basin using a coordinated, collaborative, and voluntary approach. Founded in 1996 as a consensus-based, multi-stakeholder organization, the DRC's Board of Directors includes diverse representation from tribal, environmental, irrigated agriculture, and hydropower interests as well as federal, state and local government. Together with our partners we have restored over 350 cubic feet per second of flows to our basin's rivers while increasing the reliability of agricultural water rights and operations, and water supply for cities.

DRC supports HB 3806. HB 3806 is an innovative tool necessary to better meet the full range of social, environmental and economic needs in an increasingly water-constrained environment. DRC and its partners in the basin have a long history of working together on multi-benefit solutions. The DRC helps irrigation districts implement aggressive canal piping and water conservation projects that increase reliability for farmers and put water instream. The DRC runs an instream leasing program that compensates water rights holders, protects water rights, and restores streamflow on a voluntary basis. The DRC also runs the Deschutes groundwater mitigation bank that helps supply water for growing cities.

The proposed water bank pilot builds on these existing programs and allows us to accelerate the use of market-based voluntary transactions to meet needs. HB 3806 is a highly collaborative proposal that balances the needs of the river, farmers, and growing communities. We have developed the bill to be a low-risk and time-limited pilot to increase the flexibility of moving water around the basin to where it is most needed.

The Deschutes Basin faces significant water shortages. No new water is available to meet existing instream and unmet out of stream demands. Voluntary market-based transactions will be a critical tool to ensure a sustainable water future for the basin. HB 3806 offers us a flexible

and voluntary tool, designed specifically for the water management context in the Deschutes Basin, to rise to these challenges.

Thank you for the opportunity to provide testimony.

Sincerely,

Kate Fitzpatrick

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