

## HB 3116 -2 amendments Testimony of WaterWatch of Oregon by Kimberley Priestley

## House Committee on Agriculture, Natural Resources, Land Use and Water March 19, 2025

Founded in 1985, WaterWatch is a non-profit river conservation group dedicated to the protection and Oregon's rivers and aquifers to sustain fish, wildlife, recreation and other public uses of Oregon's waters. We also work for balanced water laws and policies. WaterWatch has members across Oregon who care deeply about our rivers, their inhabitants and the effects of water laws and policies on these resources.

## WaterWatch opposes HB 3116-2 as currently drafted

HB 3116 -2 amendments would do a number of things, including directing OWRD to develop various reports and plans, develop a basin assessment prototype, develop data inventories and gap assessments and develop climate informed water budgets. The -2 amendments also directs appropriations to four entities to support implementation of four place-based plans (PBP).

While we are supportive of the development of a basin assessment prototype, data inventory/gap work, and development of climate informed water budgets, we have concerns with many other sections of the bill as currently drafted. We will address each section separately, including suggesting amendments.

Section 1, OWRD to develop and implement a plan to address recommendations of the HB 5006 Regional Water Management Workgroup and the Place Based Planning Evaluation: WaterWatch served on the Regional Water Management Workgroup and, as a member of two place-based planning groups, participated in the Place Based Planning Evaluation. We are supportive of many of the recommendations in these documents, however, it is unclear what the expectations are related to Section 1's directive to develop and implement a plan to address the recommendations of these documents given that some of the recommendations are mooted by 2023 legislation (HB 2010), 2025 legislation (HB 3116) and agency rules.

For example, in 2023 HB 2010 passed into law, despite the objections of some HB 5006 workgroup members, a requirement that Placed Based Plans (PBP) <u>must</u> be considered in Integrated Water Resources Strategy (IWRS) updates. This was a topic that was heavily discussed by the HB 5006 workgroup, with the final recommendation of that group landing on the permissive "may" not a required "shall", yet HB 2010 codified "shall". In another example, the Oregon Water Resources Commission recently adopted rules for PBP that do not require a neutral facilitator, even though that was a recommendation of the final HB 5006 Report. Similarly, this bill, HB 3116, directs appropriations to four entities to support implementation of PBP, which does not align with the HB 5006 Workgroup's recommendation that implementation funding be limited to "implementation coordination" not funding of actual projects.

Long story short, it is unclear what will be gained by the directive to develop and implement a plan related to these documents given provisions in HB 2010 (2023), HB 3116 (2025), and rules that contravene some of the recommendations. **Amendments to Section 1:** Unless the intent of the report is to ensure that workgroup recommendations are honored by all branches of state government, strike the directive to develop and implement a plan and instead simply direct the OWRD to move forward on the directives in subsections (1) and (2) relating to developing data inventories, identifying data gaps, and development of climate informed water budgets.

**Section 2, Production of a prototype for a water basin assessment:** WaterWatch is in support of the state's development of basin assessments, however the -2 amendments unnecessarily tie the development of a basin assessment prototype to Stewardship and Supply Initiative (SSI). The SSI is over 20 years old; many policies and priorities have evolved since this time. And while HB 2010 (2023) directed OWRD to develop an "updated scope", the legislature did not direct a public process or clearly indicate that the OWRD could expand beyond the original directives of the SSI to account for the full suite of modern-day issues. Long story short, by including a tie to the SSI, this bill elevates a decades old report over more relevant water planning documents such as the Integrated Water Resources Strategy. **Suggested Amendments to Section 2:** Strike the tie to the Stewardship and Supply Initiative. The OWRD has already done the scoping work for the basin assessments, the tie is unnecessary. Additionally, we would urge amendments directing funding to agencies for data collection, analysis and compilation needed for any upcoming assessments. And IT to make the data workable/accessible. Without adequate water data in advance of conducting the basin assessments the final assessments will be of limited value for planning and management purposes.

Section 3, Legislative Report on basin assessments, the water portal, and best practices from state supported water planning in other states: OWRD has limited staffing, far less than is needed to meet all its statutory duties. In our view, spending agency time on reports such as the ones outlined in HB 3116-2 are of limited value. Suggested Amendment to Section 3: We would suggest striking this section in whole.

**Section 4, Funding for Sections 1-3:** Section 4 directs \$1,000,000 to be deposited in the place-based planning fund to carry out the provisions of Sections 1-3 of the bill. We are supportive of funding Section 1(1) &(2) and Section 2, not Section 3. However, it is unclear if the funding provided is sufficient to carry out the directives of these two sections. The SSI estimates for the full scope of work for the basin assessments is upwards of \$7.55 million, but development of the prototype is not a line item in that document, so it is unclear what is needed for this work. Moreover, development of climate-changed water budgets for the entire state will likely cost far more \$1,000,000. Clarity on needed funding would be helpful. **Suggested Amendments to Section 4:** Limit appropriations to funding of the work in Section 1(1) & (2) and Section 2 only, and ensure that full funding of OWRD work directed by these two sections is provided, including data collection/analysis, IT modernization, and staff development of a basin assessment prototype and water budgets. Legislative directives without adequate funding put OWRD in an untenable position.

Section 5, funding to four recipients to support implementation of state recognized place-based integrated water resources plans: Section 5 provides funding to the Lincoln County Soil and Water Conservation District, High Desert Partnership, Union County, and the Gilliam County Soil and Water Conservation District to support implementation of state recognized place-based integrated water resources plans.

In March 2025, the Water Resources Commission adopted new rules to govern grants under the Place Based Planning Fund (HB 2010, 2023). Included are "Post Plan Coordination Grants" to support implementation coordination of state approved Place Based Plans. Months of work by the state and the Rules Advisory Committee (RAC) went into these rules.

Notably, the language to support implementation found in HB 3116 was rejected in that rulemaking. As such, it appears that HB 3116 is seeking to bypass both the scope and the checks and balances of the OAR 690-602 rules adopted by the Water Resources Commission less than a week ago and instead grants direct appropriations to support implementation of projects with no sideboards as to an implementation framework, implementation approach and/or process, fiscal transparency, adherence to state water project funding program requirements (e.g. the OWRD Water Project Grant and Loan Fund), and other important guardrails.

Long story short, the bill provides a blank check to entities with no detail beyond a directive to support implementation. This sets very bad precedent. **Suggested Amendments to Section 5:** Strike the direct appropriations to the four groups and instead, if the legislature wants to fund this work, deposit the money into the Place Based Planning Fund and earmark it for "Post Plan Coordination Grants" for these four groups that is allowed under the recently adopted rules.

**Conclusion:** We would urge further amendments to this bill to narrow it to the development of a basin assessment prototype, climate informed water budgets, data inventory and gap work, and data collection/analysis and IT modernization. Appropriations should be adjusted to ensure full agency funding needed to do this work. Additionally, if the legislature wants to fund additional implementation coordination work of the PBP groups, funding should be distributed through the rules adopted by the Oregon Water Resources Commission last week (Post Plan Coordination Grants).

Thank you for your consideration of our comments.

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