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Middle Fork Irrigation District 8235 Clear Creek Road Parkdale, OR 97041 Ice Fountain Water District 1375 San Giorgio Road Hood River, OR 97031 East Fork Irrigation District 3500 Graves Road Hood River, OR 97031

June 4, 2025

Senate Committee on Rules

RE: Testimony in opposition to Senate Bill 1153

To Chair Jama, Vice-Chair Bonham, Senator Golden, Senator Manning, and Senator Thatcher,

The City of Hood River, City of The Dalles, Crystal Springs Water District, East Fork Irrigation District, Farmers Irrigation District, Ice Fountain Water District, and Middle Fork Irrigation District provide agricultural, residential, commercial, industrial, and fire protection water throughout the Hood River Valley and the surrounding region. We are submitting joint comments based on our shared knowledge of water management in the Hood River Basin, as well as our shared acknowledgement of the collaboration and flexibility that will be needed within our region to continue to serve the needs of our community over the next century. As water managers, we know how critical transfers can be to addressing changing service needs, balancing a diversity of in-stream and out-of-stream uses, building climate change resiliency, and more. Senate Bill 1153 would make it significantly harder, to potentially impossible, for our Basin to respond to a changing environment and the needs of our community.

While our group appreciates that the proposed -5 amendment seems to remove the impacts to place of use transfers, we continue to have significant concerns about the impacts to transfers of places of diversion/appropriation. Water users do not undertake transfers in their place of diversion/appropriation lightly. Each of our organizations have invested hundreds of thousands to hundreds of millions of dollars in our existing water diversion/appropriation structures and the conveyance systems connected to those structures. Changing those places of diversion/appropriation is already incredibly costly and complicated, due to environmental constraints, permitting, construction implementation, and the logistics of connecting the existing conveyance system to a new source. Why would a water user undertake such a task, except in the instance that something unforeseen and/or catastrophic has occurred, such as the elimination of a diversion during a major flood or debris flow event, the contamination of a well, or some other natural/human-caused disaster?

The Hood River Basin is a very geologically active watershed, with events like the 2006 debris flow washing out not just existing diversions, but the land around those diversions, and often completely changing the location and course of a waterway. In such a situation, a water user will have few options about where a new diversion can be placed to 1) intersect the waterway, 2) have land to be built on, and 3) still intersect the existing conveyance system. Due to the basic reality that water flows downhill, diversions will almost always have to be re-built upstream, if they hope to intersect the existing conveyance system. Under Senate Bill 1153 and the proposed amendments, this would no longer be possible. What diversion of water would not contribute to a reduction in flow? And how could one prove that such a reduction would not result in loss of in-stream habitat and/or an increase in water quality impairment?

Senate Bill 1153 uses vague and undefined language (and often requires proving a negative), making it easy for this bill to open up transfers to long, complicated, and expensive data gathering and analysis (something neither water right holders nor OWRD staff have capacity for), protracted and expensive protests (which already have a years to decades long backlog), and/or a functional moratorium on timely and responsive transfers. Transfers are a critical tool for water right holders and water managers to respond to changing geologic, environmental, social, and economic conditions, that are likely to be significantly complicated, delayed, curtailed, or lost if Senate Bill 1153 is approved. Even just the prospect of years-long protests and/or difficult demands on existing water rights, that the community has relied on over the last 150 years, disincentivizes water right holders from managing water most efficiently.

In a similar vein, while our group is generally supportive of the increased inclusion of tribal review to the transfer process, with the stipulation that review timelines will not be lengthened, we do have a concern with the -5 amendment language that allows the transfer to be conditioned to avoid/minimize injury to sovereign rights, privileges, and <u>interests</u>. The inclusion of "interests" creates an overly broad criteria, with no clear definition and plenty of room for overuse/misuse. Surely any opinion/decision could be either in, or not in, the tribal interest, purely based on said sovereign nation stating as such, thus creating a huge unknown (and significant risk) on what potential conditions could be created as a result.

The proposed bill ignores the central difference between new water right applications and transfers to existing water rights. Namely, that communities, farmers, and other water right holders have built their lives and livelihoods, and invested millions of dollars, into the existing water rights. The "re-negotiation", invalidation, and/or the implementation of conditions that severely curtail or change those rights has real world implications on existing families and communities. Senate Bill 1153 undermines the ability of water users to rely on Oregon Water Law as a stable and secure system. All users (cities, rural residential, commercial and industrial, and agriculture) need water security for long-term planning and responsible investment.

Our group has been saddened, and frustrated, by the rushed and insular process undertaken to introduce and move this bill forward. While we are experts in our local water rights and water systems, we are not experts in state legislative proceedings. It is very difficult to provide relevant and timely feedback on a bill, or amendments, that you did not know were coming. And it is incredibly disappointing to hear that the Rules Committee would be holding a work session and/or vote on this bill before the testimony window from their public hearing has even closed (and before final proposed amendments have even been released to the public). Water rights in general,

and this bill's proposed changes to the system/process, are complicated. Even minor sounding changes can have major implications for the actual implementation of the system. While the Governor's Office claimed an extensive engagement effort prior to and during this session, there has been no outreach to or input from individual water right holders/managers (including all of our organizations).

We urge you to vote against Senate Bill 1153, and hope there will be significantly more engagement with water managers throughout the state in any future conversations around possible changes to the operations and implementation of Oregon's water rights management processes.

Thank you,

City of Hood River City of The Dalles Crystal Springs Water District East Fork Irrigation District Farmers Irrigation District Ice Fountain Water District Middle Fork Irrigation District