

SB 839

Testimony of WaterWatch of Oregon Submitted to the Senate Committee on Environment and Natural Resources April 10, 2013

Founded in 1985, WaterWatch is a non-profit river conservation group dedicated to the protection and restoration of natural flows in Oregon's rivers. We work to ensure that enough water is protected in Oregon's rivers to sustain fish, wildlife, recreation and other public uses of Oregon's rivers, lakes and streams. 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 position: Additional improvements are needed

WaterWatch urges the Committee to amend the bill in two areas:

1. For grants, require that 25% of water diverted for new or expanded below ground storage projects dedicated instream.

For grants, SB 839 requires 25% of water in new or expanded <u>above ground</u> storage projects to be dedicated to instream purposes. The bill does not have the same requirement for new or expanded <u>below ground</u> storage projects.

Whether below or above ground, diversion of water for storage projects has the same impact on flows in our rivers and streams. We support SB 839'd requirement that new above ground storage project dedicate 25% of the newly developed water instream. Given that these are public dollars that will be supporting private projects, dedicating a percentage of the stored water instream is good public policy. That said, it makes no sense, from either a resource or a public policy perspective, to apply this requirement only to above ground storage, as opposed to <u>all</u> storage—both above and below ground.

Some have argued against this provision on the ground that it might be too hard to dedicate water instream from an underground storage project. SB 839 allows the water that is dedicated instream to come from sources other than the storage project and even to put the water instream in other streams in the watershed. This flexibility addresses the stated concern.

The requested requirement can be achieved by making one change to SB 839 as introduced:

Page 5, lines 3-5: Section 8(1) The recipient of a grant from the Water Supply Development Accounts must agree to the conditions set forth in subsection (2) of this section if the grant is for the development of a new or expanded above-ground or below ground storage facility.....

2. Environmental benefits should be more heavily weighted in the ranking of projects.

Under SB 839, project applications are ranked based on social, economic and environmental benefits. Under the bill, these are all deemed of equal importance. It is WaterWatch's position that a greater emphasis should be placed on the environmental benefits of these projects.

The SB 839 fund is aimed at water development projects. In other words, these projects are all about water. Water, by statute, belongs to all the people of Oregon. Streams, rivers and underground aquifers across the state have been severely degraded from past mismanagement of our water resources. State and federal agencies, tribes and private and public entities are spending millions of dollars annually trying to restore Oregon's streams and aquifers, and stabilize our groundwater resources. If Oregonian's are now going to sanction state dollars to fund new water development projects, as a matter of public policy, these projects should help restore Oregon's waters. The only way to ensure that environmental benefits are a key component of this new funding mechanism is to more heavily weight environmental benefits in the project application ranking. Those projects with the greatest environmental benefits should be prioritized for funding.

This can be achieved with two changes to SB 839 as introduced;

Page 4, line 6 and 7: The system shall be designed to provide funding for projects having the greatest public environmental benefit.

Page 4, line 29 and 30: The department shall issue loans or grants to projects that the department determines have the greatest overall environmental benefits.

Contact: Kimberley Priestley, Sr. Policy Analyst, 503-295-4039 x 3, kjp@waterwatch.org