

**Written Testimony before the House Committee on Agriculture and Natural
Resources, on HB 3358
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Founded in 1968, the Oregon Environmental Council (OEC) is a nonprofit, nonpartisan, membership-based organization. We advance innovative, collaborative solutions to Oregon's environmental challenges for today and future generations.

Co-chair Witt and members of the committee:

Oregon Environmental Council opposes HB 3358 as written, which allocates \$5 million in lottery dollars for the purposes of fulfilling existing mitigation obligations in the Deschutes Basin.

We have heard that amendments have been drafted that would radically change this bill, but we have not seen those amendments, so we are forced to go on the record in opposition to the bill as written.

First, it is a fairly standard principle that public grant dollars are invested in making environmental advancements beyond regulatory requirements, not meeting existing mitigation obligations. Mitigation costs should be factored into the budget of projects that create the environmental harm that must be mitigated for.

Second, the bill specifically states that the Water Resources Department may not require that any additional public benefits be created through the use of this \$5 Million in public dollars; that the funding may only be used to expand water supply and mitigate for groundwater use. We believe it is unreasonable to expect that public dollars should be granted without providing benefits to the public.

As drafted, this is a staggeringly unbalanced bill that flies in the face of efforts statewide and in the Deschutes Basin to develop more collaborative approaches to managing our water resources to meet multiple needs for Oregon's environment and economy.

While we support the good work that is taking place in the Deschutes Basin to restore streamflows and fish populations, improve water conservation and efficiency, manage groundwater, and make water available for beneficial uses, we do not support HB 3358 as originally drafted.

We do support state funding to conduct a Comprehensive Basin Study in the Deschutes Basin, and we support the latest version of SB 839, which would provide state match for the Deschutes Bureau of Reclamation study. Because that need is being addressed in that statewide water supply development funding bill, we do not think there is a need for a Deschutes-specific water funding bill.

In summary, OEC will work with partners in the Deschutes Basin to advocate for state match funding for the Deschutes Basin Study, but we cannot support HB 3358 as drafted.