

Kerns Rainbow Ranch, Inc.
45917 Quail Road
Haines, OR 97833
April 15, 2013

Senate Committee on Environment and Natural Resources
State Capitol
Salem, Or 97301

RE: Urge NO vote on SB 217

Dear Chair Dingfelder and Committee Members,

We urge a NO vote on SB 217 for several reasons:

1. It is a "tax" on agriculture and rural homes who use domestic wells;
2. It disproportionately impacts the more arid (east) side of the state where crop and livestock production are critically dependent on irrigation water;
3. The exemption of municipalities or providers for municipalities is grossly unfair;
4. It further erodes competitiveness of the agricultural industry in Oregon vs. its neighbors of California, Idaho and Washington; (see 2013 Board of Agriculture report to the legislature for data on differences in costs of doing agricultural business in Oregon vs. our neighbors)
5. The Water Resources Department does not have the staff to implement this massive undertaking. Water rights are apportioned to the land. In many cases the present landowner and legal water user is not the same name as the issuing name on the permit or certificate.
6. Recording of the non-payment liens by the 36 county clerks puts an additional financial cost on the counties, which many can ill afford. This amounts to an unfunded mandate on each county clerk office.

The proposed amendment makes some improvements in the bill in that it:

1. Adds a maximum of \$2500 for municipalities, thus leveling the playing field;
2. Forbids the WRD from regulating or limiting the use of water for non-payment of the fee;
3. Adds regional distribution to the monies collected.

Although the amendment makes some positive improvements, this is still a bad bill, and will impose a huge manpower requirement on the Water Resources Department, for which they are ill prepared.

Matching names on old water rights to present landowners will require not only manpower, but a whole new record keeping and record processing focus. For example, many of our water rights date back to 1868, and those original landowners/water right filers are long gone. Only the filings that we have done since we became owners and are in our names and will match to present management.

Additionally, the sheer job of matching absentee landowners with old water rights, and present operator tenants will be a next to impossible job, and will lead toward a high incidence of non-payment with liens attached.

If there is a problem of water rights management, then the local water master offices are the place to make the "fixes" – not do a massive state law that fixes a problem that may not be universal across the state.

We urge you to VOTE NO on SB 217. It is a concept that needs a lot of thinking and "test driving" prior to rolling it out in law. We also do not believe that this additional layer of water right management is needed, or necessary. We believe this is a "solution in search of a problem".

Sincerely,



Tim and Jan Kerns

Baker County ranchers/farmers