



**WATER RESOURCES DEPARTMENT
TESTIMONY – SB 217**

**Before the Senate Committee on Environment
& Natural Resources
Senator Jackie Dingfelder, Chair**

INTRODUCTION

Water Resources Commission (WRC) deeply concerned about **declining WRD Resources**



Wanted to develop a **more stable** revenue source for Water Resources Department

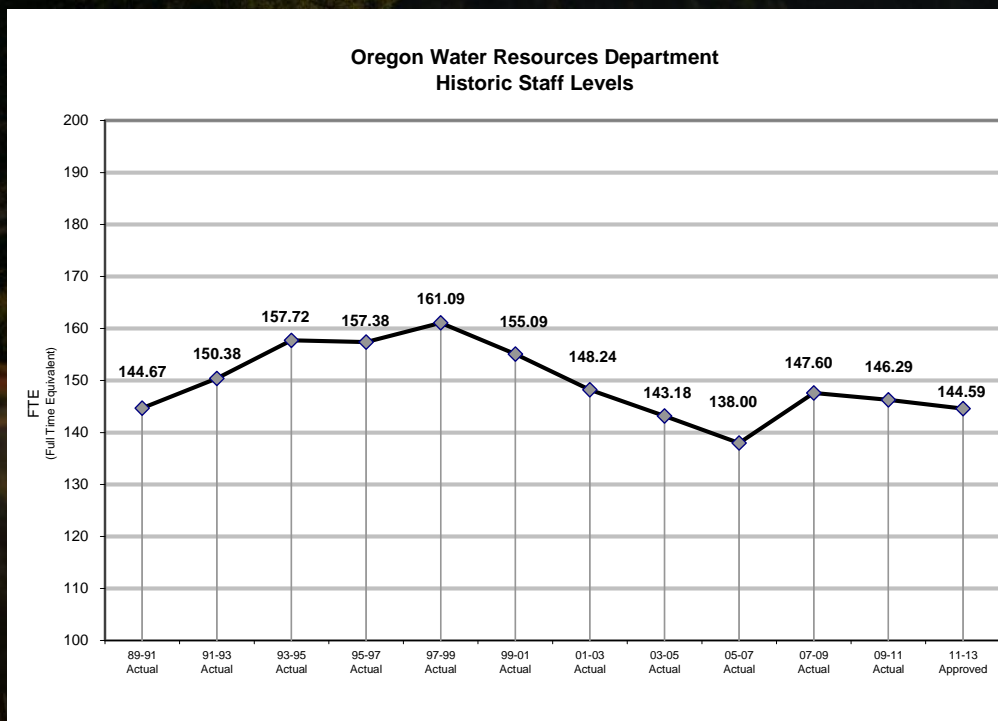


Began a process in 2010 to find ways to stabilize Water Resources Department Revenues

HOW DID SB 217 COME ABOUT?

- Water Resource Commission appointed a subcommittee
- Met with stakeholder organizations
- Developed an extensive list of funding options
- Evaluated options, based upon these principles:
 - 1) User pays
 - 2) Fees should be structured as equitably as possible
 - 3) Fees should be used for the purpose for which collected
 - 4) Collection of fees must be logistically possible

WATER RESOURCES DEPARTMENT GF BUDGET



Today, WRD operates at a smaller capacity than it did 20 years ago

WRD in the 1990's: 160 staff, & 40 county-funded staff

2012: 144

15

THE RESULT:

- Less Efficient Distribution of Water
 - Slower Response in the Field
 - Processing Backlog
- Less Ability to Develop Scientific Data for Decision Making

THE PROCESS

Water Resources Commission looked at: Models from Other States

Annual Flat Fees



ALASKA

Began in 1996, collected from more than 2,200 water users

\$50 annually for all permit/certificates holders

No fees: state agencies, instream rights, or domestic users



IOWA

\$95 annually for all water user permits

No fee for water storage permits, and minor recurring water use permits



WISCONSIN

Began in 2010

\$125 for any person with capacity to withdraw 100,000 gpd or more within any 30-day period, or 50 million gallons per year within Great Lakes Basin

THE PROCESS

Models from Other States

Annual Sliding Scale Fees



CALIFORNIA

Established 2003-04

\$150, or 5 cents per acre-foot, whichever is greater

Calculated as permitted rate x length of season

Challenged in court, online 2011



MINNESOTA

\$140 minimum, plus \$3.50 for each million gallons, beyond 50 million gallons.

Dollar cap for those with multiple permits



OKLAHOMA

Annual maintenance fee based upon amount of water authorized

Payments range \$10-50 per right.

THE WATER RESOURCES COMMISSION RECOMMENDATION

After Careful Review

Water Resource Commission directed staff to work with the Governor's Office and Legislature to pursue a water right management fee during 2013.

THE WATER RESOURCES COMMISSION RECOMMENDATION

Senate Bill 217

(Annual Fee)


- Annual fee charged to water right holders (permits, certificates, decreed rights)
- \$100 per water right
- Cap of \$1,000 for all but municipal water providers
- Workgroup met 2012-2013 to examine:
 - Most equitable and practical fee structure possible
 - Logistics
 - Service delivery

WHAT WOULD A FEE SUPPORT?

FIRST BIENNIUM – PROGRAM IMPLEMENTATION

- 1) Update water right records
- 2) Develop IT/Billing systems
- 3) Service delivery enhancement

SUBSEQUENT BIENNIA

- 1) Stable long-term source of revenue
- 2) Enhanced service delivery 
 - Data for decision making
 - More timely field presence
 - Increased emphasis on local solutions

AMENDMENTS THAT HAVE BEEN PREPARED

- 1) Include a \$2,500 cap for Municipal Water Providers
- 2) Clarify that the fee would not apply to exempt use wells
- 3) Clarify what happens in event of non-payment

REVERSING THE DECLINE IN INVESTMENT

Conclusion

The Water Resources Commission concluded that an annual water right management fee is a reasonably equitable and practical way to stabilize funding and improve service.

Directed WRD to pursue SB 217

REVERSING THE DECLINE IN INVESTMENT

Conclusion

If Enacted, SB 217 Could Provide:

- More watermasters in the field
 - to better protect senior rights and settle disputes
- Better information for decision making
 - Increased groundwater data
 - Increased surface-water data

Thank you



www.oregon.gov/owrd