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TO: Chair Dingfelder and Senate Environment & Natural Resources Committee

RE: OCA Comments for SB 199

Oregon Water Resources Department introduced SB 199 with the intent to only eliminate the sunset provision from 2007. The split leasing program has been in place since 2001 as approved by the Legislature. In 2007 the Legislature approved extending the program to January 1, 2014.

The Oregon Cattlemen's Association (OCA) believes the program provides an opportunity for split leasing, and temporary and permanent transfers that benefits in-stream uses where there would not otherwise be the opportunity. The OCA would support the original intent of extending the sunset, but the added language injected a cloud of uncertainty concerning the protection of other water right holders.

OCA will support SB 199 if the -1 amendment is the only amendment added to the final version passed out of the committee. We support the -1 amendment for these reasons:

- Removal of "acquire" and using present language in statute
- A six year sunset provision is included to maintain the program as temporary program
 that is not yet broadly used and needs to be reviewed again and approved by the
 Legislature if it is to continue.
- The lease provision may not be renewed more than once, which maintains the temporary provision of the bill unless there is a purchase.
- The differentiation between leasing and temporary transfers must be maintained which the -1 amendments succeeds in doing.

OCA believes the -1 amendments protect the beneficial use of water as intended and it also protects those holding water rights where split leasing is being used.

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