

Testimony of Jerry Schmidt

HB 2259

Government Relations

Oregon Ground Water Association

House Committee on Agriculture and Natural Resources

March 14, 2013

Background

Chair Witt and committee members, for the record, my name is Jerry Schmidt. My company, Oregon Water Consultants LLC currently is under contract with the Oregon Ground Water Association to represent their interests in matters before the 2013 Legislative Assembly. The Oregon Ground Water Association's membership includes: consultants, hydrogeologists, engineers, well contractors, geotechnical drillers, pump installers, water treatment facilitators, certified water rights examiners, and manufacturers and equipment suppliers. The association has been active in the protection and development of our state's ground water and has long been an advocate for better management and data collection.

No better case illustrates this effort than the introduction and passage of HB 3456 in 1993 at the request of the Oregon Ground Water Association. The bill authorized the Department to use the surplus funds (\$689,000) from a dedicated fund (start card) established to oversee well construction. The start card fund was established in 1989 by HB 2172 and required a fee to be paid when the Water Resources Department received a report that a new well or conversion was about to occur. This effort sought to improve the state's well inspection program and also included language to protect well owners from multiple levels of governmental regulation. The legislation authorized under HB 3456 allowed a one-time use of the start card fund to facilitate a change from well reports using a paper format into a digital realm that allowed the retrieval of information from any location. This was a huge improvement in the access and retrieval of information needed for property transfers and for the general public.

HB 2259

The Department sought support from the Oregon Ground Water Association in 2009 for SB 788, which made some drastic changes to the fee structure the Water Resources Department charges for their services. The Department made a personal appeal at that time in front of the Oregon Ground Water Association's Board of Directors for their support. As the discussion moved around the table, the Director heard from various board members that the industry was reeling. The discussion included statements from manufacturers that had to close regional offices, the impacts that had placed many drilling contractors out of business, and that the industry was still in a state of decline. The point was made to the Department that the number of water wells being completed had fallen by 50% from the levels established in 2005. The OGWA took the position that it could not endorse an increase in fees and stated their concern over the impact that this might have on the industry, the public, and the general economy of the state.

HB 2259 is now before you seeking your support for increased fees from those established in 2009 by SB 788. Most of the people impacted by these fees represent small business owners who will have to absorb the costs. The Department has also acknowledged that the overall rate for applications to transfer the use of water has also declined over the past 10 years. In addition the ground water industry has also seen significant declines in this same period for the completion of geotechnical reports and completed monitoring wells. Our position is that the Water Resources Department does not need to place an increased burden on small businesses through increased fees in a market which is still in a state of decline.

Completed Water Well Reports

