



222 NW Davis Street  
Suite 309  
Portland, OR 97209-3900  
503.222.1963  
[www.oeconline.org](http://www.oeconline.org)

## **Testimony to the Senate Environment and Natural Resources Committee Supporting House Bill 2400**

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**Angela Crowley-Koch  
Oregon Environmental Council**

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.

House Bill 2400 represents the work of a stakeholder task force that has been developing a program to fund water supply development projects that provide environmental, social, and economic benefits. The program was created in the 2013 session under SB 839, and HB 2400 is essentially a housekeeping bill making a few corrections.

The most significant correction in the bill is fixing a loophole that would have allowed project proponents to apply for funding after receiving their water storage permit, therefore making their permit not "new" as defined in SB 839, and not subject to the seasonally varying flow (SVF) requirements. This loophole was an unintended consequence of the flurry of amendments made to SB 839 before it passed. The 839 task force agreed this winter that all storage projects that receive 839 funding and trigger SVF requirements based on project size and location should be subject to the SVF requirements, regardless of when they get their storage permit. This bill makes that correction to 839. The intent was that SVF's apply to new projects receiving funding.

Fixing this loophole is critical to allowing this new funding program to operate as intended. If HB 2400 does not pass, the loophole would allow projects to be built using state funding without complying with a fundamental environmental component of the water supply development program. The environmental community could not support state investment in water storage projects without protection of seasonally varying flows, so passage of this bill is essential.

This bill only applies to projects that apply for and receive state funding through the SB 839 program. It has no effect on any other water permits. We urge you to support HB 2400.