

HB 5005

Testimony before the Joint Ways and Means Capital Construction Subcommittee

May 8, 2015

The Nature Conservancy is the world's leading conservation organization, working in all 50 United States and 35 countries across the globe. In Oregon, with the support of 32,000 members, we own 44 preserves and have helped protect more than 511,000 acres of critical habitat since our chapter began in 1961. We are guided by innovative science and thrive because of effective partnerships. We bring people together to find solutions that protect nature and promote the social and economic vitality of the communities in which we work.

The Conservancy opposes Section 1 (8) of HB 5005 allocating \$30,520,000 in Article XI-I (1) general obligation bonds for the Water Resources Department to recapitalize the constitutional Water Development Loan Fund. We are not opposed to new water development projects. Our concern is that this fund was created many years ago, has not been used for decades and thus does not represent the most up-to-date, science-based approach to determining which water development projects are worthy of state investment. It does not carry the same requirements for a balanced approach between social, economic and ecological needs as more recent legislation, and will therefore not result in assuring that funds are directed to projects that meet the greatest needs and provide the greatest good.

The Conservancy recognizes the need for sound management and a strong state role in helping to finance projects that provide for the water requirements of both nature and people. That is why we were part of a broad coalition of interest groups that came together to develop a grant and loan program, codified in SB 839, which provides a funding mechanism for water projects that provide economic, social and environmental benefits. This coalition brought modern day thinking to the age-old problem of how to meet our collective water needs. This modern day thinking recognizes that the approach for allocating our remaining available water resources should consider a balance between out-of-stream needs and instream needs, as described in the state's Integrated Water Resources Strategy. Moreover, this forward thinking coalition of diverse interests recognized the most up-to-date science on stream health and agreed that during the time of year in which water might be allocated for storage, we need to ensure a variable flow regime if we wish to protect the ecological and biological resources which Oregonians greatly value. This approach is unprecedented, and the Conservancy is proud to have been a part of it.

In closing, while we support state investment in balanced water development projects that are necessary to meet the present and future water needs of Oregon's people and its ecological resources, we do not feel that recapitalizing this outdated funding program in its current form represents the best water policy decision for a 21st century paradigm. As always, we are open to discussions about how to meet the needs of all interests and welcome the opportunity to explore ways to use this program and the associated bond revenues in a manner that recognizes the modern balanced approach to allocation of water resources.

For questions, please contact Amanda Rich or Leslie Bach.