



OREGON
ASSOCIATION OF
NURSERIES

**Testimony before the House Rural Communities, Land Use and Water Committee
House Bill 4113 – Establishing a Task Force on Drought Emergency Response**

By Jeff Stone, Executive Director
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Chairman Clem, Vice-Chairs Helm and Post, members of the committee, my name is Jeff Stone and I serve as the Executive Director of the Oregon Association of Nurseries. I am pleased to lend the nursery and greenhouse industry's support to House Bill 4113, which will create a Task Force on the critical issue of drought emergency response.

The Economic Footprint of the Nursery and Greenhouse Industry

The nursery and greenhouse industry is the state's largest agricultural sector, and is finally seeing a resurgence following years of significant economic declines during and after the great recession. Oregon's nursery industry now ranks second in the nation, with over \$830 million in sales annually to customers in Oregon, the rest of the United States, and abroad. In fact, nearly 75% of the nursery stock grown in our state leaves our borders – with over half reaching markets east of the Mississippi River. We send ecologically friendly green products out of the state, and bring traded sector dollars back to Oregon.

Nursery association members represent wholesale plant growers, Christmas tree growers, retailers, and greenhouse operators. Our members are located throughout the state, with our largest nursery growing operations found in Clackamas, Marion, Washington, Yamhill and Multnomah Counties.

Water is the lifeblood of our industry

Our members depend on reliable access to clean, plentiful water to irrigate their plants. Our members have spent generations as stewards of the state's natural resources. We believe that economic vitality can go hand in hand with sustainability and long-term environmental health. We are deeply committed to a forward-looking state water policy that recognizes the importance of investing in our state's water future for the benefit of all our citizens.

2015 was a wakeup call on the drought issue

The effects of the 2015 drought were far-reaching and brought much needed attention to the critical issue of water supply in Oregon. The OAN participated in Governor Brown's drought meetings during the past year. Those meetings, candidly, were about how to cope with the emerging drought and coming to grips with the severity of water supply in all parts of our state. Twenty-five of the 36 counties in Oregon received a State drought emergency declaration and state agencies scrambled to respond. Many water users, especially those in the nursery industry, are dependent on abundant water resources to grow their product. While Oregon has seen significant rain over the past few months, the issue facing the state in the coming years should not be ignored.

According to the U.S. Drought Monitor, 74% of the state continues to experience moderate to extreme drought. The short-term forecasts indicate that snow pack will continue to be low and that winter precipitation will fall as rain rather than snow. If the state is not prepared or willing to examine water storage options that could help us respond to a changing climate, Oregon's citizens and the environment will suffer.

Oregon Legislature action is critical

The OAN has been a strong proponent of integrating the development of new water storage with conservation incentives. Our industry has been using both tools to meet both short-term and long-term water supply demands, and we believe that they are critical to drought adaptation in the future.

This body took an important step toward that future in 2013, when it passed SB 839, creating the Water Supply Development Fund. Oregon's nurseries were one of the primary supporters of Senate Bill 839, and we remain convinced that it is a good initial step. In 2015 the legislature demonstrated its commitment to the future by funding \$50 million in water infrastructure. This is a tremendous start and we sincerely hope it will be the first of many investments in water supply and drought resilience. Our neighboring states are well ahead of us; Washington invested \$250 million in water development in the Columbia Basin, while California – perhaps the poster child for drought and a cautionary tale for waiting too long – has committed to invested well in excess of \$7 billion in water infrastructure.

The Task Force needs to bring back a game plan in 2017

The establishment of a task force is normally reserved as a political solution to a thorny problem – a way to gather more information and defer a decision. However, the OAN views House Bill 4113 in a different light. The work to date by several stakeholders provided advice to the Governor and state agencies about how to deal with a severe drought situation. This task force needs to get to solutions, discuss and recommend tools, data needs, quantification of the impact of drought on industries, and how best to craft an emergency response capacity (both in policy and financially) to foreseeable and unforeseen water problems. We are a water dependent industry and it is in the nursery

and greenhouse industry's best interest to be part of a solution instead of bracing for a problem.

This task force could be the beginning of a concerted effort to examine needs for above ground and below ground storage, groundwater evaluations in all 36 counties, quantification of water infrastructure needs, and enact policies that balance municipal, agricultural and environmental benefits.

HB 4113 should initiate an effort to gather information that can be used by the Oregon Legislature to create a strategy that can serve as a guide to the state's water policy. It is in that spirit that the OAN supports the creation of a task force on drought emergency response.