



July 21, 2020

Co-Chairs Rep. Reardon and Sen. Taylor
Ways and Means Subcommittee on Natural Resources

Re: Co-Chairs Rebalance Plan

Dear Co-Chairs Rep. Reardon and Sen. Taylor and Members of the Committee,

Thank you for the opportunity to present testimony on the Co-Chairs Rebalance Plan for Agency Reductions (Plan). My name is Chandra Ferrari and I represent Trout Unlimited (TU), a non-profit organization dedicated to the conservation of cold-water fishes, such as trout and salmon, and their habitats. TU has more than 300,000 members and supporters nationwide including over 3,000 in Oregon.

TU understands the difficult budget environment that exists and appreciates the work of the Committee to articulate a path forward that keeps critical natural resource programs intact. However, TU is concerned that certain reductions will significantly affect the State's ability to sustainably manage its water resources with ramifications that could be irreversible or take significantly more resources to remedy. Ensuring sufficient water quality and quantity is a necessary component of achieving a secure and resilient water future for all Oregonians. Accordingly, TU respectfully requests that the Committee reconsider certain proposed cuts to both the Oregon Water Resources Department (OWRD) and Oregon Department of Environmental Quality (ODEQ) budgets that relate to science, information-gathering and watershed management.

Specifically, for OWRD, TU requests reconsideration of the proposed cuts to the groundwater study work, streamflow gauging, hydrotech and field staff (water masters) found in Items # 313, 315, 317, 318, 321 and 323 of the Plan. TU understands that these reductions in combination with OWRD's projected legal costs, will result in layoffs of up to 15 staff. For an already resource-stretched agency, such an outcome would have a devastating impact on its ability to manage Oregon's water resources. For ODEQ, TU requests reconsideration of the proposed cuts to the water quality laboratory and permitting program (which also encompasses cuts to its nonpoint source programs and watershed management activities) found in #231, 232, 233, 234, and 235 of the Plan. TU is particularly concerned that the proposed cuts to ODEQ's water quality program are at such a level that staff layoffs will be unavoidable. As a result, ODEQ will have even less resources to address Oregon's significant water quality challenges; more than 44 percent of Oregon's river miles are currently water quality impaired. *See* ODEQ's 2018/2020 Integrated Report available at <https://www.oregon.gov/deq/wq/Pages/2018-Integrated-Report.aspx>.

While TU understands that reductions are necessary, it is vital that OWRD and ODEQ maintain sufficient capacity to ensure that Oregon's water resources are sustainably managed, resilient to the challenges presented by climate change, drought conditions and increased populations and able to provide drinking water, fish and wildlife habitat and recreation opportunities into the future.

Thank you for the opportunity to testify.

A handwritten signature in cursive script that reads "Chandra Ferrari".

Chandra Ferrari
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To: Joint Committee on Ways and Means Natural Resources Subcommittee

From: Sharla Moffett

Date: July 24, 2020

Re: Testimony Supporting Budget Rebalancing Plan

Co-Chairs Taylor and Reardon and members of the committee,

My name is Sharla Moffett. I am Director of Energy, Environment, Natural Resources and Infrastructure at Oregon Business & Industry (OBI). We represent more than 1,600 employers across Oregon who employ more than 300,000 Oregonians.

OBI understands the difficult budget climate which requires the legislature to prioritize increasingly limited resources. For natural resource agencies, that means prioritizing many of the core programs. As a result, we support continuing general fund investments in our core water, air, and land quality programs while delaying implementation of the Cleaner Air Oregon program.

In view of the historic economic downturn caused by the Coronavirus pandemic, agency budgets must reflect the state's highest priorities for addressing the challenges we face as the catastrophic economic impacts related to the current health crisis. All agencies and programs are having to make very difficult choices about where to focus greatly reduced resources and we agree that implementation of Cleaner Air Oregon is not among the state's highest budgetary priorities given the austerity measures the Legislature must take in order to make do with much less.

Moreover, these austerity measures will set budget priorities for the state's 2021-2023 fiscal year. As happens every two years, businesses are asked to pay more through either fees or tax dollars to support state regulatory programs. Unfortunately, nearly all Oregon businesses are in distress and experiencing hardship. They are struggling to keep the doors open, pay their employees, keep their employees safe and address the dozens of previously unforeseen logistical and operational implications this pandemic has brought. Given widespread closures, decreases in production, employee layoffs, supply chain interruptions, production delays, depressed markets, demand crashes, restricted cash flow, massive capital uncertainty, and workforce and workflow disruptions, OBI does not believe this is the time to add to business's burden by seeking additional fee increases to cover the budgetary shortfalls in the permitting programs. These businesses are facing shortfalls of their own and increasing fees at this point imperils their ability to recover. Priorities should be set now to ensure the state does not need more fee dollars from struggling businesses.

The more we add to the heavy load being shouldered by business during these unprecedented times, the more we risk delayed economic recovery at best and additional business closures at

worst. OBI supports the proposed budget rebalancing plan that will delay implementation of Cleaner Air Oregon and requests that permit holders not be unduly burdened with fee increases to compensate for the state's revenue reductions.

Thank you for your consideration.