

Department of Fish and Wildlife

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Date: March 17, 2023

To: The Honorable Mark Meek

The Honorable Nancy Nathanson Joint Committee On Tax Expenditures



Senate Bill 130

Alan Ritchey, Fish Screens and Passage Program Manager Oregon Department of Fish and Wildlife

The Oregon Department of Fish and Wildlife (ODFW) appreciates this opportunity to provide background on Senate Bill 130 and voice our support to renew the fish screen and fishway tax credit. Oregon has made significant investments in fish habitat restoration throughout this state to improve the health of our fish populations. Fish screens and fishways are a critical component of these restoration efforts.

A fish screen is made of material (perforated plate, bar screen, or woven wire mesh) that is placed at a point of water diversion to physically prevent fish from entering the diversion. Many screens are custom built to accommodate site specific characteristics (examples of different kinds of fish screens are pictured here). Fish screens provide a direct and immediate benefit to fish by eliminating a source of mortality associated with water diversions. Many water diversions are located in waters with Endangered Species Act listed fish and other non-listed species that migrate downstream to feed and grow. This includes salmon, steelhead, redband trout, suckers, and lamprey. Without a properly operated fish screen, fish can enter gravity diversions or be entrained in pump intakes and removed from the river.

Fishways are devices that aid upstream movement of fish past an otherwise impassable barrier. These devices are custom built to account for site specific characteristics. Fishways allow fish to access habitat upstream of a barrier for spawning and rearing and are an important tool in improving the health of fish populations.

Under the current statute, taxpayers who install screens, fish bypass devices, or fish passage can be issued a tax credit for up to 50% of the taxpayer's cost to install such devices, up to a maximum of \$5,000. A certification must be issued by the department for the taxpayer to qualify for the credit.

This tax credit has been in place since 2021. From 2017 to 2021, there have been 39 projects totaling \$50,845 in tax credits. Since 2017, the tax credit has been used for one passage project and the remaining were various kinds of fish screening projects. The tax credit is most commonly used for pump screens.

For the period from 2017 to 2021, the total cost to the owner/taxpayer averaged \$2,600 per project with the total cost of the project averaging \$4,300.

Renewing the fish screening and fishway tax credit as described in SB 130 is a key element of the larger toolbox that ODFW uses to incentivize voluntary fish restoration actions.

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