

March 4, 2013

To: Senate Environment and Natural Resources Committee Members

RE: SB 425

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Chair Dingfelder, Vice Chair Olsen, and members of the Committee:

We are writing to voice our strong opposition of Senate Bill 425. We are a diverse group of water users from Oregon's agricultural and public water supplier communities with a common goal: to advocate for common sense water policies that move Oregon's economy, communities, and environment toward a secure water future.

We have grave misgivings about Senate Bill 425, which would establish a new public interest evaluation for water right transfers in Oregon. This bill serves only a narrow interest group and would create significant economic impacts to Oregon's citizens. Moreover, it would make the water right transfer process extremely difficult, if not impossible, to use in the future.

With the majority of Oregon's water sources fully appropriated, we will have to look increasingly to water right transfers as the method by which we make the best possible use of our scarce water resources in the future. Senate Bill 425 would make that extremely difficult by replacing the time-tested injury analysis with a new public interest test that is more stringent than anything currently in use by the Oregon Water Resources Department (OWRD) today.

Senate Bill 425 would prohibit OWRD from approving a transfer if the transfer would result in a loss of instream habitat for native fish or native wildlife in a stream reach that is NOT protected by an existing in-stream water right. This would create a new prohibition on transfers to protect instream values we have not previously seen fit to protect through the well-established instream water right acquisition process. Moreover, this "no loss of habitat" standard would be extremely difficult to evaluate and administer. Finally, it would represent a departure from over 100 years of established water law in Oregon by fundamentally altering our time-tested and court approved transfer law.

We urge you to vote against this bad bill.

Sincerely,

*Association Oregon Loggers, Inc.*

*Oregon Seed Council*

*League of Oregon Cities*

*Oregon State Grange*

*Oregon Association of Nurseries*

*Oregon Water Resources Congress*

*Oregon Cattlemen's Association*

*Oregon Wheat Growers Association*

*Oregon Dairy Farmers Association*

*Special Districts Association of Oregon*

*Oregon Farm Bureau*