



March 9, 2015

**To:** Chair Chris Edwards, Vice-Chair Alan Olsen, and Members of the Senate Environment and Natural Resources Committee

**RE:** Testimony in Support of SB 267-1, Extension of District Temporary Transfer Pilot Program

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Dear Chair Edwards, Vice-Chair Olsen, and Members of the Committee:

The Oregon Water Resources Congress (OWRC) is testifying in support of SB 267, with the -1 amendment. **SB 267 -1 will continue an important pilot program that provides much needed flexibility to irrigation districts so that they can efficiently deliver water resources to the farmers they serve.**

OWRC is a nonprofit association representing irrigation districts, water control districts, improvement districts, drainage districts and other government entities delivering agricultural water supplies. The water stewards we represent operate complex water management systems, including water supply reservoirs, canals, pipelines, and hydropower production, and deliver water to roughly 1/3 of all irrigated land in Oregon. OWRC has been promoting the protection and use of water rights and the wise stewardship of water resources on behalf of agricultural water suppliers for over 100 years.

### **Background & Need**

SB 267 -1 will extend the sunset of a program that allows fifteen specified districts to transfer irrigation water within their district using an expedited process through the Oregon Water Resources Department (WRD). The program allows for a less cumbersome application process that saves time and money and is only used for simple "place of use" transfers that revert to their original place at the end of the irrigation season. The districts are required to provide records, reports, and other information to local WRD staff and the headquarters in Salem as well as keep available at the district office. Participants still have to follow the standard water right transfer criteria but are able to put the water to use without going through a more lengthy and expensive review by WRD.

As an example, in early spring a farmer decides that he does not need irrigation water on Parcel A and through this program the district can transfer that water to another district farmer who needs that amount of water on Parcel B. After the end of irrigation season, the place of use for that water right returns to Parcel A and the farmer can decide what do with the water right next year. Weather, crop prices, and other circumstances factor into whether or not an individual farmer needs more or less water and sometimes these decisions are made just prior to irrigation season starting. The traditional temporary transfer process can take several months which is why having the expedited process through this pilot program is so crucial.

The transfer pilot program has little to no risk of water injury as it is only applicable to water transfers within district boundaries and requires the consent of the landowners whose water rights are subject to transfer. There are a variety of safeguards in place and WRD has the ability to discontinue a specific temporary transfer as well as an individual district's participation in the program. There are also ongoing efforts between WRD and OWRC to improve the pilot program's efficiency in anticipation of its eventual permanence. To date, there have not been any injuries to other water rights from the program.

## **History**

The program was created by the 2003 Legislature (SB 820) and originally had three participants. The program was extended in 2007 (SB 89) and further extended and expanded in 2009 (SB 664) to include the fifteen current districts, which are a geographically diverse set of small and large agricultural water suppliers. While WRD has been successful in reducing the backlog of pending applications, the traditional temporary transfer process has a more extensive review that doesn't fit these simple transactions and it can still take several months to be processed. This situation is untenable for a farmer that needs water during the current irrigation season and can be alleviated through participation in the district transfer pilot program.

Since the pilot program's inception, OWRC, the participating districts, and WRD have worked together to clarify and improve the program so that it meets the intent of providing districts with needed flexibility while ensuring responsible management of the water resources. Revisions have been made to the type and timing of various reporting mechanisms, including ensuring that the local Watermasters receive accurate maps showing the "from" and "to" lands involved in the temporary transfer prior to the changes occurring. There are also ongoing efforts to ensure that the reporting methods keep pace as mapping and other technologies change while allowing other districts to use more traditional methods as they upgrade computers and software capabilities.

OWRC and WRD also periodically provide training to the participating districts to ensure compliance as well as clear expectations for both districts and WRD staff. Additionally, there is open communication between WRD (headquarters and the local offices), OWRC, and the participants and a strong commitment to identify and address any issues that may arise in the pilot program as early as possible. This ongoing partnership, open communication, and commitment to dual education has been instrumental in making the program run smoothly for both district and WRD staff as well as providing the foundation for the program's permanence.

We would like the pilot program to become permanent and expanded to include more districts; however, since the expansion in 2009, the economic and water conditions did not yield the number of transactions we would like to have before making the program permanent. Furthermore, some of the districts that were added into the program needed time to learn more about the program before participating. Our districts are anxiously waiting for the 2015 Legislature to extend the sunset on this valuable program and expect to have a high rate of participation this irrigation season and in future years.

## **-1 Amendment**

The -1 amendment builds upon existing safeguards in the pilot program by adding language that clarifies that the water rights transferred under the program are for irrigation use and ensuring there is adequate transparency and notice of the program's use by districts. OWRC is supportive of the amended language because it elucidates some of the protections that are in place to ensure that these temporary transactions are in alignment with state water law and do not injure other water users. We also support the amendment because by addressing stakeholder concerns now we are making progress towards having the program as a permanent tool for districts to use in the future.

In summation, the district temporary transfer pilot program is very valuable tool for the participating districts and the farmers they serve. With the numerous benefits and minimal risks of this program we look forward to future legislative discussions about the permanence of this program. I have enclosed letters of support from several of the participating districts and all participating districts are supportive of the extension of the program and of SB 267 as amended.

**We respectfully request that you support SB 267-1 and help provide irrigated agriculture with the tools and flexibility needed to efficiently manage Oregon's limited water supplies.**

Sincerely,  
April Snell  
Executive Director