



April 28, 2015

**To:** Chair Clem, Vice-Chair Helm, Vice-Chair Post, and Members of the House Rural Communities, Land Use & Water Committee

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

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Dear Chair Clem, Vice-Chair Post, Vice-Chair Helm, and Members of the Committee:

The Oregon Water Resources Congress (OWRC) is testifying in support of SB 267. **SB 267 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 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 to 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.

## **Amendments in A-Engrossed SB 267**

The amended language included in the A-engrossed version of SB 267 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 and help provide irrigated agriculture with the tools and flexibility needed to efficiently manage Oregon's limited water supplies.**

Sincerely,  
April Snell  
Executive Director

# STANFIELD IRRIGATION DISTRICT

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April 28, 2015

Extending District Temporary Transfer Pilot Program

To Whom It May Concern:

The Stanfield Irrigation District believes that the Pilot Program has had a great impact to the District, Our District has many forty to eighty acre square fields. Most of our farmers have put in pivot/circle irrigation, which leaves the corners of the field dry. The Pilot Program works well in the district for the farmer to add up all of the corners and temporarily transfer this to another field (within our boundaries). This helps cut the cost of labor, time and materials to the farmer. They no longer have to purchase hand lines for each corner and send someone out to move them. This program also gives them the ability to diversify their crops.

The Pilot Program also works well with the elderly and widowers in our district with small tracks of land (0.50 —10.0 acres). They are able to maintain their water right even when they are no longer able to farm their land. If the District and State charge to temporarily transfer their right, they may not be able to afford it, and this program helps them keep their Water Right.

I, Ray Kopacz, have been the Manager of Stanfield Irrigation District for fourteen years. I believe in this Pilot Program and hope it is extended for another six years or longer.

Thank you,

Ray Kopacz

## April Snell

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**From:** Pam Watson <[pwatson@northunitid.com](mailto:pwatson@northunitid.com)>  
**Sent:** Monday, February 09, 2015 3:34 PM  
**To:** '[april@owrc.org](mailto:april@owrc.org)'  
**Cc:** Mike Britton; Vicki McKelvy  
**Subject:** SB664 RE: Help needed with Extending Irrigation District Temp Transfer Pilot Program

April,

North Unit Irrigation District, would like to see the pilot program for Senate Bill 664 continue indefinitely. The District had its largest amount of participants and acres for the 2014 water season and we expect to have the same for the 2015 water season. Our water users greatly appreciate the convenience and flexibility to make decisions on their crop changes. If this was not in place it would not allow them to make last minute decisions or changes because the alternative would be a lengthy and expensive process. The beneficial use aspect of the project is a great asset to both the water users and the District, it is a great way to serve both our needs.

District staff has a good working relationship with its water users and would like to continue with the option of SB 664.

Examples would be:

-A farmer wanting to plant a specialty seed crop but the only land available thru the seed company due to area specifications would be a piece of land without water rights, the farmer can move some of his water rights from another piece of land he is farming at not a great expense and last minute decisions can be made.

-A farmer has decided to sell his water rights, he is getting close to his 5 year nonuse, due to timing a temporary transfer is the best choice until the permanent transfer can be filed.

-A farmer wants relocate a portion of his water right on his land, but the cost involved with a permanent transfer is something he cannot currently afford . The farmer is getting close to his 5 year nonuse so he has decided to do a temporary transfer to another farmer.

If you have any questions please feel free to contact me.

Regards,

*at Vat404,*

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## SB 664 TEMPORARY DISTRICT TRANSFER PROGRAM

Leslie Clark  
Water Right Manager  
Central Oregon Irrigation District

Central Oregon Irrigation District operates and maintains two main canals and many laterals and sub-laterals (totaling approximately 450 miles), delivering 43,000 acres of water to over 3600 water users. Our deliveries vary in size from small rural subdivisions with appurtenances of 0.10 to 5 acres of irrigation water up to large farms with production crops and livestock operations.

Each year we are contacted by district water users that want to expand their irrigated lands and by property owners that do not currently have water rights but want to obtain them. Very few landowners with appurtenant district water rights want to permanently remove the water, which is causing the district a supply challenge.

We also have water users that do not want to irrigate their land for a multitude of reasons i.e. illness, lack of time, can't afford to improve their systems etc. but they do not want to permanently remove the water and lose the value to their property.

The SB 664 temporary transfer program has become an excellent tool in our toolbox. SB664 provides the district an easy way to help our water users meet their annual water needs. It provides the off-lands a way to receive beneficial use of their water right and the receiving landowners the water they need at a minimal cost, allowing them to contribute to the local economy through increased production.