

HOUSE COMMITTEE ON WATER

May 11, 2005 Hearing Room 357

1:00 P.M. Tapes 86 - 87

MEMBERS PRESENT: Rep. Bob Jenson, Chair

Rep. Jackie Dingfelder, Vice-Chair

Rep. Jerry Krummel, Vice-Chair

Rep. Phil Barnhart

Rep. Alan Brown

Rep. Billy Dalto

Rep. Carolyn Tomei

STAFF PRESENT: Sandy Thiele-Cirka, Committee Administrator

Elizabeth Howe, Committee Assistant

MEASURES/ISSUES HEARD:

SB 56 A – Public Hearing

SB 896 A – Public Hearing

SB 696 – Public Hearing

Review of Klamath Basin Adjudication: Process and Policy –

Informational Meeting

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
---------------	----------------	-----------------

TAPE 86, A

002	Chair Jenson	Calls the meeting to order at 1:10 p.m. Opens a public hearing on SB 56 A.
-----	--------------	----------------------------------------------------------------------------

SB 56 A – PUBLIC HEARING

006	Sandy Thiele-Cirka	Administrator. Provides background on SB 56 A.
014	Paul Donheffner	Director, State Marine Board (SMB). Submits written testimony (EXHIBIT A) and testifies in support of SB 56 A.
078	Rep. Krummel	Questions why carbon monoxide poisoning does not affect those riding in the boat. Inquires about a ski boom on the side of the boat.
084	Donheffner	States that riders are in front of the exhaust. Relates that in a stationary boat carbon monoxide can affect riders. Confirms that SB 56 A would not affect ski booms.
106	Rep. Dingfelder	Inquires about education to inform the public about the new law.
113	Donheffner	Relates that the SMB intends to aggressively educate the public and employees about the hazards and legality of these practices.
129	Chair Jenson	Questions who will be enforcing the law. Comments on the fine.
132	Donheffner	Responds that the sheriff's officers who are under contract with the SMB will enforce the law.
171	Rep. Krummel	Notes Section 3, regarding the difference between classes of violations.
179	Donheffner	Relates that most SMB violations are Class B. Explains the difference between classes.
195	Chair Jenson	Closes public hearing on SB 56 A. Opens public hearing on SB 896 A.

SB 896 A – PUBLIC HEARING

200	Sen. Bruce Starr	Senate District 15. Submits written testimony (EXHIBIT B) and testifies in support of SB 896 A.
295	Rep. Tomei	Inquires if water transit vessels on the East Coast receive tax credits. Questions whether vehicles built in Oregon would only be used in Oregon. Relates a hypothetical question about abusing the tax credit.
299	Sen. Starr	Replies that he does not know if the East Coast offers tax credits. States that use will not be limited to Oregon. Relates that the tax credit would be for new businesses only. Suggests limiting definition of water transit vessel to decrease potential for abuse.
340	Rep. Tomei	Inquires about regulating vessels so they are not used for personal use.
348	Sen. Starr	Replies that use might have to be monitored. Notes definition of water transit vessel could be constricted.
375	Rep. Tomei	States that she has no assurance that the tax credit would not be abused.

TAPE 87, A

003	Rep. Krummel	Comments on the amount of the tax credit. Questions whether the incentive is enough to draw companies to Oregon.
008	Sen. Starr	States that the 15 percent of employee compensation refers to total of all employees. Relates his conversations with Portland Waterways, Inc. who has been in contact with interested parties.
043	Chair Jenson	Closes public hearing on SB 896 A. Opens a public hearing on SB 696.

SB 696 – PUBLIC HEARING

049	Sandy Thiele-Cirka	Administrator. Provides background on SB 696.
068	Kristina McNitt	

Oregon Water Resources Congress. Submits written testimony **(EXHIBIT C)** and testifies in support of SB 696.

096	Sen. Roger Beyer	Senate District 9. Testifies in support of SB 696.
105	Rep. Tomei	Questions whether there was any opposition to this bill in the Senate.
109	Sen. Beyer	Responds that questions were raised, but there were no amendments.
121	Glen Stonebrink	Oregon Cattlemen's Association. Submits written testimony (EXHIBIT D) and testifies in opposition to SB 696.
170	Emilee Wolff	Water for Life. Testifies in opposition to SB 696.
196	Chair Jenson	Closes the public hearing on SB 696. Opens an informational meeting to review the Klamath Basin Adjudication: Process and Policy.

REVIEW OF KLAMATH BASIN ADJUDICATION – INFORMATIONAL MEETING

215	Phil Ward	Director, Water Resources Department (WRD). Submits written testimony (EXHIBIT E) . Provides information on adjudication.
280	Ward	Continues discussion of Klamath Basin adjudication.
332	Ward	Addresses specific concerns about Klamath Basin adjudication.
373	Rep. Tomei	Inquires which project referenced in testimony.
382	Ward	Describes the project he is referring to in his testimony on page three of his testimony (EXHIBIT E) .
398	Chair Jenson	Questions the basis of the statement about the federal court case dismissal.
410	Reed Marbut	Intergovernmental Coordinator, WRD. Describes argument that the federal court case would not have been dismissed.

027	Ward	Addresses issue of WRD fulfilling the requirements for stream exams.
070	Rep. Dingfelder	Inquires about the cost of adjudication to Oregon and other parties.
080	Ward	Responds that the federal government is not required to pay the fees to WRD for federal claims, so the cost to the State will be extensive.
095	Rep. Dingfelder	Inquires if Oregon would have been forced to include federal claims if they had not included them willingly. Seeks an explanation for the in-stream water rights of the tribes.
103	Ward	Believes the matter of including federal claims would have been pursued in the courts.
113	Marbut	Describes the claims for the Klamath Tribes in the Klamath Basin.
127	Rep. Tomei	Inquires if the cost to the state could be greater than a million dollars in one biennium.
130	Marbut	Responds affirmatively. Explains pursuing the case in federal court has been very costly.
159	Rep. Barnhart	Questions what the basis is for claiming the right to adjudicate at the state level, rather than the federal. Inquires if it is U.S. Code.
164	Marbut	Relates that states could not adjudicate until 1952. Confirms that the basis is U.S. Code.
187	Bill Ganong	Attorney, Klamath Falls. General Counsel, Klamath Irrigation District. Provides information on the Klamath Irrigation District.
242	Ganong	Uses a map to orient the committee members to the Klamath Irrigation District.
379	Rep. Dingfelder	Inquires about Senator Hatfield's bi-state adjudication process. Recalls meetings.
384	Ganong	Believes the project did not move forward. Relates the purpose of the Hatfield committee for restoration efforts.

TAPE 87, B

016	Marbut	Describes the Hatfield committee.
021	Rep. Dingfelder	Inquires about in-stream water rights that might be part of the focus.
024	Marbut	Believes the Hatfield group is still funded and working.
028	Ganong	Relates that in-stream water rights have not been a focus of the Hatfield group. Continues testimony on funding for adjudication.
108	John DeVoe	WaterWatch. Submits written testimony (EXHIBIT F) and testifies on adjudication in the Klamath Basin.
160	DeVoe	Continues testimony on adjudication.
225	DeVoe	States belief that the state is not addressing the water rights issue.
252	Doug Myers	Klamath Tribes. Submits written testimony (EXHIBIT G) and testifies how adjudication is affecting the Klamath Tribes.
359	Myers	States that the Klamath Tribes feel that adjudication is unfair and unreasonable.
367	Rep. Tomei	Inquires who is Carl Ullman.
371	Myers	Relates who Carl Ullman is.
375	Chair Jenson	Announces that SB 940 A will be held over to Monday, May 16, 2005. Closes the informational hearing. Adjourns the meeting at 3:00 p.m.

EXHIBIT SUMMARY

- A. **SB 56 A, written testimony, Paul Donheffner, 8 pp**
- B. **SB 896 A, written testimony, Sen. Bruce Starr, 2 pp**
- C. **SB 696, written testimony, Kristina McNitt, 2 pp**

- D. SB 696, written testimony, Glen Stonebrink, 1 p**
- E. Klamath Basin Adjudication, written testimony, Phil Ward, 5 pp**
- F. Klamath Basin Adjudication, written testimony, John DeVoe, 4 pp**
- G. Klamath Basin Adjudication, written testimony, Doug Myers, 4 pp**