

HOUSE COMMITTEE ON WATER

April 17, 2003 Hearing Room B
8:00 AM Tape 65 - 72

MEMBERS PRESENT: Rep. Bob Jenson, Chair
 Rep. Jackie Dingfelder, Vice-Chair
 Rep. Jeff Kropf, Vice-Chair
 Rep. Jeff Kruse
 Rep. Linda Flores
 Rep. Mike Schaufler
 Rep. Carolyn Tomei

STAFF PRESENT: Pete Test, Committee Administrator
 Ryan Sherlock, Committee Assistant

MEASURE/ISSUES HEARD: **HB 2659 – Work Session**
 HB 2991 – Work Session
 HB 3220 – Work Session
 HB 3217 – Work Session
 HB 3215 – Work Session
 HB 2473 – Work Session
 HB 3006 – Work Session
 HB 2516 – Work Session
 HB 3047 – Work Session
 HB 3201 – Work Session
 HB 3298 – Work Session
 HB 3281 – Work Session
 HB 2364 – Work Session
 HB 3620 – Work Session
 HB 2431 – Work Session
 HB 3555 – Work Session
 HB 3597 – Work Session

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 65, A		
003	Chair Jenson	Calls meeting to order at 8:10 a.m., and discusses the meeting for the day. Opens a work session on HB 2659.
<u>HB 2659 – WORK SESSION</u>		
020	Pete Test	Committee Administrator. Offers a description of HB 2659, and the proposed -3 amendments (EXHIBIT A).
040	Chair Jenson	Clarifies the purpose -3 amendments.
045	Test	Acknowledges the clarification.
050	Rep. Dingfelder	MOTION: Moves to ADOPT HB 2659-3 amendments dated 04/14/03.
055		VOTE: 5-0 EXCUSED: 2 - Kropf, Kruse

060 Chair Jenson
Rep. Dingfelder Hearing no objection, declares the motion **CARRIED**.
MOTION: Moves HB 2659 to the floor with a DO PASS AS AMENDED recommendation and the SUBSEQUENT REFERRAL to the committee on Ways and Means BE RESCINDED.

065 **VOTE: 5-0**
AYE: In a roll call vote, all members present vote Aye.
EXCUSED: 2 - Kropf, Kruse
Chair Jenson **The motion CARRIES.**
MERKLEY will lead discussion on the floor.

065 Chair Jenson Closes the work session on HB 2659, and opens a work session on HB 2991.

HB 2991 – WORK SESSION

070 Pete Test Committee Administrator. Offers a description of HB 2991, and the proposed -1 amendments (**EXHIBIT B**).

080 Glen Stonebrink Oregon Cattlemen’s Association. Offers testimony regarding HB 2991 with support for the proposed -1 amendments.

085 Chair Jenson Thanks Mr. Stonebrink, and acknowledges the intent of the proposed -1 amendments.

090 Rep. Dingfelder **MOTION: Moves to ADOPT HB 2991-1 amendments dated 04/14/03.**
VOTE: 5-0
EXCUSED: 2 - Kropf, Kruse
Chair Jenson **Hearing no objection, declares the motion CARRIED.**
Rep. Dingfelder **MOTION: Moves HB 2991 to the floor with a DO PASS AS AMENDED recommendation.**

100 **VOTE: 5-0**
AYE: In a roll call vote, all members present vote Aye.
EXCUSED: 2 - Kropf, Kruse
Chair Jenson **The motion CARRIES.**
MARCH will lead discussion on the floor.

105 Chair Jenson Closes the work session on HB 2991, and opens a work session on HB 3220.

HB 3220 – WORK SESSION

120 Neil Bryant Bend, Oregon. Introduces and defers to Mr. Griffin.

135 Patrick Griffin City of Bend. Offers written testimony (**EXHIBIT C**) and presentation in support of HB 3220, with reference to The Deschutes River Basin – Seeing Things Whole (**EXHIBIT D**).

260 Doug Riggs Central Oregon Cities Organization. Offers testimony in support of HB 3220, and introduces a letter from Bob Shiprack of the Oregon Building and Construction Trades Council (**EXHIBIT E**) in support of HB 3220, HB 3215, and HB 3217.

300 Chair Jenson Clarifies the intent of amendments which will be submitted.

310 Neil Bryant Bend, Oregon. Acknowledges the clarification, but indicates that he has not seen the amendments in question.

315 Chair Jenson Points out that the Committee will be unable to move the bill until the amendments are available.

320 Bryant Comments on his intent to work with the other interested parties regarding those amendments. Offers written testimony (**EXHIBIT F**) in support of HB 3220.

410 Rep. Dingfelder Asks whether HB 3220 would apply to all scenic waterways.

415 Bryant Acknowledges.

420 Dingfelder Clarifies that the agencies can currently make a determination to

		allow above the one percent allowed.
425	Bryant	Explains that anything above one percent requires mitigation.
430	Dingfelder	Asks whether those mitigation efforts can be incorporated with the Deschutes mitigation bank.
435	Bryant	Acknowledges that this is where most of the mitigation takes place.
TAPE 66, A		
020	Adam Sussman	Oregon Water Resources Department. Offers written testimony (EXHIBIT G) in opposition to HB 3220.
035	Chair Jenson	Comments on Mr. Griffin's testimony.
040	Sussman	Acknowledges, and continues with testimony in opposition to HB 3220.
060	Rep. Kruse	Questions whether the department has found a way to figure a one CFS impact on the river.
065	Sussman	Explains that while they are not able to measure a reduction in stream flow, but they can estimate this by measuring consumption of that flow.
070	Rep. Kruse	Clarifies that they are measuring consumptive use and basing flow consumption on this.
080	Sussman	Refers to statute.
085	Rep. Kruse	Questions the use of consumption as a benchmark.
090	Rep. Schaufler	Questions the assumptions which were used to outline the statute, but expresses his w. And asks whether the department has seen the proposed amendments.
095	Sussman	Explains that he has seen the conceptual amendments, but they do not allay his concerns.
105	Kimberley Priestley	WaterWatch. Offers written testimony (EXHIBIT H) in opposition to HB 3220.
150	Rep. Tomei	Asks for clarification of a chart in Ms. Priestley's written testimony.
160	Priestley	Gives an explanation of that chart.
170	Rep. Tomei	Further clarifies the information from the chart.
175	Priestley	Responds. Continues with testimony in opposition to HB 3220.
205	Rep. Schaufler	Asks where presented figures come from.
206	Priestley	Explains that the figures in question came from the Water Resources Department website.
220	Steve Brutscher	Oregon Park and Recreation Department. Offers written testimony (EXHIBIT I) from Michael Carrier, Director of the Park and Recreation Department, in opposition to HB 3220.
245	Aubrey Russell	Oregon Trout. Offers written testimony (EXHIBIT J) in opposition to HB 3220.
280	Rep. Schaufler	Refers to his earlier statement regarding the current statute. Asks whether Mr. Russell would agree.
290	Russell	Comments on Rep. Schaufler's suggestion regarding the current statute.
295	Priestley	Refers to Rep. Schaufler's comment, and discusses the current statute.
310	Chair Jenson	Clarifies Ms. Priestley use of the John Day River as an example, points out that with the coming amendments that river would be protected. Asks about the witnesses' stance on the Columbia River.
330	Russell	Discusses the issue of the Columbia River.
340	David McAllister	Oregon Department of Fish and Wildlife. Offers written testimony (EXHIBIT K) in opposition to HB 3220.

380 Rep. Tomei Clarifies that HB 3220 would not just the Deschutes River.
385 McAllister Acknowledges.
400 Chair Jenson Expresses his wish to wait for the amendments, closes the work session on HB 3220, and opens a work session on HB 3217.

HB 3217 – WORK SESSION

TAPE 65, B

005 Neil Bryant Bend, Oregon. Introduces the bill.
010 Chair Jenson Clarifies that the witness is testifying to the proposed -2 amendments (**EXHIBIT L**) .
015 Bryant Acknowledges, and introduces Mr. Prowel and Ms. Meloy.
020 Roger Prowel City of Bend. Offers testimony in support of HB 3217.
040 Mary Meloy City of Redmond, Public Works Director. Offers written testimony (**EXHIBIT M**) in support to HB 3217.
100 Chair Jenson Points out the success of the Redmond High School boys basketball program.
105 Adam Sussman Water Resources Department. Offers written testimony (**EXHIBIT N**) in opposition to the bill as currently written.
120 Chair Jenson Asks whether the department’s concerns are addresses in the -2 amendments.
125 Sussman Explains that their concerns are not are not addressed by the -2 amendments.
140 Chair Jenson Asks Mr. if he has anything to add.
145 Tom Paul Water Resources Department. Explains that he is there if the committee has any questions.
150 Rep. Tomei Clarifies information in Ms. Meloy’s written testimony, and asks Mr. Paul to address the temporary transfer.
155 Paul Comments on those temporary transfers.
160 Chair Jenson Asks that the department confer with the proponents of the bill to address concerns.
165 Kimberly Priestley WaterWatch. Offers written testimony (**EXHIBIT O**) in opposition to HB 3217 as currently written.
175 Aubrey Russell Oregon Trout. Offers written testimony (**EXHIBIT P**) in opposition to HB 3217 as currently written.
190 Chair Jenson Asks that these witnesses confer with the proponents of the bill.
200 Anita Winkler Oregon Water Resources Congress. Offers testimony regarding HB 3217 and HB 3215.
235 Chair Jenson Asks that Ms. Winkler work with the proponents to address her groups concerns.
240 Winkler Reiterates that while her group has concerns they do not want to keep the bill from moving.
245 Chair Jenson Indicates the Committee’s intent to move a clean bill.
250 Katie Fast Oregon Cattlemen’s Association. Offers testimony regarding HB 3217.
255 Chair Jenson Closes the work session on HB 3217, and opens a work session on HB 3215.

HB 3215 – WORK SESSION

260 Neil Bryant Bend, Oregon. Offers testimony in support of HB 3215, with reference to the proposed -2 amendments (**EXHIBIT Q**).
265 Robert MacRostie Deschutes Valley Water District. Offers written testimony (**EXHIBIT R**) in support of HB 3215. Expresses continuing concerns which are not addressed by the proposed -2 amendments.
340 Rex Barber Water For Life. Offers written testimony (**EXHIBIT S**) in support of HB 3215.

385	Rep. Dingfelder	Asks Mr. Bryant what would happen to the surface water rights, and whether these rights would be transferred in-stream.
395	Barber	Explains that those rights would go back into the river.
400	MacRostie	Further clarifies the surface water rights issue.
405	Rep. Dingfelder	Clarifies that those surface rights would go back in-stream.
410	MacRostie	Points out that the agency could only reallocate that water to certain areas.

TAPE 66, B

005	Bryant	Thanks the Committee for its time.
010	Chair Jenson	Asks what the Mr. MacRostie would like to see in the clean amendments.
015	MacRostie	Explains his groups concerns for the measure as currently written, and suggestions (EXHIBIT T) .
045	Adam Sussman	Water Resources Department. Offers written testimony (EXHIBIT U) regarding HB 3215. Points out the existing process for accomplishing what the bill attempts to do.
050	Chair Jenson	Points out that the proponents are probably not satisfied with that process.
055	Sussman	Acknowledges, and continues with testimony.
075	Aubrey Russell	Oregon Trout. Offers written testimony (EXHIBIT V) in opposition to HB 3215.
100	Kimberley Priestley	WaterWatch. Offers written testimony (EXHIBIT W) in opposition to HB 3215.
115	Russell	Further comments on the effects of the bill, pointing out a mitigation which would be eliminated because of the bill.
140	Roger Prowel	Bend, Oregon. Addresses the statement from Mr. Russell.
160	Chair Jenson	Closes the work session on HB 3215, and opens a work session on HB 2473.

HB 2473 – WORK SESSION

165	Pete Test	Committee Administrator. Offers a description of HB 2473, and the proposed -1 amendments (EXHIBIT X) .
175	Rep. Butler	House District 60. Offers testimony in support of HB 2473, and the proposed -1 amendments.
230	Chair Jenson	Thanks Rep. Butler for his time.
235	Rep. Butler	Points out that the amendment effectively removes the fiscal impact of the bill.
260	Roy Elicker	Department of Fish and Wildlife. Offers testimony in opposition to HB 2473, expressing concern for making the program permanent in light of the coming Governor's Budget.
285	Chair Jenson	Questions Mr. Elicker's concerns with the bill in reference to the Governor's Budget.
300	Elicker	Acknowledges Chair Jenson's point, and further discusses the budget issue.
315	Rep. Schaufler	Clarifies Mr. Elicker's argument for eliminating the entire program.
335	Elicker	Explains that this was not his point. Discusses his concerns with the amendments.
365	Rep. Flores	Asks about figures which Mr. Elicker had indicated he would provide for the Committee.
370	Elicker	Explains that he had provided that information to Rep. Kropf, and explains that he will get the information for the rest of the Committee. Continues with testimony regarding HB 2473.

TAPE 67, A

005	Phil Donovan	Northwest Steelheaders Association. Offers testimony regarding
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HB 2473.
025 Chair Jenson Recesses the meeting at 10:01 a.m.
RECESS
030 Chair Jenson Calls the meeting back to order at 10: 04 a.m.
035 Rep. Kruse **MOTION: Moves to ADOPT HB 2473-1 amendments dated 04/14/03.**
VOTE: 6-0
EXCUSED: 1 - Dingfelder
Hearing no objection, declares the motion CARRIED.
040 Chair Jenson **MOTION: Moves HB 2473 to the floor with a DO PASS AS AMENDED recommendation.**
Rep. Kruse
041 Rep. Tomei Expresses her intent to vote No on the bill.
045 Rep. Kruse Points out the pilot program worked, so it makes sense to make the program permanent.
047 **VOTE: 4-2**
AYE: 4 - Flores, Kropf, Kruse, Jenson
NAY: 2 - Schaufler, Tomei
EXCUSED: 1 - Dingfelder
Chair Jenson **The motion CARRIES.**
REP. BUTLER will lead discussion on the floor.
050 Chair Jenson Closes the work session on HB 2473, and opens a work session on HB 3201.

HB 3006 – WORK SESSION
055 Chair Jenson Welcomes Senator Ferrioli to the meeting.
060 Rep. Kropf Thanks Senator Ferrioli for his attendance.
065 Senator Ted Ferrioli Senate District 30. Offers testimony in support of HB 3006.
115 Rep. Schaufler Asks about the origin of the suggested timeframe in the bill.
120 Sen. Ferrioli Explains that the figure came from a compromise number.
125 Rod Johnson Roseburg, Oregon. Further discusses the origin of the timeframe in the bill.
130 Rep. Schaufler Asks whether there was any scientific reasoning for the timeframe.
135 Johnson Explains that the number is arbitrary and further comments on how the number was decided upon. Offers written testimony **(EXHIBIT Y)** in support of HB 3006. Expresses the need for an amendment which could address the possible loss of federal funding. Submits written testimony **(EXHIBIT Z)** from Dan Huff, City of Roseburg.
200 Sen. Ferrioli Points out that the program would be permissive.
230 Rep. Tomei Asks about the definition of wetlands in the bill.
235 Johnson Explains how the definition was created.
245 Rep. Tomei Clarifies that the definition is restrictive in that if a wetland is dry for longer than thirty days it is no longer a wetland.
250 Johnson Acknowledges, and further discusses the definition.
255 Rep. Kruse Points out that the definition of wetlands and marginal wetlands has been debated for more than twenty years.
265 John Lilly Division of State Lands. Offers written testimony **(EXHIBIT AA)** regarding HB 3006.
290 Chair Jenson Asks for Mr. Lilly to address the efforts to compromise on the Senate side.
300 Lilly Discusses the cooperation regarding the issue. Continues with testimony.

005	Rep. Schaufler	Expresses concern for the current definition of wetlands. Asks about specifics of written testimony.
020	Lilly	Explains those statements in the written testimony.
025	Rep. Kropf	Asks whether Mr. Lilly is implying that 404 assumption would only be obtained for marginal wetlands.
030	Lilly	Discusses the 404 assumption.
050	Rep. Kropf	Questions Mr. Lilly's written testimony which states that wetlands would be lost.
060	Lilly	Discusses the possible loss of wetlands.
080	Rep. Kropf	Clarifies that if a city does not choose to utilize the authority authorized by the bill, the DSL would still hold authority.
085	Lilly	Explains that as the Division reads it, they would lose that authority.
090	Liz Frenkel	League of Women Voters. Offers written testimony (EXHIBIT BB) in opposition to HB 3006.
145	Chair Jenson	Stands the committee at ease.
RECESS		
146	Chair Jenson	Calls meeting back to order.
150	Glen Stonebrink	Oregon Cattlemen's Association. Indicates his groups support for the bill.
155	Jean Wilkinson	Oregon Farm Bureau. Indicates her groups support for the bill.
160	Chair Jenson	Indicates his intention to send the bill to the floor, and discusses the possibility of another bill which addresses the same topic. Discusses the issues which have been raised regarding wetland definition. Asks that the differing concerns be addressed on the Senate side.
190	Rep. Kruse	MOTION: Moves HB 3006 to the floor with a DO PASS recommendation.
195		VOTE: 4-0
		AYE: In a roll call vote, all members present vote Aye.
		EXCUSED: 3 - Dingfelder, Schaufler, Tomei
	Chair Jenson	The motion CARRIES.
		REP. KRUSE will lead discussion on the floor.
200	Chair Jenson	Closes the work session on HB 3006, and opens a work session on HB 2516.
<u>HB 2516 – WORK SESSION</u>		
205	Pete Test	Committee Administrator. Offers a description of HB 2516, and the proposed -1 amendments (EXHIBIT CC).
210	Kate Brown	Oregon Department of Fish and Wildlife. Offers testimony in opposition to HB 2516.
235	Rep. Kropf	Clarifies that by changing the name there would be a fiscal impact.
240	Brown	Explains that there would be no change to the fiscal impact of the bill, and discusses the issue.
250	Rep. Kruse	Points out that process would not change and the ODFW would still have to ask the questions, creating the fiscal impact.
255	Brown	Acknowledges.
260	Rep. Kropf	Clarifies that the expense from the management plan would still exist.
265	Brown	Acknowledges.
270	Rep. Kropf	Points out that this expensed might not be assessed during this biennium.
275	Rep. Kruse	Acknowledges, and points out that this is the reason the Committee should send the bill to Ways and Means.

280	Brown	Further comments on the cost, and points out there would be some cost assessed this biennium.
285	Chair Jenson	Questions why the fiscal impact would detract from the need for the bill.
310	Glen Stonebrink	Oregon Cattlemen's Association. Discusses the history of the issue, and indicates his groups support for the bill.
320	Chair Jenson	Asks Mr. Huntington to address the issue. Asks whether this issue would call into the domain of OWEB.
325	Jeff Huntington	Oregon Watershed Enhancement Board. Explains that he does not know whether this issue would fall under the legal domain of OWEB.
330	Rep. Kruse	Comments on salmon recovery.
340	Chair Jenson	Thanks Mr. Huntington for his testimony.
345	Rep. Kruse	MOTION: Moves to ADOPT HB 2516-1 amendments dated 04/15/03.
		VOTE: 4-0
		EXCUSED: 3 - Dingfelder, Schaufler, Tomei
	Chair Jenson	Hearing no objection, declares the motion CARRIED.
350	Rep. Kruse	MOTION: Moves HB 2516 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means by prior reference.
355		VOTE: 4-0
		AYE: In a roll call vote, all members present vote Aye.
		EXCUSED: 3 - Dingfelder, Schaufler, Tomei
	Chair Jenson	The motion CARRIES.
380	Chair Jenson	Closes the work session on HB 2516, and recesses the meeting at 10:55 a.m., until the committee reconvenes at 5:00 p.m.
RECESS		
TAPE 67, B		
001	Chair Jenson	Reconvenes meeting at 5:00 p.m., and opens a work session on HB 3047.
<u>HB 3047 – WORK SESSION</u>		
015	Pete Test	Committee Administrator. Offers a description to HB 3047, and refers to the proposed -2 amendments (EXHIBIT DD).
020	Rep. Dingfelder	Offers a description of the -2 amendments which limit the scope of the bill to urban areas, which was the original intent of the bill.
035	Katherine VanNatta	Northwest Pulp and Paper Association. Offers testimony regarding HB 3047 and the proposed -2 amendments.
060	Rep. Kruse	Expresses his support for waste water reuse, but expresses his concerns regarding the tone and intent of HB 3047.
075	Rep. Dingfelder	Points out that the -2 amendments should have language addressing this issue.
080	Rep. Kruse	Further expresses his concerns regarding the issue.
085	Rep. Dingfelder	Recognizes Rep. Kruse's concerns.
090	Chair Jenson	Points out that Rep. Kruse's concerns are valid and included in the record.
095	Rep. Kruse	Observes that the issue can be better addressed on the Senate side.
105	Rep. Schaufler	Comments on the issue.
110	Rep. Kruse	MOTION: Moves to ADOPT HB 3047-2 amendments dated 04/17/03.

VOTE: 6-0
EXCUSED: 1 - Tomei
Hearing no objection, declares the motion CARRIED.
MOTION: Moves HB 3047 to the floor with a DO PASS AS AMENDED recommendation.

VOTE: 6-0
AYE: In a roll call vote, all members present vote Aye.
EXCUSED: 1 - Tomei
The motion CARRIES.

115 Chair Jenson
Rep. Kruse

120 Chair Jenson
Chair Jenson

HB 3201 – WORK SESSION

130 Pete Test
Committee Administrator. Offers a description of HB 3201, and introduces the proposed -1 amendments (**EXHIBIT EE**) and the proposed -2 amendments (**EXHIBIT FF**).

140 Chair Jenson
Comments on the redistricting changes to his district.

145 Kristina McNitt
Oregon Water Resources Congress. Introduces Mr. Philippe, and Mr. Stevenson. Offers written testimony (**EXHIBIT GG**) in support of HB 3201.

200 Chair Jenson
Expresses concern regarding the amendments, and asks Mr. Stevenson to address those amendments.

210 Brent Stevenson
Walla Walla Irrigation District, Manger. Offers written testimony (**EXHIBIT HH**) and a brief history of the district and the issue.

240 David Philippe
Walla Walla Irrigation District, Attorney. Offers testimony in support of HB 3201.

255 Rep. Dingfelder
Asks what the amendments do to the original bill.

260 McNitt
Points out that the Committee should be looking at the -2 amendments, and further explains the effects of the amendments.

280 Chair Jenson
Indicates that there has been a proposed amendment to incorporate HB 3298 into HB 3201.

285 McNitt
Comments on that possibility, indicating that her group would not be in support of such an amendment.

290 Chair Jenson
Asks whether there is anything in HB 3201 which may conflict with HB 3298.

295 McNitt
Defers to Mr. Philippe, and discusses the possible conflict.

305 Chair Jenson
Further comments on the perception of a conflict.

310 Philippe
Comments on the possibility of a conflict, indicating that there is no conflict.

330 Chair Jenson
Thanks the witnesses for their time.

350 Katie Fast
Oregon Cattlemen’s Association. Offers testimony in support of HB 3201 with the -2 amendments.

360 Adam Sussman
Oregon Water Resources Department. Offers written testimony (**EXHIBIT II**) in support of HB 3201 with the -2 amendments.

380 Brad Harper
Water For Life. Offers testimony in support of HB 3201 with the -2 amendments.

420 Harlan Levy
Oregon Association of Realtors. Indicates his groups support for the bill with the proposed -2 amendments.

TAPE 68, B
TAPE 69, A
015 Rep. Dingfelder

MOTION: Moves to ADOPT HB 3201-2 amendments dated 04/17/03.
VOTE: 6-0

		EXCUSED: 1 - Tomei
	Chair Jenson	Hearing no objection, declares the motion CARRIED.
020	Rep. Dingfelder	MOTION: Moves HB 3201 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means by prior reference.
030	Chair Jenson	Points out that Mr. Stevenson's concerns will be addressed in the Committee on Ways and Means.
035		VOTE: 6-0
		AYE: In a roll call vote, all members present vote Aye.
	Chair Jenson	EXCUSED: 1 - Tomei
030	Chair Jenson	The motion CARRIES.
		Closes the work session on HB 3201, and opens a work session on HB 3298.
	<u>HB 3298 – WORK SESSION</u>	
040	Pete Test	Committee Administrator. Offers a description of HB 3298.
045	Brad Harper	Water For Life. Offers written testimony (EXHIBIT JJ) in support of HB 3298, with reference to: submitted memorandum (EXHIBIT KK) from Richard Kosesan; submitted memorandum (EXHIBIT LL) from Sharyl Kammerzell, Department of Justice, Assistant Attorney General; and written testimony from Rex Barber (EXHIBIT MM).
100	Chair Jenson	Refers to indication that this bill would be challenge in court, and asks Mr. Harper to address that issue.
105	Harper	Comments on this issue, and opinions that the law is on the proponents side, so they would subsequently win any litigation in court.
120	Katie Fast	Oregon Cattleman's Association. Offers testimony in support of HB 3298.
140	Jean Wilkinson	Oregon Farm Bureau. Offers testimony in support of HB 3298.
175	Rep. Dingfelder	Clarifies that the State owns the water rights, and the individual obtains those rights from the state.
195	Harper	Acknowledges, and further discusses the definitions of "owner" in water right laws.
205	Wilkinson	Clarifies that this would allow the owner to transfer water rights in-stream.
210	Fast	Further comments on the issue.
225	Rep. Kropf	Mentions the arguments in opposition to HB 3298, and asks the witnesses to comment on this argument.
240	Harper	Disagrees with those arguments, and further discusses the issue.
260	Fast	Concurs with Mr. Harper, and further comments regarding the ownership issue.
265	Wilkinson	Concurs.
270	Rep. Kropf	Asks whether HB 3298 legislation would keep water districts from owning water rights.
280	Harper	Explains that HB 3298 would not limit water districts from owning water rights.
285	Chair Jenson	Clarifies that there are districts which own water rights.
290	Harper	Acknowledges, and comments on those situations where irrigation districts own water rights.
295	Chair Jenson	Clarifies specific language in the bill which would possibly cause loss of ownership by these districts.
310	Harper	Explains that "stealing" water rights from the districts is not the

		intention of the bill.
320	Rep. Flores	Refers to language from the submitted Attorney General (AG) decision.
340	Katie Fast	Refers to the memorandum from Richard Kosesan, pointing out his interpretation of the issue.
350	Chair Jenson	Asks for the opponents of the bill to address the issue.
355	Adam Sussman	Oregon Water Resources Department. Offers written testimony (EXHIBIT NN) in opposition to HB 3298. Suggests that a task force be convened which can better research the issue.
400	Chair Jenson	Comments on the lack of funding for such a task force.
405	Sussman	Points out that the issue came before the SB 93 Task Force, and they recommended that this issue needed more debate.
415	Chair Jenson	Restates his previous question regarding the funding of such a task force.
420	Sussman	Provides that the department does not have such funding available.
TAPE 70, A		
020	Rep. Flores	Refers to the aforementioned AG decision, and asks whether the Department does not rely on such AG decisions.
040	Sussman	Points out that this decision dealt with a very specific situation.
045	Rep. Flores	Agrees that this is a policy decision, but further discusses the issue.
050	Sussman	Explains that a more general policy decision rest with the legislature.
055	Willie Tiffany	League of Oregon Cities. Offers testimony regarding HB 3298.
075	Amanda Rich	Special Districts Association of Oregon. Offers testimony in opposition to HB 3298.
095	Matt Cyrus	Deschutes County. Offers testimony in support of HB 3298.
140	Chair Jenson	Recesses meeting.
RECESS		
145	Chair Jenson	Reconvenes meeting.
150	Mickey Killingsworth	Deschutes County. Offers testimony regarding HB 3298.
225	Chair Jenson	Thanks Ms. Killingsworth for her testimony.
240	Harlan Levy	Oregon Association of Realtors. Indicates his groups support for HB 3298.
260	Kristina McNitt	Oregon Water Resources Congress. Offers written testimony (EXHIBIT OO) in opposition to HB 3298.
290	Chair Jenson	Asks whether the Water Resources Congress has funding suggestions for an interim committee.
295	McNitt	Expresses the importance of the issue, and continues with testimony in opposition to HB 3298.
415	Anita Winkler	Oregon Water Resources Congress. Explains that she is there to answer any questions.
TAPE 69, B		
020	Brent Stevenson	Walla Walla Irrigation District, Manager. Offers testimony in opposition to HB 3298.
040	David Philippe	Walla Walla Irrigation District, Attorney. Offers testimony in opposition to HB 3298.
100	Rep. Flores	Comments on Ms. McNitt's submitted testimony, and asks for clarification of specific points.
110	McNitt	Discusses the point in question.
120	Rep. Kropf	Asks for clarification on specific testimony from Mr. Philippe in regards to a conflicting Attorney General (AG) decision.

135	Philippe	Explains that he does not agree with the AG decision and discusses the issue.
180	Rep. Kropf	Clarifies previous question in regards to the AG opinion.
200	Philippe	Restates his dissention with the AG decision, and discusses the fault with the language.
215	Chair Jenson	Clarifies that an AG opinion has the force of law until upturned in court, or superceded by the State Legislature.
230	Philippe	Restates his problem with the AG decision, and points out that the AG opinion is limited to the specific case.
250	Rep. Kropf	Points out the disparity between Mr. Philippe's testimony and the AG decision.
270	Rep. Flores	Comments on the AG opinion, and the specific language and terms which are outlined in the opinion.
300	Philippe	Further comments on the AG opinion in relation to the bill.
330	Chair Jenson	Comments on the diversity and contention of the issue. Closes the work session on HB 3298, and opens a work session on HB 3281.

HB 3281 – WORK SESSION

335	Pete Test	Committee Administrator. Offers a description of HB 3281, and introduces the proposed -1 amendments (EXHIBIT PP).
345	Chair Jenson	Closes the work session on HB 3281, and opens a work session on HB 2364.

HB 2364 – WORK SESSION

370	Chair Jenson	Introduces the bill and the issue.
385	Rep. Kropf	Asks whether there is currently a referral to Ways and Means.
390	Pete Test	Explains that there is no subsequent referral.
395	Rep. Kruse	Indicates that he would like to add a subsequent referral.
400	Rep. Kruse	MOTION: Moves HB 2364 to the floor with a DO PASS recommendation and BE REFERRED to the committee on Ways and Means.
405	Rep. Kropf	Expresses his concerns with the bill, intention to vote Aye in Committee, but possibly vote No on the floor.
410	Rep. Kruse	Recognizes those concerns but expresses his wish to see those concerns addressed in the Ways and Means Committee.
415		VOTE: 4-2 AYE: 4 - Flores, Kropf, Kruse, Jenson NAY: 2 - Dingfelder, Schaufler EXCUSED: 1 - Tomei The motion CARRIES.
	Chair Jenson	
420	Chair Jenson	Closes the work session on HB 2364, and opens a work session on HB 3620.

HB 3620 – WORK SESSION

TAPE 70, B

020	Pete Test	Committee Administrator. Offers a description of the bill, and introduces the -1 amendments (EXHIBIT QQ).
035	Keith Leavitt	Port of Portland. Offers testimony explaining the proposed -1 amendments, and defers to Mr. Danko.
040	Bob Danko	Department of Environmental Quality. Indicates the Department's support for the bill with the -1 amendments.
045	Rep. Kruse	MOTION: Moves to ADOPT HB 3620-1 amendments dated 04/17/03.
050	Rep. Dingfelder	Clarifies that there is no sunset provision in the bill or the amendments.

055 **VOTE: 6-0**
EXCUSED: 1 - Tomei
Hearing no objection, declares the motion CARRIED.

060 **Chair Jenson**
Rep. Kruse **MOTION: Moves HB 3620 to the floor with a DO PASS AS AMENDED recommendation and the SUBSEQUENT REFERRAL to the committee on BE RESCINDED.**

065 **VOTE: 6-0**
AYE: In a roll call vote, all members present vote Aye.
EXCUSED: 1 - Tomei
The motion CARRIES.

070 **Chair Jenson**
Rep. Kruse **MOTION: Moves HB 3620 be placed on the CONSENT CALENDAR.**

VOTE: 6-0
EXCUSED: 1 - Tomei
Hearing no objection, declares the motion CARRIED.

075 **Chair Jenson**
Chair Jenson Closes the work session on HB 3620 and opens a work session on HB 2431.

HB 2431 – WORK SESSION

080 Chair Jenson Introduces the proposed -6 amendments (**EXHIBIT RR**).

085 Rep. Kropf Thanks the Department for their efforts with the amendments, and discusses the synthesis of the -6 amendments.

090 Mel Stewart Linn County. Offers testimony in support of HB 2431 and the proposed -6 amendments.

110 Rep. Kropf Asks that Mr. Stewart address the provision which he would like in the legislation.

115 Stewart Comments on those provisions which he deems important.

135 Rep. Kropf Points out the substantive areas of disagreement, and questions whether the director should be allowed the opportunity to overturn the decision of the hearings officer.

180 William Hoetscher Linn County. Offers testimony in support of HB 2431 and the proposed -6 amendments.

200 John Lilly Division of State Lands. Offers testimony regarding HB 2431 and the proposed -6 amendments.

260 Rep. Dingfelder Asks whether having the hearings officer possess the final decision, is consistent with other state agencies.

270 Lilly Responds that he believes this would be a departure from anything any other agency is doing.

280 Chair Jenson Clarifies that the Department went to the congested case hearings, in order to limit those disputes that went to court.

295 Lilly Acknowledges.

310 Chair Jenson Asks whether the director should have the ability to overturn a circuit court judges decision.

315 Lilly Comments on this situation.

320 Chair Jenson Discusses the precedence setting issues in such a situation.

330 Hoetscher Comments on the precedence of the issue.

400 Rep. Kropf Further comments on the points which were agreed upon with the agency.

420 **Rep. Kropf** **MOTION: Moves to ADOPT HB 2431-6 amendments dated 04/17/03.**
VOTE: 6-0
EXCUSED: 1 - Tomei
Chair Jenson **Hearing no objection, declares the motion CARRIED.**

425 Rep. Kropf **MOTION: Moves HB 2431 to the floor with a DO PASS AS AMENDED recommendation.**

430 **VOTE: 4-2**
AYE: 4 - Flores, Kropf, Kruse, Jensen
NAY: 2 - Dingfelder, Schaufler
EXCUSED: 1 - Tomei
The motion CARRIES.
REP. KROPF will lead discussion on the floor.

435 Chair Jensen Closes the work session on HB 2431 and opens a work session on HB 3555.

TAPE 71, A
HB 3555 – WORK SESSION

025 Pete Test Committee Administrator. Offers a description of HB 3555, and introduces the proposed -1 amendments (**EXHIBIT SS**), with reference to submitted letter (**EXHIBIT TT**) from Charles Smith of the State Treasurers Office.

035 Chair Jensen Reminds the Committee of the issues which were addressed during the last time HB 3555 was heard, and explains how the -1 amendments address those concerns.

045 Rep. Kruse **MOTION: Moves to ADOPT HB 3555-1 amendments dated 04/17/03.**
VOTE: 6-0
EXCUSED: 1 - Tomei
Hearing no objection, declares the motion CARRIED.

050 Rep. Kruse **MOTION: Moves HB 3555 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means by prior reference.**
VOTE: 5-0
AYE: In a roll call vote, all members present vote Aye.
EXCUSED: 2 - Dingfelder, Tomei
The motion CARRIES.

060 Chair Jensen Closes the work session on HB 3555, and opens a work session on HB 3281.

HB 3281 – WORK SESSION

070 Kristina McNitt Oregon Water Resources Congress. Introduces Mr. Chamberlin and Mr. Shrophire, and offers written testimony (**EXHIBIT UU**) in support of HB 3281.

120 Jay Chamberlin Owyhee Irrigation District. Offers testimony in support of HB 3281.

170 Rep. Kropf Clarifies that, with the current system, the irrigation districts do not have as much flexibility.

175 Chamberlin Comments on the rigidity of the current system.

185 Stephen Shrophire Jordan & Schrader Law Firm. Offers testimony in support of HB 3281.

260 Rep. Kropf Clarifies the intent and effect of the bill.

270 Shrophire Acknowledges the clarification.

275 Adam Sussman Oregon Water Resources Department. Offers written testimony (**EXHIBIT VV**) in support of HB 3281, but expresses his concerns with some language in the -1 amendments.

320 Anita Winkler Oregon Water Resources Congress. Offers testimony regarding HB 3281, indicating they are in support of the changes proposed by Mr. Sussman.

340 Committee Discusses the possibility of a conceptual amendment to the -1 amendments.

350 Chair Jenson Clarifies that by striking a few line conceptually, the department would be satisfied.

355 Sussman Acknowledges that this would satisfy the department.

360 Chair Jenson Further discusses the possibility of conceptual amendments.

365 Committee Discusses the conceptual amendment.

395 Chair Jenson Expresses his wish to see the amendments addressed on the Senate side.

400 **Rep. Dingfelder** **MOTION: Moves to ADOPT HB 3281-1 amendments dated 04/17/03.**

410 **VOTE: 6-0**
EXCUSED: 1 - Tomei
Hearing no objection, declares the motion CARRIED.

420 **Chair Jenson**
Rep. Dingfelder **MOTION: Moves HB 3281 to the floor with a DO PASS AS AMENDED recommendation.**

435 Rep. Kruse Comments on the possible conceptual amendment.

440 **VOTE: 6-0**
AYE: In a roll call vote, all members present vote Aye.
EXCUSED: 1 - Tomei
Chair Jenson **The motion CARRIES.**
REP. SCHAUFLER will lead discussion on the floor.

445 Chair Jenson Closes the work session on HB 3281, and opens a work session on HB 3597.

TAPE 72, A
HB 3597 – WORK SESSION

035 Pete Test Committee Administrator. Offers a description of HB 3597, and introduces the proposed -1 amendments (**EXHIBIT WW**) which effectively replace the language and intent of the original bill.

045 Rep. Kropf Comments on the original bill.

050 **Rep. Kruse** **MOTION: Moves to ADOPT HB 3597-1 amendments dated 04/16/03.**
VOTE: 6-0
EXCUSED: 1 - Tomei
Hearing no objection, declares the motion CARRIED.

055 **Chair Jenson**
Rep. Kruse **MOTION: Moves HB 3597 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Ways and Means by prior reference.**

060 Rep. Dingfelder Expresses her intent to vote NO on the measure.

065 Rep. Schaufler Clarifies the scope of the Task Force.

070 Chair Jenson Discusses the scope of topic for the proposed Task Force.

085 Rep. Schaufler

090 **VOTE: 5-1**
AYE: 5 - Flores, Kropf, Kruse, Schaufler, Jenson
NAY: 1 - Dingfelder
EXCUSED: 1 - Tomei
Chair Jenson **The motion CARRIES.**

095 Chair Jenson Closes the work session on HB 3597, and opens a work session on HB 3298.

HB 3298 – WORK SESSION

100 **Rep. Kruse** **MOTION: Moves HB 3298 to the floor with a DO PASS recommendation.**

105	Rep. Kropf	Expresses his concerns with the measure, but intent to vote Aye.
130	Rep. Flores	Expresses her intent to vote Aye on the measure.
135	Rep. Dingfelder	Expresses her concerns for the varying dissents on the bill and indicates her intention to vote NO on the bill.
145	Chair Jenson	Discusses the issue and its dissension, expresses his intent to see the issue moved forward.
180		VOTE: 5-1 AYE: 5 - Flores, Kropf, Kruse, Schaufler, Jenson NAY: 1 - Dingfelder EXCUSED: 1 - Tomei The motion CARRIES. REP. FLORES will lead discussion on the floor.
	Chair Jenson	
185	Chair Jenson	Discusses the upcoming schedule for the Committee. Closes the work session on HB 3298, and adjourns the meeting at 8:23 p.m.

EXHIBIT SUMMARY

- A – HB 2659, -3 amendments, Staff, 2 pp.**
- B – HB 2991, -1 amendments, Staff, 1 p.**
- C – HB 3220, Overview of Deschutes Basin Mitigation Process, Patrick Griffin, 2 pp.**
- D – HB 3220, The Deschutes River Basin – Seeing Things Whole, Patrick Griffin, 2 pp.**
- E – HB 3220, submitted testimony from Bob Shiprack, Doug Riggs, 1 p.**
- F – HB 3220, written testimony, Neil Bryant, 9 pp.**
- G – HB 3220, written testimony, Adam Sussman, 2 pp.**
- H – HB 3220, written testimony, Kimberly Priestly, 3 pp.**
- I – HB 3220, submitted testimony from Michael Carrier, Steve Brutscher, 1 p.**
- J – HB 3220, written testimony, Aubrey Russell, 1 p.**
- K – HB 3220, written testimony, Dave McAllister, 1 p.**
- L – HB 3217, -2 amendments, Staff, 8 pp.**
- M – HB 3217, written testimony, Mary Meloy, 2 pp.**
- N – HB 3217, written testimony, Adam Sussman, 2 pp.**
- O – HB 3217, written testimony, Kimberly Priestley, 2 pp.**
- P – HB 3217, written testimony, Aubrey Russell, 1 p.**
- Q – HB 3215, -2 amendments, Neil Bryant, 6 pp.**
- R – HB 3215, written testimony, Robert MacRostie, 1 p.**
- S – HB 3215, written testimony, Rex Barber, 1 p.**
- T – HB 3215, amendment suggestions, Robert MacRostie, 1 p.**
- U – HB 3215, written testimony, Adam Sussman, 2 pp.**
- V – HB 3215, written testimony, Aubrey Russell, 2 pp.**
- W – HB 3315, written testimony, Kimberley Priestley, 1 p.**
- X – HB 2473, -1 amendments, Staff, 1 p.**
- Y – HB 3006, written testimony, Rod Johnson, 4 pp.**
- Z – HB 3006, submitted testimony from Dan Huff, Rod Johnson, 2 pp.**
- AA – HB 3006, written testimony, John Lilly, 13 pp.**
- BB – HB 3006, written testimony, Liz Frenkel, 3 pp.**
- CC – HB 3047, -2 amendments, Staff, 3 pp.**
- DD – HB 3201, -1 amendments, Staff, 9 pp.**
- FF – HB 3201, -2 amendments, Staff, 9 pp.**
- GG – HB 3201, written testimony, Kristina McNitt, 1 p.**

HH – HB 3201, written testimony, Brent Stevenson, 2 pp.
II – HB 3201, written testimony, Adam Sussman, 2 pp.
JJ – HB 3298, written testimony, Brad Harper, 2 pp.
KK – HB 3298, submitted memorandum from Richard Kosesan, Brad Harper, 9 pp.
LL – HB 3298, submitted memorandum from Sharyl Kammerzell, Brad Harper, 9 pp.
MM – HB 3298, submitted testimony from Rex Barber, Brad Harper, 1 p.
NN – HB 3298, written testimony, Adam Sussman, 1 p.
OO – HB 3298, written testimony, Kristina McNitt, 5 pp.
PP – HB 3281, -1 amendments, Staff, 21 pp.
QQ – HB 3620, -1 amendments, Staff, 1 pp.
RR – HB 2431, -6 amendments, Staff, 25 pp.
SS – HB 3555, -1 amendments, Staff, 2 pp.
TT – HB 3555, written testimony from Charles Smith, Staff, 1 p.
UU – HB 3281, written testimony, Kristina McNitt, 2 pp.
VV – HB 3281, written testimony, Adam Sussman, 2 pp.
WW – HB 3597, -1 amendments, Staff, 2 pp.