HOUSE COMMITTEE ON WATER POLICY Hearing Room Tapes - 31 MEMBERS PRESENT: Rep. Chuck Norris, Chair Rep. Tim Josi, Vice-Chair Rep. Avel Gordly Rep. Veral Tarno MEMBER EXCUSED: Rep. Jim Welsh STAFF PRESENT: Pat Zwick, Committee Administrator Gail E. Boesch, Committee Assistant MEASURES HEARD: HB 2431 - Public Hearing HB 2471 - Public Hearing and Work Session These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes. TAPE , A 003 CHAIR NORRIS: Calls the meeting to order at 2:03 PM. Opens the Public Hearing on HB 2471 Witnesses: Kip Lombard, Oregon Water Resouces Congress Becky Kreag, Water Resources Department Jim Myron, Oregon Trout Reed Benson, WaterWatch 045 KIP LOMBARD, OREGON WATER RESOURCES CONGRESS: Introduces HB 2471, which allows public body funding conservation measure and applicant to agree on percentage of conserved water to be returned to state to support in-stream flow. 060 Restates the bill to gain clarification of its content. REP. JOSI: 065 LOMBARD: Concurs, continues with overview of Exhibit A and HB 2471. 112 BECKY KREAG, WATER RESOURCES DEPARTMENT: Discusses and supports amended version of HB 2471. 126 JIM MYRON, OREGON TROUT: Originally opposed bill, speaking to amendments, still in opposition to HB 2471. Submits Exhibit B, opposing HB 2471. 136 REED BENSON, WATERWATCH:

195 - Subsidized benefits, water users.

221 REP. GORDLY: Requests clarification of changes (noted in Exhibit B) that

were negotiated during the last session; questions whether there is documentation

240 MYRON: Discusses Conserved Water statutes, and the group that put them together.

256 REP. JOSI: Contention that the public funding source is not in the drivers seat; disagrees with the WaterWatch perspective, discusses.

286 BENSON: Responds, water is owned by public, which ought to have a say in the percentage. Not sure that agencies (federal) have public interest at heart; bill does not encourage free & open negotiation.

336 BENSON: Responds to question from REP. NORRIS. Public interest is multi-faceted; want to see public money translated into public benefit in terms of in-stream.

367 REP. JOSI: To Kip Lombard, questions why existing law needs to be changed.

377 LOMBARD: Want to modify bill slightly, gives background.

TAPE 31, A

002 LOMBARD: Continues, valid law and intent is to encourage people to partake. Improvement of incentive nature of law. Public funding is not going to be spent to increase consumption; ultimately to decrease (by return of water to stream).

032 BENSON: Responds about incentive and benefit.

058 GAYLE KILLAM, OREGON ENVIRONMENTAL COUNCIL: Suggests instream leasing.

Supports letting recently enacted legislation take affect before adding more.

100 CHAIR NORRIS: Closes the Public Hearing on HB 2471. Opens the Work Session on HB 2471

MOTION: REP. JOSI: Moves the ADOPTION of the -1 amendments to HB 2471.

VOTE: CHAIR NORRIS: Hearing no objections the amendments are ADOPTED. REP.

WELSH is EXCUSED.

MOTION: REP. JOSI: Moves that HB 2471, AS AMENDED, be sent to the Floor with a DO PASS recommendation.

VOTE: In a roll call vote, REPS. JOSI, TARNO AND NORRIS vote AYE; REP. GORDLY votes NO; REP. WELSH is EXCUSED.

CHAIR NORRIS: The motion CARRIES.

REP. TARNO will lead the discussion on the Floor.

CHAIR NORRIS: Closes the Work Session on HB 2471 Opens the Public Hearing on HB 2431 Witnesses: Kim Lombard, Oregon Water Resources Congress. Martha Pagel, Water Resources Department Reed Benson, WaterWatch 265 CHAIR NORRIS: Due to the failure of the overhead projector, a 5 minute recess is called to correct the problem.

269 Note: For the record, Staff submits Exhibit C, supplemental information regarding HB 2431.

270 KIP LOMBARD, OREGON WATER RESOURCES CONGRESS: Submits and discusses Exhibit D, providing legislative history to HB 2431. Supports HB 2431.

370 -Farmer Jones, proving up - discusses irrigation districts & their formation.

TAPE 30, B

002 LOMBARD: Continues his summary of Exhibit D, explaining the reasons and purpose behind HB 2431.

027 - Lists reasons why permits can be cancelled.

035 REP. JOSI: Questions statement made, "leap of faith", proving up, cities

vs. irrigation districts.

040 LOMBARD: Responds, cities given totally separate treatment.

100 LOMBARD: Presents overhead presentation of Final Proof Survey to demonstrate the purposes of bill, regarding approval for areas not included

in original permits. Has been an unwritten (or written - discusses) Notes

former employee Jim Carver's comments, see Exhibit D. Also notes and reads

letters included in exhibit.

175 REP. JOSI: Clarify order of exclusion/inclusion.

180 LOMBARD: Defines and contrasts exclusion/inclusion procedures.

208 - "stumbling block" - refers to letters appended to Exhibit D.

260 - Since March of 1993, under very severe restrictions.

- This bill codifies what has been going on; districts can't stand still; people still want to practice agriculture.

321 REP. JOSI: What happens if we don't pass this bill?

330 LOMBARD: We wait for an Appeals Court decision on litigation between WaterWatch and WRD.

346 REP. JOSI: Questions future.

350 LOMBARD: Most available water resources have been appropriated; don't think you'll see much in the way of new permits - the water just isn't there.

- Regarding existing permits, very little in Final Proof Survey work due to backlog. (Mr. Lombard admits he does not have final infomation on this, but Ms. Pagel nods assent from the audience.)

TAPE 31, B

001 REP. JOSI: Questions why bill did not get a hearing in the Senate last session.

008 LOMBARD: Couldn't get the committee reopened to consider the bill.

050 MARTHA PAGEL, WATER RESOURCES DEPARTMENT: Submits Exhibit E, supporting concept of HB 2431.

078 - Issues are broader than just irrigation districts, concern for consistency, opportunity to check for injury; supportive of the concept, willing to work with others to offer amendments.

107 REP. JOSI: Your primary concern is the test for injury.

110 PAGEL: Yes, continues. Adjustments she wants to see are technical adjustments.

135 REED BENSON, WATERWATCH: Submits Exhibit F, opposing HB 2431.

177 - Continues with testimony opposing HB 2431; feels that irrigation districts have enough flexibility. Compares and contrasts to HB 3111.

- Permit is not a vested right; beneficial use is basis, measure and limit of the right.

- Concern that bill would allow change of boundaries without consent of secretary.

276 CHAIR NORRIS: Comments in support of irrigation districts.

290 Closes Public Hearing on HB 2431.

Questions if there is foreseeable potential to amend and pass this bill. General discussion ensues.

375 CHAIR NORRIS: Sets work group, come back March 14th to finish. ADJOURNS AT 3:57 PM.

Submitted by, Reviewed by,

Gail E. Boesch Pat Zwick Committee Assistant Committee Administrator

## EXHIBIT SUMMARY:

HB 2471, Staff Measure Summary -- Pat Zwick, Committee Administrator --A – 1 page Testimony on HB 2471 -- Reed Benson, WaterWatch -- 1 page в – с – HB 2431, Staff Measure Summary -- Pat Zwick, Committee Administrator --5 pages Testimony on HB 2431 -- Kip Lombard, Oregon Water Resources Congress --D -13 pages Е – Testimony on HB 2431 -- Martha Pagel, Water Resources Department -- 2 pages Testimony on HB 2431 --- Reed Benson, WaterWatch -- 2 pages F -