

SENATE COMMITTEE ON WATER POLICY

April 15, 1993 Hearing Room 137 3:00 p.m. Tapes 34 - 35

MEMBERS PRESENT: Sen. Bill Dwyer, Chair Sen. Bob Kintigh,
Vice-Chair Sen. Wes Cooley

Sen. Tricia Smith

MEMBERS EXCUSED: Sen. Frank Roberts

STAFF PRESENT: Lisa Zavala, Administrator Pamella Andersen,
Committee Clerk

MEASURES CONSIDERED: SB 535 SB 1079

[--- Unable To Translate Graphic ---] 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. [--- Unable To Translate Graphic ---]

TAPE 34, SIDE A

004 CHAIR DWYER: Calls the meeting to order at 3:19 p.m. - Passes the gavel to Senator Kintigh to preside over the meeting.

CHAIR KINTIGH: Opens the public hearing on SB 1079.

PUBLIC HEARING ON SB 1079 - EXHIBITS A through E

WITNESSES: Senator Bill Dwyer, District 21 Jim Myron, Oregon Trout Clifford Horning, Horning Farms Inc. Doug Myers, WaterWatch Joni Low, League of Oregon Cities Susan Schneider, City of Portland Mac Kerns, Oregon Wheat Growers League John Borden, Oregon Water Resources Department Gene Seibel, Special Districts Association David Bean, Wild Salmon Nation Jan Boettcher, Oregon Water Resources Congress

010 SEN. DWYER: Offers testimony on SB 1079 and the intent of the bill. - Notes studies and other requirements of the state for which there is

no funding.

028 SEN. COOLEY: Joins the meeting.

SEN. DWYER: Notes the development being stymied by lack of funding. - Notes other entities making requirements of the state. - We need to deal with the issue of who is going to pay. 066 - Delineates the costs to users. - Notes the projects to be funded by the monies collected as a result

of the bill. - We can't afford to have the federal government regulate our water.

CHAIR KINTIGH: Please explain how this will be collected.

105 SEN. DWYER: Reviews how users would be billed and who would collect the fee.

SEN. COOLEY: I support the concept. - A great deal of the water in Oregon is not covered in the bill, such

as that for pollution abatement, and these are some of the largest water uses. - Can we address those somewhere in the bill?

SEN. DWYER: I would include that under agriculture, commercial and industrial use, which is addressed. 149 - For some pollution abatement, the water remains in the stream and is not used. - A mechanism could be created to credit the water that is returned to the stream.

SEN. COOLEY: The burden of consumption and raising of funds is carried by human consumption and agriculture. 179 - Hopefully, when we tax, we tax everyone equitably.

188 JIM MYRON: (introduces EXHIBIT A) Offers testimony in favor of SB 1079. - Oregon Trout has offered some additional uses for the funds.

SEN. COOLEY: Would Oregon Trout be willing to assess themselves additional taxation to help this program since the fish are appropriating the water?

MYRON: The bill is only on consumptive uses of water. - We consider in-stream uses non-consumptive.

216 CLIFFORD HORNING: Offers testimony in opposition to SB 1079. - Notes his farming experience. - It is already difficult to pass on to the consumer any costs imposed

upon us. - On the surface, 83 cents doesn't sound like a lot of money, but the

fee will grow over time and never decrease. 250 - The methods for measuring acre feet of water are expensive. - I would like to see agriculture handled differently in taxing the use of water.

282 DOUG MYERS: Offers testimony in support of SB 1079. - WaterWatch believes this will provide a stable source of funding for

water management. - Section 5(a) is a good incentive to cause a person to measure and

report.

310 JONI LOW: (introduces EXHIBIT B) Offers testimony on SB 1079. - The League would prefer this bill be addressed during the interim as

it is complicated. - Addresses specific concerns. - Notes residential users are charged at a higher scale than other

users.

357 CHAIR KINTIGH: How common are agricultural users on a municipal system?

LOW: There are some instances, but I don't know how widespread this is.

380 SUSAN SCHNEIDER: Offers testimony on SB 1079. - The City of Portland is willing and interested in participating in a

working group or process to develop an equitable statewide water use fee. - Equity issues and how the money is used needs the time and attention

of all affected parties. - Echoes the concerns of the League of Oregon Cities.

411 MAC KERNS: Offers testimony in opposition to SB 1079. - The Oregon Wheat Growers are concerned about this bill. - Agriculture is a large industry, but does not clear that much profit. - Gives examples of changes in watering systems for conservation

purposes, which can result in \$15,000 just for pumping costs.

TAPE 35, SIDE A

008 JOHN BORDEN: (introduces EXHIBIT C) Offers testimony on SB 1079. - Notes House bill 2154 and the funding it would provide. - A work plan was developed to determine funding methods and sources. - Looks forward to working on this in the interim.

044 GENE SEIBEL: (introduces EXHIBIT E) Offers testimony on SB 1079. - Notes the special districts' concerns with the bill. - States the inequitable impact on residential users. - Those in the domestic water business are responsible to the Oregon

Health Division, which has not been mentioned in the bill. - All interested parties need to work together during the interim to

develop a proposal for next session.

074 DAVID BEAN: Offers testimony in support of SB 1079. - Notes his background as resource economist. - Offers his perspective on the bill. - This bill will allow actors to become responsible, decreasing the need for government to grow larger. - Heartily supports the bill.

SEN. COOLEY: Whenever you give government money it grows larger.

137 JAN BOETTCHER: (introduces EXHIBIT D) Offers testimony on SB 1079. - The Oregon Resources Congress feels if there is a fee it can be used

constructively. - This would have to be structured to minimize administrative fees as

much as possible. - SB 1079 is just a beginning effort in looking at

equity. - References Exhibit D and who gets the money first. 170 SEN. COOLEY: Some districts are paying the federal government for Bureau of Reclamation projects with some of those fees rising. - The average cost is \$15 to \$22 per acre foot. - Is the federal government's proposal on energy going to increase

those federal payments, or will this be an "over and above" charge?

BOETTCHER: This is not the energy tax. - That is separate; this is a surcharge on federal water. - Most Oregon districts are repaying capitol construction costs. - Notes service contract method in California.

197 SEN. COOLEY: Are these federal projects on which payments are being made classified as federal waters?

BOETTCHER: The federal commissioner hasn't made a determination.

CHAIR KINTIGH: Closes the public hearing on SB 1079. - Opens the public hearing on SB 535.

PUBLIC HEARING ON SB 535 - (No exhibits were submitted)

WITNESSES: David Bean, Wild Salmon Nation Jim Myron, Oregon Trout Clifford Horning, Horning Farms Inc.

224 DAVID BEAN: Offers testimony in support of SB 535. - Offers philosophy of Thomas Jefferson on citizen farmers. - Notes the importance and value of protecting the fish. - Advocates that in the simplest way, people be responsible for the

resources they use. - Notes the problem of moss on the ditch screens. - The means of screening may be improved over time.

275 SEN. DWYER: Resumes the chair. - Notes the changes the amendments make to the bill. - One change establishes civil penalties rather than the revocation of

a water right.

320 BEAN: Questions who will be administering enforcement of fish screening.

CHAIR DWYER: The Department of Fish and Wildlife has that responsibility.

353 JIM MYRON: Offers testimony on the amendments. - They appear to be satisfactory. - We continue our support for the amended bill. - Notes the blanks and recommends the fees be sufficient enough to discourage the activity.

367 ADMIN. ZAVALA: Notes on behalf of Jill Zarnowitz that the Department of Fish and Wildlife supports the amendments and the recommended fee levels discussed.

380 CLIFF HORNING: Offers testimony in opposition to SB 535. - If the Department of Fish and Wildlife is administering the program,

they should consider working with the Department of Agriculture. - This looks pretty good with the amendments.

SEN. KINTIGH: We previously discussed the cleaning of screens by the Department of Fish and Wildlife personnel. - You would not be held up from using the water while screens are in need of maintenance.

SEN. SMITH: What did you mean by "crunch situation?"

HORNING: There needs to be some "give and take" in the watering of stock.

SEN. SMITH: I don't see that in the bill. - Are you speaking of removing the screens if you don't have enough water for your stock?

425 HORNING: If the moss on the screen was restricting the flow of water, it would be helpful if the parties could work together to allow watering of stock.

SEN. SMITH: I think under this bill you could clean it, but not remove it completely.

CHAIR DWYER: Closes the public hearing on SB 535. - Opens the work session on SB 535. - We talked about a civil penalty of up to \$5000 and up to \$500 per day.

WORK SESSION ON SB 535

SEN. COOLEY: Shouldn't we delete line 2 of the original bill?

CHAIR DWYER: Yes, we would have to amend the relating clause, also.

TAPE 34, SIDE B

SEN. COOLEY: Somewhere in statute it says the screens can be removed if they have not been cleaned within a certain period of time.

ADMIN. ZAVALA: Notes HB 3457 (1991) section 2(5) which addresses that concern.

040 SEN. COOLEY: We are not modifying anything in ORS 183.415.

ADMIN. ZAVALA: That's correct, we aren't.

CHAIR DWYER: We will have legislative counsel amend the relating clause and put the \$5000 and \$500 in the bill and reprint it. 058 - Closes the work session on SB 535. - Adjourns the meeting at 4:22 p.m.

Submitted by,

Reviewed by,

Pamella Andersen

Lisa Zavala Clerk
Administrator

EXHIBIT LOG:

A Testimony on SB 1079 - Jim Myron - 1 page B Testimony on SB
1079 - Joni Low - 2 page C Testimony on SB 1079 - John Borden - 2
page D Water User Fees - Jan Boettcher - 1 page E Testimony on
SB 1079 - Gene Seibel - 2 pages