



# WaterWatch of Oregon

## Protecting Natural Flows In Oregon Rivers

### HB 4128, -3

#### Testimony of WaterWatch of Oregon

by Kimberley Priestley

**House Committee on Agriculture, Natural Resources, Land Use and Water**

**February 13, 2024**

Founded in 1985, WaterWatch is a non-profit river conservation group dedicated to the protection and restoration of natural flows in Oregon's rivers. We work to ensure that enough water is protected in Oregon's rivers and aquifers to sustain fish, wildlife, recreation, and other public uses of Oregon's waters. We also work for balanced water laws and policies. WaterWatch has members across Oregon who care deeply about our rivers, their inhabitants and the effects of water laws and policies on these resources.

#### **WaterWatch urges the Committee to adopt additional amendments to provide clarity to the language currently found in HB 4128 -3**

**HB 4128 -3 amendments:** HB 4128-3 appropriates nearly \$90,000,000 to 46 named cities across the state for the purpose of “producing water and wastewater infrastructure to support new residential housing in this state.” There is no explanation in the -3 amendments as to the types of “water infrastructure” allowed to be built under this funding, nor any clarity about what “support new residential housing” means. Without clarity as to scope, we have concerns that this fund could be used to provide public funds to the building of new storage reservoirs without any requirement that they adhere to the sideboards, or provide the required public benefits, of the Oregon Water Resources Department’s (OWRD) Water Project Grant and Loan fund.

**OWRD Water Project Grant and Loan Fund:** In 2013 the Legislature passed SB 839, which set the framework for OWRD’s Water Project Grant and Loan Fund. This fund was billed as the new “go to” state fund for instream and out-of-stream water development projects into the future, including water infrastructure. The structure and sideboards of the OWRD Water Project and Loan Fund were the result of months of input and negotiation by a wide variety of stakeholders, including but not limited to agriculture, municipal, tribal, and conservation interests.

Importantly, the OWRD Water Project Grant and Loan fund requires economic, social, and environmental benefits from water projects in exchange for the granting of public funds. Environmental benefits include but are not limited to a measurable improvement in protected streamflow that supports a wide variety of ecosystem functions, including among other things flows for listed fish and/or flows that support native fish species of cultural importance to tribes. For storage projects specifically, the OWRD Water Project Grant and Loan Fund requires that at least 25% of the new stored water be legally protected for instream use and that seasonally varying flows---flows that need to remain instream to protect and maintain ecological functions---be protected during storage.

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In recent years, we have observed an increase in Legislatively approved direct appropriations that allow an end run to the important sideboards/requirements of the OWRD Water Project Grant and Loan Fund. This trend is of concern to us, generally.

As noted, HB 4128-3 grants monies to named cities for both wastewater and water infrastructure to support new residential housing. If the intent of the “water infrastructure” language is to allow conveyance or other infrastructure needed to connect communities to public water systems, we would ask that the bill be clear that that is the limited scope.

**Suggested Amendments:** We suggest that amendments be crafted that would narrowly define the scope of water infrastructure projects allowed to be funded by these appropriations (outside of wastewater infrastructure), including a prohibition of use of these funds for new or expanded water storage projects. At the very least, we would ask that Section 1, lines 6 and 7 be amended to state:

.....”for the purpose of producing water and waste water infrastructure, **excluding storage reservoirs**, to support new residential housing in this state.....”

For transparency’s sake, we would also request that the intended use of these funds provided by the municipalities to support these appropriations be posted on OLIS so the public knows what this money will be used for.

Thank you for your consideration of our comments.

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