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Testimony to the House Committee on Agriculture, Land Use, Natural Resources and Water On HB 3526

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Founded in 1968, the Oregon Environmental Council (OEC) is a nonprofit, nonpartisan, membership-based organization. We advance equitable, innovative and collaborative solutions to Oregon's environmental challenges for today and for future generations.

Oregon Environmental Council strongly supports HB 3526.

OEC's work often lands squarely in the intersection of public health and environmental protection. This is certainly the case with HB 3526 as well as HB 3525. HB 3526 requires sellers of properties relying on wells for domestic use to test the well, to share the test results with prospective buyers and to forward those results to the state. HB 3526 helps ensure that prospective homebuyers get the information they need to make an informed decision about what is likely the largest investment they will ever make.

Nearly 70% of all people living in Oregon get at least some of their water from wells. In many cases, those wells are managed by water delivery utilities, who are responsible for ensuring the water they deliver is safe to drink as required by the Safe Drinking Water Act and managed by the Oregon Health Authority. However, 23% of Oregonians rely entirely on wells for their drinking water, and those wells are not regulated under the Safe Drinking Water Act. That means millions of Oregonians (particularly rural Oregonians) are at risk of adverse health effects from contaminated wells.

Understanding how important safe drinking water is, in 1989 the Legislature passed The Domestic Well Testing Act (1989). The Act requires sellers to report well water test results following the sale or exchange of real estate. These results are intended to inform the buyer of potential health challenges posed by contaminated drinking water, allowing them to address the problem, and to help the state identify areas of groundwater concern, supporting data-driven decision-making on where to invest limited state resources for more comprehensive groundwater quality monitoring.

It seems like we shouldn't need this bill, but unfortunately, the Real Estate Transaction program (RET) is not working as intended. First, the program currently requires the seller to inform the buyer only after the acceptance of the offer to purchase the property served by the well. This bill will require the seller to share the test results with prospective buyers prior to purchase. This ensures that one intent of the 1989 Act is fulfilled – protecting public health by supporting informed decision-making on the part of property buyers.

If the seller does not comply with the requirement to provide test results to the buyer prior to the sale, HB 3526 creates a cause of action for the buyer. By creating legal recourse for homebuyers, this bill ensures accountability and transparency in real estate transactions for homebuyers.

Second, it gets the important information – test results for total coliform, arsenic and nitrates – directly into the hands of DEQ, the agency responsible for protecting and managing water quality in our state.

Let's be clear, this doesn't place any increased burden on the property seller. Sellers are already required to report to both the buyer and the state the results of well water tests. What this bill does do is close loopholes in the current law, ensuring that that home buyers have the information they need before purchasing the property, and that the same information is shared with the state's water quality management agency.

HB 3526 will benefit rural residents, planners, public health officials, property owners, and potential property buyers. State agencies charged with managing and protecting water quality and public health will be able to more clearly understand where there are potential groundwater challenges as well as where there are none. Homebuyers will be fully informed as to any health impacts associated with domestic wells on properties they are considering purchasing.

Thank you for this opportunity to testify in support of HB 3526.