

February 24, 2025

Chair Golden and Members of the Senate Committee on Natural Resources and Wildlife:

We are strongly in opposition and urge you to vote against Senate Bill 427.

Rainbow Water District serves Lane County customers along the edge of the City of Springfield, and Rainbow contracts with five smaller public water systems in the Mohawk and McKenzie River valleys to provide various levels of management and operational support. All six of the water systems we work with rely solely on groundwater wells.

In April 2024 the United States Environmental Protection Agency announced new drinking water standards for six Per- and Polyfluoroalkyl Substances, known as PFAS. Water utilities have until 2029 to treat or replace PFAS-contaminated water sources. Testing is still in progress to even understand the magnitude of the problem across the country, but three of our six water systems have confirmed PFAS detections with multiple wells impacted.

New treatment systems are expensive, requiring up front capital investment. Treatment systems also require ongoing operations and maintenance, increasing the long-term cost of water and creating affordability challenges for disadvantaged community members. We applied for and received several grants from the state to study the feasibility of drilling replacement wells in areas that are not contaminated, but this remedy requires a transfer of water rights.

In September 2024 the Oregon Water Resources Department adopted new groundwater allocation rules, making it more difficult to obtain new water rights. Adjusting existing water rights with the transfer process is really the only tool available for us to manage water supplies, and Senate Bill 427 would place additional burdens on that water right transfer process.

Senate Bill 427 introduces a new standard that would require OWRD to determine whether a proposed transfer will result in "diminishment of streamflow" and introduces a new avenue for instream stakeholders to protest transfer applications and tie them up for years. OWRD's transfer review process already has significant delays stretching into years, and implementation of Senate Bill 427 could make the transfer process nearly impossible to use.

The state is giving grant money to study the PFAS problem with one hand and seeking to add new regulations that takes away viable solutions with the other. Without an ability to drill new replacement wells and transfer the water rights, whether due to PFAS contamination or simply from aging and failing water supply wells, public water systems risk losing legal access to water, putting constraints on the rural communities that are part of Oregon's overall housing solution.

We suggest that Oregon's legislature should seek ways to *enhance* water right flexibility to ensure agricultural and municipal water users can improve operational efficiencies while protecting existing water rights, including instream water rights.

Respectfully, Jamie Porter Superintendent