

March 10, 2025

House Committee on Agriculture, Land Use, Natural Resources, and Water  
900 Court St. NE  
Salem, OR 97301

Re: Central Oregon LandWatch Testimony on HB 3501 - Oppose

Co-Chair Helm and Owens, Vice-Chair McDonald, and Members of the Committee:

Thank you for the opportunity to provide testimony on HB 3501. Central Oregon LandWatch (“LandWatch”) is an Oregon non-profit, public interest organization of about 950 members. Its offices are located in Bend, Oregon. LandWatch’s mission is to defend and plan for Central Oregon’s livable future, and it has advocated for the preservation of natural resources in Central Oregon for over 30 years.

LandWatch strongly opposes HB 3501 and the concept of prohibiting the consideration of whether water right transfers could be detrimental to the public interest.

In nearly every Western state, a public interest review is an essential component of the water right permitting process.<sup>1</sup> Public interest reviews acknowledge that decisions about water impact everyone in Oregon. The state, as the trustee of these vital resources, has an obligation to ensure that the overall public interest is considered in water rights decisions.

Oregon’s water law is clear: all waters of the state—whether surface water or groundwater—belong to the public.<sup>2</sup> Specifically, Oregon water law establishes that:

- The public holds rights to the ownership and control of the waters of the state.<sup>3</sup>
- The reasonable control of all water, from all sources of water supply, belongs to the public.<sup>4</sup>
- All of the waters within the state belong to the public for use by the people, for beneficial purposes, without waste.<sup>5</sup>

The public interest review is one of the most crucial findings in the water right review process. It encompasses many of the essential considerations outlined in the water code and ensures that all

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<sup>1</sup> Amos, A.L., 2009. Freshwater Conservation: A Review of Oregon Water Law and Policy.

<sup>2</sup> ORS 537.110)

<sup>3</sup> ORS 537.334(2)

<sup>4</sup> ORS 537.525

<sup>5</sup> ORS 536.310(1)



relevant factors are taken into account before a water right is approved. These factors include:

- Water use efficiency and waste
- Impact on threatened, endangered, or sensitive species
- Water quality
- Fish and wildlife habitat
- Recreation
- Economic development
- City and county comprehensive plans<sup>6</sup>

With no new surface water to allocate, and significant water scarcity challenges across the state, water right transfers are one of the primary pathways available to address new and existing water demands. Instead of barring consideration of public interests in the transfer review process, the state should strongly consider incorporating public interest reviews, as other states have done.

Furthermore, HB 3501 proposes increasing the costs associated with protesting water right transfers for individuals who do not own land within the hydrologic basin where the transfer is occurring. Such a drastic increase in protest fees—by over 1000%—would create a significant financial barrier for the vast majority of Oregonians to participate in the water management process. The public should not face barriers to voicing concerns over proposed changes to the distribution of water – a public resource – across the state. This is particularly troubling given the historical injustices in the allocation of Oregon’s water resources. Limiting the ability to protest water decisions to landowners would only exacerbate these inequities, further restricting public participation and perpetuating a system that disproportionately benefits a select few.

We respectfully urge this committee to not pass HB 3501. Thank you for consideration of these comments.

Sincerely,



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<sup>6</sup> OAR 690-310-0120

