

March 10, 2025

House Committee on Agriculture, Land Use, Natural Resources, and Water  
Oregon Legislature

RE: Support for HB 3501

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

Oregon Farm Bureau (OFB) is the state's most inclusive agriculture organization, proudly representing over 6500 family farms and ranches that produce more than 220 agricultural commodities. From hops and hazelnuts to cattle, cranberries, and timber with operations spanning from just a few acres to thousands, our members utilize all farming methods including organic, conventional, regenerative, biotech, and even no-tech.

Oregon's agriculture industry is a cornerstone of the state's economy, generating approximately \$6.77 billion in agricultural cash receipts in 2022, with crops contributing \$4.65 billion and livestock adding \$2.12 billion, according to the U.S. Department of Agriculture.<sup>1</sup> Beyond direct production, Oregon State University reports that the broader agriculture, food, and fiber industry had a total economic impact of \$42.2 billion in 2021, encompassing farming, food processing, and related industries. This sector is also a major employer, supporting 371,300 jobs.<sup>2</sup> Moreover, Oregon's agricultural industry paid an estimated nearly \$40 billion on total wages and \$16 billion in taxes in 2024.<sup>3</sup> With a diverse agricultural portfolio—including specialty crops like nursery products, wine grapes, and hazelnuts—Oregon's agriculture not only sustains rural communities but also plays a critical role in the state's economic resilience and environmental sustainability efforts.

OFB supports House Bill 3501, which streamlines the water right transfer process to ensure that Oregon's farmers and ranchers can efficiently manage their water resources. Water is the lifeblood of Oregon agriculture, and the ability to adapt to changing conditions—whether due to drought, economic shifts, or evolving land use practices—is

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<sup>1</sup> [https://www.nass.usda.gov/Publications/AgCensus/2022/Full\\_Report/Volume\\_1,\\_Chapter\\_1\\_State\\_Level/Oregon/st41\\_1\\_002\\_002.pdf](https://www.nass.usda.gov/Publications/AgCensus/2022/Full_Report/Volume_1,_Chapter_1_State_Level/Oregon/st41_1_002_002.pdf)

<sup>2</sup> [https://agsci.oregonstate.edu/sites/agscid7/files/main/about/oragecon\\_report\\_2021.pdf](https://agsci.oregonstate.edu/sites/agscid7/files/main/about/oragecon_report_2021.pdf)

<sup>3</sup> [https://economic-impact-of-ag.uada.edu/files/2024/05/OR2024-FactSheet-Feeding\\_the\\_Economy-8300c48c0b4935f4.pdf](https://economic-impact-of-ag.uada.edu/files/2024/05/OR2024-FactSheet-Feeding_the_Economy-8300c48c0b4935f4.pdf)

essential to the continued success of our state’s farm and ranch families who are an important contributor to our state’s economy and particularly so in rural areas.

By expediting water right transfers, HB 3501 reduces bureaucratic delays, prevents unnecessary litigation from obstructing legitimate water use changes, and strengthens the ability of agricultural producers to manage their water efficiently. Importantly, the bill maintains protections against injury to existing water rights, ensuring that water users are not harmed by another’s transfer. This balance between efficiency and fairness is critical for Oregon’s agricultural economy.

The Oregon Water Resources Department (OWRD) is currently saddled with a backlog of administrative cases. Our members have indicated that delays in water rights transactions at OWRD have grown from months to years. This reality is supported by the agency’s current request for an across-the-board increase of 135 percent in permitting fees to be levied on permittees as laid out in HB 2803.<sup>4</sup> At the same time, Oregon’s net farm income dropped 28.9 percent in 2023 versus 2022, or about \$644 million.<sup>5</sup> Although state-specific data is not readily available at this time, USDA estimates that the national net farm income dropped in 2024 versus 2022 by 3.5 – 4 percent.<sup>6</sup> As income has been going down—to the tune of more than 30 percent in a two-year period—now is exactly the time to be seeking administrative efficiencies like those proposed in HB 3501.

OFB has long advocated for a water policy rooted in private property rights, regulatory efficiency, and long-term sustainability. HB 3501 aligns with these principles by removing unnecessary barriers to water right transfers while upholding the integrity of Oregon’s water law system. At the same time, we recognize that water is a shared and finite resource, and we remain committed to responsible water management that ensures the long-term viability of Oregon agriculture.

OFB acknowledges the importance of water conservation in sustaining our state’s agricultural economy and environmental sustainability for future generations. We support voluntary, market-based conservation efforts that help producers use water more efficiently without imposing burdensome regulations. By allowing water users to manage their limited resources more flexibly, HB 3501 ultimately promotes the more efficient and effective use of our state’s water supplies.

We urge the Oregon Legislature to pass HB 3501 to support a more predictable and transparent water management system. Working toward a secure water future ensures that Oregon’s agricultural producers can continue providing food, fiber, and economic benefits to communities across the state.

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<sup>4</sup> <https://olis.oregonlegislature.gov/liz/2025R1/Downloads/MeasureDocument/HB2803/Introduced>

<sup>5</sup> <https://ers.usda.gov/data-products/farm-income-and-wealth-statistics/data-files-us-and-state-level-farm-income-and-wealth-statistics>

<sup>6</sup> <https://www.ers.usda.gov/data-products/charts-of-note/chart-detail?chartId=110528>

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Krabill', with a long horizontal flourish extending to the right.

Ryan J. Krabill  
Oregon Farm Bureau