



**From:** League of Oregon Cities &  
Special Districts Association of Oregon

**To:** House Committee On Agriculture  
Land Use, Natural Resources, and Water  
900 Court St. NE  
Salem Oregon 97301

March 10, 2025

**RE: Water Rights Transfer Process – Neutral on HB 3501**

The League of Oregon Cities is a member organization representing all 241 cities in the state, and Special Districts Association of Oregon (SDAO) represents approximately 950 districts across the state – **we are neutral on House Bill 3501**. While it's a significant improvement over previous proposals, it highlights the need for a more comprehensive discussion on water rights transfers and their impact on municipal supplies.

Two bills introduced in the senate this session have raised serious concerns for cities, one of which we have opposed on the record (SB 427). Before considering any changes to transfer statues, we must first address **critical improvements to the contested case process and overall efficiency within the Oregon Water Resources Department (OWRD)**. These changes should come first.

For example, there are currently 227 protests and contested cases pending at OWRD – and several historical examples of these cases taking well over a decade to resolve. **Leaving our cities with a lack of certainty on providing municipal drinking water to our communities.**

Making changes to the water rights transfer process risks unintended consequences for cities and our ability to secure long-term drinking water supplies.

**For that reason:**

We are open to a conversation in the interim to work through the issues around water rights transfers, but additional time is necessary to engage with our members and fully understand the impacts on municipal water utilities. A structured interim discussion would allow stakeholders to develop, balanced workable solutions.

Thank you,  
Michael Martin  
League of Oregon Cities  
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Special Districts Association of Oregon