



League of Oregon Cities (Michael Martin)
Special Districts Association of Oregon (Mark Landauer)
Oregon Association of Water Utilities (Jason Green)

March 25, 2025

Senate Committee On Natural Resources
and Wildfire
900 Court St. NE
Salem Oregon 97301

RE: Opposition to Senate Bill 1153 – Request to Participate in Discussion

Chair Golden, Vice-Chair Nash, and Committee Members,

The League of Oregon Cities (LOC) and Special Districts Association of Oregon (SDAO), AND Oregon Association of Water Utilities (OAWU) are writing in **opposition to Senate Bill 1153**. LOC is a member organization representing all 241 cities in Oregon, SDAO represents approximately 950 districts across the state, and the Oregon Association of Water Utilities is a nonprofit, independent association of water and wastewater utilities. OAWU was formed in 1977 to represent water utilities' interests in the state legislature and provide onsite technical assistance - collectively we represent most of the municipal water providers in the state.

We would like to help the committee and public understand why we are collectively **opposed to Senate Bill 1153** – and propose that we are open to amendments provided they meet the needs of our members.

“Public Interest Review” is the first step in a long and expensive contested case litigation process. Before considering any changes to transfer statutes, we must first address critical improvements to the contested case process and overall efficiency within the Oregon Water Resources Department. Currently, there are 227 protests and contested cases pending at OWRD. There are also several historical examples of these cases taking well over a decade to resolve. Municipal water providers must have certainty in the provision of drinking water to our citizens, businesses, hospitals, school and the like. Our ability to accommodate additional housing production and growth could be jeopardized with delays.

Municipal drinking water utilities are subject to numerous regulatory requirements to safeguard water resources, including:

- **Fish persistence flows** mandated by the Oregon Department of Fish and Wildlife (ODFW) as conditions of our water rights;
- **Water measurement and reporting requirements** to track and manage water use efficiently;
- **Water management and conservation plans**, which must be approved before municipalities can access additional water under their permits;
- **Robust conservation programs** aimed at promoting efficiency and reducing overall water consumption; and
- **Mitigation efforts** to address project impacts that benefit the resource.

Additionally, when municipal water intake projects involve a change in the point of diversion for moving a drinking water intake facility, they must undergo a rigorous permitting process that includes a Clean Water Act Section 404 Removal/Fill Permit, reviewed by the Army Corps of Engineers and the Oregon Department of State Lands (DSL). This process triggers:

- **Endangered Species Act consultation** with the National Marine Fisheries Service (NMFS) and the U.S. Fish and Wildlife Service (USFWS);
- **Threatened and endangered species review** by ODFW;
- **Water quality certification** by the Oregon Department of Environmental Quality (ODEQ); and
- **Tribal consultation** under Section 106 of the Historic Preservation Act.

The Clean Water Act’s “Least Damaging Practicable Alternative” (LEDPA) standard already ensures that municipal projects adopt the least harmful approach to aquatic ecosystems, regardless of cost. Adding additional regulatory layers beyond this extensive permitting framework would be redundant, costly, and could delay critical municipal water projects that serve our communities.

Request for Participation in Discussion

Given the complexity and controversy surrounding SB 1153 and similar transfer bills introduced this session, we believe that stakeholders would benefit from a structured conversation this session. **We respectfully request that, if the Governor’s Office or the Committee wishes to advance this issue, we have an opportunity to be part of the discussion.**

It is important to note that municipalities are not seeking additional transfer flexibility. Given the extensive permitting and environmental requirements already in place, our members do not consider it reasonable to accept additional conditions on municipal water rights. However, we are open to participating in discussions that focus on identifying areas of improvement in the current system.

We appreciate your consideration of our concerns and welcome the opportunity for continued dialogue. Please do not hesitate to reach out if further discussion is needed.

Respectfully,

Michael Martin - League of Oregon Cities

Mark Landauer - Special Districts Association of Oregon

Jason Green – Oregon Association of Water Utilities