

To: House Committee on Agriculture, Land Use, Natural Resources, and Water

Co-Chair Helm Co-Chair Owens Vice-Chair Finger McDonald Representative Boice Representative Hartman Representative Bobby Levy Representative Marsh Representative McLain Representative Scharf

From: Caylin Barter

Date: March 31, 2025

RE: Neutral on **HB 2803**; Support for Fee Fairness in the Public Interest

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

Wild Salmon Center offers these comments on HB 2803, which would increase water transaction fees to support Oregon Water Resources Department's work to process requests to use the public's water.

Wild Salmon Center is an international nonprofit headquartered in Oregon that has worked with local partners since 1992 to protect and restore the strongest remaining runs of Wild Pacific Salmon. We use science to drive policy, lead planning processes, and support implementation, and we know that the health of our water resources is directly linked to the recovery of our iconic wild fish and the vitality of our communities and economy. Low streamflows and high water temperatures are stressing even our healthiest salmon runs, and these problems are worsening due to climate change and increased human demand for water.

We support policies that improve our state's stewardship of our overstressed water supplies, and we believe that fair fees for water right transactions are critical to good management of this public resource. All water in Oregon belongs to the public. That said, Oregon does not charge a fee for the private use of the public's water, nor does Oregon charge a fee for the ongoing administration of the more than 90,000 water rights that exist in the state today.

Fees charged to applicants are intended to cover a portion of the cost to the state to process water right transactions, including but not limited to processing of new water right applications, extensions, transfers, and other water allocation or reallocation requests. Fees have historically constituted roughly 50% of the state's processing cost, with the public covering the remainder through General Fund dollars (though the public portion has risen above 50% in recent years and still remains over 50% at the levels proposed in HB 2803).

While we generally support OWRD's proposed fees to offset the costs to the state to process requests for use of the public's water, three provisions of HB 2803 raise concerns for Wild Salmon Center:

1. We have concerns about the increasing costs of streamflow restoration transactions, whether instream leases, transfers, or use of the Allocation of Conserved Water Act. Most rivers and

- streams across the state are overallocated, and iconic fish and wildlife species are increasingly imperiled as a result. Restoring water instream benefits the public and imperiled species, and helps restore balance to rivers and streams. Raising instream transaction fees could chill efforts to restore water to Oregon's rivers and streams, and we urge the Committee to reject these fee increases related to instream leases, transfers, and use of the Allocation of Conserved Water Act.
- 2. The protest fee for a third party to challenge an OWRD application decision will rise to \$2,235. This fee provides a significant barrier to those representing public interests in the state water processes. Given that water in Oregon belongs to the public, it is critical that the public have a voice in the processing of water rights that allow use of that water in perpetuity. We would urge the Committee to reject this fee increase.
- 3. Third parties are already charged twice as much as applicants when filing a protest of an agency decision. Water right application fees are subsidized by the public through the roughly 50-50 split of fees to General Fund dollars, but if an applicant then wants to challenge the state's proposed denial, the applicant should have to pay the same fee as any other protestant. We would urge the Committee to ensure that applicant protest fees are equal to third-party protest fees.

Wild Salmon Center appreciates this opportunity to provide testimony on HB 2803.

Sincerely,

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