

April 7, 2025

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

RE: Oppose HB 3372-5

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

Oregon Farm Bureau (OFB) is the state's most inclusive agriculture organization, proudly representing over 6,500 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. My name is Ryan Krabill and on behalf of OFB, thank you for the opportunity to register our concerns with HB 3372.

Oregon's farmers and ranchers operate in one of the most highly regulated water environments in the country. In recent years, the state has taken decisive action to protect groundwater resources and address declining aquifer levels. Most notably, in September 2024, the Water Resources Commission adopted sweeping new rules requiring that any applicant for a new groundwater right demonstrate—through scientifically credible data—that their proposed use will not impair aquifers or hydrologically connected surface waters. In regions where such data is lacking, or where aquifers are already in decline, these rules have effectively created a moratorium on new groundwater development.

The impact of these changes on agriculture cannot be overstated. In many areas of the state, farmers seeking to expand or establish new operations now find that they have no viable path to secure a new water right. Those fortunate enough to hold certificated rights are being asked to invest in measurement, mitigation, and compliance infrastructure to maintain access. And in every corner of rural Oregon, the agricultural community is being called upon to do more—with less.

In this context, exempt wells have taken on even greater significance. Exemptions under ORS 537.545 allow certain limited uses of groundwater—such as domestic supply,

stockwatering, and irrigation of small lawns or gardens—without the need for a water right permit. These exemptions are narrow, long-standing, and widely relied upon by rural residents. However, the policy framework that governs them must be applied with clarity, consistency, and balance—especially as Oregon grapples with how to sustainably manage finite water resources.

HB 3372-5 fails to meet these standards.

This bill proposes to formalize the use of groundwater from exempt wells for commercial gardens and certain commercial or industrial uses, provided the total volume does not exceed 5,000 gallons per day. On its face, the bill is presented as a clarification—a way to ensure that small-scale growers using domestic wells can legally sell produce they are already growing. But in practice, HB 3372-5 does far more. It changes the statutory structure of exempt uses, grants them legal standing equivalent to permitted water rights, and opens the door to increased commercial activity under the exempt framework—all without adequate oversight, data, or review.

At a time when Oregon is asking its permitted water users to meet the highest standards of accountability, HB 3372-5 creates a parallel system—one that allows some to operate outside of that structure simply by staying below a volume threshold. This is not an innovation in water use. It is an exemption from accountability. And it is not fair to the farmers and ranchers who have followed the rules, invested in the permitting process, and built their operations around an assumption of shared sacrifice.

It is also important to recognize that many Oregonians—including small farmers and backyard growers—have long understood and respected the limits of Oregon’s narrowly defined groundwater exemptions. These individuals have made substantial investments in land, irrigation systems, and business infrastructure with the clear understanding that lawful water use is a prerequisite for agricultural commerce. HB 3372-5, by creating a new pathway around those longstanding requirements, effectively penalizes those who have chosen to comply with the law. It erodes confidence in the integrity of Oregon’s water management framework and sends a troubling signal to those who have acted in good faith, made careful decisions, and relied on the stability of established water policy.

Worse still is the signal this bill sends about the state’s water policy priorities. For years, Oregon has worked to build a system of water law rooted in science, stewardship, and responsible use. That system depends on transparency and on ensuring that all users—large and small, new and established—are held to consistent standards. HB 3372-5 undercuts that framework by creating a category of users whose rights are granted not based on demonstrated need, available supply, or sustainability, but simply on whether they meet a narrow set of volume and land-use limits.

This raises very real questions about enforcement, equity, and long-term resource protection. The bill introduces a definition of “commercial garden,” excludes cannabis cultivation, and includes language about cumulative volume limits. But it provides no clear mechanisms for verifying compliance, tracking use, or preventing unintended expansion. In regions where groundwater resources are already over-allocated or in decline, the cumulative impact of unmonitored exempt wells cannot be ignored. What may appear to be a minor use in isolation becomes significant when multiplied across hundreds or thousands of wells—particularly when those uses are granted legal status equal to certificated rights.

The agricultural community is not opposed to small-scale producers or local food systems. To the contrary, Oregon’s family farms are the backbone of farmers markets, community-supported agriculture, and food donations. But the framework for groundwater access must be based on responsible use and shared responsibility—not on statutory workarounds that reward those who find ways to avoid regulation.

At its core, HB 3372-5 presents a policy contradiction. It affirms the state’s commitment to tight controls on new water rights while simultaneously expanding unregulated access through the exempt well system. It tells some farmers they must wait years, invest heavily, and meet high data standards to secure water—while telling others they may proceed without those burdens as long as they remain under a certain threshold. This is not clarity. It is not consistency. And it is not balance.

Oregon’s water future depends on policies that are grounded in fairness, transparency, and long-term sustainability. HB 3372-5 falls short of those goals. For that reason, the Oregon Farm Bureau respectfully urges this committee to reject the bill.

Thank you for the opportunity to share our perspective.

Sincerely,

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

Ryan J. Krabill  
Oregon Farm Bureau