OPPOSE SB 1153

SB 1153 proposes the most sweeping changes to Oregon water law in decades without clear evidence of a problem. The bill threatens agriculture's last remaining tool (water right transfers) for efficient water management including adaptation to climate change, making irrigation system improvements, addressing drought, and adjusting to changing market conditions.

While presented as a way to enhance environmental and tribal review, OFB has serious concerns about the bill's vague language, duplicative mandates, and the significant impact it could have on water users, particularly Oregon's family farmers and ranchers.

SB 1153 authorizes the Oregon Water Resources Department (OWRD) to deny or condition a water right transfer if it "may result" in unidentified impacts to fish habitat or water quality in most stream reaches.

Detailed Concerns:

• **Eliminates Flexibility**: Transfers are the <u>only practical option</u> left for farmers and ranchers to legally move water where it's needed. SB 1153 would make these basic adjustments harder, slower, and more expensive.

• **Uses Vague, Unproven Standards**: The bill creates unclear tests like "*loss of instream habitat*" and "*contribution to water quality impairment*" without defining what these mean or how to measure them. It prioritizes ambiguous environmental ideals over economics and food production.

• **Blocks Innovation and Introduces Uncertainty**: Farmers will be less able to adjust to changing conditions, invest in conservation or move water to crops in need. Irrigation and water infrastructure improvements will slow down or stop.

• **No Proof of Harm**: Supporters haven't shown any actual cases of environmental damage from transfers. We should not rewrite decades of water law based on speculation.

• Adds More Burden to a Broken System: OWRD already has years-long application backlogs. SB 1153 adds costly, complex tasks without giving the agency time or resources to succeed. What is the cost of this bill and how does it fit into the OWRD fee increases?

• **Unfair and Unequal:** The bill targets family farms and rural water users but <u>exempts</u> cities from the same rules, even though their water rights are the same or similar.

• **Litigation Risk:** Vague new criteria will invite lawsuits and challenges from the environmental litigation industry and require family farms to defend themselves. Cities can spread compliance costs among ratepayers. Farmers will shoulder the legal fees alone.

• **Protections Already in Place:** The Oregon Department of Fish & Wildlife & Department of Environmental Quality are already tasked with applying for in-stream water rights to protect stream reaches where needed. The bill overrides agency authority and responsibility.

• **No Accountability:** The bill lacks reporting requirements or deadlines for agency decisions. It opens the door to more bureaucracy, not better results.

These requirements represent an additional regulatory burden, particularly on small family farms with limited resources. Many of these provisions are already covered under existing law, making the bill unnecessarily duplicative.

While respecting tribal sovereignty and interests, OFB is concerned that this new mandate could create further bottlenecks in the transfer process without adequate timelines or resolution frameworks.

A longer and more thoughtful dialogue is needed. Very few people have been included in a private work group to discuss broad, sweeping changes to Oregon water law. More thorough, thoughtful public participation is needed.

Agriculture is ready to work on water solutions that benefit farms, fish, and communities, but that takes time, data, and cooperation, not a bill dropped at the 11th hour of the legislative session. Instead of rushing flawed legislation through one session, the state should pursue a collaborative, science-based effort.

Following a cursory hearing in the Senate Committee on Natural Resources and Wildfire, SB 1153 was referred to the Senate Committee on Rules. OFB has been collaboratively and consistently engaged with coalition partners to educate legislators on the real-world impacts to Oregon's agricultural producers, and to voice strong opposition as necessary.

SB 1153 is not ready. It's hurried and is bad for all agriculture, regardless of size. It creates more problems than it solves and punishes responsible water users, exempts some users based on political dynamics, and makes Oregon's water system slower, not smarter.

OFB is fighting to ensure that water policy remains workable, science-based, and fair.