DATE: June 3, 2025

TO: Senate Committee on Rules Chair Jama Vice-Chair Bonham Senator Golden Senator Manning Senator Thatcher

FROM: Oregon Water Partnership

## RE: SB 1153: Safeguarding Streamflows in Water Right Transfers

Chair Jama, Vice-Chair Bonham, and Members of the Committee,

Oregon Water Partnership is a diverse partnership of statewide conservation groups with a common goal: to advocate for balanced water policies that ensure cold clean water to sustain healthy communities, livelihoods, and ecosystems. Our priorities are to build resilience for Oregon's water future, bring water data into the 21st century, support smart water management, and protect and restore our waters. We collectively have tens of thousands of members in communities across the state, and our organizations work collaboratively with cities, counties, Tribes, farmers, ranchers, and forest owners to restore natural habitat and improve watershed function.

**Oregon Water Partnership supports SB 1153**, a bill that safeguards fish habitat and water quality when non-municipal water right holders seek to modify those rights in ways that reduce flows in unprotected streams.

<u>Background on water right transfers</u>: Most of Oregon's streams are <u>over-appropriated</u> in summer, and groundwater aquifers are showing signs of overuse across the state. Increasingly, new water demands are being met by modifying existing water rights, many of which pre-date Oregon's first water right permitting system enacted in 1909.

Existing water rights can be changed (a voluntary process called a "transfer") by applying for permission from the Oregon Water Resources Department (OWRD) to use water for a new purpose, extract from a new point, or move the water right to a new place of use. But while applications for *new* water rights must demonstrate they will not harm the public's interest in our water, **applications for changes to existing water rights can be approved without any consideration of environmental harm.** 

Currently, if OWRD determines that a proposed transfer will not cause legal injury to other water rights and will not enlarge water use by the transferred right, it must approve the application. Under existing law, transfers can legally dry up sections of fish-bearing streams so long as no other water *rights* are impacted. For the approximately 97% of Oregon stream miles that lack instream water rights to protect flows, this means there is currently no mechanism to safeguard instream values from the harmful impacts of certain transfers. **Oregon is an outlier**, having fallen behind as our neighbors took action to shrink the transfer loophole.<sup>1</sup>



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<sup>&</sup>lt;sup>1</sup> Recognizing the risks that transfers can pose to the public's water, states across the Western US have adopted more holistic standards of application review. These include Idaho, Washington, California, Nevada, Montana, Utah, New Mexico, and Texas.

## WHY OREGON WATER PARTNERSHIP SUPPORTS SB 1153

SB 1153 protects Oregon's streams and the public benefits they provide by adding environmental standards into Oregon's transfer application review process. Going forward, transfer applications would be disapproved if they would reduce flows on streams that lack instream water right protections and 1) **result in loss of instream habitat** for imperiled fish species, or 2) **contribute to water quality impairment** in water quality limited streams. The -5 amendments narrow the standard to apply only to two types of non-municipal transfers that pose high risk to streamflows: moving an existing diversion upstream (see illustration below), or moving a well closer than 1/4 mile from a stream. The bill also creates a pathway for increased involvement of Tribes in Oregon in the transfer application review process, and clarifies that the Oregon Water Resources Department can condition transfers to avoid harm to fish.

Across multiple legislative sessions, Oregon Water Partnership has pushed for water law reforms that help balance Oregon's instream and out-of-stream needs. SB 1153 screens out transfer applications that would harm instream habitat and water quality—core public values that have suffered compounding harm under the current system. Our sister states have all managed to bring new water values into the process for changing old water rights; **it's time for the Oregon Legislature to do right by the resource** and the ecosystems, economies, and cultural connections it sustains.

SB 1153 is a commonsense approach to safeguarding fish habitat and water quality in the face of new water demands and pressures. **Oregon Water Partnership urges the Committee's support of these long-overdue reforms**.

Thank you for considering our testimony, and please contact us with questions.

## **Oregon Water Partnership**

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## **Illustration of Current Problem**

transfer that moves diversion point from downstream to upstream diminished streamflow in between, no mechanism to protect against harm to the public's water