



Legislative Fiscal Office
 83rd Oregon Legislative Assembly
 2025 Regular Session

Prepared by: Twais Broadus
 Reviewed by: John Borden, April McDonald
 Date: June 3, 2025

Bill Title: Relating to water.

Government Unit(s) Affected: Water Resources Department, Judicial Department, Employment Department

Summary of Fiscal Impact

Costs related to the measure are anticipated to be minimal - see explanatory analysis.

Summary of Revenue Impact

Agency -- Fund Type	2025-27 Biennium	2027-29 Biennium
Water Resources Department -- Other Funds	\$ 10,000	\$ 10,000
Total Revenue Impact	\$ 10,000	\$ 10,000

Measure Description

The measure modifies contested case procedures administered by the Water Resources Department (WRD). The Water Resources Commission, in coordination with the Office of Administrative Hearings (OAH), is directed to adopt rules establishing uniform hearing schedules and procedural standards. These rules must include a 180-day hearing timeline, provisions for remote participation, the use of settlement administrative law judges, and consistent timelines for determining party status.

Provisions of the measure revise requirements for protest submissions, establish deadlines and criteria for party status requests, limit appeals to issues properly raised during the protest phase, and clarify when contested case hearings must occur. Several existing statutes related to water right protests, hearings, and final orders are amended or repealed to remove duplicative or outdated procedures and ensure consistency with the new process.

The measure authorizes WRD to collect specified fees for protest filings and participation in contested case proceedings. These changes apply across a range of water right transactions, including permit applications, transfers, cancellations, and conserved water allocations. Transition provisions require the Department to notify affected parties and address pending matters not yet referred to OAH.

Fiscal Analysis

Costs related to the measure are anticipated to have minimal impact.

Water Resources Department

WRD currently administers contested case procedures for protested water right transactions and coordinates with the Office of Administrative Hearings (OAH) for hearing support. These responsibilities will continue under the measure’s revised procedures.

Implementation will require WRD to update internal and external guidance materials, decision documents, and workflow tracking tools. Updates to the Water Right Information System (WRIS) will also be necessary to reflect new requirements for processing protest submissions, party status requests, and the transition from proposed to final orders. The Water Resources Commission and WRD must collaborate with OAH to adopt uniform hearing procedures and develop standard contested case hearing schedules.

WRD will also conduct rulemaking to align existing administrative rules with the measure’s statutory changes. While there may be minor administrative or IT impacts, these are expected to be manageable within existing resources.

WRD reports receiving a low number of applicable requests in the prior biennium and anticipates between one and ten such requests per biennium going forward. Based on this estimate, the Department expects a minimal revenue increase of up to approximately \$10,000 Other Funds per biennium from fees authorized for protest filings and participation in contested case proceedings.

Judicial Department

The measure is anticipated to have minimal impact on Oregon Judicial Department and no fiscal for Employment Department.

Relevant Dates

The measure takes effect on January 1, 2026.