



OREGON
ASSOCIATION OF
NURSERIES

**Written Testimony of the Oregon Association of Nurseries on House Bill 3544-5
House Committee on Agriculture, Land Use, Natural Resources, and Water**

April 10, 2025

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

Background on the Nursery and Greenhouse Industry

The nursery and greenhouse industry is the state's largest agricultural sector, with over \$1.37 billion in sales across the nation and the globe. Nationally, Oregon ranks third in nursery production. Nearly 80% of the nursery stock grown in our state leaves our borders – with over 50% reaching markets east of the Mississippi River. *By the numbers: #1 in US: sales of conifers, shade trees, Christmas trees, and flowering trees. \$443.2 million in annual payroll - \$44,108 average annual pay.* We send ecologically friendly, carbon sequestering, green products out of the state, and we bring traded sector dollars back to Oregon. Nursery association members represent wholesale plant growers, Christmas tree growers, retailers, and greenhouse operators. Our members are located throughout the state, with our largest nursery growing operations found in Clackamas, Marion, Washington, Yamhill, and Multnomah Counties.

Support for HB 3544-5

The OAN would like to thank the Co-Chairs and the Committee for putting considerable thought and effort into improving the contested case process relating water right transactions. We appreciate every step the legislature can take to improve water right transactions. It is critically important to find efficiencies and to streamline the lengthy and expensive processes associated with water right transactions today.

While the -5 version of the bill includes several unfortunate compromises that will water down some of the efficiencies contained in the -3 version of the bill, the bill still represents an important step toward a more efficient and certain protest and contested case process.

Next Steps

We hope that this represents the first step toward a process that eliminates the use of protests as a weapon to delay and drive up expense for applicants. Unfortunately, the existing OWRD administrative process itself is largely to blame for these significant delays and contested case backlogs. OWRD issues the majority of its decisions via proposed final orders, which are subject to protest, the contested case process, exceptions before the Commission, and ultimately appeal to the Court of Appeals. This chain of events typically take many years to reach conclusion.

By contrast if the law required OWRD to simply issue final orders, a party wishing to challenge such an order would file a petition for judicial review in Circuit Court. This would eliminate many unnecessary steps, trigger the well-established rules and processes of the civil court system, and speed matters to conclusion before a judge.

Again, the OAN appreciates the Committee's efforts to bring this bill forward to save time and resources, reduce water rights transaction backlogs, and to clarify the standards of evidence required to pursue a protest. These are important steps. However, we ask that you treat this bill as an initial step toward resolving the root cause of the transaction process backlog.

Thank you for considering our comments.

Jeff Stone
Executive Director