

# Deadline approaching to obtain water right permit extensions



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## Key changes at a glance: water right permit extensions

### 1. Standard timeline extended

**Previous rule:** 5 years to complete construction and put water to beneficial use.  
**New rule:** 7 years allowed before a permit expires.

### 2. Only one extension allowed

**Old law:** Multiple extensions could be granted “for good cause shown.”  
**New law:** Only one extension may be approved, for permits existing on April 1, 2026, for a maximum of two years.

### 3. Bottom line for nurseries

More time up front, but less flexibility later.  
Success now depends on strong project planning, documentation, and timely action.

Legislative changes to the state's water right permitting process significantly impact permit extensions. ADOBE STOCK

**F**or Oregon’s nursery and greenhouse operators, water rights are essential to success. Legislative changes to the state’s water right permitting process, adopted through House Bill 3342 (2025), modify long-standing timelines and procedures for perfecting water rights. The core expectations of diligence and beneficial use remain, but the legislation limits — and, ultimately, eliminates — growers’ ability to obtain needed extension for permits they already hold.

## Permit extensions

Under prior law, holders of irrigation or nursery water right permits were required to complete construction and perfect their rights within five years of permit

approval, unless an extension was granted for good cause. This short window often proved difficult for nursery operations, where water development projects can be complex and capital-intensive. Weather delays, supply-chain issues, and permitting from other agencies frequently made the five-year deadline hard to meet. Therefore, permit extensions have been a critical tool for nursery owners.

HB 3342 has lengthened the initial development period to seven years. However, subsequent extensions are now much more limited.

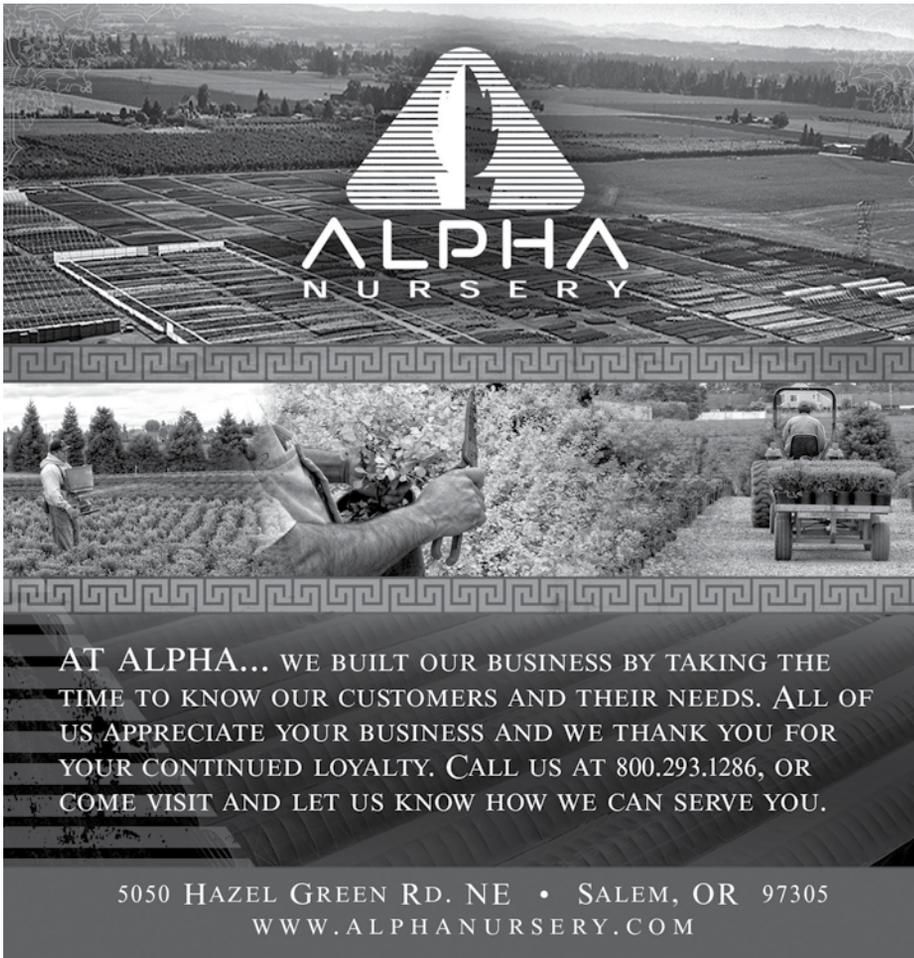
## One extension, two years maximum

The law now limits extensions on existing permits to a single, two-year

period. Previously, multiple extensions were allowed, and OWRD was obligated to grant them for “good cause.”

Under the new law, a grower who cannot complete construction or achieve beneficial use within the initial five-year period may request **only one additional extension, lasting no more than two years.**

Under the new framework, OWRD [»](#)



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must grant a single two-year extension if: 1) fish-related conditions have been satisfied, and 2) the applicant can show good cause for the extension (e.g. diligent efforts toward completion, delays related to weather conditions, economic hardship, and delays caused by other governmental requirements).

This new limit makes careful project management and documentation even more critical. Once the extension expires, the permit terminates if beneficial use has not been achieved. For nursery operators, this means there is still flexibility — but no second chances beyond the final seven-year maximum.

### No extensions after April 1, 2026

Most importantly, the one-time extension allowance only applies to existing permits for which an extension application is pending on April 1, 2026. After that date, OWRD will no longer accept permit extension applications. Any grower needing extra time to complete development of an existing permit must move quickly to submit an extension application before the deadline.

### Transfers not affected

Water right transfers, like permits, also have development timelines. However, HB 3342 did not change the law with regard to transfers. Therefore, OWRD should still process transfer extensions under the existing rules.

### Contact a water rights professional for more information

Any grower who believes they need to obtain an extension should immediately contact a certified water rights examiner or water rights lawyer to get the application prepared and submitted prior to the deadline. ©

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