



OREGON ASSOCIATION OF REALTORS®



Oregon Environmental Council  
It's Your Oregon



CITY OF BEND



Regarding: S.B. 756

***We are supporters of the State of Oregon's affordable loan program that helps families replace failing septic systems or connect to municipal sewer. As such, we respectfully urge you to pass S.B. 756 to maintain and grow this critically-important program.***

### **The Affordable Septic System Replacement Loan Program Works for All Oregonians**

- More than **\$2.2 million has been invested** in over **110 septic systems** (or sewer hook-ups) in **70 cities** across the state. Customers live in **27 Oregon counties**.
- Over **13 million gallons of wastewater are treated annually** because of these new systems.
- Nearly **40% of the families serviced by this program fall below 80% of county area median income** – families that need help are getting it.
  - Many of these loans have partially- or fully-deferred repayment. This feature means the program is more-accessible to different income levels, but also requires more-patient capital to operate.
- DEQ has responsibly administered the program. **Only 4% of the funds appropriated by the State Legislature have been used by DEQ to oversee the program.**

### **Program Demand is Statewide**

- DEQ and the U.S. Environmental Protection Agency estimate that, of the over 450,000 septic systems currently in-use across the state, **10% (45,000) septic systems fail each year.**

Recognizing these failures as a problem for water quality, public health, and family resilience, the State Legislature established an affordable septic loan program in 2016.

- By June 2019, third-party administrator Craft3 (<https://www.craft3.org/CleanWater>) estimates that it will have closed a cumulative total of **\$3 million in loans in this program** – many of which will be to families that do not have other financing options.
- ***This program will require approximately \$4.0 million to operate over the next biennium. The \$2.0 million in requested grant funds from the state would go a long way towards ensuring help is available to those who need it through 2021.***

## Affordable Septic System Replacement Loan Program

Performance from September 2016 through 4Q 2018

County	Invested	Projects
Grand Total	\$2,228,617	111
BENTON	\$10,025	1
CLACKAMAS	\$135,733	6
CLATSOP	\$128,698	7
COLUMBIA	\$66,520	4
COOS	\$153,825	6
CURRY	\$51,890	2
DESCHUTES	\$234,657	12
DOUGLAS	\$149,616	7
HOOD RIVER	\$12,097	1
JACKSON	\$105,517	4
JEFFERSON	\$18,140	2
JOSEPHINE	\$99,656	5
KLAMATH	\$85,930	6
LAKE	\$29,110	3
LANE	\$192,508	11
LINCOLN	\$122,583	8
LINN	\$107,599	5
MALHEUR	\$35,955	2
MARION	\$97,503	3
MULTNOMAH	\$118,302	4
POLK	\$35,613	2
TILLAMOOK	\$30,352	1
UMATILLA	\$22,089	1
UNION	\$34,529	2
WASCO	\$45,387	2
WASHINGTON	\$27,595	1
YAMHILL	\$77,188	3

