

SB 756 STAFF MEASURE SUMMARY

Senate Committee On Environment and Natural Resources

Action Date: 03/14/19

Action: Do pass and refer to Ways and Means by prior reference.

Vote: 5-0-0-0

Yeas: 5 - Bentz, Dembrow, Olsen, Prozanski, Roblan

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 3/5, 3/14

WHAT THE MEASURE DOES:

Appropriates \$2,000,000 to the Department of Environmental Quality to award grants for developing and administering low-interest loans for the repair, replacement, upgrade, or evaluation of residential or small business on-site septic systems under ORS 454.779 and to cover administrative costs necessary to implement the same statute. Declares emergency, effective July 1, 2019.

ISSUES DISCUSSED:

- Loan program performance
- Failing septic systems can lead to water quality issues, including algal blooms
- Cost of septic system repair or replacement
- Income levels of loan recipients

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

A septic system is the most common method of sewage treatment for homes and businesses that are not connected to an area-wide sewage treatment system. Over 30 percent of Oregonians rely on septic systems to treat wastewater from their homes and businesses. Septic systems that fail or malfunction can pollute Oregon’s land and waterways with raw sewage and create public health hazards. In 2016, Senate Bill 1563 required the Oregon Department of Environmental Quality (DEQ) to establish a program to award grants for developing and administering a low-interest loan program for the repair, replacement, upgrade, or evaluation of residential or small business on-site septic systems. This program is known as the Clean Water Loan Program (ORS 454.779).

Senate Bill 756 would appropriate \$2 million to DEQ to award a grant under the Clean Water Loan Program and to cover administrative costs necessary to implement the program.