HB 4070   STAFF MEASURE SUMMARY

House Committee On Water

Action Date:	02/06/20
Action:	Do pass and be referred to Ways and Means by prior reference
Vote:	8-0-0-0
Yeas:	8 - Breese-Iverson, Helm, Leif, Owens, Power, Reardon, Reschke, Wilde
Fiscal:	Fiscal impact issued
Revenue:	No revenue impact
Prepared By:	Misty Freeman, LPRO Interim Director
Meeting Dates:	2/4, 2/6

WHAT THE MEASURE DOES:

Appropriates, for biennium ending July 1, 2021, $2,000,000 out of General Fund to Oregon Department of Environmental Quality (DEQ) to award grant of no less than $1,950,000 for development of low-interest loan program for repair, replacement, upgrade, or evaluation of residential or small business on-site septic systems pursuant to ORS 454.779. Authorizes DEQ to use remaining funds to cover administrative costs necessary for implementation. Declares emergency, effective on passage.

ISSUES DISCUSSED:
- Impacts of failing on-site septic systems
- History of Clean Water Loan Program
- Expenditures to date and goal of revolving loan program

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-income 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).

House Bill 4070 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.