

HB 3090 STAFF MEASURE SUMMARY

House Committee On Water

Action Date: 03/09/21

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, Reardon, Reynolds, Wilde, Witt

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Allison Daniel, LPRO Analyst

Meeting Dates: 2/9, 3/9

WHAT THE MEASURE DOES:

Allocates \$2,000,000 from the General Fund to the Department of Environmental Quality (DEQ) for the biennium starting July 1, 2021. Requires DEQ to award program grant for no less than \$1,950,000 and not later than September 1, 2021. Allows DEQ to cover administrative costs necessary to implement loan program. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Impacts of failing on-site septic systems
- Increased pressure on septic systems due to COVID-19
- Expenditures to date and goal of revolving loan program

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Department of Environmental Quality (DEQ) estimates that 45,000 septic systems fail each year. In 2016, the Legislative Assembly enacted ORS 454.779 to direct DEQ to award grants for developing and administering loan programs that provide low-interest loans for the repair, replacement, upgrade or evaluation of residential or small business on-site septic systems. Since 2016, the Clean Water Loan program, funded by a grant from DEQ, has served over 186 households. According to DEQ, the program has financed projects that annually treat an estimated 24 million gallons of wastewater. The program was temporarily suspended due to lack of available funds in July 2020.

House Bill 3090 would allocate \$2,000,000 to DEQ to provide low-interest loans for the repair, replacement, upgrade or evaluation of on-site septic systems.