



Background on HB 3231

Introduced by Representatives Helm and Owens

What is HB 3231?

House Bill 3231 would fund and direct the Oregon Department of Environmental Quality (DEQ), in consultation with the Oregon Department of Water Resources (WRD) and other stakeholders, to address regulatory barriers and develop technical assistance resources to support new and expanded beneficial reuse/recycling and land application of reclaimed wastewater in Oregon. HB 3231 would provide approximately \$500,000 in general funds for the biennium to accomplish this work (actual funding request pending information from DEQ).

Why is HB 3231 needed?

Timely state action is needed to evolve Oregon's regulatory framework so wastewater utilities can access an environmentally protective permitting path that is less onerous, costly, and complex, and that opens up a broader range of project opportunities.

While state agencies have developed rules and guidance to process proposals for recycled water and other beneficial applications of reclaimed water, communities across the state struggle to implement projects under the current regulatory framework. Oregon's permitting requirements are decades old, and wastewater utilities have found the regulatory process to be difficult, and sometimes too complex and costly, to navigate. This has deterred utilities (especially those that are highly resource constrained) from pursuing the types of water quality compliance projects that can have multiple environmental, community, and economic benefits. At the same time, DEQ has accelerated its pace of renewing wastewater discharge permits, and publicly owned treatment facilities face new or increased permit requirements for which beneficial reuse or discharges can provide great multi-benefit sustainable solutions.



Established State policies direct state agencies to increase support and encouragement for use of reclaimed wastewater for domestic, agricultural, industrial, recreational, and other beneficial purposes in a manner which protects public health and the environment. These policies recognize that "the use of recycled water for beneficial purposes will improve water quality by reducing discharge of treated effluent to surface waters, reduce the demand on drinking water sources for uses not requiring potable water, and may conserve stream flows by reducing withdrawal for out-of-stream use." (OAR 055-0007) Further, Executive Order 05-04 directs state agencies "to work together to overcome institutional and regulatory barriers and funding constraints" and to "improve its policies and internal operations to encourage more water reuse..."

Now is the time for Oregon to expand opportunities for recycled water and beneficial land application projects as part of the solution to water, climate, and economic challenges.

Beneficial applications of reclaimed wastewater can help Oregon address the following challenges...

- **Adaptation and resiliency in the face of growing climate change impacts:** When used to maintain riparian areas, wetlands, and other green spaces, beneficial application of treated wastewater can support community efforts to adapt and become resilient to climate change impacts and can help sustain declining

or stressed habitats. It can support community defenses against flooding and wildfires. Developing these approaches to water quality permit requirements also can avoid the addition of “grey infrastructure” projects like mechanical cooling and nutrient removal facilities that exacerbate greenhouse gas emissions, energy consumption, and chemical usage.



- **Water Quality:** Recycling and other beneficial application of treated wastewater can produce the best mix of environmental, social, and economic benefits for addressing numerous water quality challenges of growing concern, such as temperature and nutrients.
- **Drought:** Recycled water applications can help mitigate extended drought conditions, supporting agricultural or municipal irrigation and industrial process needs and leaving water in-stream for fish and other purposes.
- **Depletion of surface and ground water:** Recycled water can be used to offset consumptive uses of surface water and ground waters, which are under increasing pressure due to growth and climate change.
- **Affordability and sustainability of water utility services:** Recycled water projects match the appropriate level of treatment to the end uses which can save money, chemicals, and energy and minimize negative environmental impacts. This can help maintain stable utility rates.

How would HB 3231 expand opportunities for recycled water and beneficial land application projects?

Other states have modernized their rules to better harness treated wastewater as a highly-valued resource. And while Oregon natural resources agencies may recognize the potential benefits, they have not had sufficient resources or direction to apply the lessons and successes from other states, and to update the Oregon regulatory framework with the state’s policy objectives at the forefront. DEQ has taken preliminary steps over the past few years to evaluate current regulations, but the agency has insufficient resources to complete this effort in a timely and comprehensive manner. **HB 3231 would provide both the resources and the directive for DEQ to identify unnecessary regulatory impediments, expand opportunities based on other states’ successes, and develop technical support resources to aid communities in navigating project planning and permitting.**

HB 3231 will require DEQ, in consultation with WRD and other stakeholders, to complete the following steps toward updating the state’s regulatory framework for beneficial reuse and other applications of treated wastewater and report on progress, recommendations, and technical assistance resources to the Legislature in September, 2024:

- Characterize recycled water and beneficial land application project types that are priorities to support water quality, water supply or use, and habitat or ecosystem needs in this state;
- Identify regulatory and other impediments to expanding water reuse and beneficial land application;
- Identify environmentally protective approaches successfully employed by other states with robust water reuse programs that may be applicable to Oregon;
- Identify potential regulatory changes, including but not limited to changes to internal guidance, administrative rules, or statutes need to remove impediments, and propose and implementation schedule for enacting proposed changes; and
- Develop technical assistance guidance, or other resources, for local jurisdictions and industries to seek permitting and development of recycled water and other beneficial land application programs.