



Legislative Fiscal Office  
 83<sup>rd</sup> Oregon Legislative Assembly  
 2025 Regular Session

Prepared by: Twais Broadus  
 Reviewed by: April McDonald, Kim To  
 Date: February 2, 2025

**Bill Title:** Relating to rural water supplies; declaring an emergency.

**Government Unit(s) Affected:** Higher Education Coordinating Commission, Department of Environmental Quality, Water Resources Department

**Summary of Fiscal Impact**

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Department of Environmental Quality	\$ 5,000,000	\$ -	\$ -	\$ -	\$ 5,000,000	-	-
Higher Education Coordinating Commission	\$ 2,500,000	\$ -	\$ -	\$ -	\$ 2,500,000	-	-
Water Resources Department	\$ 5,000,000	\$ -	\$ -	\$ -	\$ 5,000,000	-	-
<b>Total Fiscal Impact</b>	<b>\$ 12,500,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,500,000</b>	<b>-</b>	<b>-</b>

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Department of Environmental Quality	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Higher Education Coordinating Commission	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Water Resources Department	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
<b>Total Fiscal Impact</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>

**Measure Description**

The Oregon State University Extension Service is directed to establish a program to assist households that rely on wells for drinking water or septic systems for wastewater treatment, with a focus on areas of ground water concern under ORS 468B.175. The program will provide outreach, research, education, resource navigation, and monitoring. The measure appropriates \$2,500,000 General Fund to the Higher Education Coordinating Commission (HECC) for distribution to the Oregon State University Extension Service. Additionally, \$5,000,000 General Fund is appropriated to the Water Resources Department (WRD) for deposit into the Water Well Abandonment, Repair and Replacement Fund, and \$5,000,000 General Fund to the Department of Environmental Quality (DEQ) for septic system low-interest loan programs.

**Fiscal Analysis**

The fiscal impact is estimated to be \$12.5 million General Fund in the 2025-27 biennium, which the measure appropriates across DEQ, HECC, and WRD.

Department of Environmental Quality

The measure provides a one-time \$5 million General Fund appropriation in the 2025-27 biennium for administration of the Onsite Septic Loan Program under ORS 454.777 and 454.779. DEQ will disburse these

funds within the existing program structure, with the grant administration workload being absorbed by current staff.

Higher Education Coordinating Commission

The measure makes a one-time \$2.5 million General Fund appropriation to HECC for distribution to the Oregon State University Extension Service in the 2025-27 biennium. Approximately \$2 million is expected to cover salary and service and supply costs for seven full-time and one part-time position, including a statewide manager responsible for program oversight, curriculum development, technical assistance, and managing education and outreach efforts. The appropriation also includes approximately \$80,000 for technology and communication tools, \$100,000 for travel, and \$300,000 for program implementation and monitoring.

Water Resources Department

The measure makes a one-time appropriation of \$5 million General Fund to WRD for deposit into the Water Well Abandonment, Repair, and Replacement Fund. WRD will manage the funds within existing staff resources.

WRD's budget will require an increase in Other Funds expenditure limitation to expend the funding deposited in the Water Well Abandonment, Repair and Replacement Fund.

**Relevant Dates**

The measure declares an emergency and takes effect on passage.