

SB 1189 STAFF MEASURE SUMMARY**Carrier:** Sen. Girod**Senate Committee On Natural Resources and Wildfire****Action Date:** 03/27/25**Action:** Do pass.**Vote:** 5-0-0-0**Yeas:** 5 - Girod, Golden, Nash, Prozanski, Taylor**Fiscal:** No fiscal impact**Revenue:** No revenue impact**Prepared By:** Alexa Piscanio, LPRO Analyst**Meeting Dates:** 3/25, 3/27**WHAT THE MEASURE DOES:**

The measure authorizes the construction and installation of a new publicly owned treatment works facility within the North Santiam Basin prior to the issuance of a Department of Environmental Quality (DEQ) water quality permit, provided construction begins between April 15 and June 6, 2025. It requires the facility's owner to have an applicable DEQ permit to operate the treatment works or discharge waste into state waters, and that any discharges comply with the permit's terms and conditions. The measure states that the owner is still required to obtain any other required permits. Sunsets January 2, 2027. Declares an emergency, effective upon passage.

ISSUES DISCUSSED:

- Three Basin Rule and *Maui Decision*
- \$50 million American Rescue Plan Act funds awarded for the construction of a sewage system in Marion County, expires December 31, 2026
- Construction timeline

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

A publicly owned treatment works (POTW) is a sewage or wastewater treatment facility typically owned and operated by a government agency. In Oregon, the Department of Environmental Quality (DEQ) manages groundwater quality and regulates contaminants through point source and nonpoint source pollution controls.

Point source pollution involves pollutants discharged through a pipe or discernible channel to water or land. DEQ issues wastewater discharge permits under the National Pollutant Discharge Elimination System (NPDES) or the state Water Pollution Control Facilities (WPCF) program. These permits apply to various point sources, including wastewater treatment plants, industrial facilities, and stormwater discharges. ORS 468B.050 (1)(b) prohibits the construction, installation, modification or operation of any disposal system without holding a DEQ or Department of Agriculture water quality permit.

House Bill 5006 (2021) allocated \$50 million in American Rescue Plan Act (ARPA) funds to Marion County for the construction of the Mill City POTW, with the requirement that these funds be fully expended by December 31, 2026.

According to Marion County Public Works, many homes and businesses in Santiam Canyon use septic systems. In cases of failing septic tanks, untreated waste can reach a waterway more easily. Marion County plans to construct a POTW in Mill City to replace septic systems in wildfire-impacted areas. The 2021 U.S. Supreme Court ruling in *Maui v. Hawaii Wildlife Fund* determined that a wastewater treatment plant must obtain an NPDES permit if its discharges eventually reach a body of water, even if the discharge is into the ground. As a result, the Mill City

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POTW must secure a federal NPDES permit, instead of a state WPCF permit. The state's Three Basin Rule - which restricts new or increased waste discharges in the Clackamas, upper McKenzie, and North Santiam watersheds - prevents DEQ from issuing an NPDES permit for the construction of the Mill City POTW. Senate Bill 1189 would authorize the construction and installation of the Mill City POTW prior to the issuance of an NPDES permit.