

House Bill 3570

Sponsored by Representatives OWENS, HELM

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act would fund an update by Business Oregon of the infrastructure that is needed for new housing. The Act would also have the agency draft two reports, one on the update and one on water-related works. (Flesch Readability Score: 60.0).

Appropriates moneys to the Oregon Business Development Department to update the inventory of community infrastructure project needs related to the production of new housing and prepare reports on the inventory update and the processes and programs for maintaining inventories of, and providing funding for, drinking water, wastewater and stormwater infrastructure projects.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to community infrastructure inventory; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. In addition to and not in lieu of any other appropriation, there is appropri-**
5 **ated to the Oregon Business Development Department, for the biennium ending June 30,**
6 **2025, out of the General Fund, the amount of \$_____ to carry out the purposes of sections**
7 **2 and 3 of this 2025 Act.**

8 **SECTION 2. (1) The Oregon Business Development Department shall:**

9 **(a) Conduct an updated inventory of infrastructure and community facilities to document**
10 **the short- and long-term funding needs in communities for priority infrastructure projects**
11 **related to the production of new housing units, including but not limited to drinking water,**
12 **wastewater and stormwater infrastructure. The purpose of the inventory is to determine**
13 **funding levels for existing state agency funding programs and assist in potential**
14 **prioritization of funding requests.**

15 **(b) Prepare a report that includes:**

16 **(A) A list of actions and resources necessary to maintain and improve upon the existing**
17 **inventory of infrastructure and community facilities; and**

18 **(B) Recommendations to the Legislative Assembly as to how the updated inventory could**
19 **be used at the state level to prioritize water-related infrastructure funding requests in an**
20 **equitable manner over time.**

21 **(2) In performing its duties under subsection (1) of this section, the Oregon Business**
22 **Development Department shall consult with individuals and entities having relevant knowl-**
23 **edge and representing diverse regions and perspectives, including but not limited to:**

24 **(a) Federally recognized Indian tribes in Oregon;**

25 **(b) State agencies, including but not limited to the Department of Environmental Quality**
26 **and the Oregon Health Authority;**

27 **(c) Regional solutions teams described in ORS 284.754;**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (d) Organizations representing cities, counties, special districts, economic development
2 districts as defined in ORS 285B.636 and port districts in Oregon; and

3 (e) Any other individuals or entities the Oregon Business Development Department con-
4 siders important to the performance of its duties.

5 (3) In developing the report required under subsection (1)(b) of this section, the Oregon
6 Business Development Department shall consider compatibility and opportunities to coordi-
7 nate with other efforts to collect or make accessible water-related data, including but not
8 limited to the Oregon Water Data Portal under development by the Department of Environ-
9 mental Quality and the Oregon Water Map Viewer developed and maintained by the Water
10 Resources Department and the Institute for Natural Resources established under ORS
11 352.808.

12 (4) The Oregon Business Development Department may fund a staff position, contract
13 with qualified entities or enter into an intergovernmental agreement to perform its duties
14 under this section.

15 (5) The Oregon Business Development Department shall submit, in the manner provided
16 by ORS 192.245, the updated inventory and report required under subsection (1) of this sec-
17 tion to the interim committees of the Legislative Assembly related to water no later than
18 September 15, 2025.

19 **SECTION 3.** (1) The Oregon Business Development Department shall prepare a report
20 that:

21 (a) Describes existing regional and statewide processes used in this state to update and
22 maintain inventories of investment-ready community drinking water, wastewater and
23 stormwater infrastructure projects, both built and natural, including a description of efforts
24 to prioritize needs and requests and the prioritization criteria used. Examples of such in-
25 ventories include the department’s Infrastructure and Community Facilities Inventory.

26 (b) Provides an overview of existing state agency programs that provide grant and loan
27 funding for planning and implementation of community drinking water, wastewater and
28 stormwater infrastructure projects, including the following information:

29 (A) Where available, the amount of funding available since 2013 in each program and
30 noting where a lack of data about available funding exists;

31 (B) To the extent known, the unmet demand for each program;

32 (C) Eligibility and prioritization criteria for each program; and

33 (D) Coordination activities between agencies to increase accessibility and navigability of
34 funding opportunities.

35 (c) Describes federal funding opportunities and requirements that affect infrastructure
36 expenses and affordability.

37 (d) Describes current processes by which individual funding requests for community
38 drinking water, wastewater and stormwater infrastructure projects are considered by the
39 Legislative Assembly, the amount of funding awarded through these processes since 2013 and
40 how these processes interact with the inventories described in subsection (1)(a) of this sec-
41 tion, state agency funding programs described in subsection (1)(b) of this section and federal
42 funding opportunities described in subsection (1)(c) of this section. Examples of processes
43 include direct allocations, capital construction requests and legislative bills.

44 (e) Provides a high-level overview of previously documented barriers faced by communi-
45 ties in accessing and managing available state and federal funding opportunities.

1 (f) Provides a high-level overview of how funding sources for infrastructure projects may
2 affect the affordability of community drinking water, wastewater and stormwater services
3 for ratepayers in Oregon.

4 (g) Where available, provides examples of at least two processes used in this state to
5 inventory and prioritize funding needs and requests for other types of infrastructure, in-
6 cluding an overview of documented benefits or drawbacks of the process used.

7 (h) Provides examples of at least three processes used in other states to inventory and
8 prioritize funding needs and requests for drinking water, wastewater and stormwater
9 infrastructure as well as novel approaches to fund projects, with an emphasis on innovative
10 funding mechanisms and best practices to improve coordination, navigability and accessibil-
11 ity of funding opportunities.

12 (2) In preparing the report required under this section, the Director of the Oregon
13 Business Development Department, or the director's designee, shall:

14 (a) Consult with individuals and entities having relevant knowledge and representing di-
15 verse regions and perspectives, including but not limited to:

16 (A) Entities that provide drinking water, wastewater or stormwater management ser-
17 vices to communities;

18 (B) State agencies with programs that provide grants or loans for drinking water,
19 wastewater and stormwater infrastructure;

20 (C) Organizations with experience in providing technical assistance to water and
21 wastewater utilities;

22 (D) Organizations with experience in rate assistance or support for low-income drinking
23 water, wastewater or stormwater ratepayers; and

24 (E) Organizations representing cities, counties, special districts, economic development
25 districts as defined in ORS 285B.636 and port districts in Oregon; and

26 (b) Consider the findings of the report required under section 6, chapter 606, Oregon
27 Laws 2023, and avoid duplication of that report to the extent possible.

28 (3)(a) On or before December 30, 2025, the department shall submit, in the manner pro-
29 vided by ORS 192.245, a preliminary version of the report required under this section to the
30 interim committees of the Legislative Assembly related to water. The report shall include
31 information that may inform the composition or focus of a task force on water
32 infrastructure funding.

33 (b) The department shall submit the final version of the report, in the manner provided
34 by ORS 192.245, to the interim committees of the Legislative Assembly related to water on
35 or before June 30, 2026.

36 (4) Upon request, all state agencies shall assist and advise the director, or the director's
37 designee, in carrying out the duties prescribed under subsections (1) and (2) of this section.

38 **SECTION 4.** This 2025 Act being necessary for the immediate preservation of the public
39 peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect
40 on its passage.