

## SENATE AMENDMENTS TO A-ENGROSSED SENATE BILL 1154

By COMMITTEE ON RULES

June 13

1 On page 1 of the printed A-engrossed bill, line 2, after “448.268,” insert “454.779,”.

2 In line 4, delete “536.340, 536.410,”.

3 In line 5, delete “537.775,” and delete “540.520” and insert “561.191”.

4 Delete lines 8 through 22 and delete pages 2 through 11.

5 On page 12, delete lines 1 through 9 and insert:

### “GROUND WATER QUALITY CONCERN AREAS

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8  
9 “**SECTION 1.** ORS 468B.150 is amended to read:

10 “468B.150. As used in ORS 448.268, 448.271 and 468B.150 to 468B.190:

11 “[*(1)*] *‘Area of ground water concern’ means an area of the state subject to a declaration by the*  
12 *Department of Environmental Quality under ORS 468B.175 or the Oregon Health Authority under ORS*  
13 *448.268.*]

14 “[*(2)*] **(1)** ‘Contaminant’ means any chemical, ion, radionuclide, synthetic organic compound,  
15 microorganism, waste or other substance that does not occur naturally in ground water or that oc-  
16 curs naturally but at a lower concentration.

17 “**(2)** ‘Contaminant of concern’ means a contaminant present in ground water at levels  
18 which have resulted in a declaration of a ground water quality concern area or a ground  
19 water quality management area.

20 “**(3)** ‘Ground water quality concern area’ means an area of the state subject to a decla-  
21 ration under ORS 468B.175.

22 “[*(3)*] **(4)** ‘Ground water **quality** management area’ means an area in which contaminants in the  
23 ground water have exceeded the levels established under ORS 468B.165, and the affected area is  
24 subject to a declaration under ORS 468B.180.

25 “[*(4)*] **(5)** ‘Fertilizer’ has the meaning given that term in ORS 633.311.

26 “[*(5)*] **(6)** ‘Pesticide’ has the meaning given that term in ORS 634.006.

27 “**SECTION 2.** ORS 468B.175 is amended to read:

28 “468B.175. [*(1)*] *If, as a result of its statewide monitoring and assessment activities under ORS*  
29 *468B.190, the Department of Environmental Quality confirms the presence in ground water of contam-*  
30 *inants suspected to be the result, at least in part, of nonpoint source activities, the department shall*  
31 *declare an area of ground water concern. The declaration shall identify the substances confirmed to*  
32 *be in the ground water and all ground water aquifers that may be affected.*]

33 “**(1)** The Department of Environmental Quality shall recommend that the Environmental  
34 Quality Commission declare a ground water quality concern area if, based on the results of  
35 the department’s monitoring and assessment activities under ORS 468B.190, or through the

1 review of other relevant data and information, the department:

2 “(a) Confirms the presence of ground water contaminants suspected to be the result, at  
3 least in part, of nonpoint source activities; and

4 “(b) Based on the best available information, finds that one or more of the factors iden-  
5 tified in subsection (2) of this section is present.

6 “(2) Before recommending a declaration of a ground water quality concern area under  
7 subsection (1) of this section, the department must find that:

8 “(a) A significant number of wells or other sensitive receptors monitored by the depart-  
9 ment, including domestic wells, have been or will be affected by ground water contamination;

10 “(b) Nonpoint sources have been identified as possible sources of contamination but re-  
11 quire additional investigation to understand appropriate interventions; or

12 “(c) Deterioration of water quality in the area could lead to an exceedance of the  
13 thresholds described in ORS 468B.180 within 20 years unless remedial action is taken.

14 “(3) A declaration of a ground water quality concern area by the commission must iden-  
15 tify:

16 “(a) Each contaminant of concern that has been confirmed to be present in the ground  
17 water; and

18 “(b) Ground water aquifers that may be affected by a contaminant of concern.

19 “[2) Before declaring an area of ground water concern, the agency making the declaration shall  
20 have a laboratory confirm the results that would cause the agency to make the declaration.]

21 “(4) Before recommending that the commission declare a ground water quality concern  
22 area, the department shall:

23 “(a) Ensure that sample results utilized to develop the recommendation have been  
24 produced or verified by an accredited laboratory;

25 “(b) Ensure that data and results utilized to develop the recommendation were collected  
26 in accordance with a quality assurance project plan or a similar document; and

27 “(c) Submit to the commission, and make publicly available, the methodology utilized to  
28 evaluate the results and conduct the data evaluation that would cause the department to  
29 make the recommendation.

30 “**SECTION 3.** ORS 468B.177 is amended to read:

31 “468B.177. (1) After a declaration of [*an area of ground water concern, the Department of Envi-*  
32 *ronmental Quality, in consultation with other appropriate state agencies, shall:]* a **ground water**  
33 **quality concern area, the Governor shall establish an interagency team and designate a lead**  
34 **agency. The Governor shall consider the primary contaminant of concern and the respective**  
35 **expertise, statutory responsibilities and regulatory authority of each relevant agency when**  
36 **making the lead agency designation. The interagency team shall include the Department of**  
37 **Environmental Quality, the Water Resources Department and the Oregon Health Authority**  
38 **and may include the State Department of Agriculture, the State Department of Geology and**  
39 **Mineral Industries and other agencies with responsibilities or authorities related to a con-**  
40 **taminant of concern or remedial actions needed to address a contaminant of concern.**

41 “(2) The lead agency and other agencies participating in the interagency team shall enter  
42 into intergovernmental agreements as necessary to carry out the duties of the interagency  
43 team.

44 “[1) Within 90 days, appoint a ground water management committee in the geographic area over-  
45 lying the ground water aquifer;]

1       “(2) *Focus research and public education activities on the area of ground water concern;*]  
2       “(3) *Provide for necessary monitoring in the area of ground water concern;*]  
3       “(4) *Assist the ground water management committee in developing, in a timely manner, a draft and*  
4 *final local action plan for addressing the issues raised by the declaration of an area of ground water*  
5 *concern; and]*  
6       “(5) *If not developed by the ground water management committee, develop a draft and final local*  
7 *action plan.]*  
8       **“(3) The interagency team shall:**  
9       **“(a) Based on the best available information, develop, in a timely manner, an agency as-**  
10 **essment and outreach plan that:**  
11       **“(A) Identifies potential sources of contaminants of concern contributing to ground wa-**  
12 **ter quality deterioration;**  
13       **“(B) Identifies existing authorities, programs or actions of the agencies in the intera-**  
14 **gency team that are relevant to a contaminant of concern, identifies those authorities, pro-**  
15 **grams or actions that are reasonably appropriate for implementation and includes a rationale**  
16 **for selecting the reasonably appropriate authorities, programs or actions;**  
17       **“(C) Identifies best management practices to address known sources of contamination in**  
18 **the ground water quality concern area;**  
19       **“(D) Identifies strategies to share information with, coordinate with and educate likely**  
20 **sources of a contaminant of concern on best management practices; and**  
21       **“(E) Provides initial plans for implementing the actions described in section 6 of this 2025**  
22 **Act; and**  
23       **“(b) Develop a monitoring plan and establish timelines and targets for trend analyses for**  
24 **the thresholds established under ORS 468B.180 for each contaminant of concern to evaluate**  
25 **the effectiveness of the actions taken pursuant to the ground water quality concern area**  
26 **designation.**  
27       **“(4) The interagency team shall develop publicly accessible information that facilitates**  
28 **understanding of the scope and extent of contamination, including but not limited to a visual**  
29 **representation of the geographic scope of the contamination.**  
30       **“(5) The interagency team shall prepare a draft of the agency assessment and outreach**  
31 **plan and provide the draft to the ground water management committee appointed under ORS**  
32 **468B.179 and appropriate county officials for comment. The interagency team shall prepare**  
33 **a final agency assessment and outreach plan after receiving the comments of the committee**  
34 **and appropriate county officials.**  
35       **“(6) As applicable, the lead agency shall routinely report to the agency’s respective board**  
36 **or commission.**  
37       **“(7) Designation as a lead agency does not expand the authority of a lead agency beyond**  
38 **that otherwise provided for by law.**  
39       **“SECTION 4. ORS 468B.179 is amended to read:**  
40       **“468B.179. (1)(a) [Upon the request of a local government, or as required under ORS 468B.177 or**  
41 **468B.182, the Department of Environmental Quality, in consultation with other appropriate state agen-**  
42 **cies,] Within a reasonable time after completion of the draft agency assessment and outreach**  
43 **plan under ORS 468B.177, the lead agency, in consultation with the interagency team, shall**  
44 **appoint a ground water management committee. The ground water management committee shall be**  
45 **composed of at least seven members representing a balance of interests in the area affected by the**

1 declaration, including at least two homeowners or tenants that rely on a domestic well in the  
2 area for drinking water that has been affected by a contaminant of concern.

3 “(b) The ground water management committee shall develop and implement a local vol-  
4 untary implementation plan, as provided in subsection (2) of this section, and provide com-  
5 ments to the interagency team on the draft agency assessment and outreach plan for the  
6 purpose of aligning the efforts of the committee and the interagency team.

7 “(c) The ground water management committee shall review and provide comments on the  
8 draft agency assessment and outreach plan to the interagency team within 120 days of re-  
9 ceiving the draft.

10 “[*(2) After a declaration of an area of ground water concern, the ground water management com-  
11 mittee shall develop and promote a local action plan for the area of ground water concern. The local  
12 action plan shall include but need not be limited to:*]

13 “[*(a) Identification of local residential, industrial and agricultural practices that may be contrib-  
14 uting to a deterioration of ground water quality in the area;*]

15 “[*(b) An evaluation of the threat to ground water from the potential nonpoint sources identified;*]

16 “(2)(a) Upon completion of the final agency assessment and outreach plan, the ground  
17 water management committee shall develop and promote a local voluntary implementation  
18 plan for the ground water quality concern area that is consistent with the agency assess-  
19 ment and outreach plan.

20 “(b) The local voluntary implementation plan must include:

21 “(A) Voluntary actions that will be promoted and prioritized for implementation by the  
22 local community to address sources of contamination in the ground water quality concern  
23 area;

24 “(B) Measurable objectives, quantitative targets and timelines, where appropriate; and

25 “(C) A periodic review and amendment process informed by trend analyses conducted by  
26 members of the interagency team pursuant to ORS 468B.177.

27 “(c) The local voluntary implementation plan may include:

28 “[*(c) (A) [Evaluation and] Recommendations of alternative practices or best management  
29 practices;*

30 “[*(d) (B) Recommendations regarding demonstration projects needed in the area that have the  
31 potential to address contaminants of concern;*

32 “[*(e) (C) Recommendations of public education and research specific to that area that would  
33 assist in addressing the issues related to the [area of ground water concern] ground water quality  
34 concern area; [and]*

35 “[*(f) (D) Methods of implementing best practicable management practices to improve ground  
36 water quality in the area.; and*

37 “(E) Recommendations for local governments and organizations to assist with public ed-  
38 ucation and outreach regarding awareness of well water quality, health considerations,  
39 treatment options and prevention of ground water contamination.

40 “(3) [*The availability of the draft local action plan and announcement of a 30-day public comment  
41 period shall be publicized in a newspaper of general circulation in the area designated as an area of  
42 ground water concern.*] A draft of the local voluntary implementation plan shall be made  
43 available for public comment for a period of 30 days. Suggestions provided to the ground water  
44 management committee during the public comment period shall be considered by the ground water  
45 management committee in determining the final [*action*] local voluntary implementation plan.

1 “(4) The ground water management committee may request the [*department*] **lead agency** to ar-  
2 range for technical advice and assistance from appropriate state agencies and higher education in-  
3 stitutions.

4 “(5) A ground water management committee preparing [*or carrying out an action plan in an area*  
5 *of ground water concern*] **a local voluntary implementation plan in a ground water quality**  
6 **concern area** or in a ground water **quality** management area may apply for a grant under ORS  
7 468B.169 for limited funding for staff or for expenses of the ground water management committee.

8 “**SECTION 5.** Sections 6 and 7 of this 2025 Act are added to and made a part of ORS  
9 **468B.150 to 468B.190.**

10 “**SECTION 6.** Consistent with the final agency assessment and outreach plan developed  
11 under ORS 468B.177, the interagency team shall take the following actions:

12 “(1) The Department of Environmental Quality shall:

13 “(a) Working with contract agents, as defined in ORS 454.605, where applicable, compile  
14 available information regarding alternative sewage disposal systems, nonwater-carried sew-  
15 age disposal facilities and subsurface sewage disposal systems as those terms are defined in  
16 ORS 454.605, including the age and location of individual systems or facilities; and

17 “(b) Encourage voluntary inspections of alternative sewage disposal systems, nonwater-  
18 carried sewage disposal facilities and subsurface sewage disposal systems as those terms are  
19 defined in ORS 454.605.

20 “(2) The State Department of Agriculture shall:

21 “(a) Review water quality management plans, as defined in ORS 568.900, applicable to  
22 agricultural lands for potential plan revisions to identify voluntary practices specific to the  
23 contaminant of concern.

24 “(b) Identify stewardship agreement opportunities pursuant to ORS 541.973, if appropri-  
25 ate.

26 “(c) Consider and prioritize watersheds and subwatersheds within a ground water quality  
27 concern area for focused outreach and compliance efforts.

28 “(d) Where feasible, partner with local entities, including soil and water conservation  
29 districts, watershed councils or the Oregon State University Extension Service, to deliver  
30 outreach, technical assistance or implementation support consistent with this subsection.

31 “(3) The Oregon Health Authority shall:

32 “(a) Prepare a preliminary assessment that:

33 “(A) Identifies public health risks to domestic well users and public water systems due  
34 to potential contamination of drinking water supplies;

35 “(B) Identifies strategies to work with the local public health authority, or authorities,  
36 public water systems and local health partners to communicate potential public health risks  
37 from contaminants in drinking water;

38 “(C) Identifies other appropriate response strategies; and

39 “(D) Estimates the cost of a public health response to the contamination.

40 “(b) Prepare accessible and language-appropriate outreach and education materials re-  
41 garding the public health risks of the contaminant of concern and recommended actions to  
42 reduce health risks, including guidance about testing domestic well water and other domestic  
43 well safety information, and:

44 “(A) Disseminate the materials and related information to the public in the ground water  
45 quality concern area, subject to available resources; and



1 make the recommendation.

2 “(4) After a declaration under subsection (2) of this section, a state agency may exercise  
3 within the ground water quality management area any of the agency’s authorities or re-  
4 sponsibilities related to the prevention or control of ground water contamination in a ground  
5 water quality concern area, regardless of whether the ground water quality management  
6 area was previously declared a ground water quality concern area.

7 “**SECTION 10.** ORS 468B.182 is amended to read:

8 “468B.182. (1) After the declaration of a ground water **quality** management area, the [*Depart-*  
9 *ment of Environmental Quality, in consultation with other appropriate state agencies,*] **lead agency**  
10 **designated under ORS 468B.184** shall appoint a ground water management committee for the af-  
11 fected area if a ground water management committee has not already been appointed under ORS  
12 [*468B.177*] **468B.179. A ground water management committee appointed under this section**  
13 **must include two homeowners or tenants that rely on a domestic well in the area for**  
14 **drinking water that has been affected by a contaminant of concern.** If the affected area had  
15 previously been designated [*an area of ground water concern*] **a ground water quality concern**  
16 **area,** the same ground water management committee appointed under ORS [*468B.177*] **468B.179** shall  
17 continue [*to address the ground water issues raised as a result of the declaration of a ground water*  
18 *management area*] **to advise the interagency team.**

19 “(2) **A ground water management committee appointed under this section or ORS**  
20 **468B.179 shall act solely to advise state agencies and the interagency team on the develop-**  
21 **ment and implementation of local elements of the action plan developed under ORS 468B.184.**

22 “**SECTION 11.** ORS 468B.184 is amended to read:

23 “468B.184. (1) After a ground water **quality** management area is declared, the [*Department of*  
24 *Environmental Quality*] **Governor shall establish an interagency team and** designate a lead  
25 agency responsible for developing an action plan, **as provided in this section.** [*and request other*  
26 *agencies to assume appropriate responsibilities for preparation of a draft action plan within 90 days*  
27 *after the declaration.*] **If the affected area had previously been designated a ground water**  
28 **quality concern area, the Governor may establish the same interagency team and designate**  
29 **the same lead agency designated under ORS 468B.177. If no lead agency and interagency team**  
30 **has been previously designated and established, the Governor, in designating a lead agency,**  
31 **shall consider the primary contaminant of concern and its predominant sources, and the**  
32 **respective expertise, statutory responsibilities and regulatory authority of each relevant**  
33 **agency. The interagency team shall include the Department of Environmental Quality, the**  
34 **Oregon Health Authority and the Water Resources Department. The interagency team may**  
35 **include the State Department of Agriculture and the State Department of Geology and Min-**  
36 **eral Industries or other agencies with responsibilities or authorities related to a contaminant**  
37 **of concern.**

38 “(2) **The lead agency and other agencies participating in the interagency team shall enter**  
39 **into intergovernmental agreements as necessary to carry out the work of the interagency**  
40 **team.**

41 “(3) The [*agencies*] **interagency team** shall develop an action plan to **inform well users of**  
42 **ground water contamination,** reduce existing contamination and [*to*] prevent further contam-  
43 ination of the affected ground water aquifer. The action plan shall include, but need not be limited  
44 to:

45 “(a) Identification of practices that may be contributing to the contamination of ground water

1 in the area;

2 “(b) Consideration of all reasonable alternatives for reducing the contamination of the ground  
3 water to a level below that level requiring the declaration of a ground water **quality** management  
4 area;

5 “(c) [*Recommendations*] **Identification** of mandatory actions, **including actions under sections**  
6 **14, 15, 19 and 20 of this 2025 Act**, that, when implemented, will reduce the contamination to a level  
7 below that level requiring the declaration of ground water **quality** management area **or a ground**  
8 **water quality concern area**;

9 “(d) A proposed time schedule for:

10 “(A) Implementing the [*lead agency’s recommendations*] **action plan**;

11 “(B) Achieving estimated reductions in concentrations of [*the ground water*] contaminants **of**  
12 **concern, including periodic benchmarks for measuring progress toward estimated**  
13 **reductions**; and

14 “(C) Public review of the action plan;

15 “(e) Any applicable provisions of a local [*action*] **voluntary implementation** plan developed for  
16 the area under a declaration of [*an area of ground water concern*] **a ground water quality concern**  
17 **area**; [*and*]

18 “(f) Required amendments of affected city or county comprehensive plans and land use regu-  
19 lations in accordance with the schedule and requirements of periodic review set forth in ORS  
20 chapters 197 and 197A to address the identified ground water **quality** protection and management  
21 concerns[.];

22 “(g) **Any actions included in the agency assessment and outreach plan developed under**  
23 **ORS 468B.177, if applicable; and**

24 “(h) **Existing authorities, programs or actions of the agencies in the interagency team**  
25 **that are relevant to a contaminant of concern, those authorities, programs or actions that**  
26 **are reasonably appropriate for implementation and a rationale for selecting the reasonably**  
27 **appropriate authorities, programs or actions.**

28 “[*2*] *If a ground water management area is located on agricultural lands or in an area designated*  
29 *as an exclusive farm use zone under ORS 215.203, the State Department of Agriculture shall be re-*  
30 *sponsible for developing the portion of the action plan that addresses farming practices as defined in*  
31 *ORS 30.930.*]

32 “**SECTION 12.** ORS 468B.186 is amended to read:

33 “468B.186. (1) After completion and distribution of the draft action plan under ORS 468B.184, the  
34 lead agency shall provide a 60-day period of public comment on the draft action plan and the manner  
35 by which members of the public may review the plan or obtain copies of the plan. **The lead agency**  
36 **shall provide copies of the plan to appropriate county officials for comment.** [*A notice of the*  
37 *comment period shall be published in two issues of one or more newspapers having general circulation*  
38 *in the counties in which the designated area of the ground water emergency is located, and in two is-*  
39 *ssues of one or more newspapers having general circulation in the state.*]

40 “(2) Within [60] **90** days after the close of the public comment period, the lead agency shall  
41 complete a final action plan. All suggestions and information provided to the lead agency **by the**  
42 **public or by county officials** during the public comment period shall be considered by the lead  
43 agency and when appropriate shall be acknowledged in the final action plan.

44 “(3)(a) **Upon completion of the final action plan, the lead agency shall submit the final**  
45 **action plan in a report to the Governor and the Joint Committee on Ways and Means or the**



1 **Joint Interim Committee on Ways and Means in the manner provided by ORS 192.245. The**  
2 **report may include requests for funding necessary to implement the plan.**

3 **“(b)(A) No later than December 15 of each even-numbered year during which a lead**  
4 **agency is responsible for the implementation of a final action plan, the lead agency shall**  
5 **submit a report in the manner provided by ORS 192.245 to the Joint Interim Committee on**  
6 **Ways and Means. The report must describe the interagency team’s progress in implementing**  
7 **the plan and include an assessment of the most recent monitoring results relative to his-**  
8 **torical contamination levels and the information described in ORS 468B.184 (3)(h). The report**  
9 **may include requests for funding.**

10 **“(B) In lieu of submitting a report described in subparagraph (A) of this paragraph, the**  
11 **Department of Environmental Quality may include the information required under subpara-**  
12 **graph (A) of this paragraph in the report required under ORS 468B.162.**

13 **“(4) Within 180 days of completion of the final action plan, each agency that is responsi-**  
14 **ble for implementing all or part of the plan shall initiate proceedings to adopt rules as nec-**  
15 **essary to carry out the agency’s duties under the action plan. If two or more agencies are**  
16 **required to initiate rulemaking proceedings under this section, the agencies shall consult**  
17 **with one another to coordinate the rules. The agencies may consolidate the rulemaking**  
18 **proceedings.**

19 **“SECTION 13. ORS 468B.188 is amended to read:**

20 **“468B.188. (1) If, after implementation of the action plan developed by [affected agencies] the**  
21 **interagency team under ORS 468B.184 to 468B.187, the ground water improves so that the levels**  
22 **of contaminants no longer exceed the levels established under ORS 468B.180, the Environmental**  
23 **Quality Commission, upon the recommendation of the Department of Environmental Quality,**  
24 **shall determine whether to repeal the ground water quality management area declaration and to**  
25 **establish [an area of ground water concern] a ground water quality concern area.**

26 **“(2) Before the declaration of a ground water quality management area is repealed under sub-**  
27 **section (1) of this section, the department [of Environmental Quality] must [find] provide to the**  
28 **commission a finding that, according to the best information available, a new or revised local**  
29 **[action] voluntary implementation plan exists that will continue to improve the ground water in**  
30 **the area and that the department [of Environmental Quality] finds can be voluntarily implemented**  
31 **at the local level without the necessity of state enforcement authority.**

32 **“(3) Before [the Department of Environmental Quality terminates] relevant state agencies, in**  
33 **consultation with the interagency team, terminate any mandatory controls imposed under the**  
34 **action plan created under ORS 468B.184 to 468B.187, the ground water management committee must**  
35 **produce a local [action] voluntary implementation plan that includes provisions necessary to im-**  
36 **prove ground water quality in the area and that the [department] interagency team finds can be**  
37 **voluntarily implemented at the local level without the necessity of state enforcement authority.**

38 **“SECTION 14. After a declaration of a ground water quality management area under ORS**  
39 **468B.180, and consistent with the action plan developed under ORS 468B.184 and 468B.186, the**  
40 **State Department of Agriculture, as necessary to control a relevant contaminant of concern:**

41 **“(1) Shall adopt and implement area-specific rules, as provided in ORS 561.191 and 568.900**  
42 **to 568.933, to regulate the contaminant of concern.**

43 **“(2) May make available stewardship agreement opportunities, pursuant to ORS 541.973.**

44 **“SECTION 15. (1) After a declaration of a ground water quality management area under**  
45 **ORS 468B.180, the Oregon Health Authority shall, in consultation with local health authori-**

1 ties, develop and implement a public health response plan. The public health response plan  
2 shall be based on the preliminary assessment prepared under section 6 (3) of this 2025 Act.  
3 If no preliminary assessment has been prepared under section 6 (3) of this 2025 Act, the  
4 Oregon Health Authority shall prepare a preliminary assessment before developing the public  
5 health response plan under this section.

6 “(2) Upon completion of the public health response plan, the authority shall submit the  
7 plan in a report to the Governor and the Joint Committee on Ways and Means or the Joint  
8 Interim Committee on Ways and Means in the manner provided by ORS 192.245 with a re-  
9 quest for funding necessary to implement the plan.

10 “SECTION 16. Section 17 of this 2025 Act is added to and made a part of ORS chapter 215.

11 “SECTION 17. Notwithstanding any other provision of this chapter or ORS chapter 195  
12 or 197, a county may provide, or may enter into an agreement with a city or district in-  
13 cluding under ORS 195.065 to 195.085 to provide, water or wastewater services for residential  
14 dwelling units that are within a ground water quality concern area declared under ORS  
15 468B.175 or a ground water quality management area declared under ORS 468B.180 and not  
16 within an urban growth boundary. The provision of services under this section or ORS  
17 215.213 (1)(c)(D) or 215.283 (1)(c)(D) may not be used to authorize the rezoning of property  
18 for urban uses or used as the basis for an exception under ORS 197.732 (2)(a) or (b).

19 “SECTION 18. Section 19 of this 2025 Act is added to and made a part of ORS 454.605 to  
20 454.755.

21 “SECTION 19. (1) After a declaration of a ground water quality management area under  
22 ORS 468B.180, if the best available information indicates that a residential subsurface sewage  
23 disposal system or alternative sewage disposal system may be a significant contributing  
24 source of contamination to the area, the Department of Environmental Quality or a contract  
25 agent may, subject to subsection (2) of this section, enter on to private property at reason-  
26 able times to inspect the residential subsurface sewage disposal system or alternative sewage  
27 disposal system.

28 “(2)(a) Before carrying out an inspection under this section, the department or contract  
29 agent shall give notice to the property owner and any tenant residing at the property that  
30 an inspection is authorized under this section and take reasonable steps to arrange a con-  
31 venient time for the inspection with the property owner and resident, as applicable. The no-  
32 tice must provide information regarding resources and technical assistance available to the  
33 property owner to address a malfunctioning subsurface sewage disposal system or alternative  
34 sewage disposal system.

35 “(b) If the property owner or tenant refuses to allow entry pursuant to this section after  
36 receiving notice, and after reasonable efforts by the department or contract agent to arrange  
37 a convenient time for inspection, the department or contract agent may request the Attor-  
38 ney General to seek from a court of competent jurisdiction an order requiring the property  
39 owner or tenant to allow entry.

40 “(3) If the department determines that a subsurface sewage disposal system or an alter-  
41 native sewage disposal system inspected under subsection (1) of this section is being operated  
42 or maintained in violation of any rule adopted pursuant to ORS 454.625, the department shall  
43 give written notice of the violation to the person in control of the system as provided in ORS  
44 454.635.

45 “(4) In addition to the requirements of ORS 454.635:

1 “(a) A notice resulting from an inspection under this section must be accompanied by  
2 information regarding resources and technical assistance available to the property owner to  
3 remedy the violation; and

4 “(b) The period of time for taking remedial action, as provided in the order described in  
5 ORS 454.635 (3), must be reasonable and take into account any resources or technical as-  
6 sistance available to the property owner.

7 “(5) The department may not impose a civil penalty for a violation of any rule adopted  
8 under ORS 454.625 as a result of an inspection carried out under this section unless:

9 “(a) The period for remedying the violation provided in the order described in ORS 454.635  
10 (3) has lapsed; and

11 “(b) Notice of the violation complied with ORS 454.635 and subsection (4) of this section.

12 “(6) The department shall grant an extension of the time for the person receiving the  
13 notice to take remedial action if the following conditions are met:

14 “(a) The person against which the civil penalty would be issued meets the definition of a  
15 low income household as defined in ORS 456.270; and

16 “(b) The person is eligible for and has applied for financial assistance to remedy the vio-  
17 lation and:

18 “(A) The application was denied due to lack of available funds or resources; or

19 “(B) The application is pending and may be approved.

20 “SECTION 20. (1) Notwithstanding any contrary provision of law, and subject to sub-  
21 section (2) of this section, the Water Resources Department may approve an application  
22 under ORS 537.615 by a public water system to appropriate ground water in a ground water  
23 quality management area declared under ORS 468B.180 for expanded group domestic use in  
24 an amount of water equivalent to the amount of water provided by abandoned water wells  
25 that, prior to being abandoned, had used water as provided in:

26 “(a) ORS 537.545 (1)(d); or

27 “(b) If used by a household, ORS 537.545 (1)(b) and (d).

28 “(2) The department may not approve an application described in subsection (1) of this  
29 section unless:

30 “(a) The amount of equivalent water described in subsection (1) of this section is less  
31 than or equal to 5,000 gallons per abandoned well per day, unless a higher amount is estab-  
32 lished by the Water Resources Commission by rule; and

33 “(b) The impact of the proposed public water system well on hydraulically connected  
34 surface water bodies is similar to or less than the cumulative impact of the abandoned water  
35 wells described in this section.

36 “(3) The Water Resources Commission may adopt rules as necessary to implement this  
37 section.

38 “SECTION 21. ORS 468B.183 and 468B.187 are repealed.

39  
40 “AMENDMENTS TO STATUTES

41  
42 “SECTION 22. ORS 448.268 is amended to read:

43 “448.268. (1) If, as a result of its activities under ORS 448.150, or through the review of other  
44 relevant data, the Oregon Health Authority confirms the **persistent and prevalent** presence in  
45 ground water drinking water supplies of contaminants resulting at least in part from suspected

1 nonpoint source activities, the authority shall **recommend that the Environmental Quality**  
2 **Commission** declare [*an area of ground water concern*] **a ground water quality concern area**. The  
3 declaration **by the commission** shall identify the substances confirmed in the ground water and  
4 [*all*] ground water aquifers that may be affected.

5 **“(2) Before recommending that the commission declare a ground water quality concern**  
6 **area, the authority shall:**

7 **“(a) Ensure that sample results utilized to develop the recommendation have been**  
8 **produced or verified by an accredited laboratory;**

9 **“(b) Ensure that data and results utilized to develop the recommendation were collected**  
10 **in accordance with a quality assurance project plan or a similar document; and**

11 **“(c) Submit to the commission, and make publicly available, the methodology utilized to**  
12 **evaluate the results and conduct the data evaluation that would cause the authority to make**  
13 **the recommendation.”.**

14 On page 14, delete lines 11 through 45.

15 On page 15, delete lines 1 through 14 and insert:

16 **“SECTION 27.** ORS 468B.050 is amended to read:

17 **“468B.050. (1) Except as provided in ORS 468B.053 or 468B.215, without holding a permit from**  
18 **the Director of the Department of Environmental Quality or the State Department of Agriculture,**  
19 **which permit shall specify applicable effluent limitations, a person may not:**

20 **“(a) Discharge any wastes into the waters of the state from any industrial or commercial es-**  
21 **tablishment or activity or any disposal system.**

22 **“(b) Construct, install, modify or operate any disposal system or part thereof or any extension**  
23 **or addition thereto.**

24 **“(c) Increase in volume or strength any wastes in excess of the permissive discharges specified**  
25 **under an existing permit.**

26 **“(d) Construct, install, operate or conduct any industrial, commercial, confined animal feeding**  
27 **operation or other establishment or activity or any extension or modification thereof or addition**  
28 **thereto, the operation or conduct of which would cause an increase in the discharge of wastes into**  
29 **the waters of the state or which would otherwise alter the physical, chemical or biological proper-**  
30 **ties of any waters of the state in any manner not already lawfully authorized.**

31 **“(e) Construct or use any new outlet for the discharge of any wastes into the waters of the**  
32 **state.**

33 **“(2) The Department of Environmental Quality or the State Department of Agriculture may issue**  
34 **a permit under this section as an individual, general or watershed permit. A permit may be issued**  
35 **to a class of persons using the procedures for issuance of an order or for the adoption of a rule.**  
36 **Notwithstanding the definition of ‘order’ or ‘rule’ provided in ORS 183.310, in issuing a general or**  
37 **watershed permit by order pursuant to this section, the State Department of Agriculture or De-**  
38 **partment of Environmental Quality:**

39 **“(a) Is not required to direct the order to a named person or named persons; and**

40 **“(b) May include in the order agency directives, standards, regulations and statements of gen-**  
41 **eral applicability that implement, interpret or prescribe law or policy.**

42 **“(3) When deciding whether to issue a permit to a confined animal feeding operation under this**  
43 **section, the Department of Environmental Quality or the State Department of Agriculture shall**  
44 **consider any relevant determination by the Water Resources Department pursuant to ORS 468B.216**  
45 **(2).**

1 “(4) Notwithstanding subsection (2) of this section, the Department of Environmental Quality or  
2 the State Department of Agriculture may not issue a general NPDES or WPCF permit to a new  
3 large confined animal feeding operation that:

4 “(a) Is located in a ground water **quality** management area declared under ORS 468B.180; and

5 “(b) Applies manure, litter, wastewater or processed waste to land within the ground water  
6 **quality** management area.

7 “(5) Subsection (4) of this section does not apply to the issuance of water quality permits to  
8 regulate stormwater.

9 “(6) The State Department of Agriculture or the Department of Environmental Quality may de-  
10 fine ‘confined animal feeding operation’ by rule for purposes of implementing this section.

11 “(7) As used in this section:

12 “(a) ‘New large confined animal feeding operation’ has the meaning given that term in ORS  
13 468B.215.

14 “(b) ‘NPDES’ and ‘WPCF’ have the meanings given those terms in ORS 561.255.”.

15 On page 32, delete lines 16 through 45 and delete pages 33 through 35.

16 On page 36, delete lines 1 through 8 and insert:

17 “**NOTE:** Sections 31 and 32 were deleted by amendment. Subsequent sections were not renum-  
18 bered.

19 “**SECTION 33.** ORS 537.525 is amended to read:

20 “537.525. (1) The Legislative Assembly recognizes, declares and finds that the right to reason-  
21 able control of all water within this state from all sources of water supply belongs to the public,  
22 and that in order to [*insure*] **ensure** the preservation of the public welfare, safety and health it is  
23 necessary that:

24 “[1] (a) Provision be made for the final determination of relative rights to appropriate ground  
25 water everywhere within this state and of other matters with regard thereto through a system of  
26 registration, permits and adjudication.

27 “[2] (b) Rights to appropriate ground water and priority thereof be acknowledged and pro-  
28 tected, except when, under certain conditions, the public welfare, safety and health require other-  
29 wise.

30 “[3] (c) Beneficial use without waste, within the capacity of available sources, be the basis,  
31 measure and extent of the right to appropriate ground water.

32 “[4] (d) All claims to rights to appropriate ground water be made a matter of public record.

33 “[5] (e) Adequate and safe supplies of ground water for human consumption be assured, while  
34 conserving maximum supplies of ground water for agricultural, commercial, industrial, thermal,  
35 recreational and other beneficial uses.

36 “[6] (f) The location, extent, capacity, quality and other characteristics of particular sources  
37 of ground water be determined.

38 “[7] (g) Reasonably stable ground water levels be determined and maintained.

39 “[8] (h) Depletion of ground water supplies below economic levels, impairment of natural  
40 quality of ground water by pollution and wasteful practices in connection with ground water be  
41 prevented or controlled within practicable limits.

42 “[9] (i) Whenever wasteful use of ground water, impairment of or interference with existing  
43 rights to appropriate surface water, declining ground water levels, alteration of ground water tem-  
44 peratures that may adversely affect priorities or impair the long-term stability of the thermal prop-  
45 erties of the ground water, interference among wells, thermal interference among wells, overdrawing

1 of ground water supplies or pollution of ground water exists or impends, controlled use of the  
2 ground water concerned be authorized and imposed under voluntary joint action by the Water Re-  
3 sources Commission and the ground water users concerned whenever possible, but by the commis-  
4 sion under the police power of the state except as specified in ORS 537.796, when such voluntary  
5 joint action is not taken or is ineffective.

6 “[10] (j) Location, construction, depth, capacity, yield and other characteristics of and matters  
7 in connection with wells be controlled in accordance with the purposes set forth in this section.

8 “[11] (k) All activities in the state that affect the quality or quantity of ground water shall be  
9 consistent with the goal set forth in ORS 468B.155.

10 **“(2) The Legislative Assembly finds and declares that expanded group domestic use for**  
11 **a public water system located in a ground water quality management area declared under**  
12 **ORS 468B.180 using an amount of water equivalent to the amount of water provided by**  
13 **abandoned water wells as provided in section 20 of this 2025 Act ensures the preservation of**  
14 **the public welfare, safety and health.**

15 **“SECTION 34.** ORS 537.615 is amended to read:

16 “537.615. (1) Any person or public agency intending to acquire a wholly new right to appropriate  
17 ground water or to enlarge upon any existing right to appropriate ground water, except for any  
18 purpose exempt under ORS 537.545, shall apply to the Water Resources Department for and be is-  
19 sued a permit before withdrawing or using the ground water.

20 “(2) The application for a permit shall be in a form prescribed by the department and shall  
21 contain:

22 “(a) The name and post-office address of the applicant.

23 “(b) The nature of the use by the applicant of the ground water for which the application is  
24 made.

25 “(c) The dates of the beginning and completion of the construction of any well or other means  
26 of developing and securing the ground water.

27 “(d) The date when the ground water will be completely applied to the proposed beneficial use.

28 “(e) The amount of ground water claimed.

29 “(f) If the ground water is to be used for irrigation purposes, a description of the lands to be  
30 irrigated, giving the number of acres to be irrigated in each 40-acre legal subdivision.

31 “(g) The depth to the water table, if known.

32 “(h) The location of each well with reference to government survey corners or monuments or  
33 corners of recorded plats.

34 “(i) The proposed depth, diameter and type of each well, and the kind and amount of the casing.

35 “(j) The estimated capacity of each well and each well pump in gallons per minute, and the  
36 horsepower of each well pump motor.

37 “(k) If the ground water is artesian or other ground water not requiring pumping, the rate of  
38 flow in gallons in such manner as the Water Resources Commission may prescribe.

39 “(L) If the ground water supply is supplemental to an existing water supply, identification of any  
40 application for a permit, permit, certificate or adjudicated right to appropriate water made or held  
41 by the applicant.

42 “(m) Any other information as the department considers necessary to evaluate the application.

43 “(3) Each application for a permit shall be accompanied by any maps and drawings the depart-  
44 ment considers necessary.

45 “(4) The map or drawing required to accompany the application shall be of sufficient quality and

1 scale to establish the location of the proposed point of diversion and the proposed place of use  
2 identified by tax lot, township, range, section and nearest quarter-quarter section along with a no-  
3 tation of the acreage of the proposed place of use, if appropriate. In addition, the department shall  
4 accept locational coordinate information, including latitude and longitude as established by a global  
5 positioning system. If the application is for a water right for a municipal use, the map need not  
6 identify the proposed place of use by tax lot.

7 “(5) Each application for a permit to appropriate water shall be accompanied by the examination  
8 fee set forth in ORS 536.050 (1).

9 “(6) If the proposed use of the water is for a mining operation as defined in ORS 517.952, the  
10 applicant shall provide the information required under this section as part of the consolidated ap-  
11 plication under ORS 517.952 to 517.989.

12 “(7) **Notwithstanding any contrary provision of law, an application under this section may**  
13 **request the issuance of a permit to appropriate ground water for expanded group domestic**  
14 **use for a public water system in an amount of water equivalent to the amount of water**  
15 **provided by abandoned water wells as provided in section 20 of this 2025 Act.**

16 “[7] (8) Notwithstanding any provision of ORS chapter 183, an application for a permit to ap-  
17 propriate ground water shall be processed in the manner set forth in ORS 537.505 to 537.795.  
18 Nothing in ORS chapter 183 shall be construed to allow additional persons to participate in the  
19 process. To the extent that any provision in ORS chapter 183 conflicts with a provision set forth in  
20 ORS 537.505 to 537.795, the provisions in ORS 537.505 to 537.795 shall control.”.

21 On page 37, delete lines 3 through 45 and delete pages 38 through 42.

22 On page 43, delete lines 1 through 10 and insert:

23 “**SECTION 36.** ORS 537.621 is amended to read:

24 “537.621. (1) Within 60 days after the Water Resources Department proceeds with the applica-  
25 tion under ORS 537.620 (5), the department shall complete application review and issue a proposed  
26 final order approving or denying the application or approving the application with modifications or  
27 conditions. The department may request the applicant to provide additional information needed to  
28 complete the review. If the department requests additional information, the request shall be specific  
29 and shall be sent to the applicant by registered mail. The department shall specify a date by which  
30 the information must be returned, which shall be not less than 10 days after the department mails  
31 the request to the applicant. If the department does not receive the information or a request for a  
32 time extension under ORS 537.627 by the date specified in the request, the department may reject  
33 the application and may refund fees in accordance with ORS 536.050 (4)(a). The time period specified  
34 by the department in a request for additional information shall allow the department to comply with  
35 the 60-day time limit established by this subsection.

36 “(2)(a) In reviewing the application under subsection (1) of this section, the department shall  
37 determine whether the proposed use will ensure the preservation of the public welfare, safety and  
38 health as described in ORS 537.525. The department shall presume that a proposed use will ensure  
39 the preservation of the public welfare, safety and health if the proposed use is allowed in the ap-  
40 plicable basin program established pursuant to ORS 536.300 and 536.340 or given a preference under  
41 ORS 536.310 (12), if water is available, if the proposed use will not injure other water rights and if  
42 the proposed use complies with rules of the Water Resources Commission. This shall be a rebuttable  
43 presumption and may be overcome by a preponderance of evidence that either:

44 “[a] (A) One or more of the criteria for establishing the presumption are not satisfied; or

45 “[b] (B) The proposed use would not ensure the preservation of the public welfare, safety and

1 health as demonstrated in comments, in a protest under subsection (7) of this section or in a finding  
2 of the department that shows:

3 “[A)] (i) The specific aspect of the public welfare, safety and health under ORS 537.525 that  
4 would be impaired or detrimentally affected; and

5 “[B)] (ii) Specifically how the identified aspect of the public welfare, safety and health under  
6 ORS 537.525 would be impaired or be adversely affected.

7 **“(b) In lieu of the factors described in paragraph (a) of this subsection, the department  
8 shall presume that a proposed use will ensure the preservation of the public welfare, safety  
9 and health if the application is for an expanded group domestic use for a public water system  
10 located in a ground water quality management area declared under ORS 468B.180 for an  
11 amount of water equivalent to the amount of water provided by abandoned water wells as  
12 provided in section 20 of this 2025 Act.**

13 “(3)(a) The proposed final order shall cite findings of fact and conclusions of law and shall in-  
14 clude but need not be limited to:

15 “[a)] (A) Confirmation or modification of the preliminary determinations made in the initial  
16 review;

17 “[b)] (B) A brief statement that explains the criteria considered relevant to the decision, in-  
18 cluding the applicable basin program and the compatibility of the proposed use with applicable land  
19 use plans;

20 “[c)] (C) An assessment of water availability and the amount of water necessary for the pro-  
21 posed use;

22 “[d)] (D) An assessment of whether the proposed use would result in injury to existing water  
23 rights;

24 “[e)] (E) An assessment of whether the proposed use would ensure the preservation of the  
25 public welfare, safety and health as described in ORS 537.525;

26 “[f)] (F) A draft permit, including any proposed conditions, or a recommendation to deny the  
27 application;

28 “[g)] (G) Whether the rebuttable presumption under subsection (2) of this section has been es-  
29 tablished;

30 “[h)] (H) The date by which protests to the proposed final order must be received by the de-  
31 partment; and

32 “[i)] (I) The flow rate and duty of water allowed.

33 **“(b) Notwithstanding paragraph (a) of this subsection, if the application is for an ex-  
34 expanded group domestic use for a public water system located in a ground water quality  
35 management area declared under ORS 468B.180 for an amount of water equivalent to the  
36 amount of water provided by abandoned water wells as provided in section 20 of this 2025  
37 Act, the proposed order need not cite the findings of fact and conclusions of law described  
38 in paragraph (a)(B) to (D) of this subsection, except that the order must include a brief  
39 statement that explains the criteria considered relevant to the decision and the compatibility  
40 of the proposed use with applicable land use plans.**

41 “(4) In establishing the flow rate and duty of water allowed, the department may consider a  
42 general basin-wide standard, but first shall evaluate information submitted by the applicant to dem-  
43 onstrate the need for a flow rate and duty higher than the general standard. If the applicant pro-  
44 vides such information, the department shall authorize the requested rate and duty except upon  
45 specific findings related to the application to support a determination that a lesser amount is



1 needed. If the applicant does not provide information to demonstrate the need for a flow rate and  
2 duty higher than the general basin-wide standard, the department may apply the general standards  
3 without specific findings related to the application.

4 “(5) The department shall mail copies of the proposed final order to the applicant and to persons  
5 who have requested copies and paid the fee required under ORS 536.050 (1)(p). The department also  
6 shall publish notice of the proposed final order by publication in the weekly notice published by the  
7 department.

8 “(6) Any person who supports a proposed final order may request standing for purposes of par-  
9 ticipating in any contested case proceeding on the proposed final order or for judicial review of a  
10 final order. A request for standing shall be in writing and shall be accompanied by the fee estab-  
11 lished under ORS 536.050 (1)(n).

12 “(7) Any person may submit a protest against a proposed final order. A protest shall be in  
13 writing and shall include:

14 “(a) The name, address and telephone number of the protestant;

15 “(b) A description of the protestant’s interest in the proposed final order, and if the protestant  
16 claims to represent the public interest, a precise statement of the public interest represented;

17 “(c) A detailed description of how the action proposed in the proposed final order would impair  
18 or be detrimental to the protestant’s interest;

19 “(d) A detailed description of how the proposed final order is in error or deficient and how to  
20 correct the alleged error or deficiency;

21 “(e) Any citation of legal authority supporting the protest, if known; and

22 “(f) The protest fee required under ORS 536.050.

23 “(8) Requests for standing and protests on the proposed final order shall be submitted within 45  
24 days after publication of the notice of the proposed final order in the weekly notice published by the  
25 department. Any person who asks to receive a copy of the department’s final order shall submit to  
26 the department the fee required under ORS 536.050 (1)(p), unless the person has previously requested  
27 copies and paid the required fee under ORS 537.620 (7), the person is a protestant and has paid the  
28 fee required under ORS 536.050 (1)(j) or the person has standing and has paid the fee under ORS  
29 536.050 (1)(n).

30 “(9) Within 60 days after the close of the period for receiving protests, the Water Resources  
31 Director shall:

32 “(a) Issue a final order as provided under ORS 537.625 (1); or

33 “(b) Schedule a contested case hearing if a protest has been submitted and if:

34 “(A) Upon review of the issues, the director finds that there are significant disputes related to  
35 the proposed use of water; or

36 “(B) Within 30 days after the close of the period for submitting protests, the applicant requests  
37 a contested case hearing.

38 “**NOTE:** Section 37 was deleted by amendment. Subsequent sections were not renumbered.

39 “**SECTION 38.** ORS 537.780 is amended to read:

40 “537.780. (1) In the administration of ORS 537.505 to 537.795 and 537.992, the Water Resources  
41 Commission may:

42 “(a) Require that all flowing wells be capped or equipped with valves so that the flow of ground  
43 water may be completely stopped when the ground water is not actually being applied to a beneficial  
44 use.

45 “(b) Enforce:

1 “(A) General standards for the construction, alteration, abandonment, conversion or maintenance of wells and their casings, fittings, valves, pumps and [*back-siphoning*] **backflow** prevention devices; and

2  
3  
4 “(B) Special standards for the construction, alteration, abandonment, conversion or maintenance of particular wells and their casings, fittings, valves and pumps.

5  
6 “(c)(A) Adopt by rule and enforce when necessary to protect the ground water resource, standards for the construction, maintenance, abandonment or use of any hole through which ground water may be contaminated; or

7  
8  
9 “(B) Enter into an agreement with, or advise, other state agencies that are responsible for holes other than wells through which ground water may be contaminated in order to protect the ground water resource from contamination.

10  
11  
12 “(d) Enforce uniform standards for the scientific measurement of water levels and of ground water flowing or withdrawn from wells.

13  
14 “(e) Enter upon any lands for the purpose of inspecting wells, including wells exempt under ORS 537.545, casings, fittings, valves, pipes, pumps, measuring devices and [*back-siphoning*] **backflow** prevention devices.

15  
16  
17 “(f) Prosecute actions and suits to enjoin violations of ORS 537.505 to 537.795 and 537.992, and appear and become a party to any action, suit or proceeding in any court or before any administrative body when it appears to the satisfaction of the commission that the determination of the action, suit or proceeding might be in conflict with the public policy expressed in ORS 537.525.

18  
19  
20  
21 “(g) Call upon and receive advice and assistance from the Environmental Quality Commission or any other public agency or any person, and enter into cooperative agreements with a public agency or person.

22  
23  
24 “(h) Adopt and enforce rules necessary to carry out the provisions of ORS 537.505 to 537.795 and 537.992 including but not limited to rules governing:

25  
26 “(A) The form and content of registration statements, certificates of registration, applications for permits, permits, certificates of completion, ground water right certificates, notices, proofs, maps, drawings, logs and licenses;

27  
28  
29 “(B) Procedure in hearings held by the commission; and

30  
31 “(C) The circumstances under which the helpers of persons operating well drilling machinery may be exempt from the requirement of direct supervision by a licensed water well constructor.

32  
33 “(i) In accordance with applicable law regarding search and seizure, apply to any court of competent jurisdiction for a warrant to seize any well drilling machine used in violation of ORS 537.747 or 537.753.

34  
35 “**(2) In the administration of ORS 537.505 to 537.795 and 537.992 in a ground water quality management area, as defined in ORS 468B.150, the Water Resources Department shall require compliance with backflow prevention rules.**

36  
37  
38 “[~~(2)~~] **(3)** Notwithstanding any provision of subsection (1) of this section, in administering the provisions of ORS 537.505 to 537.795 and 537.992, the commission may not:

39  
40 “(a) Adopt any rule restricting ground water use in an area unless the rule is based on substantial evidence in the record of the Water Resources Department to justify the imposition of restrictions.

41  
42  
43 “(b) Make any determination that a ground water use will impair, substantially interfere or unduly interfere with a surface water source unless the determination is based on substantial evidence. Such evidence may include reports or studies prepared with relation to the specific use or may be

1 based on the application of generally accepted hydrogeological principles to the specific use.

2 “[3] (4) At least once every three years, the commission shall review any rule adopted under  
3 subsection [2] (3) of this section that restricts ground water use in an area. The review process  
4 shall include public notice and an opportunity to comment on the rule.

5 “(5) **The commission may establish by rule, and enforce, backflow prevention standards**  
6 **for the use of surface water in a ground water quality concern area or a ground water**  
7 **quality management area, as those terms are defined in ORS 468B.150.**

8 “**SECTION 39.** ORS 540.435 is amended to read:

9 “540.435. (1)(a) In addition to any other authority of the Water Resources Commission to order  
10 installation of a measuring device, if the commission finds accurate water use information necessary  
11 because of serious water management problems created by ground water decline, unresolved user  
12 disputes or frequent water shortages, the commission by rule may require a water right owner using  
13 any surface or ground water source within the state to install a totalizing measuring device and to  
14 submit annually a water use report.

15 “(b)(A) **In addition to the factors listed in paragraph (a) of this subsection, as necessary**  
16 **to protect public health, the commission may find that ground water contamination in an**  
17 **underground reservoir in a ground water quality concern area or a ground water quality**  
18 **management area, as those terms are defined in ORS 468B.150, is a serious water manage-**  
19 **ment problem.**

20 “(B) **The commission or the Water Resources Department may not, based on a finding**  
21 **under this paragraph, require the installation of a measuring device to measure ground wa-**  
22 **ter used for an exempt use under ORS 537.545.**

23 “(2) Before the commission implements any requirements under subsection (1) of this section the  
24 commission shall:

25 “(a) Cause a hearing to be conducted in the affected area to determine whether a serious man-  
26 agement problem exists; and

27 “(b) Allow any affected person an opportunity to present alternative methods or devices that  
28 could be used to provide the information necessary to manage the water resource or to alleviate the  
29 water management problem.

30 “(3) The watermaster may prohibit the diversion or use of water by anyone who has failed to  
31 comply with a commission rule or order requiring installation of measuring devices or submission  
32 of a water use report.

33 “**SECTION 40.** ORS 454.779 is amended to read:

34 “454.779. (1) As used in this section and ORS 454.777:

35 “(a) ‘Available sewer’ means an existing public sewer system that a residence or small business  
36 is capable of being connected to:

37 “(A) In compliance with state and local law; and

38 “(B) Without a significant extension of the public sewer system.

39 “(b) [‘Loan program’] **‘Financial assistance program’** means a program **to provide grants,**  
40 **loans or other assistance that is funded by a program grant awarded under this section.**

41 “(c)(A) ‘On-site septic system’ means a subsurface on-site sewage treatment and disposal system,  
42 including, but not limited to, alternative sewage disposal systems, nonwater-carried sewage disposal  
43 facilities and subsurface sewage disposal systems as those terms are defined in ORS 454.605.

44 “(B) ‘On-site septic system’ does not include any system that is designed to treat and dispose  
45 of industrial waste.

1       “(d)(A) ‘Residence’ or ‘residential’ means single-unit or multiple-unit housing, whether  
2 occupied by the owner or a tenant.

3       “(B) ‘Residence’ or ‘residential’ does not include property used to provide short-term  
4 lodging.

5       “[(d)] (e) ‘Small business’ means a corporation, partnership, sole proprietorship or other legal  
6 entity formed for the purpose of making a profit and that generates less than 3,500 gallons of  
7 wastewater per day.

8       “(2) The Department of Environmental Quality shall award **program** grants for the purpose of  
9 developing and administering [*loan*] **financial assistance** programs [*to provide low-interest loans*] for  
10 the purposes described in subsection (3)(b) of this section. The Environmental Quality Commission  
11 may adopt rules necessary to implement the provisions of this section.

12       “(3) The department may not disburse **program** grant funds under this section unless the de-  
13 partment and the intended **program** grant award recipient first enter into a grant agreement. The  
14 grant agreement must:

15       “(a) Provide that a lender that participates in a [*loan*] **financial assistance** program must agree  
16 to subordinate the lender’s lien to the borrower’s consensual mortgage lien.

17       “(b) Require that [*loans*] **financial assistance** provided to **property owners** [*borrowers under*  
18 *a loan program*] must be used for at least one of the following purposes to address a public health  
19 and safety risk or to otherwise protect or maintain water quality in the waters of this state:

20       “(A) To repair a damaged, malfunctioning or inoperable residential or small business on-site  
21 septic system.

22       “(B) To replace a damaged, malfunctioning or inoperable residential or small business on-site  
23 septic system with:

24       “(i) A new, used or reconditioned functional residential or small business on-site septic system;

25       “(ii) A new, used or reconditioned functional cluster on-site septic system; or

26       “(iii) A connection to an available sewer, and to properly decommission and discontinue use of  
27 the on-site septic system.

28       “(C) To upgrade a residential or small business on-site septic system with a newer or more ad-  
29 vanced on-site septic system. An upgrade may include alterations if the work is part of a repair or  
30 if the on-site septic system being upgraded is more than 25 years old.

31       “(D) To replace the waste disposal well or sewage drill hole of an otherwise functional resi-  
32 dential or small business on-site septic system.

33       “(E) To conduct a regional evaluation of community, residential or small business on-site septic  
34 systems to determine whether repair or replacement is necessary.

35       “(c) Require that, if a residence or small business with a damaged, malfunctioning or inoperable  
36 on-site septic system is located within the territory of an available sewer, and is required to connect  
37 to the available sewer, [*a loan*] **financial assistance** provided [*under a loan program*] to address the  
38 damaged, malfunctioning or inoperable on-site septic system must be used to install a connection to  
39 the available sewer and to properly decommission and discontinue use of the on-site septic system.

40       “(d) Require that a loan provided under a [*loan*] **financial assistance** program must be in an  
41 amount that covers 100 percent of the costs associated with the purposes under paragraph (b) of this  
42 subsection for which the loan is provided, unless the borrower requests and consents to a loan that  
43 covers a lower percentage of the costs.

44       “(e) Require that a **program** grant award recipient must provide a mechanism for ensuring  
45 compliance with any locally required operation and maintenance of an on-site septic system for

1 which [a loan] **financial assistance** is provided [under a loan program].

2 “(f) Require that a **program** grant award recipient use accounting, auditing and fiscal proce-  
3 dures that conform to generally accepted government accounting standards.

4 “(4) In selecting **program** grant award recipients under this section, the department shall give  
5 preference to applicants that:

6 “(a) [*Prioritize, but do not limit themselves to, providing loans to*] **Provide financial assistance**  
7 **to** low and moderate income **households, residential housing providers** and small business [*ap-*  
8 *plicants*] **property owners** that are unable to obtain traditional financing;

9 “(b) Can demonstrate prior success in offering, underwriting, servicing and managing loans, **or**  
10 **providing other financial assistance**, to:

11 “(A) Members of low and moderate income populations;

12 “(B) Persons with a range of credit qualifications; and

13 “(C) Residential and commercial [*borrowers*] **property owners**; and

14 “(c) Plan to engage additional stakeholders in outreach and marketing efforts for a [*loan*] **fi-**  
15 **nancial assistance** program.

16 “(5) **In addition to applicants described in subsection (4) of this section, the department**  
17 **shall give preference to applicants that provide financial assistance for the repair, replace-**  
18 **ment, upgrade or evaluation of residential or small business on-site septic systems located**  
19 **in a ground water quality concern area or a ground water quality management area, as those**  
20 **terms are defined in ORS 468B.150.**

21 “**SECTION 40a.** ORS 561.191 is amended to read:

22 “561.191. (1) The State Department of Agriculture shall develop and implement any program or  
23 rules that directly regulate farming practices, as defined in ORS 30.930, that are for the purpose of  
24 protecting water quality and that are applicable to areas of the state designated as exclusive farm  
25 use zones under ORS 215.203 or other agricultural lands in Oregon, including but not limited to  
26 rules related to:

27 “(a) Protection of the quality of surface or ground water;

28 “(b) Wellhead protection areas;

29 “(c) Coastal zone management areas;

30 “(d) [*Areas of ground water concern*] **Ground water quality concern areas, as defined in ORS**  
31 **468B.150; and**

32 “(e) Ground water **quality** management areas, **as defined in ORS 468B.150.**

33 “(2) Any program or rules adopted by the State Department of Agriculture under subsection (1)  
34 of this section shall be designed to assure achievement and maintenance of water quality standards  
35 adopted by the Environmental Quality Commission.

36 “(3) If two or more state agencies are required to adopt rules under ORS 468B.150 to 468B.190,  
37 the agencies:

38 “(a) Shall consult with one another and coordinate the rules; and

39 “(b) May consolidate the rulemaking proceedings.

40 “(4) Nothing in this section is intended to change or reduce the authority of the Water Re-  
41 sources Commission or the Water Resources Department under ORS chapters 536 to 543.”.

42 On page 45, delete lines 5 through 12 and insert:

43 “**SECTION 44.** (1) **Notwithstanding the amendments to ORS 468B.150 and 468B.180 by**  
44 **sections 1 and 9 of this 2025 Act, an area subject to a declaration under ORS 468B.180 as of**  
45 **the day immediately preceding the effective date of this 2025 Act shall be deemed to be de-**

1 **clared a ground water quality management area on the effective date of this 2025 Act.**

2 **“(2) If a lead agency determines that a requirement imposed on any state agency, inter-**  
3 **agency team or ground water management committee by the amendments to ORS 468B.180,**  
4 **468B.182, 468B.184 or 468B.186 by sections 9 to 12 of this 2025 Act is duplicative or unneces-**  
5 **sary because of actions taken in an area described in subsection (1) of this section before the**  
6 **effective date of this 2025 Act, the lead agency may deem the requirement to have been**  
7 **satisfied for purposes of ORS 468B.180, 468B.182, 468B.184 or 468B.186.”.**

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