HB 3107-1 (LC 1435) 3/6/25 (STN/ps)

Requested by Representative LIVELY

PROPOSED AMENDMENTS TO HOUSE BILL 3107

1 On page 1 of the printed bill, delete lines 5 through 27 and delete pages 2 2 and 3 and insert:

³ **"SECTION 1.** ORS 468.073 is amended to read:

"468.073. (1) [The Department of Environmental Quality may enter into an 4 agreement with] Any applicant, permittee or regulated entity may enter into 5 an agreement with the Department of Environmental Quality setting 6 a schedule of payments to the department for the purpose of enabling the 7 department to expedite or enhance a regulatory process by contracting for 8 services, hiring additional staff or covering costs of activities not otherwise 9 provided during the ordinary course of department business. The department 10 may expend moneys received under the agreements for: 11

"(a) Activities undertaken by the department under authority of any provision of ORS chapters 448, 453, 454, 459, 459A, 465, 466, 467, 468, 468A and
468B and ORS 475.405 to 475.495.

"(b) Administering and reviewing activities described under subsection
[(3)] (7) of this section that are performed by a third party.

"(2)(a) An applicant, permittee or regulated entity may request that
the department enter into an agreement described in subsection (1)
of this section. The request must include:

"(A) A complete description of each permit, authorization or other
 regulatory determination for which the agreement is being requested;

"(B) A statement of need that includes an explanation of why the expedited or enhanced regulatory process is in the public interest; and "(C) A demonstration that the requester has secured any land use permit, authorization or other approval necessary for the project for which an agreement under subsection (1) of this section is being sought.

"(b) When evaluating a request under this subsection, the depart8 ment shall consider the following factors:

9 "(A) Project readiness;

10 "(B) The economic development benefits of the project;

11 "(C) The complexity of the regulatory process the requester is 12 seeking to expedite or enhance;

"(D) The number of department regulatory activities that are out standing and the impact on those activities from an agreement for the
 expedited or enhanced regulatory process; and

"(E) Whether the expedited or enhanced regulatory process is in the
 public interest.

"(3)(a) No less than 45 business days after receiving a written re quest to enter into an agreement under subsection (1) of this section,
 the department shall notify the requester in writing that:

21 "(A) The request is granted; or

"(B) The request is denied based on the department's consideration
 of the factors described in subsection (2)(b) of this section.

"(b) Notices provided to requesters under this subsection must include a description of the department's consideration of the factors described in subsection (2)(b) of this section. A requester may submit a request for reconsideration of a notice provided under paragraph (a)(B) of this subsection to the Director of the Department of Environmental Quality. The director's decision on a request for reconsideration is not subject to judicial review under ORS chapter 183.

HB 3107-1 3/6/25 Proposed Amendments to HB 3107 "(4) The department shall make available on the department's
website:

"(a) Agreements entered into under subsection (1) of this section;
"(b) Notices provided to applicants under subsection (3) of this section; and

6 "(c) A list of third parties hired or contracted by the department 7 and a description of the services rendered.

"(5) The department may not waive any of the department's au-8 thority or obligations under any provision of ORS chapters 448, 453, 9 454, 459, 459A, 465, 466, 467, 468, 468A and 468B and ORS 475.405 to 10 475.495 or rules adopted by the Environmental Quality Commission by 11 entering into an agreement under subsection (1) of this section. Except 12 as provided in subsection (6) of this section, the department may not 13 waive or alter any obligation or requirement of an applicant, permittee 14 or regulated entity under any provision of ORS chapters 448, 453, 454, 15459, 459A, 465, 466, 467, 468, 468A and 468B and ORS 475.405 to 475.495 16 or any rule adopted by the commission by entering into an agreement 17 under subsection (1) of this section. 18

"[(2)] (6) Payments agreed to under subsection (1) of this section shall be for services voluntarily requested by the applicant, permittee or regulated entity. As part of the agreement, the department may waive all or part of any fee otherwise imposed for those services. The department shall not alter or establish processing priorities or schedules based upon an expectation of entering into an agreement under subsection (1) of this section.

²⁵ "[(3)] (7) [Not later than July 1, 1998,] The department shall identify de-²⁶ partment activities or portions thereof suitable for contracting out to third ²⁷ parties **and publish that information on the department's website**. ²⁸ Failure of the department to identify a specific activity shall not prevent the ²⁹ expenditure of funds for that activity or for department administration and ³⁰ review of that activity under an agreement entered into pursuant to sub-

HB 3107-1 3/6/25 Proposed Amendments to HB 3107 1 section (1) of this section.

2 "[(4)] (8) Any moneys received by the department under an agreement 3 described under subsection (1) of this section shall not exceed the cost to the 4 department of providing the service to the applicant, permittee or regulated 5 entity.

6 "[(5)] (9) Any payments received under an agreement described under 7 [subsections (1) to (4)] subsection (1) of this section shall be deposited in the 8 State Treasury to the credit of an account of the Department of Environ-9 mental Quality and are continuously appropriated for the purposes specified 10 in the individual agreements.

"(10) Notwithstanding subsection (2) of this section, the department
 shall, in a timely manner, enter into an agreement under subsection
 (1) of this section with an applicant, permittee or regulated entity if:

"(a) At least one year has passed since the department denied a
 request by the applicant, permittee or regulated entity to enter into
 an agreement under subsection (1) of this section; and

"(b) The regulatory process for which the applicant, permittee or
regulated entity sought to enter into an agreement has not been
completed.

20 "(11) The department shall issue an appropriate permit, authori-21 zation or other regulatory determination within 45 days after a third 22 party recommends that the application for the permit, authorization 23 or other regulatory determination should be approved.

"<u>SECTION 2.</u> (1) The amendments to ORS 468.073 by section 1 of this
 2025 Act become operative on January 1, 2026.

"(2) The Department of Environmental Quality may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the department to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the department by the 1 amendments to ORS 468.073 by section 1 of this 2025 Act.

<u>"SECTION 3.</u> This 2025 Act takes effect on the 91st day after the
date on which the 2025 regular session of the Eighty-third Legislative
Assembly adjourns sine die.".

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