HB 3107-3 (LC 1435) 3/27/25 (STN/ps)

Requested by Representative LIVELY

## PROPOSED AMENDMENTS TO HOUSE BILL 3107

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

<sup>3</sup> **"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)
of this section that are] performed by a third party pursuant to this
section.

"(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:

21 "(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.

6 "(b) The department shall evaluate whether the expedited or en9 hanced regulatory process is in the public interest by considering:

10 "(A) Project readiness; and

"(B) 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.

"(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:

17 "(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.

"(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 sec-

1 tion; and

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

"(B) Information made available by the department under this
subsection must be redacted to exclude any trade secrets, as defined
in ORS 646.461, or other confidential business information.

"(5) The department may not waive any of the department's au-7 thority or obligations under any provision of ORS chapters 448, 453, 8 454, 459, 459A, 465, 466, 467, 468, 468A and 468B and ORS 475.405 to 9 475.495 or rules adopted by the Environmental Quality Commission by 10 entering into an agreement under subsection (1) of this section. Except 11 as provided in subsection (6) of this section, the department may not 12 waive or alter any obligation or requirement of an applicant, permittee 13 or regulated entity under any provision of ORS chapters 448, 453, 454, 14 459, 459A, 465, 466, 467, 468, 468A and 468B and ORS 475.405 to 475.495 15or any rule adopted by the commission by entering into an agreement 16 under subsection (1) of this section. 17

"[(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.

<sup>24</sup> "[(3) Not later than July 1, 1998, the department shall identify department <sup>25</sup> activities or portions thereof suitable for contracting out to third parties. <sup>26</sup> Failure of the department to identify a specific activity shall not prevent the <sup>27</sup> expenditure of funds for that activity or for department administration and <sup>28</sup> review of that activity under an agreement entered into pursuant to subsection <sup>29</sup> (1) of this section.]

(4) (7) Any moneys received by the department under an agreement

HB 3107-3 3/27/25 Proposed Amendments to HB 3107 described under subsection (1) of this section shall not exceed the cost to the
department of providing the service to the applicant, permittee or regulated
entity.

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

"(9) 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) The applicant has submitted a complete application for a permit, authorization or other regulatory determination with all information necessary for the department to take action;

"(b) Qualified and appropriate third-party contractors are available;
"(c) 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

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

"(10) Upon completion of the work conducted by a third party, the department shall expedite commencement of any relevant public process requirements and take action on the application for the permit, authorization or other regulatory determination.

"<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
amendments to ORS 468.073 by section 1 of this 2025 Act.

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

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