



April 16, 2025

Senator Frederick, Co-Chair
Representative Levy, Co-Chair
Joint Committee on Ways and Means Subcommittee on Natural Resources

Subject: Testimony in Support for DEQ Budget 2025-27

The Oregon Association of Clean Water Agencies (ACWA), League of Oregon Cities (LOC), and the Special Districts Association of Oregon (SDAO) appreciate the opportunity to comment on the 2025-27 DEQ Budget. ORACWA is a not-for-profit organization of Oregon's wastewater treatment and stormwater management utilities, along with associated professional consulting firms which are dedicated to protecting and enhancing Oregon's water quality. Our members provide wastewater and stormwater services to over 3.5 million Oregonians, serving over 75% of Oregon's homes and businesses. To meet its mission, DEQ needs to be staffed to support ACWA permittees, the boots on the ground fulfilling permit obligations to advance Oregon water quality and efficient use of limited water resources. ACWA supports the proposed budget generally, but certain critical priorities may not be met without adding the positions identified below.

PRIORTIES

Priority One:

Protect and retain the positions currently in the 2023-25 DEQ Budget. These investments made previously by the legislature have paid dividends both for the DEQ Water Quality program and for our members. For example, the permit backlog has been significantly reduced, and the pace of renewal continues to be encouraging. For the most part, this budget holds the line in continuing to provide basic minimum services. The proposed budget also recognizes that permit fees support, but are not intended to entirely fund, DEQ's Water Quality Program budget and the 60/40 split between general fund and permit fees was maintained. For these reasons, ACWA supports the DEQ Budget for 2025-27.

TMDL positions. However, TMDLs and TMDL renewals are being drafted and going out for public comment and the necessary positions have not been added to the budget to support implementation. One TMDL position previously funded with federal dollars needs to be state-funded to continue to advance the TMDL program and to protect water quality. A second position requested by DEQ did not make the GRB. Erosion of current services is unacceptable to us, especially at a time when the Court-ordered TMDLs are being rapidly developed. Water Quality Management Plans will need to be implemented for each of these new TMDLS. This is not the time to reduce resources to the TMDL program, especially because communities will need DEQ as a resource to effectively implement the new TMDLS.

Priority Two:

Reuse position. This has been a limited duration position and is funded only through the end of the current biennium. This needs to be made a permanent position in order to complete the legislative directives set out in HB 3231 and incorporated into HB 2169-A. DEQ and ACWA share a belief in the importance of reuse in Oregon, and in the need to complete the effort to review and update our state regulatory framework that enables reuse projects. However, due to various recruiting challenges, the position was not filled for 18 months and only modest headway on this legislative mandate was made.

Oregon ACWA, LOC, and SDAO Support for DEQ 2025-27 Budget

The limited duration position needs to be made permanent. There is much work to be done to develop recommended rule changes, and to implement rule making processes, which will inevitably extend beyond this biennium. Beyond the first steps of rule revisions, the next stages will include developing an implementable program, outreach and technical assistance resources, and then actual implementation, including DEQ staff training across the permitting and drinking water programs across the regions. This will be a long-term commitment and will require a full-time position far into the future.

Priority Three:

WPCF Permit Development position. DEQ has acknowledged, and ACWA agrees, that the program process improvements that have been implemented in the NPDES wastewater permitting program over the past several years have provided some great tools and processes that should be applied to evaluate and update the WPCF wastewater permit program. Despite a lack of staffing, WPCF permits are beginning to be issued to many communities. Implementing the new permits will require DEQ technical assistance. Additionally, critical groundwater issues are beginning to be recognized throughout the state that DEQ will need to address. ACWA supports the need for 1.0 FTE in this program during the next biennium. This position would enable DEQ to make much needed headway in updating this program and WPCF permits to address current water quality regulatory realities.

Priority Four:

Integrated Water Resource Strategy position. ACWA is concerned that the importance of long-term strategies to promote sustainable water resource management strategies that protect water quality and water quantity are not being recognized as a critical part of other state priorities. For instance, water quality, water quantity, and sustainable water management practices are necessary not only to protect the environment, but are also critical to support expanding housing construction, and Oregon's business and agricultural needs. This work is only increasing in importance due to the impacts we are experiencing from climate change and population growth in this state. The demand for water for all uses is growing, and the DEQ IWRS positions that were funded by the legislature need to be maintained to achieve the IWRS objectives for resource recovery, expansion of reuse, and adequate instream flows. Also, there is strong momentum within OWRD with the release of the comprehensive "Integrated Water Resources Strategy 2025-2051" second draft currently out for public comment. The IWRS positions must be funded to advance this critical work and should not be sacrificed as the mechanism to close any structural funding gaps in the DEQ budget.

ACWA, LOC, and SDAO respectfully request that you approve the 2025-27 DEQ Budget. Thank you for your consideration of our testimony.

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