2009 Regular Legislative Session FISCAL ANALYSIS OF PROPOSED LEGISLATION Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 2080 STATUS: A-Engrossed

SUBJECT: Relating to Gray Water

GOVERNMENT UNIT AFFECTED: Department of Environmental Quality

PREPARED BY: Dawn Farr **REVIEWED BY:** Paul Siebert

DATE: March 6, 2009

2009-2011 2011-2013

EXPENDITURES:

See comments below.

REVENUES:

See comments below.

EFFECTIVE DATE: On passage.

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: The bill establishes definitions for gray water; establishes that a person may not construct, install or operate a gray water reuse disposal system without a permit from the Department of Environmental Quality (DEQ); and, directs the Environmental Quality Commission (EQC) to adopt rules for gray water permitting considering recommendations of an advisory committee.

Senate Bill 820 (2003) required DEQ to report on opportunities and barriers to wastewater reuse in urban areas. One report recommendation was for DEQ to update the recycled water use rules. The revised rules were adopted by the EQC in April 2008; however, gray water was not addressed.

If this bill passes, DEQ will reprioritize the work of existing staff in the Water Recycling Program to support advisory committee activities and rulemaking efforts associated with the bill. DEQ estimates that implementation will require part of the time of a Manager (PEM E), at 0.25 FTE, and a Natural Resource Specialist 4, at 0.50 FTE, for the 2009-11 biennium. Related personal services expenditures are \$190,000 for the 2009-11 biennium with funding being 60% Other Funds and 40% General Fund. Reprioritization of resources will prohibit DEQ from pursing other recommendations identified in the report such as creating templates for recycling water use plans, development of recycled water database, or providing recycled water technical assistance. DEQ reports that passage of the bill would not impact permitting revenues for the 2009-11 biennium.

Revenue and expenditure impacts of the bill for the 2011-13 biennium will need to be revisited once the outcome of the rulemaking process is complete.