



**Testimony of
Adam Zimmerman, Executive Vice President
Craft3
before the
Oregon State Senate
Committee on Environment and Natural Resources
February 9, 2016**

Thank you Chairman Edwards and members of the Committee. My name is Adam Zimmerman. I serve as Executive Vice President of Craft3, a nonprofit community development financial institution serving residents and businesses in Oregon and Washington. I am here today to seek your support for Senate Bill 1563.

Craft3 shares with others a mission to strengthen economic, ecological and family resilience in Pacific Northwest communities. We strongly believe implementation of the provisions of this bill will support that mission here in Oregon.

This is based on our experience in Washington where we have provided more than 600 septic system repair and replacement loans during the past 13 years in partnership with private foundations, state, and local government.

Maintenance of septic systems, as a critical piece of community infrastructure, is a universal challenge – one that is exacerbated by the fact of their private ownership. Failing septic systems degrade water quality, threaten public health and impact local industries that depend on clean water.

Equally important is their impact on owners who bear the burden of repair or replacement. Fear of the uncertainties of dealing with regulators and contractors, the cost, and ultimately, the potential for losing their home or business is common.

The EPA conservatively estimates that 1 percent of all septic systems in use are failing – for Oregon, that works out to about 4,600 systems each year.

And some of those owners simply cannot afford to replace them.

The responsible regulatory agency must either declare the property uninhabitable and remove the occupants or allow the pollution to continue unabated. The availability of a loan at a reasonable rate and terms can avoid this dilemma.

We are pleased to see the Oregon Legislature considering Senate Bill 1563 as a means to make an initial investment in a public/private partnership to establish a statewide septic lending program.

We believe the provisions of the bill will allow for efficient program administration, effective service to borrowers, environmental benefits and enhanced business opportunities for professional septic system contractors.

I will be happy to answer any questions. Thank you again for the opportunity to speak in support of Senate Bill 1563.

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About Craft3

Craft3 is a nonprofit community development financial institution with a mission to strengthen economic, ecological and family resilience in Pacific Northwest communities. They do this by specializing in loans to businesses and individuals and others who don't normally have access to financing. Craft3 then complements these financial resources with expertise, personal connections and other advocacy for their clients. Since 1994, Craft3 has invested more than \$360 million in Washington and Oregon's people and communities. Learn more at www.Craft3.org and www.Craft3.org/Videos.