To: Chair Edwards; Members of the Senate Environment & Natural Resources Committee

From: Mark Landauer, Special Districts Association of Oregon

Tracy Rutten, League of Oregon Cities

Date: February 11, 2016

RE: Support for SB 1563 with -2 or -3 amendments – Septic Loan Program

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The League of Oregon Cities and Special Districts Association of Oregon appreciate the opportunity to provide testimony on SB 1563. We support this bill with either the -2 or -3 amendments. This bill addresses a critical issue and need for low and moderate-income Oregonians with failing septic systems to access capital to either repair or replace those systems or to convert from a failing septic system and connect to a public sewer system when available. We see this as an important step to address a very critical public health and safety concern.

Over 30 percent of Oregonians currently rely on septic systems for their homes or businesses. Failing systems can have significant impacts on human health and safety and can impact critical drinking water sources.

Passage of the bill with either the -2 or -3 amendment is important as it will encourage participants in the program to explore the option of connecting to an available public sewer system if they are within the existing territory of public sewer service provider. There are many septic systems currently located in the middle of either city limits or special district service territory. We would have concerns if loans were being provided to repair or replace those failing systems when an available public sewer hookup is more appropriate as it will provide for a long-term solution for the property in question.

The -2 and -3 amendments contain language permitting loan proceeds to be used to connect to a publicly operated sewer when that sewer system is available.

We thank you for your consideration and would appreciate your support. Please contact us if you have any questions or need additional information.

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