Partial 404 Assumption December 2020 Legislative Update

Bill Ryan, DSL Deputy Director, Operations Division Eric Metz, DSL Senior Policy and Legislative Analyst



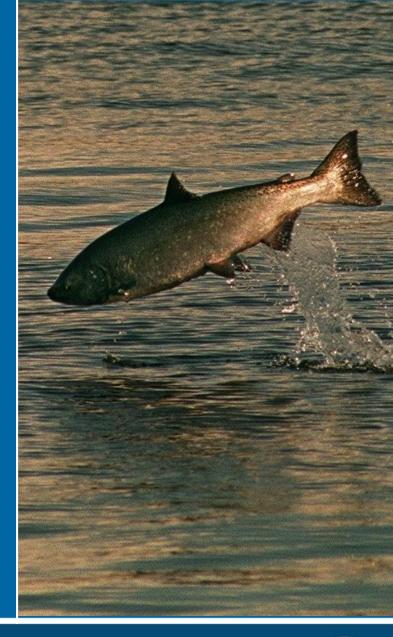
# Challenges with Regulation of Oregon Wetlands and Waters

- Challenging regulatory path for land development
- Affects economic growth, housing, and supporting infrastructure
  - Costly
  - Stalled permitting
  - Project abandonment
- Dual permitting process
  - U.S. Army Corps. of Engineers and the Department of State Lands
- Need for jurisdictional and regulatory certainty



#### **Case Studies**

- Residential: Subdivision in Harrisburg
- Conservation: Salmon habitat restoration





### **404 Assumption**

- Clean Water Act (CWA) Section 404: Regulates discharge of materials into U.S. waters
- CWA 404(g): Assuming state-equivalent Section 404 authority
- Federal oversight will ensure the state program meets federal CWA standards
- 2017 2018: Initial interest, Legislative Working Group



## **Partial 404 Assumption**

- HB 2436 (2019)
- Consolidated permitting: Urban Growth Boundaries, mitigation bank development, and mining
- Waiting for revised 404(g) rules on assumption





## **Benefits of 404 Assumption**

- State assumption of wetlands and certain streams/rivers
  - Consistency
  - Accountability
- Streamlined paths forward
  - Greater certainty (scope, schedule & budget)
  - Compliance with multiple state and federal laws
  - Empowers local governments to build out within their Urban Growth Boundaries



# Benefits of 404 Assumption (cont.)

- Ability to address 404 issues at a state level
  - This is what we do best (e.g., Salmon protections)
- Maintains protections of waters and wetlands





#### 404 Work Group

- Federal/state agencies, local governments, tribes, public interest organizations, industries, and public utilities
- Work Group process
  - Education on 404 Assumption
  - Feedback about impacts on programs and interests
  - Discussion of resource needs



## 404 Work Group

Results

Identification of key issues

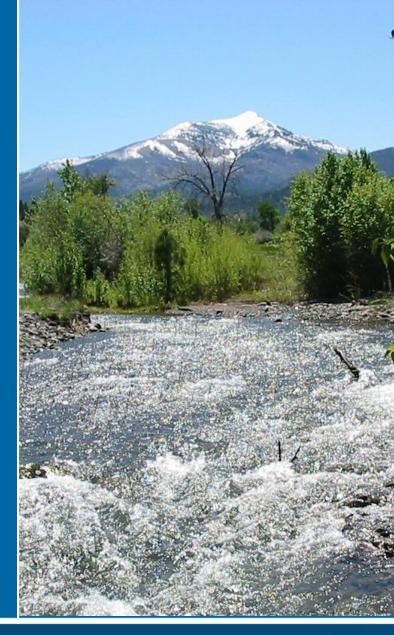
- Potential paths forward

No consensus for/against partial assumption



#### **Clear Path Forward**

- Defining assumable waters
- Endangered Species Act compliance





## **Key Issues: Loss of Federal Nexus**

- National Environmental Policy Act (NEPA)
- National Historic Preservation Act (NHPA)
- Tribal treaty rights
- Federal Trust Responsibility



# Key Issues: Loss of Federal Nexus (Cont.)

- Costal Zone Management Act (DLCD)
- State 401 Water Quality Certification (DEQ)





#### **Resource Needs**

- Prepare 404 Assumption application package (\$970,072)
  - 3 natural resource specialists: \$620,072
  - Consultant for biological assessment: \$300,000
- Implementation and operation (\$1,705,183 per biennium)
  - 7 technical staff
  - 2 administrative support staff
- Additional state agency resources



# Questions

