



*Working with community wastewater treatment and stormwater management agencies across the state to protect Oregon's water quality since 1987.*

81 East 14th Avenue  
 Eugene, Oregon 97401  
 (541) 485-0165 [www.oracwa.org](http://www.oracwa.org)

April 3, 2023

Representative Ken Helm, Chair  
 Representative Mark Owens, Vice Chair  
 House Committee on Agriculture, Land Use, Natural Resources, and Water

**Subject:** Testimony on HB 3124 (Drought Package) Elements Related to DEQ's Water Quality Programs Agency Request Budget and Policy Option Packages

Chair Helm and Committee Members:

The Oregon Association of Clean Water Agencies (ACWA) appreciates the opportunity to testify on the HB 3124 (Drought Package), and more specifically, on the elements related to much needed inclusion of the Oregon Department of Environmental Quality (DEQ) in this comprehensive statewide effort to address water scarcity and water quality. ACWA 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 million Oregonians, serving over 75% of Oregon's homes and businesses.

The Drought Package reflects an ambitious effort to focus state investment on the Oregon's water resources to address current and future needs and growing challenges due to climate change and other factors. We recognize the urgency embodied in the package to make meaningful headway in tackling the state's burgeoning water challenges. Our comments emphasize the need for more robust funding DEQ Water Quality Program staffing in certain areas so the Department may participate fully in the contemplated interagency integrated water resources management approach. The comments offered below relate to the DEQ Water Quality Program elements that are included, or that we believe should be included, in the Drought Package Components. ACWA's recommended funding priorities are shown in the table below.

**ACWA COMMENTS AND PRIORITIES: DEQ 23-25 WATER QUALITY PROGRAM BUDGET, POPS, AND INCLUSION IN THE PROPOSED DROUGHT PACKAGE**

<b>POP # and Description</b>	<b>Position #</b>	<b>ACWA Recommended New Funding Priority #</b>	<b>Comments</b>	<b>Fund source</b>
DEQ Base Budget— Restore GRB Cuts	N/A	N/A	<i>As a base line for the Drought Package, the reductions to DEQ's Water Quality Program budget that are proposed in the Governor's Requested Budget (GRB) should not be made and existing general funding levels should be</i>	General, federal, and fee funded support

			<p><i>restored in order to maintain existing core program efficiency and effectiveness.</i></p> <p>If adopted, the GRB would make substantial cuts to the DEQ WQ Program Budget and would result in result in elimination of about 10 FTE in critical program areas such as TMDLs, permitting, and program management. Cutting existing staff would impact DEQ's ability to issue timely permits, meet court mandated TMDL and NPDES permit schedules.</p>	
HB 3231-Water Reuse Bill	N/A	High	<p><b><i>HB 3231 is included in the Drought Package as Component 6-3. ACWA Strongly recommends inclusion of this Component. It should be noted that the funding amount is incorrect. Based on the actual bill language (and requested amount), HB 3231A includes \$340,000 (including staff and contracting funds) for DEQ and \$100,000 for WRD.</i></b></p> <p>HB 3231A would provide funding and direction to DEQ to identify regulatory impediments to development of water reuse projects.</p>	\$440,000 General Fund
POP 124—Watershed Restoration (TMDLs) to meet federal CWA mandates	1435	1	<p><b><i>The proposed Drought Package (Component 1-17) includes DEQ's POP 124. ACWA recommends that priority should be given to position 1435 as shown here.</i></b></p> <p>DEQ's POP 124 includes funding for position 1435, which is an existing, filled position in the TMDL program that will otherwise be eliminated due to a shortfall in anticipated federal funding. ACWA recommends replacing federal dollars with general fund support to retain this position.</p>	General Fund
POP 123—Onsite septic program permit issuance and regional oversight	5055 5053 5057	1 2 3	<p><b><i>DEQ's POP 123--on-site septic system program work--is included in Component 3-11 of the Drought Package, and it should be. Maintaining adequate onsite septic system oversight is vital to protection of water quality, particularly in drinking water source protection areas. Failure to fund these positions will adversely impact people whose homes have been destroyed by the wildfires. At least 2 of the POP 123 positions (those ranked 2 and 3) should be included in the Drought Package.</i></b></p> <p>The prioritized POP 123 positions shown here are needed to support regional response to the need for septic system replacements and regulatory oversight/permitting. Position 5055 is</p>	General and fee funded support

			currently a limited duration position that will be eliminated without this funding, and existing service levels would worsen. On the heels of the 2020 wildfires, this program has been severely understaffed to meet the need to issue permits and conduct inspections. This is holding up the rebuilding process. These positions are the 3 highest priority positions of 6 that were requested in the DEQ ARB.	
POP 121— Water Quality Permitting	5038 5044 5049 5041 5039	1 2 3 4 5	<p><b><i>Water Quality Permitting is addressed in Component 3-11 of the Drought Package. ACWA supports the 5 positions prioritized here. ACWA does not support inclusion of all 12 positions DEQ included in POP 121. The fee impact to permittees of adding 12 positions in two years would be too high for local governments and it is too many positions for DEQ to hire, on-board, and effectively train over the course of the biennium.</i></b></p> <p>These 5 priority positions included in POP 121 would provide resources needed to renew the WPCF permits and would increase resourcing to the biosolids and reuse programs, which is greatly needed and supported by ACWA.</p>	General and fee funded support
POP 125— Integrated Water Resources Planning	5063 5064 5065	2 1 3	<p><b><i>The proposed Drought Package (Component 1-2 and 1-3) includes elements of DEQ’s POP 125. ACWA supports inclusion of DEQ in these processes and recommends funding of the positions shown and prioritized here. component.</i></b></p> <p>These positions are vital to DEQ’s participation in a well-coordinated interagency water resources planning effort. Position 5064 is needed for DEQ to engage in statewide coordination efforts, and position 5063 is needed for DEQ to participate in regional place based planning efforts. Position 5065 is needed for both intra and interagency coordination to better facilitate natural and green infrastructure projects that address water quality, water quantity, and climate resiliency.</p>	General fund
POP 170—Lab Infrastructure	N/A;	N/A	<p><b><i>POP 170 is important to maintain the ability of the DEQ lab to assess water quality data is a critical underlying function of DEQ to support all elements of the proposed Drought Package. It should be added to the Drought Package.</i></b></p> <p>DEQ’s POP 170 includes capital/equipment funding to replace deteriorating lab analytical</p>	\$750,000 General fund

			equipment, and 2 new laboratory staff. ACWA supports the capital/equipment replacement funding. This funding is needed in the 23-25 biennium to maintain and replace aging lab equipment.	
POP 126— Drinking Water Source Protection	5066 5067 5068 & modeling support	In GRB	<b><i>The proposed Drought Package includes POP 126 in Components 3-5, 3-6, and 3-10. ACWA supports inclusion of the positions and modeling support shown here.</i></b>  POP 126 includes 3 positions and modeling support for groundwater studies related to the Lower Umatilla Groundwater Management Area and related to toxic contamination from Harmful Algal Blooms (HABS).	General Fund
POP 129— Infrastructure Grants Admin.	5071 5072	In GRB	<b><i>The proposed Drought Package does not include POP 129. These positions will be critical for DEQ to capture federal funding that can be made available to support investments in clean water infrastructure, including natural infrastructure investments. ACWA recommends adding this POP to the Package.</i></b>  POP 129 would provide staffing for DEQ WQ programs to develop and administer new and expanded federal funding sources for water infrastructure projects.	General Fund

Thank you for your consideration of ACWA’s Comments.

Sincerely,



Susan L. Smith  
Executive Director  
Oregon Association of Clean Water Agencies