

HB 3525 A -A8, -A9, -A10 STAFF MEASURE SUMMARY

House Committee On Rules

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Meeting Dates: 4/30, 5/7

WHAT THE MEASURE DOES:

The measure requires landlords to collect and test samples of drinking water for certain contaminants if the dwelling unit has one or more exempt wells as a source of drinking water, requires landlords to provide test results to the tenant and to the Oregon Health Authority (OHA), and establishes requirements for associated testing laboratories and the OHA.

Detailed Summary:

Defines 'contaminants' to include arsenic, coliform bacteria, lead, and nitrates. Defines 'exempt well' as wells exempt for the purpose of watering a lawn or noncommercial garden smaller than one-half acre or for single or group domestic purposes.

Landlords of a dwelling unit that has one or more exempt wells as a source of drinking water (qualifying landlords) **must**

- collect and test samples of drinking water for the unit.
- collect water samples from a dwelling unit's primary faucet.
- ensure that drinking water sources are tested as follows:
 - no later than 30 days after well installation for arsenic
 - at least once a year for each contaminant, except under certain conditions
- inform a laboratory that testing is required under this Act and request test results to be submitted to the Oregon Health Authority (OHA) when submitting samples to a laboratory for testing
- provide test results in a specified form to the tenant no less than 30 days after receipt
- prior to entering into a rental agreement for a dwelling unit subject to testing, requires landlord to provide written notice to tenant of (1) the presence of an exempt well as drinking water source, (2) the dates and results of most recent contaminant tests, or a statement that such tests have not yet been performed, and (3) the latest date by which the next test must be conducted.

Qualifying landlords **may**

- collect supplementary samples of water from a dwelling unit's other faucets of drinking water or from a dwelling unit's well head.
- delegate duties to collect drinking water samples to a tenant if both parties agree in writing and the agreement is made in good faith and for adequate consideration.

A **laboratory conducting a test** of drinking water as requested by a tenant or landlord **must**

- be accredited under the environmental laboratory accreditation program.
- report test results to OHA electronically in a format prescribed by OHA.
- send the full laboratory report to the landlord, and if requested, to the tenant, in a specified manner.

If **contamination levels exceed the maximum limits** established by the U.S. Environmental Protection Agency, qualifying landlords **must**

- as soon as practicable, provide test results to the tenant.
- provide the tenant with an informational handout on drinking water contaminant testing and the impact contaminated drinking water can have on health as developed by OHA.
- retest the well according to a schedule established by OHA.

OHA must

- adopt rules to implement the measure, including the content of
 - a specific form used by the landlord to provide test results
 - handouts providing information on testing drinking water for contaminants and the potential impact of such contaminants on a person's health.

Specifies that no testing has to be performed for dwelling units that are part of a premises regulated under public water system statutes. Becomes operative on June 1, 2026, and specifies that between January 1, 2026, and the operative date, landlords subject to the testing requirements must sample and test for all contaminants.

FISCAL: Fiscal impact issued

REVENUE: No revenue impact

ISSUES DISCUSSED:

- Existing requirements for landlords and protections for renters
- Having a regular testing schedule in areas with identified issues
- Duty on the landlord as opposed to a tenant having to exert their rights
- Costs for tenants to test and take legal action and knowledge as reasons preventing a tenant from testing their own water
- Reporting to the Oregon Health Authority
- Use of well testing data
- Costs for the program and how it will affect rents

EFFECT OF AMENDMENT:

-A8 The amendment limits the testing requirements to dwelling units that have an exempt well as a source of drinking water and are located within a ground water management area. It changes the Act's operative date from June 1, 2026 to June 1, 2027 and requires landlords of applicable dwelling units to sample and test for all contaminants before the operative date. The amendment further authorizes the Oregon Health Authority to take any action necessary for implementation prior to the Act's operative date.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

-A9 The amendment modifies certain authorizations and requirements for qualifying landlords and the Oregon Health Authority (OHA) and adds certain restrictions to the use of test result data.

Detailed Summary:

Modifies authorizations and requirements for landlords of a dwelling unit that has one or more exempt wells as a source of drinking water (qualifying landlords) as follows:

- Removes the authorization to collect supplementary samples of water from a dwelling unit's other faucets of drinking water, or from a dwelling unit's well head.
- Removes the requirement to notify the tenant that they may obtain or inspect the full laboratory report upon request if the landlord only provided results in pass/fail format.
- Changes the requirement to provide the tenant with an informational handout developed by OHA on drinking water contaminant testing, and the impact contaminated drinking water can have on health if contamination levels exceed the maximum limits to a permissive authorization.
- Revises the timeframe for landlords to deliver test results to tenants, changing it from no less than 30 days after receipt to a requirement of delivery within 30 days of receipt.

Modifies authorizations and requirements for OHA as follows:

- Removes rulemaking requirement to implement the measure, including the content of a specific form used by the landlord to provide test results and handouts providing information on testing drinking water for contaminants, and the potential impact of such contaminants on a person's health.
- Adds requirement to provide qualifying landlords with educational materials regarding contaminants risk and drinking water treatment options that the landlord may share with the tenant.
- Adds authorization to provide financial or technical assistance as appropriate, such as treatment systems for ground water contamination, well repair or replacement, or inspection, repair, or replacement of septic services.

Adds the following restrictions to the use of test result data:

- Specifies that test results received by OHA may not be used by any other state agency except as provided by the measure and for the benefit of the affected landlord or tenant.
- Mandates that any record collected or created in association with the Act must note that the data has not been controlled for quality and may not be used for determining location-specific groundwater quality.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

-A10 The amendment revises the timeframe for landlords to deliver test results to tenants, changing it from no less than 30 days after receipt to a requirement of delivery within 30 days of receipt. The amendment further limits the testing requirements to dwelling units that have an exempt well as a source of drinking water and are located within a ground water management area. It changes the Act's operative date from June 1, 2026, to June 1, 2027, and requires landlords of applicable dwelling units to sample and test for all contaminants before the operative date. The amendment further authorizes the Oregon Health Authority to take any action necessary for implementation prior to the Act's operative date.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

BACKGROUND:

If ground water becomes polluted through processes like microbial contamination, high concentrations of naturally occurring contaminants, local land use practices, or problems with the integrity of nearby on-site septic systems, it is no longer safe to drink. The Domestic Well Testing Act (ORS 448.271) applies to the sale or exchange of real estate with a domestic well, which is defined as being used for purposes like drinking, cooking, washing, or bathing. Under current law, samples must be tested by an accredited laboratory for arsenic, nitrate, and E. coli bacteria, and test results must be submitted to the Oregon Health Authority. Oregon does not currently have a statewide database of domestic well testing results.