

# Enrolled House Bill 4102

Sponsored by Representatives DOBSON, LIVELY, Senator SOLLMAN; Representatives EVANS, FRAGALA, GOMBERG, HARTMAN, ISADORE, JAVADI, LEVY B, LEVY E, MCLAIN, NGUYEN D, OWENS, PHAM H, RIEKE SMITH, WALTERS, WATANABE, Senators LIEBER, MEEK, REYNOLDS, SMITH DB (Pre-session filed.)

CHAPTER .....

AN ACT

Relating to Department of Environmental Quality regulatory processes; creating new provisions; amending ORS 468.073; and prescribing an effective date.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1.** ORS 468.073 is amended to read:

468.073. (1)(a) *[The Department of Environmental Quality may enter into an agreement with]* Any applicant, permittee or regulated entity **may enter into an agreement with the Department of Environmental Quality** setting a schedule of payments to the department for the purpose of enabling the department to expedite or enhance a regulatory process by contracting for services, hiring additional staff or covering costs of activities not otherwise provided during the ordinary course of department business. The department may expend moneys received under the agreements for:

[(a)] (A) Activities undertaken by the department under authority of any provision of ORS chapters 448, 453, 454, 459, 459A, 465, 466, 467, 468, 468A and 468B and ORS 475.405 to 475.495.

[(b)] (B) Administering and reviewing activities *[described under subsection (3) of this section that are]* performed by a third party **pursuant to this section.**

(C) **Hiring additional staff, including limited duration employees, for the purpose of expediting or enhancing the regulatory process.**

(b) **Before hiring additional staff or contracting with a third party to provide services pursuant to this section, the department shall evaluate opportunities to perform the services with existing staff.**

(2)(a) **An applicant, permittee or regulated entity may request that the department enter into an agreement described in subsection (1) of this section. The request must include:**

(A) **A complete description of each permit, authorization or other regulatory determination for which the agreement is being requested;**

(B) **A statement of need that includes an explanation of why the expedited or enhanced regulatory process is in the public interest; and**

(C) **A demonstration that the requester has secured any land use permit, authorization or other approval necessary for the project for which an agreement under subsection (1) of this section is being sought.**

(b) **The department shall evaluate whether the expedited or enhanced regulatory process is in the public interest by considering:**

(A) **Project readiness; and**

**(B) The number of department regulatory activities that are outstanding and the impact on those activities from an agreement for the expedited or enhanced regulatory process.**

**(3)(a) No later than 45 business days after receiving a written request to enter into an agreement under subsection (1) of this section, the department shall notify the requester in writing that:**

**(A) The request is granted; or**

**(B) The request is denied based on the department's consideration of the factors described in subsection (2)(b) of this section.**

**(b) Notices provided to requesters under this subsection must include a description of the department's consideration of the factors described in subsection (2)(b) of this section. A requester may submit a request for reconsideration of a notice provided under paragraph (a)(B) of this subsection to the Director of the Department of Environmental Quality. The director's decision on a request for reconsideration is not subject to judicial review under ORS chapter 183.**

**(4)(a) The department shall make available on the department's website:**

**(A) Agreements entered into under subsection (1) of this section;**

**(B) Notices provided to applicants under subsection (3) of this section; and**

**(C) A list of third parties hired or contracted with by the department and a description of the services rendered.**

**(b) Information made available by the department under this subsection must be redacted to exclude any trade secrets, as defined in ORS 646.461, or other confidential business information.**

**(5) The department may not waive any of the department's authority or obligations under any provision of ORS chapters 448, 453, 454, 459, 459A, 465, 466, 467, 468, 468A and 468B and ORS 475.405 to 475.495 or rules adopted by the Environmental Quality Commission by entering into an agreement under subsection (1) of this section. Except as provided in subsection (6) of this section, the department may not waive or alter any obligation or requirement of an applicant, permittee or regulated entity under any provision of ORS chapters 448, 453, 454, 459, 459A, 465, 466, 467, 468, 468A and 468B and ORS 475.405 to 475.495 or any rule adopted by the commission by entering into an agreement under subsection (1) of this section.**

**[2)] (6) Payments agreed to under subsection (1) of this section shall be for services voluntarily requested by the applicant, permittee or regulated entity. As part of the agreement, the department may waive all or part of any fee otherwise imposed for those services. The department shall not alter or establish processing priorities or schedules based upon an expectation of entering into an agreement under subsection (1) of this section.**

**[3) Not later than July 1, 1998, the department shall identify department activities or portions thereof suitable for contracting out to third parties. Failure of the department to identify a specific activity shall not prevent the expenditure of funds for that activity or for department administration and review of that activity under an agreement entered into pursuant to subsection (1) of this section.]**

**[4)] (7) Any moneys received by the department under an agreement described under subsection (1) of this section shall not exceed the cost to the department of providing the service to the applicant, permittee or regulated entity.**

**[5)] (8) Any payments received under an agreement described under [subsections (1) to (4)] subsection (1) of this section shall be deposited in the State Treasury to the credit of an account of the Department of Environmental Quality and are continuously appropriated for the purposes specified in the individual agreements.**

**(9) Notwithstanding subsection (2) of this section, the department shall, in a timely manner, enter into an agreement under subsection (1) of this section with an applicant, permittee or regulated entity if:**

**(a) The applicant has submitted a complete application for a permit, authorization or other regulatory determination with all information necessary for the department to take action;**

- (b) Qualified and appropriate third-party contractors are available;
- (c) At least one year has passed since the department denied a request by the applicant, permittee or regulated entity to enter into an agreement under subsection (1) of this section; and
- (d) The regulatory process for which the applicant, permittee or regulated entity sought to enter into an agreement has not been substantially completed.

(10) Upon completion of the work conducted by a third party, the department shall expedite commencement of any relevant public process requirements and take action on the application for the permit, authorization or other regulatory determination.

**SECTION 2.** (1) The amendments to ORS 468.073 by section 1 of this 2026 Act become operative on January 1, 2027.

(2) The Department of Environmental Quality may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the department to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the department by the amendments to ORS 468.073 by section 1 of this 2026 Act.

**SECTION 3.** This 2026 Act takes effect on the 91st day after the date on which the 2026 regular session of the Eighty-third Legislative Assembly adjourns sine die.

Passed by House February 10, 2026

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 Timothy G. Sekerak, Chief Clerk of House

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 Julie Fahey, Speaker of House

Passed by Senate March 2, 2026

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 Rob Wagner, President of Senate

Received by Governor:

.....M.,....., 2026

Approved:

.....M.,....., 2026

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 Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M.,....., 2026

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 Tobias Read, Secretary of State