

Water Quality Fee Increase 2021



State of Oregon
Department of
Environmental
Quality

Meeting summary Rulemaking Advisory Committee Meeting

Wednesday, May 5, 2021

10 a.m. – 11 a.m.

Virtual Public Meeting

List of attendees

Brannon Lamp, Aqua Resource Design & Consulting
Mark Landauer, Special Districts Association of Oregon
Peggy Lynch, League of Women Voters
Ellen Miller, Oregon Homebuilders Association
Sharla Moffett, Oregon Business and Industry
Tracey Rainey (Rutten), League of Oregon Cities
Lauren Smith, Association of Oregon Counties
Susan Smith, Oregon Association of Clean Water Agencies
Kathryn VanNatta, Northwest Pulp & Paper Association
Rian Hooff, DEQ
Geoff Rabinowitz, DEQ
Angela Rowland, DEQ

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restoring, maintaining and
enhancing the quality of
Oregon's air, land and
water.*

List of handouts and presentation notes

- [Presentation](#)
- [Draft Fiscal Impact Statement](#)
- [Draft Rules](#)

Time	Topic
10 a.m.	Welcome, logistics, agenda review
10:05 a.m.	Introductions
10:15 a.m.	Rulemaking overview
10:40 a.m.	Review of Fee Table, Rule Text and Discussion
11 a.m.	Adjourn meeting

Meeting summary

Geoff Rabinowitz provided an overview of the 2021 fee increase rulemaking.

Discussion

What percentage is DEQ projecting for this fee increase? Per ORS 468B.051, 3% is the maximum allowed. DEQ is providing advance notice to its stakeholders to provide enough lead time to prepare for this proposed change. DEQ will not know the exact amount (within the range of 2.4 – 3%) until the

Legislatively Approved Budget is released in the end of June 2021. The public notice will provide the exact percentage increase DEQ is proposing. The increase may be less than 3%, but not more than.

Does this fee increase take into account the 60/40 agreement? DEQ has developed its 21-23 biennia budget to ensure that the 60/40 agreement is maintained.

Since the last fee increase was a significant phased approach, does DEQ have a fee increase strategy moving forward? The 2020 fee increase approved 3% per ORS 468B.051 for the current service level with an additional 18% necessary to support ten new positions authorized by the 2019 legislature. The fee increase was authorized to go into effect in early 2020, however DEQ/EQC opted to delay a portion of the increase due to COVID-19 economic hardships; phasing in the full increase in two steps over a two-year time period. As a result of the postponed fee increase necessary to support positions authorized in 2019, DEQ has only filled six of those ten positions as of May 2021. The remaining four positions will be filled early in the next biennium, after the second phase of the 2020 fee increases go into effect.

Since DEQ updated the 1200-C permit, housing developments will now have multiple permits instead of modifications. Has DEQ assessed the number of additional permits this change will create? The change in the recently renewed 1200-C permit was merely clarification language; the ability for a housing development to be covered by a single permit or multiple permits has been utilized for at least the last two permit cycles. Ultimately, the developer (not DEQ) is involved in the determination and local programs may have their own requirements, including for small lots. As such, an increase in permits is not anticipated by DEQ and it was not specifically part of the Fiscal impact Statement beyond the information contained on page 9.

The Blue Ribbon Committee worked in the past to eliminate renewal fees, why is the 700-PM changing its renewal fees? The 700-PM general permit fees are excluded from this fee increase rulemaking since its fees are under authority of ORS 468B.118. The fee table 70G is being updated to clarify that only motorized suction dredge mining has a renewal fee every five years.

With the current service level, permittees are not getting more for it. In these trying times facilities cannot recover lost costs. DEQ appreciates that feedback.

How much decrease in fee revenue has DEQ faced from the 2020 fee increase? If there are less facilities we assume there will be less agency resources. DEQ has not had a full year with the new fees and there hasn't observed any dramatic decreases in permits. DEQ workload and permitting activities have remained stable over the past two years. DEQ appreciates that feedback.

There has been a severe impact on small businesses due to covid-19 and local fee reductions. The League of Women Voters of Oregon still supports the 60/40 split. Oregon Business and Industry saw a lot of very significant layoffs at large businesses as well. DEQ appreciates that feedback.

HB3127, the wildfire recovery bill, we could expect to see funds directly to those rebuilding to help with onsite systems. DEQ appreciates that feedback.

We want to ensure there is progress in water quality permitting with EDMS, four staff members on board, and TMDL staff to continue to make progress in the water quality program. DEQ appreciates that feedback.

SB58, the DEQ credit card transaction fees bill, would increase permitting fees by 4% due to EDMS invoice surcharges. DEQ appreciates that feedback.

Next steps

DEQ welcomes additional feedback from the Advisory Committee up to Wednesday, May 12, 2021.

DEQ plans to open the public comment period sometime in July 2021 after the legislative adopted budget is released with the exact proposed percent increase (maximum 3% or less). There will be a public hearing in August 2021 and will present at the September 2021 Environmental Quality Commission meeting. If adopted, the fees will go into effect November 2021.

Closing

Meeting adjourned at 11:01 a.m.

Alternative formats

DEQ can provide documents in an alternate format or in a language other than English upon request. Call DEQ at 800-452-4011 or email deqinfo@deq.state.or.us.