

Every drop counts: Water reuse in Oregon

DEQ's Water Reuse Program is working to create a more resilient water future by modernizing and reducing barriers to water reuse in Oregon while protecting public health and the environment. Reusing water helps tackle drought, water scarcity, and groundwater depletion. By reusing domestic and industrial water from homes and businesses, both groundwater and surface water resources are conserved. Working collaboratively with other agencies, utilities, and interested parties, DEQ is reducing barriers through program improvements, multi-sector collaboration, and rule modernization.

DEQ's current activities on water reuse:

Barriers and solutions

DEQ formed the multi-sector Water Reuse Advisory Group in June 2026 to identify reuse barriers, develop policy recommendations, and analyze technical issues to inform the upcoming Recycled/Reclaimed Water Rulemaking. This group includes representatives from state agencies, utilities, municipalities, irrigation districts, academia, environmental organizations, industry, water reuse consultants, and Tribal Nations.

Best practices from other states

DEQ's Reuse Program is engaging with programs across the Pacific Northwest and other states to integrate additional best practices into Oregon's framework.

Cross-agency collaboration

DEQ established the Interagency Water Reuse Team in October 2025 under HB 2169 to advance stronger coordination, permitting consistency, and a unified statewide approach to water reuse. This state agency team includes DEQ, OWRD, ODFW, OHA, and ODA.

Process efficiencies

DEQ updated its Recycled Water Internal Management Directive to enhance internal coordination and cross agency review to create a clearer, more efficient process for recycled/reclaimed water project review.

Next steps

DEQ is working with partners to update municipal reuse rules and subsequently industrial reuse rules.

Municipal recycled/reclaimed water rulemaking

DEQ anticipates convening a Recycled/Reclaimed Water Rulemaking Advisory Committee (RAC) in early 2027 to modernize Ch 340, Division 55 Recycled Water Rules. Following rule adoption, DEQ will publish new guidance to support municipalities in developing and managing local recycled water programs. The proposed recycled/reclaimed water rule amendments are intended to:

- Align water reuse terminology across state agencies
- Improve regulatory clarity for permit holders
- Enhance permitting consistency across state agencies
- Address barriers to reuse while protecting public health and the environment.

Industrial water reuse rulemaking

Industrial water reuse continues to expand throughout the state. While DEQ issues permits for industrial water using the domestic recycled water rules for guidance, Oregon currently lacks rules specific to industrial reuse. Developing rules specific to industrial water reuse will enhance permitting clarity and consistency. DEQ anticipates beginning work in 2028 to develop rules addressing the growing interest in safe and productive industrial water reuse throughout the state.

Terminology

Water reuse

Is an umbrella term encompassing all types of water reuse within the state including graywater, industrial water, recycled/reclaimed water.

Graywater

Is wastewater discharged from showers and bathtubs, bathroom sinks, kitchen sinks and laundry machines. Graywater does not include toilet discharge, or kitchen sinks with garbage disposal units.

Industrial water

Is wastewater generated from industrial processes, manufacturing operations, or the extraction and development of natural resources. There can be no wastewater from domestic sources in industrial water.

Recycled/reclaimed water

Is municipal wastewater treated to levels safe for beneficial use and may include industrial sources.

Background

Oregon has a long history of supporting water reuse through legislation and regulatory updates.

1990: DEQ established rules for the recycled water program.

2003: Senate Bill 820 directed DEQ to examine opportunities and barriers for urban water reuse.

2005: Governor's Executive Order 05-04 directed Oregon to prioritize water reuse.

2008: DEQ updated recycled water regulations to expand opportunities for beneficial use.

2009: Legislature legalized graywater reuse under House Bill 2080.

2011: DEQ adopted rules for permitting graywater reuse.

2023: House Bill 2010 directed DEQ and partner agencies to develop recommendations to expand beneficial water reuse.

2025: House Bill 2169 established a statewide policy for agencies to collaborate on expanding water reuse, address barriers to water reuse, and directed DEQ to create an Interagency Water Reuse Team.

More information

Visit DEQ's Water Reuse program webpage to learn more.

Non-discrimination statement

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