

Temporary State Agency Program Fund Rules

Adopt: 699-020-0010

Rule Title: Definitions

Rule Summary: The intent of this rule is to provide definitions of terms used throughout these temporary rules.

- (1) "Agency" means any state agency in Oregon that has authority to complete projects consistent with the terms of the Monsanto Settlement Agreement.
- (2) "Available Funds" means the funds available in the State Agency Program Fund for distribution. This amount may vary between biennia and is determined based on the Oregon Environmental Restoration Council's (Council) current adopted distribution policy.
- (3) "Council" means the Oregon Environmental Restoration Council established in ORS 541.861.
- (4) "Fund" means the Oregon Environmental Restoration Fund established in ORS 541.863.
- (5) "Monsanto Settlement Agreement" means the settlement agreement between the State of Oregon and Monsanto Company, Pharmacia LLC and Solutia, Inc., effective December 15, 2022 and any modifications thereto.
- (6) "OWEB" means the Oregon Watershed Enhancement Board state agency.
- (7) "State Agency Program Fund" is a statutorily established fund in ORS 541.867 that receives 50% of the annual disbursement from the Oregon Environmental Restoration Fund.

Adopt: 699-020-0020

Rule Title: Eligible Recipients

Rule Summary: The intent of this rule is to provide eligibility criteria for the recipients of the State Agency Program Fund.

Eligible recipients for the State Agency Program Fund are Agencies.

Adopt: 699-020-0030

Rule Title: Soliciting and Evaluating Agency Applications

Rule Summary: The intent of this rule is to provide procedures for state agencies applying to the State Agency Program Fund for the 2025-2027 biennium interim allocation.

- (1) Applications must be submitted in a format prescribed by OWEB.
- (2) Applications must:
 - a. Establish alignment with the objectives of the Monsanto Settlement Agreement;
 - b. Establish alignment with the objectives of ORS 541.857-541.882;
 - c. Demonstrate project readiness for implementation including a clear timeline with distinct start and end dates;
 - d. Describe interagency collaboration as well as collaboration with external partners as part of the scope of work;
 - e. Describe how the proposed work connects to and supports existing statewide plans, frameworks, or policy initiatives;
 - f. Describe how the proposed work will result in direct benefits to partnering organizations and/or the public;
 - g. Describe how the proposed work will result in outcomes that are beneficial to the environment and/or human health.

Adopt: 699-020-0040

Rule Title: Eligible Uses of Funds

Rule Summary: The intent of this rule is to provide criteria for eligible uses of interim State Agency Program Fund dollars.

- (1) Eligible uses for the State Agency Program Fund include:
 - a. Projects or purposes consistent with the terms of the Monsanto Settlement Agreement which include restoring, maintaining, and enhancing the quality of Oregon's air, land, water and other natural resources and consist of but are not limited to projects that:
 - A. Have a nexus or connection with brownfields remediation or redevelopment;
 - B. Conduct environmental or natural resource damage assessment or restoration;
 - C. Result in improvements to air and water quality;
 - D. Clean up contaminated sites;
 - E. Remediate impaired water bodies, sediments or soil;
 - F. Restore or protect wildlife or wildlife habitats including fish, aquatic life, marine mammal or bird habitats.
 - b. Activities that are a component of the projects and purposes described in section (1)(a) of this rule may include but are not limited to:
 - A. Acquisition of interests in land or water. Land or water acquired must be from a willing seller.

- B. Education or outreach activities specific to the restitution or remediation project related to restoring, maintaining, and enhancing the quality of Oregon's air, land, water, and natural resources; this may include but is not limited to:
 - i. Signage and other materials to educate or provide information about eligible projects;
 - ii. Stipends for volunteers, community members, or other advisory group members providing advisory services as part of the eligible project planning, scoping, or outreach;
- C. Monitoring activities related to restoring, maintaining, and enhancing the quality of Oregon's air, land, water, and natural resources;
- D. Restoration or remediation activities related to restoring, maintaining, and enhancing the quality of Oregon's air, land, water, and natural resources;
- E. Technical assistance activities related to restoring, maintaining, and enhancing the quality of Oregon's air, land, water, and natural resources;
- F. Capacity or staffing costs to carry out the project activities included in this section.
- G. Indirect costs to carry out the project activities included in this section.
- c. Match for federal funds or other funding sources used for programs or projects consistent with section (1)(a) of this rule.
- d. Supplementing existing programs or projects consistent with section (1)(a) of this rule.

(2) Ineligible uses of State Agency Program Fund include:

- a. As a replacement to funds from other existing sources.
- b. For uses not consistent with the projects and purposes included in section(1)(a) of this rule or not otherwise determined by the Council to be a project to restore, maintain and enhance the quality of Oregon's air, land, water, and other natural resources.

Adopt: 699-020-0050

Rule Title: Award and Allocation of Funds

Rule Summary: The intent of this rule is to provide interim procedures for the award and disbursement of State Agency Program Fund dollars in the 2025-2027 biennium.

- (1) The Council shall approve allocations of funds to Agencies as consistent with ORS 541.869.

- (2) Allocations approved by the Council must not exceed the Available Funds in the State Agency Program Fund for the 2025-2027 biennium.
- (3) The Council shall consider funding for applications that have met the evaluation criteria in OAR 699-020-0030(3).
- (4) The Council shall, upon the presence of a quorum, approve allocations to the Agencies by majority vote.
- (5) Applications that do not receive funding are not eligible to resubmit in the 2025-2027 biennium.
- (6) Allocations approved by the Council are a one-time commitment of funds. Allocations are not required to be expended by the end of the 2025-2027 biennium.
- (7) OWEB shall transfer amounts from the State Agency Program Fund at the direction of the Council as consistent with ORS 541.869.
- (8) At the close of the 2025-2027 biennium, any amounts in the State Agency Program Fund that are unexpended, unobligated, and not subject to any conditions shall revert to the Oregon Environmental Restoration Fund in accordance with ORS 541.867

Adopt: 699-020-0060

Rule Title: Reporting

Rule Summary: The intent of this rule is to provide procedures for reporting requirements for the interim State Agency Program Fund allocation.

- (1) An Agency receiving State Agency Program Funds must submit a report to the Council biennially.
- (2) The report shall be in a format provided by OWEB.
- (3) Agency reports shall be due 60 days after the final day of the biennium.

Adopt: 699-020-0070

Rule Title: Rule Waivers

Rule Summary: The intent of this rule is to provide procedures for waiving administrative rules when necessary for achieving effective program implementation of the State Agency Program Fund.

The Executive Director of OWEB may waive the requirements of Division 20 unless required by statute, when doing so will result in more efficient or effective implementation of the State Agency Program Fund. Any waiver must be in writing, included in the fund transfer file records to which the waiver applies, and reported to the Council at the next meeting.