Department of Environmental Quality

Memorandum

Date: Feb. 28, 2025

To: Environmental Quality Commission

From: Leah Feldon, Director

Subject: Agenda item I, Informational item: 2025 Legislative Session Update

March 13-14, 2025, EQC meeting

Purpose of item
This item is an informational briefing for the commission on the 2025 legislative

session. The briefing will include an update on both budget and policy issues.

Background The legislature convened its regular session on Jan. 21, 2025. Since then,

thousands of measures have been introduced for consideration, including over 100

bills that relate to DEQ's work.

DEQ staff will provide an update on measures introduced by the agency and brief the commission on other bills that may impact agency operations or programs. This includes:

- House Bill 2569: This measure repeals the sunset on the fees that support DEQ's High Hazard Rail Planning program. Established in 2019 by HB 2209, DEQ oversees the High Hazard Rail Planning program, making high-hazard rail transportation in Oregon subject to the same spill response planning requirements as vessels, pipelines, and facilities. Sunsetting the fee eliminates all funding and stops future work. It will limit protection to Oregon's communities, prevent developing, overseeing, and maintaining Geographical Response Plans, and eliminate oversight and evaluation of future high-hazard rail contingency planning.
- Senate Bill 830: This measure proposes improvements to financial assistance program authorities to better support rural Oregonians struggling to address onsite septic systems that are failing or in disrepair. Specifically, the measure expands the range of financial assistance mechanisms the department can provide, pending additional funding.
- Senate Bill 5520: This measure is the agency's 2025-2027 budget bill, appropriating general funds and establishing expenditure limitation and position authority for the upcoming biennium.

2025-2027 Governor's Recommended Budget Governor Kotek released her recommended budget on Dec. 1, 2024. The budget reflects the Governor's continued commitment to housing, behavioral health, and early childhood education.

Highlights of DEQ's Governor's Budget include:

• Despite the limited General Fund relative to the increased costs of doing

Informational item: 2025 Legislative Session Update

March 13-14, 2025, EQC meeting

Page 2 of 2

business, the budget avoids reductions to filled General Fund positions.

- The Governor's Budget includes essential fee increases for the Air Contaminant Discharge, Greenhouse Gas Reporting, and Water Quality programs.
- The Governor proposes new General Fund investments in DEQ's Water Quality program related to housing production and carbon sequestration.
- The Governor's Budget authorizes a bond sale to finance capital upgrades at DEQ's laboratory.

EQC involvement

DEQ welcomes questions and input from the commissioners on the agency's budget and legislative requests.

Report prepared by Matt Davis Policy and External Affairs Manager

Translation or other formats

<u> Español</u> | <u>한국어</u> | <u>繁體中文</u> | <u>Pусский</u> | <u>Tiếng Việt</u> | <u>Weduyi</u> 800-452-4011 | TTY: 711 | <u>deqinfo@deq.oregon.gov</u>

Non-discrimination statement

DEQ does not discriminate on the basis of race, color, national origin, disability, age or sex in administration of its programs or activities. Visit DEQ's <u>Civil Rights and Environmental Justice page</u>.