

# **Draft Fiscal Impact Statement**

Umpqua River Basin Water Quality Management Plan for Temperature
Oct. 1 2025

#### Introduction

Consistent with Oregon Revised Statute 468B.110 and OAR chapter 340 division 42, DEQ proposes the draft Water Quality Management Plan for the Umpqua River Basin to address temperature impairments. The WQMP will be proposed for adoption by Oregon's Environmental Quality Commission, by reference, into OAR 340-042-0090.

The WQMP guides implementation of the <u>Umpqua River Basin Total Maximum Daily Load for Temperature</u>, issued by EPA on June 27, 2025. A total maximum daily load, sometimes called a clean water plan, is a science-based approach for cleaning up polluted water so they meet state water quality standards. A TMDL also establishes the maximum amount of a pollutant that a water body can receive and still meet those standards.

A WQMP, defined in OAR 340-042-0030(17), describes strategies for achieving the allocations set in the TMDL. WQMPs identify responsible persons, including Designated Management Agencies, who must implement management strategies and prepare sector- or source-specific implementation plans. These plans include timelines, milestones, and performance monitoring, with periodic review and plan revisions to track progress toward meeting water quality standards.

# Fee analysis

This rulemaking does not involve fees.

# Reason for rulemaking

DEQ and EPA are revising multiple temperature TMDLs issued by DEQ and approved by EPA between 2004 and 2010. A court order requires the agencies to update and replace these TMDLs so they meet current temperature standards. The revisions are needed because the earlier TMDLs relied in part on the Natural Conditions Criterion, a provision of the temperature standard that was challenged in court and later disapproved by EPA. Information about the project schedule is available on DEQ's Temperature TMDL Replacement Project web page.

In the Umpqua Basin, EPA issued a revised temperature TMDL, and this proposed rule adopts the WQMP that provides the framework for meeting its load and wasteload allocations.

This WQMP applies only to implementation of the 2025 Umpqua River Basin Temperature TMDL project area and does not cover temperature implementation in the Little River Watershed. All other TMDLs and associated WQMPs in the Umpqua Basin remain in effect and unchanged.

Information about the Temperature TMDL Replacement project and the Umpqua River Basin project area is online.

- Temperature TMDL Replacement project
- Umpqua River Basin Temperature TMDL project page
- Umpqua River Basin Temperature TMDL rulemaking

# Statement of fiscal and economic impact Fiscal and economic impact overview

Issuance and subsequent implementation of the proposed Umpqua River Basin Temperature WQMP may create fiscal or economic impacts for businesses, farms and ranches, forestlands, and federal, state, county and city lands and operations in the basin. DEQ does not have the resources to quantify all costs associated with meeting temperature standards and load allocations.

Previously named responsible persons, including DMAs, already implementing temperature TMDLs, may face additional costs for new requirements not included in the 2006 Umpqua Basin WQMP. Newly named responsible persons, including DMAs, will likely incur costs for developing implementation plans, carrying out management strategies, preparing annual reports, and completing five-year reviews in accordance with WQMP requirements.

This fiscal impact statement does not quantify the costs of on-going water quality impairments on beneficial uses of state waters, nor the potential economic or ecosystem service benefits of improving water quality and attainment of beneficial uses. Implementation of the TMDL is required by the federal Clean Water Act to address water pollution. The negative economic and health impacts of water pollution potentially affect all who live, work and recreate within the watershed and downstream, including commercial, recreational and subsistence fishing communities. The externalized costs of water pollution may disproportionally affect poor, rural, Indigenous and minority communities in Oregon.

Direct economic costs of WQMP implementation associated with TMDL load and wasteload allocations are mostly borne by entities contributing pollutants to waterways. These entities may reduce their costs by selecting control strategies that best align with their circumstances, business needs, and access to financial assistance. The potential economic and ecosystem service benefits of improved water quality may be realized throughout the Umpqua Basin.

The WQMP also applies to individual and general permit holders that have thermal impacts. The extent of their compliance costs will depend on actions needed to meet assigned waste load allocations for temperature.

## Statement of cost of compliance

Costs of compliance with this TMDL and proposed WQMP rule can include administrative and implementation costs. DEQ does not have specific information for potentially affected operations within the watershed to quantify economic impacts to landowners, business operators, or public agencies. DEQ expects costs of compliance to vary for one or more of the following reasons:

- Whether the responsible person, including DMAs, is already implementing a temperature TMDL or is a new DMA.
- Strategies may already be in place in some locations that prevent or reduce exceedances of temperature water quality standards.
- Costs vary to implement different temperature control strategies in the WQMP.

- Multiple temperature pollution controls may be needed at some locations.
- The presence of buildings or transportation infrastructure may limit the ability to implement temperature control strategies in some locations.
- DEQ does not have information to determine all potential sources or identify which existing actions could be modified or enhanced to prevent exceedances of temperature criteria.
- Temperature load allocations are calculated by source sector, not by individual property or activity.
- A range of organizational capacity and funding exists for implementation plan development and there are varying levels of complexity needed in plans.
- The total cost of riparian restoration projects in the Umpqua River Basin reported to the Oregon Watershed Restoration Inventory between 2007 and 2021 was \$1.8 million.
   Project costs ranged from \$100 to \$28,000 per acre, depending on the range of treatments. Inflation-adjusted prices could be used to estimate nonpoint source temperature implementation costs, depending on existing riparian conditions.

The fiscal impact of the new waste load allocations on individual and general point source permit registrants will be variable. In the event the WLA is more stringent, the point source may incur additional capital improvement or other costs necessary to achieve compliance with the new WLA.

Where investments are necessary to meet TMDL effective shade targets and implementation requirements outlined in the WQMP, DEQ identifies funding resources in the WQMP and online that include, but are not limited to, state and federal grants (including Oregon Watershed Enhancement Board and Clean Water Act Section 319 nonpoint source implementation grants) and below-market interest rate loans for public entities (that can include principal forgiveness) through the Clean Water State Revolving Fund program. Other state and federal opportunities are provided on DEQ's Water Quality Funding Resource web page.

- EPA's funding resources for watershed protection and restoration web page
- EPA's Clean Water State Revolving Fund Best Practices Guide for Financing Nonpoint Source Solutions web page

## Federal agencies

The proposed rule will have a fiscal impact on federal agencies named as designated management agencies. DEQ will require named federal DMAs to develop or update TMDL implementation plans. Federal DMAs may incur administrative and operational costs related to development and execution of their temperature TMDL implementation plans.

temperature TMDL implementation plan that contains management strategies to meet nonpoint source pollution load allocations and water quality standards on forest, range, and other BLM-managed lands. Covering approximately 23% of the land area adjacent to streams within the Umpqua River Basin, guided by the Northwestern & Coastal Oregon and Southwestern Oregon Resource Management Plans which includes riparian reserve management. BLM may incur administrative and operational costs related to development and execution of their temperature TMDL implementation plans. In addition, BLM must collaborate on the Umpqua River Basin Temperature Monitoring

Strategy, which may entail further expenses for monitoring plan development and stream temperature data collection.

U.S. Forest Service is responsible for developing and executing a temperature TMDL implementation plan that contains management strategies to meet nonpoint source pollution load allocations and water quality standards on forest, range, and other USFS-managed lands. Covering approximately 21% of the land area adjacent to streams within the Umpqua River Basin, guided by the Northwest Forest Plan, which includes riparian reserve management. USFS may incur administrative and operational costs related to development and execution of their temperature TMDL implementation plans. Additionally, USFS must collaborate on the Umpqua River Basin Temperature Monitoring Strategy, which may entail further expenses for monitoring plan development and stream temperature data collection.

#### State agencies

The proposed rule will have a fiscal impact on state agencies named as designated management agencies. DEQ will require some named state DMAs to develop or update temperature TMDL implementation plans. These DMAs may incur administrative and operational costs related to development and execution of their temperature TMDL implementation plans.

**Oregon Department of Environmental Quality** implements pollutant wasteload allocations through National Pollutant Discharge Elimination System permits. The proposed rule will affect DEQ's ongoing responsibilities to incorporate TMDL elements into regulatory programs such as NPDES permits. Because WLAs are applied during the renewal or issuance of permits, DEQ does not anticipate significant additional fiscal impacts for its permitting program.

In addition, DEQ will incur administrative, and staffing costs associated with nonpoint source implementation. These include reviewing and approving implementation plans submitted by DMAs, coordinating basin-wide monitoring strategies, and managing periodic five-year reviews. While some of these activities are part of DEQ's existing TMDL program, the expanded scope and new requirements of the Umpqua Basin WQMP will increase workload and resource needs.

# DEQ will require the following agencies to develop or revise temperature TMDL implementation plans:

Oregon Department of Forestry is responsible for developing a temperature TMDL implementation plan and implementing management strategies to achieve nonpoint source pollution load allocations and water quality standards on non-federal forest lands (state, county, private). ODF's jurisdiction covers approximately 38% of the land area adjacent to streams within the Umpqua River Basin. ODF's management approach is governed by the Forest Practices Act rules, forestry standards, annual performance reporting, monitoring and progress reviews. ODF's statutes and rules integrate a range of practices, programs, and voluntary measures to support water quality, land condition, and aquatic habitat improvements on nonfederal forestlands. Administrative costs associated with existing ODF rules and programs operate independently of DEQ's TMDLs; however, ODF will likely incur costs for developing, implementing, and reporting on the temperature TMDL implementation plan. ODF is also required to collaborate on the Umpqua River Basin Temperature Monitoring Strategy, which may entail further expenses for monitoring plan development and ongoing stream temperature monitoring. Financial incentives and technical assistance programs are available to support private forest landowners and operators with assessment, pollution control, watershed restoration, and land condition improvements needed to meet TMDL requirements.

Oregon Department of Agriculture is responsible for developing a temperature TMDL implementation plan and implementing management strategies to achieve nonpoint source pollution load allocations and water quality standards on private agricultural lands. ODA's jurisdiction includes approximately 12% of the land area adjacent to streams within the Umpqua River Basin. ODA state statutes and rules employ regulatory programs and voluntary measures to support water quality and land conditions on agricultural lands. ODA does this work in partnership with local Soil Water Conservation Districts and Local Advisory Committees. Administrative costs associated with existing ODA rules and programs operate independently of DEQ's TMDLs; however, ODA will likely incur costs for developing, implementing, and reporting on the temperature TMDL implementation plan. ODA is also required to collaborate on the Umpqua River Basin Temperature Monitoring Strategy, which may entail further expenses for monitoring plan development and ongoing stream temperature monitoring. Financial incentives and technical assistance programs are available to support private landowners with assessment, pollution control, watershed restoration, and land condition improvements needed to meet TMDL requirements. Grant and low interest loan funding (for public entities) is also available to ODA, Soil Water Conservation Districts, and private landowners.

**Oregon Department of Transportation** is responsible for developing a TMDL implementation plan and implementing management practices to achieve nonpoint source load allocations for temperature. These areas will generally include riparian areas owned or managed by ODOT and generally exclude stormwater conveyances covered by ODOT's MS4 permit. ODOT may include temperature management strategies for the Umpqua Temperature TMDL in its statewide TMDL plan once it has been approved by DEQ.

**Oregon Parks and Recreation Department** is responsible for developing a temperature TMDL implementation plan and implementing management strategies to achieve nonpoint source pollution load allocations associated with state park lands. OPRD jurisdiction includes approximately 249 acres of land adjacent to streams within the Umpqua River Basin. OPRD may incur administrative and operational costs related to development and execution of their temperature TMDL implementation plans.

Oregon Department of Fish and Wildlife is responsible for developing a temperature TMDL implementation plan and implementing management strategies to achieve nonpoint source pollution load allocations associated with ODFW lands. ODFW jurisdiction includes approximately 50 acres of land adjacent to streams within the Umpqua River Basin. ODFW may incur administrative and operational costs related to development and execution of their temperature TMDL implementation plans. ODFW is also responsible for meeting updated NPDES permit requirements associated with the Rock Creek Hatchery.

## Local governments and special districts

The proposed rule will have a fiscal impact on local governments and special districts named as designated management agencies. DEQ will require some named DMAs to develop or update Temperature TMDL implementation plans. These DMAs may incur administrative and operational costs related to development and execution of their temperature TMDL implementation plans.

**Douglas County** is an existing DMA who has been implementing a plan to address temperature impairments under the 2006 Umpqua Basin Temperature TMDL and 2002 Little River Temperature TMDL. Douglas County's jurisdiction includes approximately five percent of the land area adjacent to streams within the Umpqua River Basin. The County is responsible for revising its implementation plan and implementing practices to achieve pollutant load allocations for rural residential planning and development, building code administration and enforcement, dam operations and compliance and operation of the county transportation systems within the

subbasin. The county may incur administrative costs to revise the TMDL implementation plan. The County is also required to conduct water temperature monitoring and assessment at Galesville Reservoir and Ben Irving Reservoir, which may entail further expenses. Depending on monitoring results, DEQ may require an amended TMDL implementation plan that includes temperature mitigation strategies. Requirements for reservoir management could result in potentially significant costs. Financial incentives and technical assistance programs are available to support the county and private landowners with assessment, pollution control, watershed restoration, and land condition improvements needed to meet TMDL requirements. Grant and low interest loan funding (for public entities) is also available to local governments and private landowners.

The cities of Reedsport, Elkton, Drain, Yoncalla, Sutherlin, Oakland, Roseburg, Myrtle Creek, Winston, Canyonville, Riddle, and Glendale are existing DMAs who have been implementing plans to address temperature impairments under the 2006 Umpqua Basin Temperature TMDL. For these existing DMAs, there may be additional costs to update existing plans to incorporate any new requirements in this draft WQMP.

Financial incentives and technical assistance programs are available to support cities and private landowners with assessment, pollution control, watershed restoration, and land condition improvements needed to meet TMDL requirements. Grant and low interest loan funding (for public entities) is also available to local governments and private landowners.

**Special Districts** are recognized local government entities established to provide specific services to a community, as defined under <u>Oregon Revised Statue 198</u>. There are sixteen special water districts that operate within the Umpqua River Basin. DEQ identified three special districts that operate in-channel storage reservoirs and/or water conveyance systems with return flows to waterbodies as new responsible persons or DMAs. The named special districts that operate reservoirs are not currently required to conduct water temperature monitoring or prepare implementation plans. However, DEQ may require these actions in the future, and doing so would likely entail costs for monitoring, plan development, reporting and implementation.

Similarly, named special districts that operate conveyance structures with return flows to waterbodies are not currently required to develop implementation plans, but DEQ may require them in the future. If required, these entities would likely incur costs for developing, implementing, and reporting on the temperature TMDL implementation plan.

## **Public Utilities and Transportation**

PacificCorp owns and operates the North Umpqua Hydro Project located on the North Umpqua River and two of its tributaries, the Clearwater River and Fish Creek. The project includes three reservoirs, Lemolo, Toketee, Soda Springs, and four forebays that provide limited water storage. The project is located partially on lands administered by the U.S. Department of Agriculture's Forest Service and the U.S. Department of the Interior's Bureau of Land Management. DEQ issued a Clean Water Act Section 401 water quality certification for PacifiCorp's North Umpqua Hydroelectric Project. That certification, which is built into the FERC license, includes conditions that directly support protection of water temperature.

The Project FERC license also includes the requirements of the North Umpqua Settlement Agreement. This Settlement Agreement describes the operation and maintenance plans for PacifiCorp and agencies to balance environmental conditions, resource protection, and varied interests and waterway uses to manage and enhance the watershed. PacifiCorp is responsible for complying with DEQ's 401 WQC conditions. PacifiCorp will likely incur costs to implement temperature monitoring at reservoirs and temperature modeling. They may incur additional

operational and administrative costs if DEQ determines that modification of existing plans under the WQC or a TMDL implementation plan is needed for additional management of temperature.

**Port of Umpqua** is a new DMA for DEQ temperature TMDLs. The <u>Port of Umpqua</u> is not currently responsible for developing a temperature TMDL implementation plan and is not expected to incur costs to TMDL implementation. If conditions or information changes, DEQ may require them to submit an implementation plan. If required, costs would be incurred for developing, implementing, and reporting on the temperature TMDL implementation plan.

#### **Public**

The proposed rule does not impose direct costs on the public. Indirect costs may occur if responsible persons, including DMAs, pass on implementation expenses through higher fees, water rates, or system development charges.

The public may benefit from long-term ecological and cultural advantages of cooler water temperatures, which are essential for the recovery of threatened native species, including steelhead trout (Onchorhyncus mykiss), Chinook salmon (Oncorhynchus tshawytscha), coho salmon (Onchorhyncus kisutch), coastal cutthroat trout (Onchorhynchus clarki clarki) and Pacific lamprey (Lampetra tridentata).

The proposed rule is consistent with the <u>Oregon Plan for Salmon and Watersheds</u>, which seeks to "restore our native fish populations and the aquatic systems that support them to productive and sustainable levels, providing substantial environmental, cultural, and economic benefits." The Oregon Plan is a comprehensive initiative funded by the Oregon Legislature that represents a partnership among government, communities, private landowners, industry, and citizens. Its efforts include both regulatory and voluntary programs aimed at restoring native salmon runs, enhancing water quality, and supporting resilient watersheds and communities.

By addressing temperature impairments, the proposed rule advances state and federal conservation and recovery goals. Key plans including the <u>Coastal, Columbia, and Snake</u> <u>Conservation Plan for Lampreys in Oregon</u>, the <u>Oregon Coast Coho Conservation Plan for the State of Oregon</u>, and the <u>Recovery Plan for Oregon Coast Coho Salmon</u> all recognize elevated water temperature as a limiting factor and call for temperature management as a key strategy.

Commercial and recreational fishing plays a significant role in Oregon's economy and culture. In 2021, <a href="mailto:the-marine-salmon/steelhead-fishery-generated-\$52.4 million">the-marine-salmon/steelhead-fishery-generated-\$52.4 million</a> as coastwide income, while <a href="mailto:recreational angling-generated-\$1.1 billion">recreational angling-generated-\$1.1 billion</a> in economic impact. In Douglas County, fishing contributed <a href="mailto:\$9.99 million in spending-in 2019">\$9.99 million in spending-in 2019</a>, <a href="mailto:supported-102-jobs">supported 102-jobs</a>, <a href="mailto:and-contributed-\$504,979-in-state-and-local taxes">state-and-local taxes</a>. Beyond fishing, cooler streams provide additional public benefits, including cleaner drinking water, reduced public health risks from algal blooms, more resilient riparian areas during drought and heatwaves, and improved recreational opportunities.

## Large businesses - businesses with more than 50 employees

DEQ evaluated available data from the <u>Oregon Employment Department</u> to identify large business operating with the basin. These businesses encompass a range of industries, including higher education, manufacturing, agriculture, and timber.

The proposed rule could impose costs on large businesses that operate within riparian areas, particularly agricultural and timber operations, to achieve required load reductions. Specifically, three timber tract operations businesses and four large businesses that provide support services for agriculture and forestry may face compliance costs if they operate within streamside areas.

Compliance costs for protecting natural resources on industrial forestlands are primarily governed by Forest Practices Act rules, which was revised in October 2022 under the Private Forests Accord.

#### Small businesses – businesses with 50 or fewer employees

DEQ searched the <u>Oregon Employment Department</u> database of registered Oregon businesses. This database included approximately 2,580 small businesses of various types operating within Douglas County. Using <u>North American Industry Classification System codes</u>, DEQ filtered for business types likely to operate in riparian areas including crop production, animal production and aquaculture, and forestry and logging.

Approximately 33 small agricultural businesses and 85 timber-related businesses may incur costs under the proposed rule if their streamside land conditions or management practices contribute pollutants. Some small woodlands owners, who are not identified as small businesses in the OED database, could also face costs if located in streamside areas. The proposed rule is unlikely to impose costs on the approximately 2,462 small businesses in Douglas County that are unrelated to agriculture and forestry.

Although the proposed rule does not create broad new requirements on small businesses, it identifies management strategies and practices for the agricultural and forestry sectors that are necessary to reduce thermal loads. These activities may require changes in certain management practices or improvements in land conditions that could result in capital costs for small landowners. Both ODA and ODF have existing rules that combine regulatory and voluntary practices, to protect or improve water quality. In October 2022, ODF updated its rules under the Private Forest Accord, and new stream buffer requirements took effect in July 2023. The Private Forest Accord anticipated these changes will have a greater, though unquantified, fiscal impact on small forest landowners. Compliance costs for implementing ODA and ODF rules exist independently of TMDLs.

Grant and low interest loan funding is available to support implementation of pollution controls and watershed restoration actions required for TMDL compliance. The <u>U.S. Department of Agriculture, Natural Resource Conservation Service</u> offers multiple Farm Bill programs to support voluntary conservation on private lands, including the Environmental Quality Incentives Program, Conservation Innovation Grants, Voluntary Public Access and Habitat Incentives Program, Conservation Stewardship Program, Regional Conservation Partnership Program, conservation easements, and Agricultural Conservation Easements Program. The <u>Oregon Watershed Enhancement Board</u> also provides funding through several grant programs, including the Oregon Agricultural Heritage Program grants, which specifically supports agricultural lands.

#### **ORS 183.336 Cost of Compliance Effect on Small Businesses**

# a. Estimated number of small businesses and types of businesses and industries with small businesses subject to proposed rule.

Douglas County has approximately 2,580 registered small businesses. Only those businesses conducting activities that influence sources contributing pollutants identified in the Umpqua River Basin TMDL for Temperature would be regulated by federal, state, or local government DMAs with legal authority over those sources. The number of small businesses that are regulated by DMAs can vary over time.

# b. Projected reporting, recordkeeping and other administrative activities, including costs of professional services, required for small businesses to comply with the proposed rule.

The proposed rule could impose costs to small businesses with NPDES permits if system upgrades or repairs are needed. The Umpqua River Basin Temperature TMDL for Temperature assigned individual waste load allocations to three small businesses. These entities may incur costs associated with implementing their NPDES discharge permit upon renewal. The extent of potential upgrades or repairs for these businesses is not known currently.

The proposed rule does not place reporting, record keeping, or administrative requirements on most small businesses. Implementation plan development and annual reporting responsibilities are assigned to responsible persons, including DMAs. Therefore, DEQ does not anticipate significant costs for most small businesses.

# c. Projected equipment, supplies, labor and increased administration required for small businesses to comply with the proposed rule.

Although the proposed rule does not place specific requirements on small businesses overall, it identifies management strategies for the agricultural and forestry sectors that are necessary to reduce pollutant loads. These activities may require changes in management practices or improvements in land conditions that could result in costs to small agricultural or timber-producing operations. Compliance costs for implementing ODA and ODF rules are established independently of TMDLs. However, the proposed TMDL may increase the expected level of effort under those programs, which could result in additional supplies, labor, or administration for small agricultural or timber-producing businesses, including in-kind match for publicly funded restoration grants.

Small private businesses outside of the agricultural and forestry sectors may also incur indirect compliance costs. Such costs would generally arise through increased administrative, permitting, or reporting requirements, and would fall under the jurisdiction of local governments (e.g., counties or cities).

#### d. Describe how DEQ involved small businesses in developing this proposed rule.

DEQ provided notification of this rulemaking through the state's GovDelivery email system. Small businesses that signed up to receive DEQ notifications were informed of the proposed rule and invited to an informational webinar to ask questions and learn more. DEQ will solicit feedback and information from the Rule Advisory Committee regarding potential fiscal impacts to small businesses.

## Documents relied on for fiscal and economic impact

- DEQ's Oregon Administrative Rules 340-042-0080 Implementing a Total Maximum Daily Load
- DEQ TMDL Funding Webpage
- BLM Northwestern & Coastal Oregon ROD and RMP
- BLM Southwestern Oregon ROD and RMP
- USFS Northwest Forest Plan
- Private Forest Accord Report
- PacifiCorp North Umpqua Hydro Project
- Port of Umpqua
- Oregon Plan for Salmon and Watersheds Resources
- Coastal, Columbia, and Snake Conservation Plan for Lampreys in Oregon

- Oregon Coast Coho Conservation Plan
- Recovery Plan for Oregon Coast Coho Salmon
- Oregon Fishing Industry 2020-2021, The Research Group
- North American Industry Classification System (NAICS) codes
- <u>USDA Natural Resources Conservation Service</u>
- Oregon Watershed Enhancement Board grant programs
- Oregon Business Xpress: Certification for Minority, Women, Veteran, & Small Business
   Owners
- U.S. Environmental Protection Agency Environmental Justice Screening Tool
- Climate and Economic Justice Screening Tool
- U.S. Census Bureau QuickFacts
- Environmental Justice Best Practices for Oregon's Natural Resource Agencies

# **Housing cost**

As ORS 183.534 requires, DEQ evaluated whether the proposed rules would have an effect on the development cost of a 6,000-square-foot parcel and construction of a 1,200-square-foot detached, single-family dwelling on that parcel. DEQ determined that the proposed rules are unlikely to affect development costs.

If DMAs adopt rules or ordinances as part of their TMDL implementation plans, some indirect costs could be passed on in the form of local permit fees. DEQ is unable to quantify the potential impacts of these additional costs, if they occur, on residential or business development.

# **Racial equity**

ORS 183.335(2)(a)(F) as amended by House Bill 2993, requires state agencies, when providing notice of a rulemaking, to provide a statement identifying how adoption, amendment or repeal of the proposed rules will affect racial equity in the state.

DEQ searched the Oregon Certification Office for Business Inclusion and Diversity

<u>Certified Vendor Directory</u> for businesses in Douglas County currently certified as a Minority Business Enterprise. DEQ then filtered the list for business types likely to operate in riparian areas including crop production, animal production and aquaculture, and forestry and logging.

There are five registered minority business enterprises in Douglas County, including one business that provides forestry and logging support services. If this business operates within riparian areas, it could face costs associated with achieving pollutant reductions. Minority Business Enterprises may also access resources outlined for large and small businesses above. In addition, the Oregon Association of Minority Entrepreneurs offers technical assistance, microlending and access to capital, marketing, networking, and business incubation services.

DEQ expects the proposed rule to have a positive impact on and help promote racial equity, particularly by benefitting tribal interests. The externalized costs of water pollution often negatively affect poor, rural, indigenous, and minority communities in Oregon. Some underserved communities also lack equal access to technical and financial assistance. The proposed rules will help address stream temperature impairments, which in turn improve conditions for fish, including salmonid species that support subsistence fisheries. Lower stream temperatures may also reduce drinking water treatment costs for disadvantaged communities.

Tribal nations were made aware of the rulemaking process and invited to consult on the rule advisory committee including, Cow Creek Band of Umpqua Tribe of Indians, the Confederated Tribes of Siletz Indians, the Coquille Indian Tribe, the Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians, and the Confederated Tribes of Grand Ronde. DEQ will also engage with agricultural, forestry, fishery, and conservation communities through the rule advisory committee.

## **Environmental Justice Considerations**

ORS 182.545 requires natural resource agencies to consider the effects of their actions on environmental justice issues.

DEQ used EPA's Environmental Justice Screening and Mapping Tool, the Council on Environmental Quality Climate and Economic Justice Screening Tool, and US Census Bureau County July 2022 County Quick Facts to evaluate environmental justice concerns in Dougals County. DEQ found that Umpqua Basin residents are, on average, older, less ethnically diverse, and experience slightly higher poverty rates than state averages. Compared to statewide data, Douglas County households have lower access to computers (91.7% vs 95.7%) and broadband internet subscription (85.5% vs 90.5%). Only 3.9% of households speak a language other than English at home compared to 15.3% statewide. At 2.2%, the percentage of residents identifying as American Indian is higher than the state average of 1.9%, reflecting the presence of the Cow Creek Band of Umpqua Tribe of Indians, whose governmental, cultural, community service, and business operations are based in Roseburg and Canyonville. Members live and work throughout the basin and the Tribe manages natural resource tracts in the basin.

Based on these findings, DEQ recommends that:

Hold rule advisory committee meetings in person with a hybrid option, to accommodate participants without reliable internet and to reduce barriers created by long travel distances in the basin.

The externalized costs of water pollution can negatively affect poor, rural, indigenous and minority communities in Oregon. The proposed temperature TMDL rule is designed to address basin-wide stream temperature impairments. By improving temperature conditions, the rule is expected to support healthier aquatic habitat, including for salmonid species important to subsistence fisheries, and protect other beneficial uses such as recreation. In addition, management strategies that reduce thermal loading may also improve related water quality parameters such as dissolved oxygen, pH, and the presence of algae and aquatic weeds.

Potential unintended adverse consequences include focusing available grant funding on rural lands not typically owned or managed by poor, indigenous and minority communities (e.g., privately owned agricultural and timber lands with riparian areas). In addition, TMDL compliance costs borne by responsible persons, including DMAs, could be passed on to local communities through higher water bills or system development charges.

#### Non-discrimination statement

DEQ does not discriminate on the basis of race, color, national origin, disability, age, sex, religion, sexual orientation, gender identity, or marital status in the administration of its programs and activities.

For translation or other formats, visit DEQ's Civil Rights and Environmental Justice page.