

# Draft Fiscal Impact Statement

## Umpqua River Basin Water Quality Management Plan for Temperature

Feb. 18, 2026

### Introduction

DEQ invites public input on proposed permanent rule amendments to chapter 340 of the Oregon Administrative Rules.

DEQ prepared a draft Umpqua River Basin Water Quality Management Plan for Temperature to achieve the 2025 Umpqua River Basin Temperature Total Maximum Daily Load allocations, consistent with Oregon Revised Statute 468B.110 and OAR chapter 340, division 42. DEQ proposes that the Environmental Quality Commission adopt the WQMP as rule by reference into OAR 340-042-0090.

The rulemaking is part of a [court-ordered effort to revise temperature TMDLs](#) issued between 2004 and 2010. Those TMDLs used the Natural Conditions Criterion, a provision of Oregon's temperature standard that EPA disapproved following a legal challenge. EPA issued the [revised Umpqua River Basin Temperature TMDL](#) on June 27, 2025. DEQ developed this temperature WQMP under OAR 340-042-0040(8) to guide TMDL implementation in alignment with similar WQMPs across Oregon.

A TMDL, sometimes called a clean water plan, identifies the maximum amount of a pollutant a waterbody can receive while still meeting state water quality standards. A WQMP is a required element of a TMDL under Oregon Administrative Rule 340-042-0040(4)(I). As defined in OAR 340-042-0030(17), a WQMP describes the strategies to achieve TMDL allocations and attain water quality standards. WQMPs identify responsible persons, including Designated Management Agencies, who must implement management strategies and prepare sector- or source-specific implementation plans.

This rule adopts a WQMP to guide actions to achieve the 2025 Umpqua River Basin Temperature TMDL allocations. It does not cover the Little River watershed. All other TMDLs and associated WQMPs in the Umpqua Basin remain in effect.

### Fee analysis

This rulemaking does not involve fees.

#### Translation or other formats

[Español](#) | [한국어](#) | [繁體中文](#) | [Русский](#) | [Tiếng Việt](#) | [العربية](#)  
800-452-4011 | TTY: 711 | [deqinfo@deq.oregon.gov](mailto:deqinfo@deq.oregon.gov)

# **Statement of fiscal and economic impact**

## **Fiscal and economic impact**

Issuance and implementation of the rule may impose fiscal and economic costs on entities in the Umpqua River Basin, including private agricultural and forestland operations, local governments, special districts, utilities, federal and state agencies, and entities holding National Pollutant Discharge Elimination System permits. DEQ does not have sufficient data to fully quantify all costs associated with meeting TMDL allocations.

Previously named responsible persons may face additional costs to meet new requirements not included in the [2006 Umpqua Basin WQMP](#). Newly named responsible persons may incur costs for developing implementation plans, carrying out management strategies, conducting monitoring, reporting on progress, and completing required periodic reviews.

This fiscal and economic impact statement does not quantify the costs of ongoing water quality impairments or the potential economic and ecological benefits of improving water quality and achieving beneficial uses. The rule requires responsible persons to implement the WQMP, which helps achieve TMDL allocations and attain water quality standards. Water pollution can harm communities throughout the Basin and downstream, including commercial, recreational, and subsistence fishing communities. It can also impose economic and ecological costs, such as impacts on fish populations, recreational opportunities, and water treatment. These externalized costs may disproportionately affect Indigenous, rural, minority, and low-income communities in Oregon.

Some entities may qualify for technical or financial assistance through state or federal programs.

## **Statement of cost of compliance**

Entities may incur administrative, planning, and implementation costs to comply with this rule. DEQ does not have sufficient data to fully quantify potential economic impacts on landowners, businesses, agencies, or local governments. Several factors affect compliance costs, including:

- Whether the responsible person is already implementing a temperature TMDL or is newly named as responsible.
- Existing strategies in some locations may already reduce or prevent exceedances of temperature standards.
- Costs vary depending on the temperature management strategies responsible persons select.
- Some locations may require multiple temperature pollution management strategies.
- Site-specific conditions can increase the complexity and cost of implementation.
- Infrastructure such as buildings or roads may limit implementation options.
- Organizational capacity, including staff time, technical expertise, and access to contractors, affects both the feasibility and cost of implementation.
- Funding availability and match requirements influence the scale and pace of restoration work.

- DEQ does not have complete information to identify all potential sources or determine which existing actions responsible persons should modify to meet temperature criteria.
- Temperature load allocations are assigned by source sector, not by entity or individual property or activity.

Based on recent project budgets in the Umpqua River Basin, the cost of stream restoration typically ranges from \$8,000 to \$35,000 per acre.

- Projects at the lower end of this range include basic planting, limited fencing, and minimal infrastructure.
- Projects in the middle of this range often include moderate site preparation, invasive species control, fencing, planting, and some engineered features like hardened crossings or livestock watering systems.
- Projects at the higher end of this range generally include more intensive restoration with high planting densities, complex site conditions, engineered infrastructure, and multi-year maintenance commitments.

Entities holding NPDES permits may incur costs to comply with discharge limits that reflect revised TMDL wasteload allocations. Individual permit holders include two agencies, nine local governments, six special districts, and three private businesses. General permit holders include two agencies, 14 local governments, six special districts, one utility, and 71 private businesses. These entities may need to invest in capital improvements, operational changes, or additional monitoring to achieve compliance. Some permit holders have no additional nonpoint source responsibilities and are required only to meet their NPDES limits.

The WQMP identifies funding resources available to support entities in meeting TMDL allocations, surrogate measure targets, and other WQMP implementation requirements. Resources include state and federal grants (such as the [Oregon Watershed Enhancement Board](#) and Clean Water Act Section 319 nonpoint source implementation grants) and Clean Water State Revolving Fund loans, which may include principal forgiveness for public entities. Additional resources are listed on [DEQ's Water Quality Funding Resource webpage](#) and [EPA's watershed protection and financing guidance pages](#).

## Federal agencies

The rule will have a fiscal impact on federal agencies named as DMAs. Federal DMAs must develop and carry out nonpoint source temperature TMDL implementation plans. They will likely incur administrative and operational costs to prepare, implement, and revise their plans.

**U.S. Bureau of Land Management** is an existing DMA responsible for developing and implementing a TMDL implementation plan to meet TMDL allocations on BLM-managed lands. DEQ found that existing riparian reserve protections in BLM's [Northwestern & Coastal Oregon](#) and [Southwestern Oregon Resource Management Plans](#) may not be sufficient to attain TMDL load allocations. BLM may need to take additional management actions to meet TMDL load allocations and effective shade targets. BLM will likely incur administrative and operational costs to develop its plan and carry out the related management, monitoring, and reporting.

**U.S. Forest Service** is an existing DMA responsible for developing and implementing a TMDL implementation plan to meet TMDL allocations on USFS-managed lands. DEQ found that existing riparian reserve protections in USFS's [Northwest Forest Plan](#) may not be sufficient to attain TMDL load allocations. USFS may need to take additional management actions to meet

TMDL load allocations and effective shade targets. USFS will likely incur administrative and operational costs to develop its plan and carry out the related management, monitoring, and reporting.

## **State agencies**

The rule will have a fiscal impact on some state agencies named as DMAs. Some DMAs are required to develop and implement nonpoint source temperature TMDL implementation plans. These DMAs will likely incur administrative and operational costs to prepare, implement, and revise their plans.

**Oregon Department of Environmental Quality** directs some responsible persons to develop and implement TMDL implementation plans to address load allocations from nonpoint sources and incorporates revised TMDL wasteload allocations into NPDES permits during issuance and renewal. DEQ carries out both NPDES permitting and TMDL implementation plan oversight using existing TMDL program resources. Therefore, the agency expects to absorb any additional workload from the rule within current resources, with no new fiscal burden.

**Oregon Department of Forestry** is an existing DMA responsible for developing and implementing a TMDL implementation plan to meet TMDL allocations on non-federal forest lands, including the Elliot State Forest. DEQ found that existing riparian management area protections provided under the Forest Practices Act, as amended by the Private Forest Accord, may not be sufficient to attain TMDL load allocations. ODF may need to take additional management actions to meet TMDL load allocations and effective shade targets. ODF will likely incur administrative and operational costs to develop its plan and carry out the related management, monitoring, and reporting.

**Oregon Department of Agriculture** is an existing DMA responsible for developing and implementing a TMDL implementation plan to meet TMDL allocations on non-federal agricultural lands. DEQ found that existing regulatory and voluntary streamside protections provided under the [Umpqua Basin Agricultural Water Quality Management Area Plan and Rules](#) may not be sufficient to attain TMDL load allocations. ODA may need to take additional management actions to meet TMDL load allocations and effective shade targets. ODA will likely incur administrative and operational costs to develop its plan and carry out the related management, monitoring, and reporting.

**Oregon Department of Transportation** is an existing DMA responsible for developing and implementing a TMDL implementation plan to meet TMDL allocations on ODOT-managed lands, excluding stormwater conveyances covered by the MS4 permit. ODOT will likely incur administrative and operational costs to develop its plan and carry out the related management, monitoring, and reporting.

**Oregon Department of Fish and Wildlife** is a new DMA responsible for developing and implementing a TMDL implementation plan to meet TMDL allocations on ODFW-managed lands. ODFW will likely incur administrative and operational costs to develop its plan and carry out the related management, monitoring, and reporting.

**Oregon Department of State Lands** is an existing DMA that must develop and carry out a implementation plan to meet TMDL allocations on DSL-managed lands. DSL will likely incur administrative and operational costs to develop its plan and carry out the related management, monitoring, and reporting.

**Oregon Parks and Recreation Department** is a new DMA responsible for developing and implementing a TMDL implementation plan to meet TMDL allocations on OPRD-managed lands. OPRD will likely incur administrative and operational costs to develop its plan and carry out the related management, monitoring, and reporting.

## Local governments

The rule will have a fiscal impact on thirteen local governments previously named as DMAs. They will likely incur administrative and operational costs to update their existing nonpoint source temperature TMDL implementation plans to comply with the new WQMP requirements.

**Douglas County** is an existing DMA that must develop and carry out a implementation plan to meet TMDL allocations on lands and reservoirs under the County's jurisdiction. Douglas County will likely incur administrative and operational costs to develop its plan and carry out the related management, monitoring, and reporting. The county must also conduct water temperature monitoring and assessment at Galesville and Ben Irving Reservoirs, which could result in additional costs. Based on monitoring results, DEQ may require plan amendments. Implementing reservoir temperature mitigation could lead to significant expenses.

**The cities of Reedsport, Elkton, Drain, Yoncalla, Sutherlin, Oakland, Roseburg, Myrtle Creek, Winston, Canyonville, Riddle, and Glendale** are existing DMAs that must develop and carry out implementation plans to meet TMDL allocations on lands under municipal jurisdiction. They will likely incur administrative and operational costs to develop its plan and carry out the related management, monitoring, and reporting.

Financial incentives and technical assistance programs are available to help local governments implement the actions needed to meet TMDL allocations. Grants and low-interest loans can support water quality assessments, pollution control measures, watershed restoration projects, and other landscape improvements necessary to achieve temperature load allocations.

## Utilities

**PacificCorp** is a new DMA responsible for developing and implementing a TMDL implementation plan to meet TMDL allocations associated with [North Umpqua Hydro Project](#). PacifiCorp must also conduct water temperature monitoring and assessment of the North Umpqua Hydro Project, which could result in additional costs. Based on monitoring results, DEQ may require PacifiCorp to amend its plan or the 401 Water Quality Certification. Implementing reservoir temperature mitigation could lead to significant expenses.

## Responsible persons not required to submit implementation plans

The WQMP identifies thirteen new responsible persons who are not currently required to develop TMDL implementation plans. These responsible persons are not expected to incur implementation costs. If conditions or information change, DEQ may require a responsible person to submit a plan. In that case, the responsible person would likely incur costs for plan development and implementation.

## Public

The WQMP does not impose direct costs on the public. It establishes requirements for responsible persons, who may pass costs through fees, water rates, rule changes, or other mechanisms, depending on the type of entity and applicable authorities, to comply with TMDL requirements. Financial incentives and technical assistance programs are available to help local governments, businesses, and private landowners implement the actions needed to meet TMDL allocations. Additional programs support agricultural and private forest landowners, operators, ODF Stewardship Foresters, and Soil and Water Conservation Districts in implementing management strategies needed to meet TMDL requirements.

The public may benefit from the 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 rule supports the goals of the [Oregon Plan for Salmon and Watersheds](#), a statewide initiative promoting both regulatory and voluntary actions to restore native fish populations and improve watershed health.

By addressing temperature impairments, the proposed rule implements state and federal recovery plans that identify elevated water temperature as a limiting factor. These include the [Coastal, Columbia, and Snake Conservation Plan for Lampreys in Oregon](#), the [Oregon Coast Coho Conservation Plan](#), and the [Recovery Plan for Oregon Coast Coho Salmon](#).

The rule may also strengthen Oregon's economy and quality of life. In 2021, the [marine salmon and steelhead fishery generated \\$52.4 million](#) in coastwide income, and [recreational angling generated \\$1.1 billion](#) in economic impact. In Douglas County, fishing contributed nearly [\\$10 million in spending in 2019](#), supported 102 jobs, and generated \$504,979 in state and local tax revenue. Cooler streams can also improve drinking water quality, reduce public health risks associated with harmful algal blooms, and improve recreational opportunities, particularly during droughts and heatwaves.

## **Large businesses - businesses with more than 50 employees**

DEQ reviewed 2024 data from the [Oregon Employment Department](#) to identify large businesses operating in Douglas County that could be affected by the rule. Thirteen large businesses hold NPDES permits, including one with an individual permit. These large businesses may incur costs to invest in capital improvements, operational changes, or additional monitoring to meet discharge limits based on TMDL wasteload allocations.

Large businesses are not directly regulated under the rule. Responsible persons may change management practices to meet TMDL load allocations, and these changes may indirectly affect large businesses. Agricultural and timber operations are most likely to be affected because they account for a substantial portion of streamside land use and influence streamside vegetation and shading. Affected operations could include three timber tract operations and four businesses that provide support services for agriculture and forestry. Indirect fiscal impacts may include additional labor or operational modifications.

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

DEQ used 2024 data from the [Oregon Employment Department](#) to identify small businesses in Douglas County. Fifty-five small businesses hold NPDES permits, including two with individual permits. These small businesses may need to upgrade systems, adjust operations, or conduct

additional monitoring to comply with discharge limits that reflect updated TMDL wasteload allocations.

Small businesses are not directly regulated under the rule. Responsible persons may change management practices to meet TMDL load allocations, and these changes may indirectly affect small businesses. Agricultural and timber-related operations are most likely to be affected because they represent a large portion of streamside land use. These effects could also extend to small private woodland owners not classified as businesses in OED's database. Indirect fiscal impacts may include additional labor, equipment, materials, or administrative effort.

## **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.**

DEQ identified 2,580 registered small businesses in Douglas County. Of these, 33 are agricultural businesses and 85 are timber-related businesses that may be affected if they operate within streamside areas. Small private woodland owners not classified as businesses may also experience indirect impacts.

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

The rule does not directly impose new reporting or administrative requirements on small businesses. However, responsible persons may require small businesses to participate in additional reporting, recordkeeping, or administrative activities to support WQMP implementation. Existing ODA, ODF, or local water quality programs already include some of these activities.

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

Small businesses do not face direct operational requirements under the rule. Responsible persons may change management practices to meet TMDL load allocations, and these changes may indirectly affect small businesses operating within streamside areas. Impacts could include additional equipment, materials, labor, or administrative effort. Some of these activities may already be required under existing ODA, ODF, or local water quality programs.

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

DEQ notified interested parties about the rulemaking process through GovDelivery and hosted an informational webinar on Sept. 30, 2025. DEQ also convened a Rule Advisory Committee, including representatives from agriculture, forestry, and municipal governments, to provide input on 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](#)
- [OWEB Oregon Watershed Restoration Inventory](#)
- [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](#)
- [ASA Senate Handout, 2023](#)
- [Factsheet Economic Impact OR Counties, Earth Economics 2019](#)
- [Oregon Employment Department Request public records](#)
- [North American Industry Classification System \(NAICS\) codes](#)
- [USDA Natural Resources Conservation Service](#)
- [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](#)
- [DEQ Annual Report to the Environmental Justice Council 2024](#)

## Advisory committee fiscal review

DEQ appointed an advisory committee.

As ORS 183.333 requires, DEQ will ask for the committee's recommendations on:

- Whether the proposed rules would have a fiscal impact,
- The extent of the impact, and

- Whether the proposed rules would have a significant adverse impact on small businesses; if so, then how DEQ can comply with ORS 183.540 reduce that impact.

DEQ sent the draft fiscal and economic impact statement to the RAC ahead of the first RAC meet on Feb. 18, 2026, and presented the draft fiscal impact statement at the second RAC meeting on April 29, 2026. The committee reviewed the draft fiscal and economic impact statement, and DEQ documented the RAC's comments in the meeting summary.

## 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 rule is unlikely to affect housing costs, because it does not impose direct requirements on residential property owners or developers.

Responsible persons may adopt rules, ordinances, or permitting requirements under TMDL implementation plans, which could impose indirect costs on residential property owners or developers. DEQ cannot quantify these potential impacts.

## Racial equity

ORS 183.335(2)(a)(F) requires state agencies to provide a statement identifying how adoption of this rule will affect racial equity in this state.

Water pollution, including elevated stream temperatures, disproportionately affects Indigenous, minority, rural, and low-income communities in Oregon. These communities rely on clean water for drinking, recreation, and subsistence fishing. The rule directs responsible persons to implement nonpoint source TMDL plans and incorporates TMDL wasteload allocations into NPDES permits. These actions reduce stream temperatures, improve fish habitat including salmonid species that support subsistence fisheries, and may lower water treatment needs. By addressing these environmental impacts, the rule provides direct benefits to communities historically affected by water quality impairments.

DEQ identified Minority Business Enterprises in Douglas County using the [Oregon Certification Office for Business Inclusion and Diversity](#) directory. One MBE provides forestry and logging support services and may incur indirect costs to comply with TMDL implementation programs. MBEs, small businesses, and private landowners can access technical assistance, funding, and other resources available to businesses of all sizes, including microlending, business incubation, and networking support through the Oregon Association of Minority Entrepreneurs.

DEQ notified Tribal nations including the Cow Creek Band of Umpqua Tribe of Indians, 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, and invited them to consult on the rule.

DEQ engages agricultural, forestry, fishery, and conservation communities through the Rulemaking Advisory Committee to ensure that historically marginalized groups provide input on rule implementation.

# Environmental justice considerations

ORS 182.545 requires natural resource agencies to consider the effects of their actions on environmental justice issues. Environmental justice ensures fair treatment and meaningful involvement of all people, regardless of race, color, national origin, culture, education, or income, in the development, implementation, and enforcement of environmental laws, regulations, and policies. DEQ applies environmental justice best practices to guide outreach, participation, and program implementation, ensuring equitable environmental and public health protections.

DEQ evaluated environmental justice concerns in Douglas County using [EPA's Environmental Justice Screening and Mapping Tool](#), the [Council on Environmental Quality Climate and Economic Justice Screening Tool](#), and [US Census Bureau County Quick Facts](#) (July 2022).

These analyses identified populations with higher vulnerability scores that may face cumulative environmental and socioeconomic burdens, such as higher poverty rates, lower access to broadband, and limited English proficiency.

Douglas County residents are, on average, older, less ethnically diverse, and experience slightly higher poverty rates than state averages. Households have lower access to computers (91.7% vs. 95.7%) and broadband internet subscriptions (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 exceeds the state average of 1.9%, likely 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.

DEQ uses these factors to guide public outreach and participation. Rule Advisory Committee meetings will be held online, and DEQ will make recordings available on request to improve accessibility for participants with limited internet access or scheduling conflicts.

## 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. Visit DEQ's [Civil Rights and Environmental Justice page](#).