



Legislative Briefing

Legislative Overview



- January 19, 2021 – June 28, 2021
- Senate - 18 Democrats/11 Republicans/1 Independent
- House – 37 Democrats/23 Republicans

Advocacy

- Prepare Early
 - Get sign off from council
 - Talk to your legislator(s)
 - Draft testimony on bills that will impact your community
- Be Engaged
 - Respond to action alerts
 - Read the Bulletin
 - Monitor legislation and the LOC bill tracker or OLIS
 - Reach out us for help or share intel about your own meetings with legislators
 - Testify on bills

Priorities

- Mental Health Investment
- COVID-19 Economic Recovery
- Comprehensive Infrastructure Package
- Property Tax Reform
- Housing and Services Investment
- Water Utility and Rate Assistance
- Disaster Relief and Recovery

Organizational Priority

- Avoid unfunded mandates.
- Preserve local decision-making and problem-solving authority.
- Preserve Local Revenue Streams.
- Serve in a supportive role to provide local tools and resources.
- Avoid shifting additional costs onto local government partners.



Tracy Rutten Rainey

Lobbyist

Water Supply, Wastewater/Stormwater, Public Contracting, Environment, Energy, Solid Waste/Recycling

Water Issues:

- **HB 2739 and LC 1486 (no bill number yet)** – Establishes statewide drinking water/wastewater assistance program. LOC PRIORITY. (Support)
- **HB 2344** – Requires manufacturers of wipes (cleaning, make-up, personal care, etc.) to adhere to statewide labeling standard indicating product should not be flushed down toilets. (Support)
- **HB 2144** (*other legislation anticipated to be introduced*) – Allows for transfer of stored water to change type of use for water or the location of storage. (Support)

Water Issues (cont.):

- **Harmful Algal Blooms (bill number TBD)** – Implements recommendations from interim workgroup process. (Support)
- **HB 2310 – Pipe preemption legislation.** Same bill that LOC opposed during 2020 session. (Oppose)
- **Water Infrastructure Funding:**
 - Business Oregon (Special Public Works Fund) - \$50 million lottery bonds
 - Oregon Water Resources Department - \$500,000 (feasibility studies); \$20 million lottery bonds (water supply loans and grants)
 - Septic Loan Program (bill number TBD) – \$2 million investment for repair/replacement of failing septic systems, or connection to municipal sewer system if available. (Support)

Public Contracting:



- **HB 2252** – Study bill. Requires state to study method by which prevailing wage rate is determined. (Support)
- **HB 2597** – Reduces number of prevailing wage districts from 14 to five. (Oppose)
- **HB 2324** – Requires adherence with prevailing wage laws/requirements for private projects receiving tax credit/abatement. Threshold of \$750,000. (Oppose)
- **HB 2419/SB 493** – If collective bargaining agreement exist for certain trade, the CBA would establish the prevailing wage rate rather than standard wage survey. (Oppose)

Energy/Environment/Recycling:



- **HB 2995** - 100% Renewable Energy (updates of Renewable Portfolio Standard by 2035).
- **Green Tariff/Community Renewables** (*bill number tbd*)
- **HB 2065*/HB 2592** – Recycling System Modernization
* (*HB 2065 – product of 2-year Recycling Steering Committee Workgroup*)
- **HB 2383/HB 2815/SB 581** – Truth in Labeling
- **Bans** (polystyrene; single-use plastics)
- **Product Stewardship** (household hazardous waste; sharps; mattresses; single-use plastic)



Scott Winkels

Lobbyist

Mental health, human resources, public safety, and general government

Mental Health Investment



HB 2086 Appropriates monies for behavioral health services, workforce development.

HB 2086 was introduced at the request of Governor Brown and directs the Oregon Health Authority to adopt rules requiring CCOs to provide specific services to address addiction and behavioral health disorders. The legislation encapsulates most of the LOC's specific behavioral health goals and includes the crucial component of workforce development.

Police Reform



- HB 2930 - Police Collective Bargaining Reform
- HB 2204 - Qualified Immunity and discipline database
- HB 2931 - Medical exams for all arrestees

Tort Liability



- HB 2205: Allows a civil action for the enforcement of state law (Oppose);
- HB 2207: Eliminates the local government tort cap and applies the state cap to all public bodies (Oppose, a lot).
- HB 2638: Tort immunity for good faith actors for COVID claims (Support)
- SB 213: Duty to defend architects and engineers. (Oppose)



Mark Gharst

Lobbyist

Tax, finance and economic development issues

Property Tax Reform



SJR 1 – Referral to voters to remove Measure 50 from the constitution, requires legislature to enact legislation to address inequalities.

HB 2438 and SB 158 – Likely vehicles for reform concept, currently property tax study.

HJR 13 – Voter referral:

- Requires maximum assessed value/real market ratio of .75
- Provides 5-year period to get to ratio
- Provides homestead exemption of lesser of \$25,000 or first 25% of RMV

SJR 11 – Voter referral to freeze seniors' property taxes

Other Property Tax



SB 545 – Grants higher property tax exemption for property of veterans with service-connected disabilities. See also SB 348.

SB 459 – Provides property constructed to replace homestead destroyed or damaged by 2020 wildfire may not be added to assessment roll before July 1, 2025. Could hamper reestablishing tax base in affected communities. Numerous other bills around this topic.

SB 464 – Requires cancellation of all property tax (rather than proration) if any portion of property was damaged/destroyed in 2020 wildfire. Could exempt undamaged house if shed or even landscaping were damaged. Could exempt forestland if trees burned, even though forest special assessment gives no value to standing timber.

SB 167 – Provides that assessed value of property may be value determined to be necessary to effect fairness and equity in assessed values of property in same area in same property class. Allows property tax appeals based on neighbors' value.

Lodging Taxes

HB 2579 – Increases state transient lodging tax rate and requires additional moneys to be used exclusively for affordable housing in county. See also HB 2500 that does not direct spending.

Alcohol Taxes

HB 2740 – Establishes compensation schedule for Oregon Liquor Control Commission retail sales agents. Similar concept in OLCC budget. Will greatly reduce city revenues.

SB 316 – Increases compensation to distillery owners on tasting room sales. Less significant revenue hit with economic development benefits. LOC likely neutral.

Marijuana Taxes

HB 2015 – Increases maximum percentage of tax that governing body of city or county may impose on sale of marijuana items from 3% to 10%. LOC strongly supports, will help mitigate Measure 110 losses.

HB 2294 – Imposes tax on wholesale sales of marijuana items across county borders. All revenue goes to county.

Budget Asks/Needs

Special Public Works Fund (SPWF)

Governor's recommended budget has \$50 million in lottery bonds; critical financing resource for cities

State Shared Revenue Backfill

Measures 110 will significantly decrease marijuana revenues going to cities, Governor's recommended budget has a \$22.5M Special Purpose Appropriation

Revenue Backfill for Wildfire Communities

Some cities have lost a significant portion of their tax base and will need assistance for 2021-22 budget year



Ariel Nelson

Lobbyist

Housing, Development, and Land Use

Housing and Land Use



Expedited Shelter Siting

Waives all local siting and zoning regulations and the land use appeals process, for approving the siting of emergency shelters for a one-year period. Includes funding for specific local governments to create navigation centers.

Homelessness and Public Space

Requires local ordinances that regulate the acts of sitting, lying, sleeping or keeping warm and dry on outdoor property open to the public include reasonable time, place and manner limitations on enforcement of the regulations as applied to persons experiencing homelessness. Includes liability protection for public bodies.

HB 2100 – Modernizing Oregon’s Housing Stabilization Funding System

Updates state statute guiding federal and state emergency housing funding to increase availability of culturally responsive services and increase coordination with local homeless response systems and planning efforts. Adds local governments to the list of entities who advise the Oregon Housing and Community Services Department on policy framework and programs

Housing and Land Use



SB 458/HB 2283 – Middle Housing Land Division

Allows land division to separate dwelling units for new middle housing allowed in cities.

HB 2488 – Climate Justice Land Use Update

Requires Land Conservation and Development Commission to make changes to statewide land use planning goals by December 31, 2026, to address climate justice by addressing climate change adaptation and mitigation and environmental justice for disadvantaged communities. Requires Commission to adopt interim climate justice standards on or before July 1, 2021 for local government's use until meeting compliance with goal changes.

HB 2556 – Land Use Notice Delivery Expansion

Expands required delivery of certain land use notices to property owners and to properties from 100 feet to 600 feet of subject property within an urban growth boundary and from 250 feet to 2,640 feet of subject property outside and urban growth boundary.

Housing and Land Use



HB 2558 – Housing Density Near Transit

Requires local governments to allow certain residential development within one-eighth mile of fixed guideway corridor stops. Requires local governments to incorporate new requirements into future comprehensive plan updates.

HB 2918 – Surplus Land Inventory for Affordable Housing

Requires state agencies and local government to annually prepare and submit a survey of surplus real property to the Department of Land Conservation and Development.

Annexation

HB 2287 – Annexation Elections

Double-majority elections for island annexation.

HB 2288 – Annexation Consent

Limits city ability to require annexation consent in exchange for providing services.

Wetlands



HB 2218 – Wetlands Regulation and Economic Development

Directs Department of State Lands to study impact of laws related to wetlands on economic development and to provide results of study in report to interim committees of Legislative Assembly no later than September 15, 2022

HB 2245 – Removal-fill Penalties

Prohibits Department of State Lands from imposing civil penalty for violation of removal-fill laws in wetland if wetland was not listed on wetlands inventory and person committing violation did not have actual knowledge that site was wetland.

HB 2246 – Removal-fill Violations

Prohibits Director of Department of State Lands from requiring enhancement of wetlands to correct violation of removal-fill law

Budget – DLCD (SB 5530)



Policy Option Package 110 – Housing Planning: \$3,904,344

Retains DLCD housing staff and provides \$2.5M in grants and technical assistance for local governments, including cities with fewer than 10,000 people, to adopt more flexible housing ordinances, analyze housing need in the community, and implement housing production strategies.

Policy Option Package 112 – Climate Mitigation: \$1,000,000

Supports the state's eight metropolitan areas in implementing the Climate Friendly and Equitable Communities rulemaking, which aims to reduce climate pollution in the transportation sector and promote more affordable, equitable development. This package implements DLCD's work under Executive Order 20-04, specifically the multi-agency Every Mile Counts program. Most of the funding (\$768,900) goes to cities and counties within the metropolitan areas to implement new rules scheduled to be adopted late 2021.

POP 98 – DOGAMI Program Reorganization: \$1,098,801

Transfers 7 FTE from DOGAMI's Geological Survey and Services division to DLCD, supporting efforts to develop hazard resilient communities. This integration into the state land use planning program will bolster efforts to reduce risks from hazards via mapping, data creation, analyses, and scientific studies. DLCD will also focus on the risks to marginalized communities and apply equity-based priorities to natural hazards and land use planning. Transfer proposed for July 1, 2022.

Budget – OHCS (SB 5011)



Governor's Recommended Budget - OHCS Investments					
HOUSING STABILIZATION		HOMEOWNERSHIP		AFFORDABLE RENTAL HOUSING	
Individual Development Account	\$7 million	Down Payment Assistance tied to OHCS lending	\$10 million	Bond Funding for LIFT (Rental and Homeownership) & Permanent Supportive Housing	\$250 million
<i>Converts IDAs to General Fund in Fiscal Year 2022</i>		Addressing Racial Disparities in Homeownership	\$2 million	PSH Rental Assistance & Services	\$15 million
Improving HMIS	\$1.2 million	Homeownership Development Resources	\$10 million	Affordable Housing Preservation & Land Acquisition	\$30 million
Broadband Assistance for Low Income Oregonians	\$6.4 million	Manufactured Housing Program – Homeowner support	\$2.5 million	Increase in Agricultural Worker Housing Tax Credits	\$9.5 million
<i>Programmatic Division may change</i>		Manufactured Housing Program – Park Preservation	\$3.5 million	Long-Term Rental Assistance for Youth	\$4.5 M
COVID-19 Energy Assistance	\$5 million	LIFT Homeownership	<i>See Bond Funding</i>	<i>Programmatic Division may change</i>	

LOC Housing and Services Legislative Priority
 The League will advocate for additional state resources across the housing spectrum to address the most pressing housing issues facing Oregon today. The League will support the Governor's Recommended Budget for Oregon Housing and Community Services (OHCS) and consider supporting additional funding needs in coordination with the Oregon Housing Alliance and other partners.



Jenna Jones

Legislative Analyst

Telecom, broadband, cable, ROW management

Broadband



Broadband Infrastructure Investments

- \$100 million in bonds allocated in GRB for broadband infrastructure grants
- Staffing for State Broadband Office
- Funding for technical assistance

Broadband



HB 2410 – Public Bodies Contracting with ISPs (Oppose/Amend)

- Prohibits public bodies, including cities, from contracting with broadband Internet access service providers that do not offer low income rate program that meets minimum standards established by Public Utility Commission by rule.
- Uses the same section of statute as Oregon’s Net Neutrality bill from 2018 (HB 4155), including exemptions.
- An amendment is in the works on this bill and will be focusing more on transparency of ISPs with low income programs.

HB 2654– Expanded Electric Easements for Broadband (Amend)

- Allows electric utility to expand the use of their electric easement in provision of broadband services.
- This bill is being brought forth by the rural cooperatives and has been passed in many states around the US.
- Currently, we are seeking an amendment to exempt easements granted by cities on their private property to electric utilities from the impacts of this bill as it could affect the compensation cities are rightly owed.

ROW Management



HB 2411/HB 2613– Open Trench Notification

- HB 2411 would require notification and process for allowing interested telecommunications providers to coordinate with ODOT to include installation of underground infrastructure for provision of broadband as part of certain projects included in Statewide Transportation Improvement Program. LOC **supports** this bill.
- HB 2613 is similar to HB 2411 but applies to state and local governments. Additionally, it prescribes permitting requirements and shot clocks in which those permits must be completed. LOC **opposes** this bill.

HB 3049 – County ROW Permits

- This is a bill being pushed by AOC to allow counties to charge for construction permit fees in their ROWs.
- LOC is currently taking no position on this bill but watching it very closely because the relating to clause.
- There is a push to amend this bill to only apply to investor own utilities who require permits for county roads.



Jim McCauley

Legislative Director

Transportation, Building Codes, and Wildfire

Transportation

HB 2530 – Fixed Photo Radar - SUPPORT

- Portland has had authority to place fixed photo radar to high crash corridors since 2017.
- Portland's experience has been positive and due to this work LOC along with Portland and other local government partners are supporting the expansion of the authority to all cities with a population greater than 50,000.

SB 395 – Increases State Highway Fund Use on Bicycle Facilities – OPPOSE

- Increases required expenditure on footpaths and bicycle trails from one percent to five percent of amounts received from State Highway Fund (SHF).
- HB 2017 has 4 years remaining on an implementation schedule and LOC opposes changes that appreciably change revenue flows agreed to in 2017.
- Counties and Cities already face a combined loss of \$84 million in SHF distribution for FY 2019 and 2020.

Building Codes

HB 2656 – Third Party Building Inspection - OPPOSE

- Permits municipality or Department of Consumer and Business Services to contract with person to administer and enforce building inspection program and act as building official.
- LOC and partner cities have been working with BCD and the DCBS Director to find a pathway forward for keeping the current third-party program in place.
- Bill will likely be a placeholder for legislation and will include additional administrative process for transparency in the decision-making process.

HB 2398 – Establishes a Statewide Reach Code – SUPPORT

- Establishes statewide Reach Code for residential and commercial building codes. Authorizes municipality to adopt Reach Code and permits municipality to establish higher standards as well.
- LOC will support efforts to establish a state-wide Reach code, which allows for local adoption and increase of higher standards.

Wildfire Response

HB 2722 – Community Response to Wildland Fire – SUPPORT

- This is a coalition bill that LOC has been involved with during the interim.
- Establishes a Land Use and Wildfire Policy Advisory Committee that includes local government to dial into details for wildfire response including defensible space, possible changes to planning and development, home hardening design standards and who's responsible for regulations.
- This is effectively a community-level response to wildland fire.



Questions?