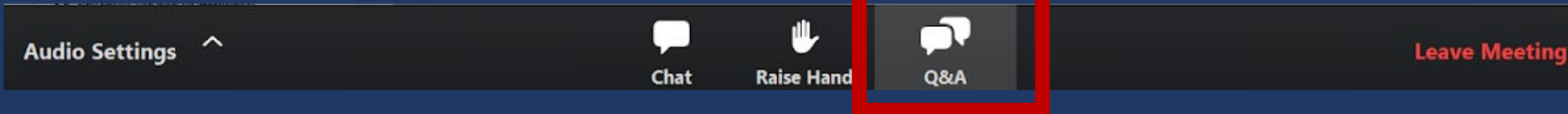


Legislative Updates

March 6, 2026

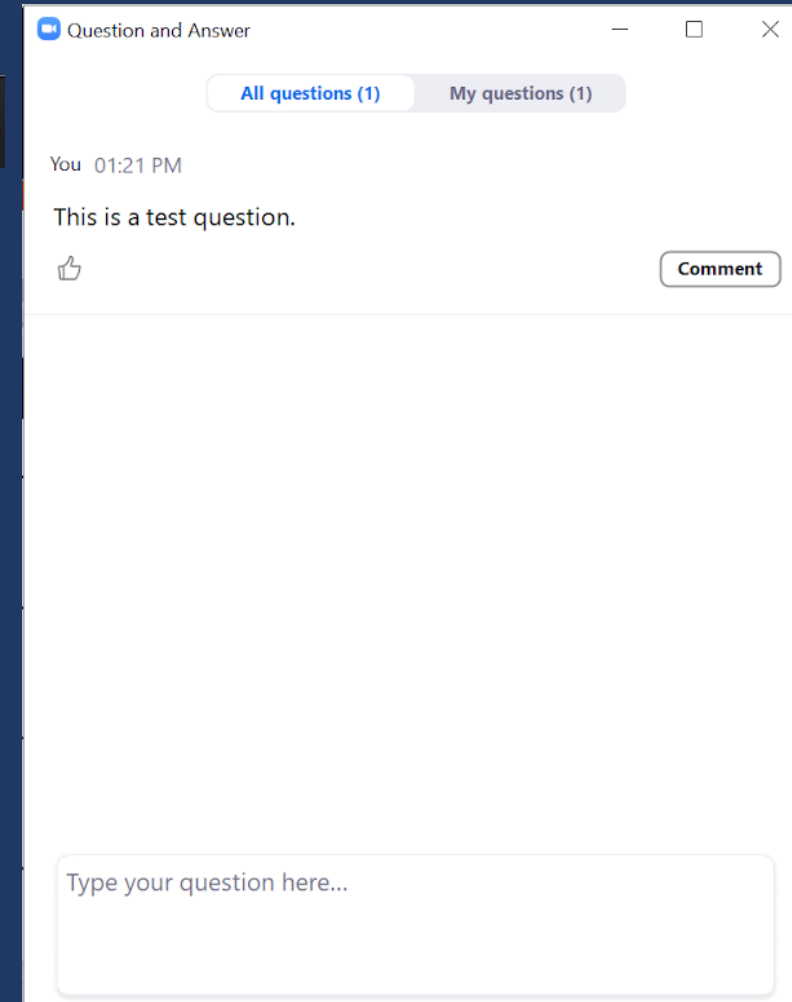


Webinar Logistics



Submit your questions any time during the presentation.

We will answer questions from the Q+A feature first, then live questions as we have time at the end. We are prioritizing question from members related to bills in the 2026 legislative session.



Legislative Timeline



FEBRUARY						
S	M	T	W	Th	F	S
1	2 Session Convenes	3	4 Revenue Forecast	5	6	7
8	9 Post Work Session Deadline	10	11	12	13	14
15	16 1st Chamber Deadline	17	18 	19	20 Post Work Session Deadline	21
22	23 	24 	25	26 2nd Chamber Deadline	27	28

MARCH						
S	M	T	W	Th	F	S
1	2	3	4	5	6 	7
8	9	10 Filing Day	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Join us next week for a summary of what happened!

Budget Context



- Legislature came into session needing to balance the state's budget given \$750M deficit caused by H.R. 1
 - Disconnect package – SB 1701 - \$311M of revenue no longer forgone given changes in H. R. 1
 - Improved revenue forecast - \$650M up from previous forecast
 - Penciled sharpened – update figures from agencies on implementing new requirement from H. R. 1
- ODOT budget deficit of \$288M given the referral of the 2025 transportation package – dramatic program pauses

Budget Updates: General Fund



New/Increased Investments

- \$10M for Regional Infrastructure Fund (pop. <25K)
- \$10M for universal representation, immigrant services, refugee assistance
- \$6M for 2027 wildfire season
- \$5M for Industrial Site Loan Fund
- \$5M for county fairgrounds racing

Reductions (w/o ODOT)

- Agencies will hold some vacancies & tighten supplies/services budgets
- Decrease in specific revenue sources (lottery, criminal fines, marijuana, corporate activity)
- End of biennium fund transfers
 - \$29.7M from Oregon Infrastructure Finance Fund
 - \$23M from State Information Technology Operating Fund

NOT A COMPREHENSIVE SUMMARY

Budget Updates: Bonding



New/Increased Investments

- Up to \$367.6M in bonds or certificates of participation to finance capital improvements at the Moda Center
- \$100M for affordable housing development and preservation
- \$57.9M for capital projects at public universities
- \$2.1M for a state park acquisition
- \$84.6M lottery bonds to support 24 projects and repeal one city project
 - 14 city projects receive ~\$38M
 - Recovery center in Clackamas County
 - More!

NOT A COMPREHENSIVE SUMMARY

Budget Updates: Transportation



- Agency operations (positions held vacant, services and supply reductions – no layoffs at ODOT), ~\$78.2M
- Flexibility for ODOT State Highway Fund to support operations and maintenance, \$35M (currently capped at 6%)
- Redirect other ODOT funds, \$20M
- Redirection of federal funds away from projects, \$85M
- Cancel Hwy 36 project (additional lanes W of Oakridge), \$6M
- Multimodal Active Transportation Fund + Student Driver Training Fund pause, \$12M
- Connect Oregon reduction*, \$42M
- Safe Routes to School reductions*, \$17M

*Some program fund remains, details to come

Transportation Bills



- [HB 4007](#) - regulates micromobility devices, passed both chambers
- [SB 1544](#) - expands eligibility for transit funding and modified dismantler requirements, passed both chambers
- [SB 1599](#) - moves the date of the transportation tax referendum, passed both chambers and signed by the Governor – [lawsuit pending](#)

Revenue & Finance Bills



- [SB 1507](#) - federal disconnect package, passed both chambers and headed to the Governor's Desk
- LOCAL Act ([HB 4148](#)) - creates flexibility for use of transient lodging tax revenue, **LOC priority bill**
 - Passed 40-12-8 on the House Floor
 - Passed 23-6-1 on the Senate Floor
 - Headed to the Governor's Desk!

Ethics Package



The [Oregon Government Ethics Commission package](#):



HB 4161: Exempts food and beverages from the prohibited use of office statute. **Passed!**



HB 4177: Simplifies the serial meeting laws passed in 2023. **Passed the House, on Senate Floor today.**



HB 4159: Requires the governor's appointee to the OGEC to have local government experience. **Passed!**

General Government Updates



- [HB 4076A](#) - “Gut and Stuff”, expedites "surplus energy generation" projects. Amendment preempts local government permitting. Passed
- [HB 4016](#) – Contractor Tax Compliance, amended to remove cities. Passed
- [SB 1517B](#) - Recreational Liability Waivers – Compromise reached. 03/06 - Passed with Senate Concurrence
- [HB 4089A](#) - Increases penalties in Wage Theft/Licensure Law, adopted LOC amendments - Passed

Energy & Telecom Updates



- [HB 4055](#) - 48-Hour Notice Requirement to State CIO After Discovery of a Cyber Security Incident, Died in Committee. Committed to working with stakeholders in the interim for a 2017 notice concept.
- [SB 1526](#) - Fund for Oregon Resilience, Growth, and Energy (FORGE) Act, was moved to Ways and Means for technical reasons. Support - Dead
- [SB 1582](#) - Dispersed Power Plant bill adds statutory structure around current utility provider programs. Died in Committee – Support - Dead
- [HB 4032](#) - Geographically Dispersed Emergency Fuel Sites, Moved out of Emergency Management Cmt.to Ways and Means – Monitor, Died
- [HB 4031](#) - Expedited Citing of Renewable Energy Facilities, moved to Senate, scheduled for Pub. Hearing and Poss. Work Session on 2/23 - Passed

Contact: Greg Miller, gmill@oregoncities.org

Housing & Economic Development Updates



- [HB 4037](#) – Omnibus housing bill – Neutral - PASSED
- [HB 4035](#) – One-time UGB Expansion Program Update – Support – PASSED
- [HB 4082](#) – One-time UGB Expansions for Manufactured Homes and Senior Housing – Support - PASSED
- [SB 1521](#) – Inclusionary Housing Program No position - PASSED
- [SB 1586](#) – Sen. Sollman's JOBS Act, support - FAILED
- [HB 4084](#) – Gov. Kotek's Prosperity Roadmap Package, - PASSED

Water, Waste, & Natural Resources, & Solid Waste Updates



- [SB 1585](#) – Reduces grant matching requirements for cities, **LOC priority bill**
 - Morning work session in House Rules
 - Next stop is the House floor
- [HB 4144](#) – Battery Producer Responsibility, passed House and in Senate!

Questions?



Your LOC Lobby Team



Nicole Stingh, Legislative Director

Oversight of LOC's legislative program; advocacy issue areas: transportation, wildfire, tax, finance.
(971) 428-7274 nstingh@orcities.org



Alexandra Ring, Lobbyist

Advocacy issue areas: land use, housing, eminent domain
(541) 646-4180 aring@orcities.org



Greg Miller, Lobbyist

Advocacy issue areas: telecommunications, broadband and cable, energy, environment and cybersecurity
(971) 428-7278 gmliller@orcities.org



Michael Martin, Lobbyist

Advocacy issue areas: water, wastewater, solid waste and natural resources
(971) 382-2069 mmartin@orcities.org



Scott Winkels, Lobbyist

Advocacy issue areas: ethics, public safety, community corrections, courts, personnel, PERS, collective bargaining, public contracting
(971) 428-7275 swinkels@orcities.org