



2021 Legislative
Session

Summary of Bills

AUGUST 2021

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2021 LEGISLATIVE SESSION

OVERVIEW

Oregon's virtual 81st legislative session adjourned at 5:37 p.m. on Saturday, June 26. It's looking like there will be at least a hybrid version of a virtual session in February of 2022 due to ongoing Capitol renovations.

For the 2021 session, the LOC's legislative team took on the challenges of remote communications and a bill list of more than 2,000 legislative proposals. Many of these concepts would not have provided any benefits to cities, and several were repeats of past efforts to reduce local decision-making authority and impact revenue sharing. As a result, much of the session had a defensive focus for the LOC lobby team. Due to the federal assistance from the [American Rescue Plan Act](#) (ARPA) we also found ourselves consumed with advocating for the spending billions of ARPA funds on generational investments for communities across Oregon. Our advocacy included constant contact with Governor Brown's office and legislative leadership in both chambers, where we focused on the federal funding and support for a coordinated effort.

Oregon's 81st legislative session saw significant wins for cities. This included a combination of stopping legislation that would have presented significant challenges to cities, and of course some very big wins that were helped across the finish line by the combined efforts of the LOC's awesome group of lobbyists and a membership that took the initiative in advocacy and stepped-up communication with legislators on what became a weekly if not daily challenge on several legislative concepts.

Policy Focus For LOC

The LOC's lobby team focused on its primary [legislative priorities](#) for the 2021 session. Despite any number of hurdles, our advocacy with the assistance of grass roots legislative support from member cities resulted in some significant success for cities. Funding components in behavioral health, housing resources, broadband, water infrastructure and rate assistance, and funding for disaster recovery and relief should be celebrated.

How to Read the Bill Summaries

Click on the bill number to view the full text of the bill.

[HB 4106](#): Happy Valley Annexation from County Service District

Effective Date: February 27, 2020

Effective Date – indicates the date on which the bill becomes effective

BEHAVIORAL HEALTH

PASSED BILLS

In recognition of long-term challenges in Oregon's delivery of behavioral health services, the Legislature appropriated \$474.4 million to key service areas. Funding is spread over a series of interrelated House bills including [5024](#), [2086](#), [2949](#), [2417](#), [2316](#), and [2980](#) and includes the following investments:

- \$130 million to increase statewide capacity of licensed residential facilities and housing for people with behavioral health needs.
- \$121 million to support Certified Community Behavioral Health Clinics (CCBHCs). CCBHCs operate 24/7 to provide mental health and substance abuse disorder treatment, regardless of an individual's ability to pay.
- \$80 million to create two incentive programs to increase the capacity and diversity of Oregon's behavioral health workforce.
- \$50 million to transform Oregon's behavioral health system by aligning expected outcomes, roles, responsibilities, and incentives with funding.
- \$31 million to open two 24-bed patient units and fund 110 staffing positions at the Oregon State Hospital Junction City campus.
- \$20 million for a Behavioral Health Housing Incentive Fund.
- \$10 million to fund mobile crisis intervention teams.
- \$9.2 million for Young Adult Transitional Housing.
- \$6.5 million for mobile crisis response and stabilization services for children.
- \$6 million will fund four peer respite centers to provide services to individuals experiencing a behavioral health crisis. A center will be set up in each of the four regions: the Portland metropolitan area; Southern Oregon; Central and Eastern Oregon; and the Oregon Coast.
- \$5.7 million to support interdisciplinary assessment team services for youth with intensive behavioral health needs.
- \$5 million to fund a 9-8-8 crisis hotline center.

These investments and policy objectives exceed any expectation the LOC or other stakeholders held at the beginning of the session. Improvements to Oregon's mental health services was a priority for the LOC this session but was confined to diverting people in crisis from jail, workforce development and addressing substance abuse. The package approved was made possible by revenue projections above expectation, an influx of federal assistance and a political will to address long-standing problems.

COMMUNITY DEVELOPMENT

Building Codes

PASSED BILLS

SB 866: Third Party Building Officials

Effective Date: September 25, 2021

Provides cities which had a third party building official as of 2018 with the opportunity to keep their program with additional administrative oversight. The administrative steps will include: a designated city employee for oversight; added education requirements for the city designee; and increased transparency for budget/revenue related to the fee structure associated with the city's building permit program.

FAILED BILLS

HB 2398: REACH Code

The LOC joined a coalition of interests to advance a REACH code that would allow cities to adopt increased energy efficiency standards for their local specialty code for application to new home construction. While the bill advanced through the process it did not receive sufficient support from either chamber to make it to a floor vote.

Economic Development

PASSED BILLS

HB 2343: Enterprise Zone COVID Employment Waiver

Effective Date: September 25, 2021

Allows an enterprise zone sponsor to adopt a resolution relaxing enterprise zone employment requirements otherwise imposed on authorized business firms for either or both of property tax years beginning on July 1, 2021, and July 1, 2022 if the company reduced employment due to the COVID-19 pandemic. Cities that are zone sponsors and want to use this option for the 2021-22 tax year will need to pass a resolution by September 25, 2021. The resolution may either suspend (see Section 2, company pays tax but is not disqualified and receive an additional year of exemption at the end of program) or waive (see Section 3, company does not pay tax) the requirements. The LOC will work with the Oregon Economic Development Association on guidance for enterprise zone

sponsors.

HB 2518: Oregon Brownfield Properties Revitalization Fund

Effective Date: September 25, 2021

Establishes a program to make forgivable loans to reimburse a private owner or operator of a brownfield for eligible costs incurred in the completion of removal or remedial action. Loans will be forgiven upon project completion and demonstration of performance.

HB 2966: Commercial Rent Grace Period Expansion [\(See Finance Section\)](#)

FAILED BILLS

HB 2324: Prevailing Wage for Tax Breaks

The bill would have expanded public contracting law to require paying prevailing wage on private projects that received tax credits or tax abatements above the current threshold for funds of a public agency (including property tax incentives like enterprise zones and the state's Strategic Investment Program). The bill would have also included additional labor and employment requirements for enterprise zone projects. The LOC opposed the bill on the grounds that it would significantly weakened local economic development incentives, and expects it will return in a future session.

Housing & Land Use

PASSED BILLS

HB 2004: Project Turnkey Funding

Effective Date: September 25, 2021

HB 2004 was amended late in the legislative session to provide \$9.7 million for distribution to the Oregon Community Foundation to support additional Project Turnkey emergency shelters throughout the state. This funding supplemented an earlier \$65 million investment approved by the Emergency Board in the fall of 2020. The League of Oregon Cities supported the funding and remains a member of the Project Turnkey Advisory Committee.

HB 2006: Emergency Shelter Siting

Effective Date: May 12, 2021

HB 2006 requires local governments to approve an application for an emergency shelter regardless of state or local land use laws, if the application meets specific approval criteria outlined in the bill. HB 2006 removes state requirements for mailed notice, public hearing, or solicitation of public comment on an application, and there is no requirement for a city

to make a decision within a particular period of time. Decisions made under HB 2006 may not be appealed to the Oregon Land Use Board of Appeals but may be appealed using the writ of review process provided under ORS 34.010 – 34.100. The bill does not specify a process for local jurisdictions to review and approve shelters. Jurisdictions may require applicants to demonstrate they meet the requirements of HB 2006 through a letter and other formal documentation (see [city of Eugene examples](#)) or they may choose to require applicants to submit an application (see [city of Bend example](#)). Cities should fully document their findings and justification for either approving or denying a shelter under HB 2006 and consult with legal counsel to ensure they are documenting findings appropriately to respond to potential appeal under ORS 34.010 – 34.100.

The siting authority in HB 2006 sunsets on July 1, 2022, but shelters approved under the bill may remain in operation after the sunset. Should a shelter cease to operate, the standard land use regulations would apply again. HB 2006 went into effect upon signing on May 12, 2021. Shelter applicants must submit applications between May 12, 2021 and June 30, 2022 to qualify under HB 2006.

The Legislature enacted an earlier, pilot version of the bill during the first special session of 2020 through [HB 4212](#), which was in place for 90 days, during which time several cities approved multiple emergency shelters under the expedited siting provisions. The LOC advocated for and gained technical improvements to HB 2006 in 2021 to improve local implementation and testified in support for the bill, which passed with strong bipartisan support.

[HB 2008](#): Religious-owned Affordable Housing Siting and Property Tax Exemption

Effective Date: September 25, 2021

HB 2008 requires local governments to approve the development of affordable housing on property not zoned for housing, without requiring a zoning change, on property owned by a religious organization if that property is located within an urban growth boundary, is not zoned for industrial use and is contiguous to property zoned for residential use. For a property contiguous to more than one residential property, the zoning of the property with the greatest density is applied to the new development. The bill allows local governments to apply certain restrictions or conditions of approval, provided that the conditions are clear, objective, and related to health, safety, habitability, or infrastructure. Governor Brown signed HB 2008 into law on July 14, 2021 and the bill goes into effect on September 25, 2021.

HB 2008 also provides a property tax exemption for property owned or purchased by a religious organization that is used solely to provide affordable housing to individuals with a combined household income at or below 60% of an area's median income. The development must also be subject to an affordable housing covenant guaranteeing

affordability for at least 60 years. The bill applies to property tax years beginning on or after July 1, 2021.

HB 2312: Property Line Relocation Lawful Units

Effective Date: January 1, 2022

HB 2312 clarifies that lot or parcel adjustments made through the judgment of a circuit court are considered lawfully created units of land. The bill applies to relocations of property lines by judgments of a circuit court that were entered before, on or after January 1, 2022.

HB 2364: Manufactured Housing Sale Requirement

Effective Date: January 1, 2022

HB 2364 allows more time for tenant organizations and owners to communicate with respect to certain aspects of the manufactured dwelling park sale process. The bill gives tenants more time to organize and inform an owner of their intent to purchase, more time to make a formal offer, and owners more time to provide required financial information. HB 2364 also adds disclosure of a park's total operating expenses in the preceding calendar year to the list of financial information that is provided to tenants and requires owners to act in good faith. Finally, the measure provides for damages of 10% of a park's sale price if an owner fails to comply with process requirements, identifies the Oregon Department of Justice (DOJ) and the prevailing party as recipients of any damage award, and dedicates the DOJ's share to the Manufactured Dwelling Parks Account after costs are recuperated.

HB 2438: Rural Housing Exemption [\(See Property Tax Section\)](#)

HB 2446: Affordable Housing Exemption [\(See Property Tax Section\)](#)

HB 2456: Tax Reviser's Bill [\(See Property Tax Section\)](#)

HB 2544: Homeless Youth

Effective Date: September 25, 2021

HB 2544 appropriated \$3.6 million in one-time funding to the Oregon Department of Human Services (DHS) to award two-year grants to organizations that provide services to unaccompanied homeless youth and to organizations that operate host home projects for unaccompanied homeless youth.

HB 2583: Occupancy Limitations

Effective Date: January 1, 2022

HB 2583 prohibits local governments from imposing occupancy limits based on familial or nonfamilial relationships. The bill does not prevent landlords and other private entities from setting occupancy limits for their own units (within existing law; ORS 90.262). Because

it only applies to limits based on relationships, the bill also does not prevent local governments from addressing overcrowding, enforcing fire and building codes, or imposing limits on short-term rental occupancy. HB 2583 goes into effect on January 1, 2022.

HB 2884: Plat Recording Time Extension

Effective Date: January 1, 2022

HB 2884 extends the time for recording of a partition plat from 90 days to 365 days after the date the county or city validates the unit of land for purpose of making the unit of land a lawfully established parcel. The bill allows units to become lawfully established parcels if validated by a city or county before the effective date of the bill, and if the owner records the partition plat on or before December 31, 2022.

HB 2918: Surplus Land Reporting for Affordable Housing

Effective Date: July 27, 2021

HB 2918 requires local governments to submit an inventory of their surplus real property owned by the agency or district to the Oregon Department of Land Conservation and Development (DLCD) on January 1 of each even-numbered year. The DLCD is charged with developing and maintaining an online database but is not responsible for verifying the accuracy of inventory uploaded by local governments. The bill includes a new, optional process that a city may use to sell property for the purpose of developing affordable housing as an alternative to ORS 221.725 or 2241.727. If a city chooses to use the alternative process, it is required to satisfy certain requirements established in the bill. HB 2918 took effect immediately upon signing and cities are required to submit a list of surplus real property to DLCD by January 1, 2022.

HB 3040: SDC Study and Reporting Requirements

Effective Date: July 19, 2020

HB 3040 directs and funds Oregon Housing and Community Services (OHCS) to conduct a comprehensive study of system development charges (SDCs) in consultation with the Oregon Department of Land Conservation and Development, the Department of Environmental Quality, the Department of Revenue, and the Oregon Business Development Department. The scope of the study must include the role of SDCs and their fee rates, the history and methodologies of SDCs, the impact of SDCs on overall housing costs, the costs and benefits of payment deferrals, and aspects of transparency related to fee rates. Local governments are required to comply with reasonable requests from OHCS, or from a third party conducting the study or any portion of the study, for information in furtherance of the study. OHCS is required to provide a preliminary report by December 31, 2021 and a final report by June 1, 2022.

The bill also requires any local jurisdiction that charges SDCs and maintains a website to include the current SDC fee rates for each type of development, the SDC methodology used to determine fee rates, the list of capital improvement projects that will receive funding

from SDC fee revenue, and contact information for a local official responsible for answering questions about system development charges. Jurisdictions without a public website must provide that information to the public free of charge upon request. The bill went into effect upon signing on July 19, 2021 and jurisdictions must meet the reporting requirements by January 1, 2022.

The LOC led a coalition of local government partners to oppose proposed -1 amendments to the bill that would have required local governments to defer collection of SDCs until certificate of occupancy for multifamily development and until closing for single-family development. The -1 amendments would have also required local governments to report all SDCs charged for individual developments. Thanks to the efforts of local governments and strong grassroots advocacy from city leaders, the LOC was able to propose the final bill, which passed the house unanimously and passed the senate with a 22-6 vote.

HB 3109: Childcare Facility Siting

Effective Date: January 1, 2022

HB 3109 establishes childcare facilities as a permitted use in all commercial or industrial zoned areas, except in areas zoned for heavy industrial use. The bill prohibits local governments from enacting, enforcing, or imposing any land use regulations or fees that prohibit or place conditions on childcare facilities that are more restrictive than those imposed for other uses in the same zone. A local government may impose reasonable conditions upon the establishment or maintenance of a childcare facility in an area zoned for industrial uses, including but not limited to, siting restrictions for properties designated on the Oregon Department of Environmental Quality's statewide list of contaminated properties as having known or suspected releases of hazardous substances. The LOC worked with the bill sponsors on technical amendments to clarify local government implementation. Governor Brown signed HB 3109 into law on July 7, 2021 and the bill goes into effect on January 1, 2022.

HB 3115: Local Homeless Ordinances

Effective Date: June 23, 2021

HB 3115 is the product of a workgroup involving the League of Oregon Cities (LOC) and the Oregon Law Center (OLC) as well as individual cities and counties. The workgroup spent many hours crafting a concept that recognizes a key principle from the recent *Martin v. City of Boise* federal court decision. HB 3115 requires that any city or county law regulating the acts of sitting, lying, sleeping or keeping warm and dry outside on public property must be "objectively reasonable" based on the totality of the circumstances as applied to all stakeholders, including persons experiencing homelessness. What is objectively reasonable may look different in different communities. The bill retains cities' ability to enact reasonable time, place and manner regulations, aiming to preserve the ability of cities to manage public spaces effectively for the benefit of an entire community.

HB 3115 includes a delayed implementation date of July 1, 2023, to allow local governments time to review and update ordinances and support intentional community conversations. The LOC and OLC will partner to provide guidance to cities ahead of the implementation deadline.

HB 3124: Campsite Removal Notice

Effective Date: June 23, 2021

HB 3124 extends the requirement for law enforcement to provide written notice before removing homeless individuals from an established camping site from 24 hours to 72 hours and requires the written notice to be posted at all entrances to the site. The bill also requires jurisdictions to store unclaimed personal property in a facility located in the same community as the camping site from which it was removed. HB 3124 preserves notice exceptions when there are grounds for law enforcement officials to believe that illegal activities other than camping are occurring at an established camping site or in the event of an exceptional emergency at an established camping site, including, but not limited to, possible site contamination by hazardous materials, a public health emergency or other immediate danger to human life or safety. HB 3124 went into effect upon signing on June 23, 2021. The LOC and partner cities gained amendments to narrow an earlier version of the bill that would have required cities to store claimed property for 60 days, an increase from 30 days required in current law.

HB 3155: HB 2003 Technical Fix

Effective Date: June 3, 2021

In 2019, the Legislature passed HB 2003 to require each city with a population greater than 10,000 to conduct a housing needs analysis on a set schedule, and to develop and adopt a housing production strategy to address unmet housing needs. That bill also allocated funding to the Oregon Department of Land Conservation and Development (DLCD) to provide technical assistance to local governments for implementation. HB 3155 clarifies certain ambiguities created by HB 2003 (2019) and corrects statutory citations to confirm the intent of HB 2003 – requiring cities within a metropolitan service district and with a population greater than 10,000 to conduct an inventory of buildable lands and analyze their future housing supply needs every six years. The bill also confirms that cities with a population of 10,000 or less may also conduct a housing needs analysis and develop a production strategy to address housing supply needs.

HB 3261: Motel Conversion Siting

Effective Date: May 6, 2021

HB 3261 requires local governments to allow the conversion of hotels and motels into emergency shelters or affordable housing, regardless of state or local land use laws, if the application meets specific approval criteria in the bill. Cities may still require the converted use to comply with building codes, occupancy limits, and reasonable siting and design standards if the standards do not, individually or cumulatively, prohibit the conversion

through unreasonable costs or delay. HB 3126 went into effect on May 6, 2021 and applies to hotel and motel conversions or applications for conversions submitted on or after January 1, 2021. The LOC worked with the bill sponsor on amendments to narrow the scope of the original bill and clarify local implementation.

[HB 3275: Housing Trust Land Exemption](#) ([See Property Tax Section](#))

[HB 5010: DOGAMI Budget Bill](#)

Effective Date: July 1, 2021

HB 5010 was the budget bill for the Oregon Department of Geology and Mineral Industries (DOGAMI). DOGAMI plays a key role in increasing understanding of Oregon's geologic resources and hazards through science and stewardship, and has two primary programs: the Geologic Survey and Services (GS&S) program and the Mined Land Regulation and Reclamation (MLRR) program. The LOC joined with local government partners to [advocate for continued funding to support DOGAMI's core functions](#), after the Legislature shared plans to cancel funding and disband the agency. The Legislature ultimately decided to retain the department and continued funding.

[SB 8: Affordable Housing Land Use Requirements](#)

Effective Date: January 1, 2022

SB 8 requires local governments to approve the development of certain affordable housing, and not require a zone change or conditional use permit, on land zoned to allow commercial uses, to allow religious assembly, or as public lands. Qualifying land may be owned by a public body or a religious nonprofit. The bill applies to property zoned to allow for industrial uses only if the property is publicly owned, adjacent to lands zoned for residential uses or schools, and not specifically designated for heavy industrial uses. These requirements do not apply to land that a local government determines lacks adequate infrastructure, or on property that: contains a slope of 25% or greater; is within a 100-year floodplain; or is constrained by state land use regulations based on natural disasters and hazards or natural resources. Local governments may still impose development requirements based on siting and design standards and building permits.

SB 8 also includes a statewide density bonus for affordable housing in areas zoned for residential use. A local government may reduce the density or height of a development as necessary to address a health, safety or habitability issue, including fire safety, or to comply with a protective measure adopted pursuant to a statewide land use planning goal. Finally, the bill broadens the ability of applicants developing affordable housing to obtain attorney fees in prevailing appeals before LUBA. SB 8 was signed into law on June 23, 2021 and the bill goes into effect on January 1, 2022.

[SB 141: Vertical Housing Exemption Changes](#) ([See Property Tax Section](#))

[SB 458](#): Middle Housing Land Division

Effective Date: January 1, 2022

SB 458 requires local governments to approve divisions of real property for new middle housing development on lots and parcels subject to the middle housing regulations established under HB 2001 (2019). SB 458 establishes utilities and land use conditions under which local governments must approve divisions of real property for new middle housing development and provides an expedited approval timeline for qualifying applications. The bill also establishes additional conditions cities and counties may impose during review and approval of middle housing land division plans. Signed into law on May 26, 2021, SB 458 goes into effect on January 1, 2022. The LOC worked closely with the bill's proponents to negotiate technical improvements to the bill.

[SB 282](#) and [SB 278](#): COVID-19 Residential Eviction Protections

Effective Dates: May 19, 2021 (SB 282) and June 25, 2021 (SB 278)

On March 8, 2020, Oregon Governor Kate Brown declared a state of emergency due to concerns around the transmission of COVID-19. On March 22, 2020, Executive Order 20-11 prohibited law enforcement from delivering notices of eviction, and on April 1, Executive Order 20-13 placed a temporary moratorium on residential and nonresidential evictions for nonpayment. During its First Special Session in June 2020, the Legislature passed [HB 4213](#), which established an eviction moratorium for residential and nonresidential tenants through September 30, 2020, and allowed a six-month grace period for tenants to repay outstanding rent by March 31, 2021. The grace period established in HB 4213 applied to rent accrued between April 1, 2020 and September 30, 2020.

Then on September 28, 2020, the Governor issued Executive Order 20-56, extending the temporary moratorium on residential eviction for nonpayment to December 31, 2020. This second executive order did not apply the tenant grace period for repayment to rent accrued between October 1 and December 31, 2020, meaning that landlords could lawfully terminate a tenancy beginning in January 2021 for nonpayment of rent between October 2020 and January 2021. During its Third Special Session in December 2020, the Legislature enacted [HB 4401](#), which extended the grace period for tenant nonpayment of rent and other charges, as well as the moratorium on evictions without cause, until June 30, 2021. The measure also extended the moratorium on eviction for nonpayment through June 30, 2021, for tenants who declare a financial hardship, and established a Landlord Compensation Fund to cover rental assistance. To access the compensation fund, landlords were required to forgive 20 percent of tenant back rent; this provision generated concern among landlords about lost income.

During the 2021 session, the Legislature did not extend the eviction moratorium but did pass two bills to address the pending eviction and debt crisis facing tenants and property owners once the eviction moratorium lifted.

SB 282 extended the expiration of the grace period from June 30, 2021, to February 28, 2022, for tenant repayment of residential rent accrued during the emergency period of April 1, 2020, through June 30, 2021. The bill restricts landlords from reporting tenant nonpayment accrued during the emergency period to consumer credit agencies and from considering tenant nonpayment accrued during the emergency period when evaluating rental applications. It extends notification requirements and the standard for retaliatory conduct modified by [HB 4401](#) (2020 Third Special Session) through February 28, 2022. SB 282 allows former defendants to apply to seal court records of judgments regarding certain claims related to their tenancy if the claims arose during the grace period. The measure prohibits landlords from imposing restrictions against tenants' guests based on the maximum duration of stay in a tenant's dwelling and from enforcing lower maximum occupancies than those established by federal, state, or local laws. In addition, the bill allows landlords to require temporary occupancy agreements and guest screening using standard criteria, except for credit-related indicators.

The Legislature also passed SB 278, to give service providers more time to distribute federal emergency rent assistance funds to renters. The bill prohibits residential landlords from delivering a termination notice for nonpayment or from taking action for possession based on termination notice for nonpayment if the tenant has provided the landlord with documentation that the tenant applied for rental assistance. SB 278 requires landlords to inform tenants of their right to protect against eviction for nonpayment when delivering tenant notification of termination for nonpayment on or after July 1, 2021 and allows landlords to initiate or continue eviction action 60 days from the time that tenant has delivered documentation of rental assistance application. SB 278 also amended the Landlord Compensation Fund to compensate qualified landlords from for 100% of past-due rent that accrued during COVID-19 emergency period, rather than requiring that landlords forgive 20% of unpaid rent.

[SB 5011: OHCS Budget Bill](#)

Effective Date: July 19, 2021

HB 5011 was the budget bill for Oregon Housing and Community Services (OHCS). The Legislature made historic investments in housing and services programs across the housing spectrum, from preventing and ending homelessness, to developing and maintaining affordable homes, to increasing access to and maintenance of affordable homeownership. Full details on these investments can be found in the SB 5011 [budget report](#). The LOC [testified in support](#) for comprehensive housing and services investments.

[SB 5530: DLCD Budget](#)

Effective Date: July 1, 2021

SB 5530 was the budget bill for the Oregon Department of Land Conservation and Development (DLCD), which exceeded the Governor's 2021-23 Recommended Budget

proposed in December 2020 and restored several proposed cuts as well as the Mid-Willamette Valley Regional Representative position. The budget included funding to continue and make permanent all six housing planning positions established in the prior biennium. This funding will enable the continued implementation of HB 2001 and 2003 from the 2019 session as well as additional housing planning work by the DLCD and critical coordination with cities. SB 5530 also provides grant funding to local governments for the continued implementation of joint agency work through the Every Mile Counts initiative and local technical assistance funding to support local government implementation of the Climate Friendly and Equitable Community rulemaking. Finally, SB 5530 includes \$1 million to identify equity driven strategies to increase resiliency in the rural transportation system. The DLCD proposes providing direct technical and financial assistance to rural communities with transportation disadvantaged populations to prepare and equip these communities to participate in and better compete for funding opportunities for pedestrian, bicycle, and transit projects according to the Oregon Department of Transportation's updated equity and social criteria.

The DLCD received two additional appropriations related to housing through [HB 5006](#), the end-of-session budget bill or "Christmas Tree" bill. The first appropriation includes \$2 million in technical assistance to local governments for planning and capacity-building relating to: the assessment of housing need, increasing housing supply and choice, studies of infrastructure constraints, and support of local housing coordinators. The DLCD intends to target some of this funding to cities with populations below 10,000 people to assist with their housing challenges.

HB 5006 also included a budget note and onetime appropriation to the department. The DLCD, in consultation with Oregon Housing and Community Services, will provide an initial legislative report no later than February 1, 2022, and a final legislative report no later than December 31, 2022, on efforts to develop a legislative proposal for incorporation of a Regional Housing Needs Analysis into future state and local planning processes.

FAILED BILLS

[HB 2367](#): Right to Rest

HB 2367 would have established the Oregon Right to Rest Act and prevented local governments from regulating the use of public space regarding people experiencing homelessness. The bill would have created an affirmative defense for a person experiencing homelessness to a civil or criminal charge related to use of public spaces when a person was exercising the rights outlined in the measure, and stated that it is an unlawful practice for any person to deny, refuse or restrict the rights listed with a person experiencing homelessness. HB 2367 allowed a complaint alleging unlawful practice to be filed by an aggrieved person with the Oregon Bureau of Labor and Industry (BOLI) and allowed the court to award compensatory damages or \$1,000 per violation, whichever is

greater, and a civil penalty of \$1,000. HB 2367 did not advance beyond a public hearing in the House Judiciary Committee.

[HB 2488A](#): Land Use Planning Goals Update for Climate Justice

As introduced, HB 2488 would have required the Oregon Land Conservation and Development Commission (LCDC) to update the state's 19 land use planning goals to address climate justice by addressing climate change adaptation and mitigation and environmental justice for disadvantaged communities. The introduced bill also required the LCDC to adopt interim climate justice standards for a local government's use until meeting compliance with goal changes and established deadlines for compliance.

The bill's proponents then proposed amendments that would have instead created a new statewide land use planning goal 20 for climate change and environmental justice, which received considerable testimony in support during committee hearings. The LOC, in partnership with the Association for Oregon Counties, [testified](#) and advocated with committee members to consider the bill's true cost and workload associated with implementation for local governments. HB 2488 was then amended to instead direct the LCDC to update land use planning goal 1 relating to citizen involvement to incorporate environmental justice and equity and would have appropriated \$800,000 to fund the effort. HB 2488A passed out of the House Committee on Energy and Environment on partisan lines to the Joint Ways and Means Committee, where it remained at the close of session.

[HB 2556](#): Land Use Notification Geographic Expansion

HB 2556 would have required local governments to expand delivery of land use notices to property owners within a wider geographic range, from 100 to 600 feet. The bill also would have required notice to be delivered to all listed properties within that range, instead of to all property owners as under current law. HB 2556 did not receive a hearing this session.

[HB 2558](#): Housing Density Near Transit

HB 2558 would have required local governments to allow residential development at an increased density and height within one-eighth mile of fixed guideway corridor stops and would have prohibited local governments from establishing parking minimums for development projects in these areas. The LOC [testified in opposition to the bill](#), and HB 2558 did not advance beyond a public hearing in the House Housing Committee.

[HB 2701](#): Rural SDC Reimbursement for Affordable Housing

HB 2701 would have established a Rural System Development Charges Program within the Oregon Housing and Community Services Department (OHCS) to increase the supply of rural, affordable multifamily housing and pay system development charges in rural communities. The bill proposed to appropriate an initial amount of \$750,000 to support the program. HB 2701 passed the House Housing Committee with unanimous support but did not receive a hearing in the Joint Ways and Means Committee.

HB 3072: UGB Expansion for Workforce Housing

As introduced, HB 3072 would have required a local government to amend its urban growth boundary upon a petition from a landowner to include land if it is designated as an urban reserve and any combination of a local government, a district, an authority, the owner or a private developer has committed to providing the land with all necessary urban services (as defined in ORS 195.065). The bill further required the local government to amend its comprehensive plan or land use regulations to allow the land to be used for workforce housing or both workforce housing and workforce commercial. HB 3071 was amended to instead allow a local government, upon a petition from a landowner, to expand its urban growth boundary for the development of workforce housing or combined workforce housing and workforce commercial uses, subject to certain conditions. The bill passed the House Housing Committee on a 5-3 vote and was referred to the House Rules Committee, where it did not receive a hearing.

SB 330: Landlord Tax Credit

In addition to the COVID-19 eviction protection bills passed this session, the Legislature also considered a bill directed at relief for landlords. During the third Joint Special Session in December of 2020, the Legislature passed HB 4401, which extended the moratorium on evictions for nonpayment of rent, established a Landlord Compensation Fund for rental assistance, and authorized Oregon Housing and Community Services (OHCS) to distribute rent assistance. To access the compensation fund, landlords were required to forgive 20% of tenant back rent and this provision generated concern among landlords about lost income. SB 330 would have established an income tax credit for landlords equal to the amount of unpaid rent forgiven by the landlord as a condition of accessing the Landlord Compensation Fund. The bill was amended several times and advanced to the Joint Committee on Tax Expenditures but did not pass. Ultimately, Legislature amended the Landlord Compensation fund through another bill. SB 278 increased the compensation for qualified landlords from for 80% to 100% of past-due rent that accrued during COVID-19 emergency period, removing the requirement that landlords forgive 20% of unpaid rent.

ENERGY & ENVIRONMENT

PASSED BILLS

[HB 2021: 100% Clean Energy](#)

Effective Date: January 1, 2022

HB 2021 was one of many “100% Clean Energy” bills this session. The bill:

- **Requires Greenhouse Gas Emission Reductions by Investor-Owned Electric Utilities.** Investor-owned electricity providers (IOUs) are required to reduce greenhouse gas emissions associated with electricity sold to Oregon consumers to: 80% below baseline emissions levels by 2030; 90% below baseline emissions levels by 2035; and 100% below baseline emissions levels by 2040. The legislation provides exemptions from meeting those goals if compliance would affect system reliability or lead to excessive rate increases. The Oregon Department of Environmental Quality will track greenhouse gas emissions through its existing greenhouse gas reporting program, while the Oregon Public Utility Commission will oversee electricity company clean energy planning and compliance.
- **Creates Natural Gas Plant Restrictions.** The Oregon Energy Facility Siting Council would be restricted from issuing new or amended site certificates for fossil-fueled energy facilities that emit greenhouse gases into the atmosphere.
- **Creates a \$50 Million Community Resilient Renewables Investment Fund.** The fund will provide competitive grants for planning or developing eligible community renewable energy projects less than 20 megawatts. The Oregon Department of Energy (ODOE) is responsible for developing and implementing the new Community Resilient Renewables Incentive Program.
- **Creates a Green Tariff Program.** IOUs are permitted to collaborate with local governments to develop PUC-approved green electricity rates in alignment with local government renewable or clean energy goals to serve electricity customers within their jurisdiction.
- **Requires Responsible Labor Standards.** Renewable project developers and contractors are required to document and meet specific labor standards when constructing renewable energy generating or storage facilities with capacity of 10 megawatts or greater.
- **Increases the RPS Community Based Renewable Energy Target for IOUs.**
- **Directs ODOE to Study Small Scale Renewable Energy Development.**

[HB 2062: Energy Efficiency Standards](#)

Effective Date: September 25, 2021

In 2020, as part of Executive Order 20-04 implementation, the ODOE adopted energy efficiency standards for 11 different products through administrative rule. HB 2062 conforms statute to the adopted rules.

HB 2063: Standby Generator Permitting

Effective Date: September 25, 2021

Large energy facilities in Oregon require a site certificate from the Energy Facility Siting Council (EFSC) before they are constructed. Electric power generators that are not connected to the electricity grid and act as backup standby generators must secure permits for operations from the DEQ and local governments, and those generators that are greater than 25 megawatts also need to apply for a site certificate or an exemption from the EFSC. HB 2063 removes the requirement for a person developing a standby generation facility to submit a request to EFSC for a determination that the facility qualifies for this exemption.

HB 2077: Lead Based Paint Clean Up

Effective Date: September 25, 2021

The federal Renovation, Repair and Painting Rule (RRP) requires contractors, agencies, and businesses conducting renovation, repair, and painting on pre-1978 homes and child-occupied facilities be certified in lead-safe work practices. OHA's Lead-Based Paint Program regulates the activities of businesses, agencies, and individuals who work with lead-based paint by enforcing state regulations, overseeing professional training and certification, and responding to concerns about the health effects from exposure to lead. HB 2077 grants the Oregon Lead-Based Paint Program additional authority to clean up lead-based paint hazards.

HB 2109: Local Renewable Energy Facilities

Effective Date: May 21, 2021

In 2019, HB 2329 triggered a requirement for written notification to landowners for certain energy facilities. HB 2109 modifies the definition of “renewable energy facilities” to clarify that the review criteria apply only to certain solar projects located on exclusive farmlands or certain geothermal and wind projects, which will alleviate the need for the notifications.

HB 2143: Hydroelectric Program Fees ([See Water Section](#))

HB 2165/HB 3055: Transportation Electrification

Effective Dates: January 1, 2022 (HB 2165)/ September 25, 2021 (HB 3055)

HB 2165 addresses electric vehicle (EV) adoption challenges related to charging infrastructure and consumer costs. The bill requires IOUs to use 0.25% of total revenues collected from retail customers for transportation electrification efforts. HB 2165 also allows IOUs to recover costs of certain EV related infrastructure from retail customers. Lastly, the bill removes the expiration date on the Oregon Clean Vehicle Rebate Program, changes eligibility requirements for the Charge Ahead Rebate Program. Meanwhile, HB 3055 has certain identical provisions relating to IOUs, but also allows natural gas utilities to

similarly recover costs for investments related to alternative fuel vehicles, particularly those related to renewable natural gas or hydrogen.

HB 2395: Statewide Bag Ban Definitional Change

Effective Date: May 17, 2021

In 2019, HB 2509 passed and created a statewide policy on single-use bags for restaurants and retail establishments and requires a minimum fee of no less than 5 cents for each “recycled paper checkout bag” provided at retail establishments, including grocery stores.

HB 2395 expanded the definition of “recycled paper checkout bag” to include non-wood renewable fiber and a combination of post-consumer recycled fiber and non-wood renewable fiber, along with post-consumer recycled fiber. Local ordinances, charter provisions and resolutions will need to be reviewed to determine consistency with the expanded definitions established in the bill.

HB 2475: Energy Affordability

Effective Date: January 1, 2022

HB 2475 authorizes the Oregon Public Utility Commission (PUC) to consider differential energy burdens for low-income customers when engaging in rate setting. In addition, HB 2475 authorizes the PUC to consider other economic, social equity or environmental justice factors that impact affordability for certain classes of utility customers. The bill would authorize the PUC to enter into agreements to provide financial assistance, limited to \$500,000 for organizations to represent interests of low-income residential customers and residential customers who are members of environmental justice communities in regulatory proceedings before the PUC.

HB 3141: Public Purpose Charge Modernization

Effective Date: September 25, 2021

Oregon’s public purpose charge (PPC) is assessed on all retail consumers of services provided by Pacific Power and Portland General Electric. The funds pay for energy efficiency, the development of new renewable energy and low-income weatherization. HB 3141 modernized the PPC by: extending it for 10 years; reducing the charge from 3% to 1.5% of revenues collected by PGE and Pacific Power; and allowing the charge to be used for distribution system-connected technologies that support reliability, resilience, and integration of renewable energy. HB 3141 shifts some energy efficiency work that was traditionally funded by the PPC to be funded by customer rates of IOUs. The bill also allows the PUC to collect \$20 million a year from all electric utilities to go to the Oregon Housing and Community Services’ Low-Income Electric Bill Payment Assistance Fund. The PUC is required to establish equity measures for environmental justice for PPC programs administered by nongovernmental entities. There will be subsequent rulemaking through the ODOE on the Large Electric Consumer Public Purpose program as a result of the passage of HB 3141.

HB 3375: Offshore Wind Energy Study

Effective Date: September 25, 2021

HB 3375 declares a state goal to plan for the development of up to 3 gigawatts (GW) of floating offshore wind in federal waters off Oregon's coast by 2030 and states that this planning must be conducted to maximize state benefits and minimize conflicts across ocean ecosystems and ocean users. The bill also directs the ODOE to conduct a literature review of the benefits and challenges of integrating up to 3 GW of floating offshore wind into the electric grid by 2030.

HB 5006: Christmas Tree Bill (Energy Provisions)

Effective Date: August 6, 2021

HB 5006 is the Christmas tree bill and includes key energy and environment investments including:

- \$3 million for hazardous waste and structural debris cleanup cost sharing related to the 2020 wildfires;
- \$10 million for the Oregon Solar and Storage Rebate Program;
- \$10.8 million for grants to incentivize energy efficient rebuilding related to the 2020 wildfires; and
- \$3.5 million for Small-Scale Local Energy Project Loan Program.

SB 57: Hazardous Waste Disposal Fees

Effective Date: September 25, 2021 (fees become operative January 1, 2022)

SB 57 modifies disposal fees charged by the Oregon Department of Environmental Quality. The bill modifies the fee structure for three types of hazardous waste and sets a fee of \$20 per ton for those waste types. The bill also increases the "tipping fee" for other types of non-hazardous waste from \$2 per ton to \$5 per ton.

SB 246: Prohibition of Radioactive Waste Disposal in Oregon

Effective Date: January 1, 2022

SB 246 modifies the definition of "radioactive waste" in statute and requires the Oregon Energy Facility Siting Council to adopt standards and rules to prevent the disposal of radioactive waste in Oregon. The bill was introduced following the disposal of 2.5 million pounds of Technologically Enhanced Naturally Occurring Radioactive Material, or TENORM, at the Chemical Waste Management facility in Arlington, Ore.

SB 333: Renewable Hydrogen

Effective Date: September 25, 2021

The bill requires ODOE to conduct a study of the potential benefits of and barriers to production and use of renewable hydrogen in Oregon. The bill defines "renewable hydrogen" to mean hydrogen gas derived from sources that do not emit greenhouse gases.

SB 338: Limited Renewable Technician Licensed Projects

Effective Date: May 19, 2021

The limited renewable technician (LRT) license enables work to be completed on small renewable energy systems by individuals who do not have a full electrician's license. SB 338 increases the size of project that may be worked on by an LRT from 25 to 50 kilowatts.

SB 582: Recycling Modernization

Effective Date: January 1, 2022

SB 582 modernizes the Oregon recycling system by establishing a producer responsibility model and requires certain producers of "covered products" to financially contribute to (through annual fees) and participate in an approved producer responsibility organization (PRO). Funds collected through the PRO will be made available to local governments for eligible costs. Compensation to local governments can occur either in advance or as a reimbursement. The bill authorizes the Oregon Environmental Quality Commission to adopt a uniform statewide list of materials that are suitable for recycling collection. Previously, the list of recyclable materials varied locally, resulting in ongoing consumer confusion, inequities and recycling contamination.

SB 582 prohibits commingled recyclables collected under the Opportunity to Recycle Act from being delivered to commingled processing facilities unless such facilities meet performance standards and specified equity considerations. Certain equity provisions will not be operative until January 1, 2027. The Oregon Recycling System Advisory Council (ORSAC) is created under this bill. ORSAC will make recommendations to both the DEQ and the PROs on a variety of topics and submit a report to the Legislature every two years. The bill requires the DEQ and PROs to respond to written recommendations from the ORSAC.

Under SB 582 Local governments are required to:

- Provide multifamily properties with collection of materials on the uniform statewide list, ensure adequate space and container placement for multifamily properties and demonstrate a plan for ensuring such access for new construction and significant remodels, if they provide the opportunity to recycle. An eligible cost for PRO funds includes the costs of upgrading or establishing recycling at multifamily facilities.
- Utilize educational resources. The bill requires PROs to develop and make available to local governments culturally responsive educational resources to promote the uniform statewide recycling list. Local governments are required to utilize these resources.
- Ensure that newly purchased roll-carts, bins and containers contain at least 10% verified post-consumer content by January 1, 2026.
- Identify to the department the local government's service providers that are authorized to receive funding or reimbursement directly.

SB 589: Regional Transmission Organization Study

Effective Date: May 21, 2021

SB 589 requires the ODOE to identify and study the benefits, opportunities, and challenges posted by the development of a regional transmission organization (RTO) in this state. The ODOE will convene an advisory committee to carry out the study.

SB 762: Wildfire Protection Plans

Effective Date: July 19, 2021

SB 762 establishes several new programs and requirements relating to wildfire prevention and response. On the energy front, each investor-owned utility is required to submit its plan for approval by the Oregon Public Utility Commission (PUC) by December 31, 2021. Each consumer-owned utility must submit a plan approved by its governing board to the PUC by June 30, 2022. The PUC will be the state agency lead in the rulemaking process for energy utilities.

SCR 17: Environmental Justice Framework

SCR 17 establishes a state environmental justice framework of principles. All state agencies are required to consider equity and environmental justice when their implementing statutory and regulatory responsibilities.

FAILED BILLS

HB 2383: Truth in Labeling Requirements

HB 2383 would have prohibited the sale of products that make deceptive or misleading claims about the recyclability of the product. The bill would have imposed a civil penalty of up to \$25,000 per day for violations. The bill was introduced by the Oregon Refuse and Recycling Association to combat the use of the “chasing arrows” symbol which can be misunderstood by consumers as a symbol of recyclability. While the bill did not pass, a task force to study and evaluate misleading claims of recyclability was established through passage of SB 582 (see SB 582 – Recycling System Modernization).

HB 2479: Black Carbon

HB 2479 A would have modified the definition of global warming in statute to include “certain aerosol air contaminants, including black carbon.” The DEQ would have been required to create an inventory of black carbon sources and a report to the legislature on black carbon reduction strategies.

HB 2488: Statewide Climate Justice Goals

HB 2488 as introduced would have required the Oregon Land Conservation and Development Commission to amend statewide planning goals to include climate change impacts and mitigation for disadvantaged communities. HB 2488-A would have required local governments to ensure their land use planning and decision-making processes were accessible to disadvantaged groups, and that climate justice, environmental justice and equity were incorporated into those processes.

HB 2617: Polystyrene Ban

HB 2617 would have prohibited a food vendor from using a polystyrene container when selling, offering for sale, serving or dispensing prepared food to a member of the public.

HB 2698: Right to Repair ([See Telecommunications Section](#))

HB 2814: Indirect Sources Study

HB 2814 would have required the DEQ to study program and policy approaches to reducing diesel engine emissions attributable to indirect sources of air contamination.

HB 2815: Truth in Labeling

HB 2815 would have prohibited the sale of products that make deceptive or misleading claims about the recyclability of the product. The bill would have imposed a civil penalty of up to \$25,000 per day for violations. The bill was introduced by the Oregon Refuse and Recycling Association in an effort to combat the use of the “chasing arrows” symbol which can be misunderstood by consumers as a symbol of recyclability. While the bill did not pass, a task force to study and evaluate misleading claims of recyclability was established through passage of SB 582 (see SB 582 – Recycling System Modernization).

HB 2916: Blue-Green Task Forces

HB 2916 would have established blue-green task forces in the agriculture, timber, and marine economy sectors to develop recommendations to improve climate resilience, economic growth, and environmental health.

HB 2955: Household Hazardous Waste Program

HB 2955 would have established a product stewardship program for household hazardous waste that would be administered by the Oregon Department of Environmental Quality.

HB 3180: 100% Clean Omnibus Bill

HB 3180 was an omnibus energy bill that would have created a 100% clean energy standard by 2050. The bill sought to modify the Oregon Renewable Portfolio Standard, modify Public Utility Commission regulatory ability, promote cogeneration and small power production, and phase out natural gas fired resources.

HB 3221: Oregon Renewable Options Program

HB 3221 A was brought by the Oregon Water Resources Congress and would have allowed the Oregon Public Utility Commission (PUC) to authorize investor-owned utilities to offer a voluntary, community-wide green tariff known as the Oregon Renewable Options (ORO) program. This program would have enabled local governments, local service districts, and Tribes served by investor-owned utilities to make decisions regarding the energy sources that power and provide resilience for the residents and businesses in their communities. The PUC would have been responsible for adopting rules to enable the utilities to successfully coordinate with participating communities to create proposals under the program and to review and approve proposals that were created. The LOC was supportive of the bill.

HB 3305: Clean Diesel

HB 3305 included several provisions related to the use of biodiesel and renewable diesel. Some of those provisions would have gradually phased-in f a 99% biodiesel or renewable diesel standard and a requirement that equipment used for public improvement projects in certain parts of the state be fueled by biodiesel or renewable diesel.

SB 14: Plastic Stewardship Program

SB 14 would have established a plastic stewardship program to provide for the collection and environmentally sound management of covered plastic products, including plastic packaging and plastic food serviceware that is generally intended for single use, including plates, cups, bowls, cutlery or straws. The program would have been funded and operated by a stewardship organization consisting of manufacturers of covered products.

SB 392: Fugitive Emissions Study

SB 392A would have required the DEQ, in consultation with the ODOE and the PUC, to study fugitive emissions from the production and transportation of natural gas.

SB 570: Mattress Product Stewardship Program

SB 570 would have prohibited a producer, renovator or retailer from selling, or offering for sale, a mattress unless the producer, renovator or retailer was registered with a stewardship organization with a plan approved by the Oregon Department of Environmental Quality. The bill would have established a mattress stewardship assessment, to be collected at the time of sale, to support the program and the responsible disposal and recycling of discarded mattresses.

SB 581: Truth in Labeling Task Force

As introduced, SB 581 would have prohibited the sale of products that make deceptive or misleading claims about the recyclability of the product. The bill was later amended to

establish a 15-member, Truth in Labeling Task Force, to study and evaluate misleading or confusing claims related to the recyclability of products or product packaging. While the bill did not pass, the task force was established through passage of SB 582.

SB 784: Energy Resilience and Green Tariff Program

SB 784 would have allowed investor-owned utilities to seek recovery of operating expenses and capital costs for resilience measures that provide critical utility services during disruptions or emergencies. The bill would have also created a voluntary natural gas emissions reduction program for natural gas utilities. SB 784 had similar local government green tariff program and responsible labor provisions to HB 2021.

SB 847: Bottle Bill Task Force

SB 847 would have established the Bottle Bill Expansion, Access and Transparency Task Force, the Bottle Bill Expansion Subcommittee, and the Bottle Bill Access and Transparency Subcommittee.

FINANCE & TAXATION

Property Taxes

PASSED BILLS

HB 2008: Religious-owned Affordable Housing Siting and Property Tax Exemption ([See Housing Section](#))

HB 2247: COVID/Wildfire Tax Penalty Waiver

Effective Date: September 25, 2021

Authorizes a county to waive interest charged for failure to timely pay taxes on real property used in a taxpayer's business for the 2020-2021 property tax year. Applies only to delinquencies due to effects of COVID-19 pandemic or 2020 wildfires.

HB 2331: Central Assessment of TV and Radio

Effective Date: September 25, 2021

Excludes television and radio stations licensed by the Federal Communications Commission from central assessment for property taxation. Applies to services that use primarily earth-based transmitters to broadcast programming via radio waves to television or radio receivers that use indoor or outdoor antennas for reception. These companies were not subject to central assessment in the past, but a recent court decision as a part of

the Comcast litigation could have brought them under central assessment and increased their tax liability.

HB 2341: Destroyed or Damaged Property Proration

Effective Date: September 25, 2021

Changes the proration calculation so that all owners who suffered a loss due to fire or act of God will see a corresponding reduction in their property tax, irrespective of their Measure 50 assessed value. The bill gives assessors the ability to make these prorations in areas where an emergency has been declared when the assessor is aware a home has been destroyed, but even if the owner has not yet submitted the required paperwork. HB 2341 is retroactive to cover the 2020 wildfires and applies to all tax years going forward.

HB 2438: Rural Housing Exemption

Effective Date: September 25, 2021

Allows a county with population of less than 15,000 to adopt a three- to five-year property tax exemption for newly constructed single-family dwellings built and occupied as primary residences by individuals with an income at or below \$75,000, or \$150,000 if filing jointly.

HB 2446: Affordable Housing Exemption

Effective Date: September 25, 2021

Extends the sunset of the property tax exemption for property of certain nonprofit low-income housing grandfathered in under the general charitable exemption in ORS 307.130.

HB 2456: Tax Reviser's Bill

Effective Date: September 25, 2021

This annual bill makes corrections to and updates tax statutes. It allows the governing body of a local government to select the definition of "low income" from an expanded definition for purposes of certain rental property tax exemptions. HB 2456 also allows cities to extend the deadline for completion of construction for homes under the single-unit affordable housing exemption. Cities may need to update ordinances or resolutions, depending on their specific language. Cities will need to review and update any program materials available on the internet or published by their offices.

HB 2634: Senior Deferral Program

Effective Date: September 25, 2021

Extends the sunset for the senior and disabled resident property tax deferral program and makes numerous changes to the program. Allows a surviving spouse or disabled heir to continue deferral without having owned or occupied a homestead for five years; increases the allowed home value in rural counties with a low median value; and allows for late filing for seniors who may not realize they have an issue until they receive their tax bill.

HB 3275: Housing Trust Land Exemption

Effective Date: September 25, 2021

Exempts land that is encumbered by an affordable housing covenant from property taxes. Provides that 27% of assessed value of an owner-occupied condominium unit encumbered by affordable housing covenant is exempt from property taxation. Allows an exception to occupancy requirements for a period of construction or rehabilitation of seven years, with a three-year extension available. Provides a claw back of property tax benefits for up to five years in cases where requirements are not complied with. This bill puts into statute a current practice of most county assessors.

SB 141: Vertical Housing Exemption Changes

Effective Date: September 25, 2021

Makes a percentage of partial property tax exemption for property of vertical housing development projects proportional to allocation of floor area to residential housing or low-income residential housing, without rounding up or down. The bill is unclear on whether cities would be required to recalculate the exemption percentage for existing projects. The exemption percentage is calculated at the time of application, and the bill does not require reapplication for existing projects, but the calculation changes are applicable to the 2021-22 tax year. Cities may need to update ordinances or resolutions, depending on their specific language. Cities will need to review and update any program materials available on the internet or published by their offices.

SB 154: Solar Facility Payment In Lieu of Tax

Effective Date: September 25, 2021

Extends sunset of program under which property constituting solar project may be exempt and instead pays a fee in lieu of property taxes through an agreement between the governing body and the taxpayer. Provides that the agreement must indicate property tax treatment of land on which solar project is located (whether or not it is included in the fee in lieu) and the set rate of the fee is within range of \$5,500 to \$7,000 per megawatt of nameplate capacity.

SB 464: Wildfire Tax Cancellation

Effective Date: September 25, 2021

Allows 2020 wildfire affected counties to adopt law directing tax collector to prorate and cancel property taxes imposed on taxable property that suffered damage or disruption of use due to wildfires. Requires such laws to include a wildfire map, produced through a public process, identifying boundaries within which wildfire tax relief may be granted. The LOC sought to amend the bill to better tie the benefit to the actual damage suffered by the taxpayer with limited success. Applies to tax year 2020-21 only.

FAILED BILLS

[HB 2447](#): Historic Property Special Assessment

Would have extended the sunset for a program granting special assessment to historic property. The LOC sought an amendment similar to what the Oregon Parks and Recreation Department (OPRD) has requested in [SB 108](#); to limit the program to commercial properties going forward. The LOC also sought to clarify the definition of commercial property in that amendment and to fix a longstanding issue with program participants receiving a double benefit from Measure 50. There is an interim workgroup looking at the issue.

[HJR 13](#): Property Tax Reform

Would have referred to voters an amendment to the Oregon Constitution providing that, for purposes of ad valorem property taxation, the ratio of maximum assessed value to real market value of property must equal 75%. This was one of only two property tax reform concepts that received a hearing this session. See also [SJR 1](#), which would have referred to voters a concept to remove Measure 50 from the Oregon Constitution but did not receive a hearing.

[SB 299](#): Children's Service Districts

Would have authorized the creation of a new type of property tax district that would have competed directly with cities for funds due to Measure 5 compression.

[SB 726](#): County Assessor Funding

Would have created a task force to analyze county assessor funding. One of multiple bills this session, including [HB 2799](#), which would have diverted 3% of property tax receipts in certain counties to fund the assessor's office. There will likely be an interim workgroup on this issue.

State Shared Revenues

PASSED BILLS

[HB 2028](#): Shared Revenue Certifications

Effective Date: January 1, 2022

Eases the process for a city to elect to receive state-shared revenues by removing requirement to provide resolutions or ordinances to the Oregon Department of Administrative Services.

[HB 2433](#): Tax Expenditure Omnibus Bill

Effective Date: September 25, 2021

This bill deals primarily with extension of income and corporate tax credits but also includes a provision to sunset the exemption from marijuana taxes for medical marijuana in 2028 (see Section 44).

[HB 2740](#): Agent Compensation Formula

Effective Date: July 27, 2021

Oregon Liquor Control Commission concept to increase agent compensation at liquor stores, especially in urban areas with higher business costs. Established new compensation formula and moves it from rule into statute. Cities will absorb 34% of this increased cost due to the liquor revenue distribution schedule.

[SB 316](#): Distillery Tasting Room Compensation

Effective Date: January 1, 2022

Increases agent compensation paid at distillery tasting rooms on the first \$250,000 in sales. Establishes a new compensation formula in statute. Cities will absorb 34% of this increased cost due to the liquor revenue distribution schedule.

FAILED BILLS

[SB 864](#): Local Marijuana Tax Increase

Would have allowed local governments, with voter approval, to increase local marijuana taxes from the current maximum of 3% up to a possible 10%. Based on an agreement between the LOC and the Association of Oregon Counties, the bill was amended to require 20% of newly enacted or increased amounts to be transferred to the county in which collecting retail establishment is located, provided the county is eligible for Oregon Marijuana Account distributions. The bill passed the Senate but was not taken up in the House, and there will be an interim workgroup on the issue. See also [HB 2015](#) the companion bill in the House, which also failed.

Finance

PASSED BILLS

[HB 2966](#): Commercial Tenant Grace Period Extension

Effective Date: June 11, 2021

Extends grace period until September 30, 2021 for repayment of nonresidential rent

between April 1, 2020, and September 30, 2020, for certain tenants. Cities acting as a commercial landlord will need to honor the new grace period for repayments.

HB 3307: Intergovernmental Entities

Effective Date: June 23, 2021

Authorizes an intergovernmental entity created by written agreement to seek benefits from any public or private entity that an individual local government may also seek to obtain. Would allow an entity created through an intergovernmental agreement between a city and county to apply for Business Oregon programs, for instance, if either entity could apply on its own.

FAILED BILLS

HB 2743: Municipal Banking Authority

Clarifies legal framework for Oregon cities to create public banks either by themselves or in partnership with other municipalities. This bill was the subject of intense discussion, and we expect it will return in a future session.

Lodging Taxes

PASSED BILLS

HB 2433: Tax Expenditure Omnibus Bill

Effective Date: September 25, 2021

This bill deals primarily with extension of income and corporate tax credits, but also includes a provision to exempt from state and local lodging taxes military lodging used by active or retired service members (see Section 45). This will likely only be an issue for counties as all bases offering temporary accommodations in Oregon are outside of city limits.

HB 2521: Lodging Tax Receipt Requirements

Effective Date: September 25, 2021

Requires a transient lodging tax collector to provide an invoice, receipt or other similar document that clearly sets forth the sum of all transient lodging taxes charged for occupancy of transient lodging.

FAILED BILLS

[HB 2500](#): State Lodging Tax Rate Increase

HB 4146 of the 2016 session increased the state's transient lodging tax rate from the 1% to 1.8% through June 2020 and set the rate at 1.5% from that point on. This measure would have increased the rate permanently to 1.8%. See also [HB 2579](#), which also failed, but would have made the 1.8% rate increase permanent and dedicated the increased revenue to affordable housing.

[HB 2600](#): State Lodging Tax Reappropriation

This bill would have reappropriated a portion of the state lodging tax to the Oregon Conservation and Recreation Fund. See also [HB 2672](#), which also failed, and would have reappropriated a portion of the revenues to a newly established Oregon Beach Fund.

GENERAL GOVERNMENT

Public Contracting

PASSED BILLS

[HB 2682](#): New Safety Requirements for Construction Equipment Leasing

Effective Date: September 25, 2021

HB 2682 requires a person, when renting a utility vehicle to a state or local contracting agency, to provide records that describe, in detail, results of the most recent inspection that was performed on the utility vehicle's traction, structure, power train, control components and related parts and equipment. The bill provides that the person renting the utility vehicle must also provide instructions about how to comply with recommendations from the utility vehicle's manufacturer for operating and maintaining utility vehicle, records of all incidents in which use of utility vehicle resulted in injuries or deaths because of equipment failure and an affidavit which attests to compliance with applicable safety standards and regular inspections of the vehicle. The bill authorizes a contracting agency to delay payment for the vehicle rental if the vehicle does not meet applicable standards or requirements, and allows the contracting agency to seek reimbursement to offset labor costs that the contracting agency incurred as result of delayed work resulting from of a utility vehicle not meeting applicable standards and requirements. The provisions of the bill do not apply to a person that receives \$100,000 or more in income from renting utility vehicles to other persons during the calendar year before the year in which the rental of the utility vehicle to the contracting agency occurs.

The requirements under HB 2682 apply to persons and entities that lease utility vehicles to contracting agencies. The bill does not create additional requirements or mandates for local governments that lease utility vehicles. However, cities that may lease utility rental vehicles from persons that receive \$100,000 or less annually from renting utility vehicles, should be aware of these new requirements and recourse should a leased utility vehicle not meet safety standards and other requirements in the bill. If local governments lease utility vehicles to other local governments, they should be aware of and abide by the requirements under the bill.

HB 3055: ODOT Omnibus Legislation (Public Contracting Provisions)

Effective Date: September 25, 2021

HB 3055 represents an omnibus for various provisions of law related to the Oregon Department of Transportation, however, Sections 46 through 50 of the bill make several specific changes to public contracting requirements, some of which apply to local governments:

- Current law prohibits a public agency from accepting bids for personal services for the purpose of administering, managing, monitoring, inspecting, evaluating compliance with or otherwise overseeing a public contract if the contractor, or an affiliate of a contractor, is a party to the public contract. Those current provisions do not apply to certain construction manager/general contractor services or to a design-build procurement contract. HB 3055 clarifies the process to seek an exception from these provisions, and outlines the circumstances and requirements that must be met in order to award a contract that is subject to the prohibition.
- In addition, HB 3055 increases the contract threshold by which a state or local contracting agency may, limit competition for a public contract to an emerging small business that is certified under ORS 200.05. Under current law, competition may be limited for such contracts if the contract price is estimated at \$100,000 or less and is funded by the Emerging Small Business Account established under OR 200.180. HB 3055 increases that amount to \$250,000 or less for contracts funded by the Emerging Small Business Account established under ORS 200.180.

Cities, including procurement managers/staff, should familiarize themselves with the language included in Sections 46-50 of HB 3055 and may need to amend local ordinances/rules to ensure consistency and compliance with the statutory changes.

HB 3082: Competitive Bid Threshold Increase for Construction Services

Effective Date: September 25, 2021

ORS Chapter 279 outlines how public contracting agencies, including local governments, shall proceed with the procurement of goods and services and public

improvements/construction services. ORS 279B (goods and services) and ORS 279C (public improvements/construction services) include similar language specifying when a public contracting agency must use a competitive bid process. While the competitive bid processes are very similar across the two sub-chapters of statute, the small project threshold between the two chapters is inconsistent. ORS 279B requires a competitive bid process for the procurement of goods/services in an amount over \$10,000; while ORS 279C requires a competitive bid process for all public improvement contracts over \$5,000. HB 3082 makes these thresholds consistent by increasing the small project threshold in ORS 279C from \$5,000 to \$10,000.

Cities may need to review any local contracting rules or processes to adjust the threshold for procurement of public improvement/construction services. Cities that prefer to use a competitive bid process for projects that are under the \$10,000 threshold may continue to do so, but are no longer required to under the statute.

SB 420: Community Benefit Contracts

Effective Date: September 25, 2021

SB 420 permits a contracting agency or local contract review board to enact or adopt, as appropriate, an ordinance, resolution, rule, regulation or other legislative or administrative measure to designate certain public improvement contracts as “community benefit contracts.” The bill specifies elements that must be incorporated in a community benefits contract and specifies duties of a contracting agency, or local contract review board, before a community benefits contracts is advertised, solicited or awarded. The bill also permits a contracting agency or local contract review board to prequalify bidders or proposers to submit bids or proposals for community benefit contracts.

SB 493: Prevailing Wage Rate Determinations

Effective Date: September 25, 2021 (new wage rates anticipated to become operative January 1, 2021)

SB 493 changes the process and data that the state uses to make prevailing wage rate determinations (i.e. wages that must be paid for the construction of public works projects). The current process, and data utilized in determinations, reflects an averaging of construction wage rates in a region while the new process will instead determine prevailing wage rates by applying only the highest wage rate that is contained in any collective bargaining agreement (CBA). As a result, the highest wage rate paid to for a specific occupational trade will now become the new minimum, prevailing wage rate. The LOC anticipates that this may have a more significant impact on rural communities as there are a number of statewide CBAs in place. As a result, the rates in the statewide CBA will likely become the new minimum wage rates for all regions and local wage rates will no longer be factored into the calculation in rural parts of the state.

Cities should be aware of the new wage rate determination process, especially if they have

recently budgeted for a public improvement project and/or are going out for a bond/levy to pay for a public improvement project. It is anticipated that the new wage rate determination process will be implemented January 1, 2022, which means that there is, unfortunately, little certainty for estimating the anticipated labor costs associated with a public improvement/construction project. Cities may want to contact the Oregon Bureau of Labor and Industries' Wage and Hour Division to inquire whether funds allocated to a public improvement project will be adequate to cover potential increased labor costs.

FAILED BILLS

HB 2252: Study of Prevailing Wage Rates

HB 2252 would have required the Oregon Bureau of Labor and Industries (BOLI) to study the methodology used to determine wage rates that must be paid for public projects that are determined to be subject to prevailing wage payment requirements. The bill would have required BOLI to report back to the Legislature by September 15, 2022.

HB 2310: Piping Material Design Specification Preemption

HB 2310 would have preempted local governments, including cities, from adopting any ordinance, resolution, rule or other law to prohibit, restrict or limit an evaluation, comparison or use of pipe or piping materials for a water project. The same bill was introduced during Oregon's 2020 legislative session, and similar legislation has been introduced, at the request of the American Chemistry Council, in at least 14 other states; though it has failed to pass in any state so far. The LOC opposed HB 2310 and heard many concerns from cities and other local governments that have reiterated that the ability to select the most appropriate pipe for a project should be a local decision, made in coordination with engineering professionals. Upfront project design specifications allow local governments to consider life-cycle costs, soil conditions, past performance of certain pipe materials, seismic and wildfire resilience, water conservation and water/wastewater system continuity.

While the preemption in HB 2310 would have only applied to projects receiving direct or indirect state funds, the LOC was concerned that it could have created a disincentive for communities that need to utilize state funding assistance for water infrastructure projects. While there were some provisions in the bill that would have allowed a local government to have a professional engineer provide project-specific (case-by-case) specifications, the LOC remained strongly opposed to the legislation as it would ultimately make it more difficult for a local government to select the most appropriate pipe for their specific water or wastewater system. In addition, if a local government were to fail to get a project engineer to implement specifications for each component of a water project, it would have been

required to accept bids for all types of pipes that meet certain standards. Under this scenario, if an invitation to bid was extended due to a lack of upfront design specifications, the local government would be subject to public contracting laws that require awarding a contract to the lowest responsible bidder.

HB 2324: Prevailing Wage Rates Requirements for Enterprise Zones Projects

HB 2324 contained a number of provisions, including a requirement for the Oregon Business Development Department, to create an initiative to promote clean energy manufacturing. The LOC opposed the bill, however, as it included language that would require private construction project owners to abide by public prevailing wage laws if the project owner receives a tax credit or exemption of \$750,000 or more. Similar legislation has been introduced in previous legislative sessions. The LOC opposed HB 2324 due to concerns that it may diminish the effectiveness of local incentive programs.

HB 2419: Prevailing Wage Rate Determinations

HB 2419 would have changed the prevailing wage rate determination process to use the highest wage rate in a collective bargaining agreement in lieu of a wage survey. While HB 2419 appeared to lack the votes necessary to pass out of committee; a similar bill, SB 493, did pass and will likely represent a significant wage rate increase for certain public projects in some parts of the state (see SB 493, Public Contracting – Bills that Passed).

HB 2597: Reduction in Prevailing Wage Regions

HB 2597 would consolidate prevailing wage regions from 14 to five. These regions are used to determine prevailing wage rates and to ensure that prevailing wage rate determinations reflect local economies and wage rates for construction. The LOC was opposed to HB 2597, as the proposed consolidation would have grouped many rural parts of the state with larger, urban areas. The LOC continues to believe it is imperative that the Legislature engage in a transparent and data-driven process prior to proposing changes to existing regions.

HB 2694: MWESB Expansion

HB 2694 would have added lesbian, gay, bisexual and transgender to definition of “minority individual” for purposes of providing public contracting opportunities to minority-owned businesses in this state.

HB 2757: Health & Retirement Insurance – Responsible Bidder Determinations

HB 2757 would have required a bidder for a public improvement contract to demonstrate to the public contracting agency, through a responsibility determination, that the bidder would have provided an adequate health insurance and retirement benefit plan to its

employees. The requirement would have applied to all public improvement contracts, or subcontracts greater than \$200,000.

HB 3083: Seismic Standards for Public Improvements

HB 3083 would have required all public improvement contracts and contracts for public works to include specifications to adhere to seismic safety standards and seismic rehabilitation standards for constructing, reconstructing or performing major renovation on public building or critical infrastructure located in areas of state that are susceptible to seismic events. The LOC and other local government associations testified on the bill, voicing concerns over the broad application of the requirements, the cost that would be associated with the requirement, and unintended consequences that would likely result if the bill were to pass, including inadvertently prioritizing seismic standards for projects that may not represent the most critical seismic safety risks.

SB 639: Prevailing Wage Threshold Increase

Under current law, all public contracts greater than \$50,000 are subject to payment of prevailing wage and applicable prevailing wage requirements. SB 639 would have increased the project threshold for the application of prevailing wage rate requirements from \$50,000 to \$64,000 and would have established a mechanism for future threshold increases based on consumer price index. The current project threshold of \$50,000 hasn't been increased since 2005. The LOC testified in support of this legislation but, unfortunately, the bill did not receive a work session.

Public Records and Open Meetings

PASSED BILLS

HB 2560: Electronic Participation in Public Meetings

Effective Date: January 1, 2022

Requires, to the extent reasonable, the governing body of a public body to allow for virtual or electronic participation in public meetings. Technical failures, disruptive participants and added cost beyond the de minimis render the requirement unreasonable. Cities should also evaluate their obligations under the Americans with Disabilities Act when electing not allow for virtual or electronic participation in public meetings.

FAILED BILLS

HB 2485: Public Records Fees

Would have required cities to either accept or reject a proscribed public records policy that

would have given discounts and fee waivers to journalists. The bill was heard in committee but was never adopted. The legislation is likely to be revisited in subsequent sessions.

HB 2478: Attorney Client Privilege

Would have clarified that the public records exemption on attorney client privilege exists indefinitely. An appellate court case challenged the permanency of the public sector's ability keep legal advice private. The bill received a hearing but did not move out of committee. The legislation will be revisited in subsequent sessions.

Police Reform & Public Safety

PASSED BILLS

HB 2162: Police Accreditation

Effective Date: September 25, 2021

Requires police agencies with 35 officers or more to become accredited through an accrediting body determined by the state. The legislation also requires the Oregon Department of Public Safety Standards & Training (DPSST) to develop an equity training program for police and other certified public safety professionals. HB 2161 takes effect the 91st day after the legislative session, at which point the agency will begin work on its training curriculum. Police agencies with 100 or more officers must become accredited by July 1, 2025, and agencies with 35-99 officers must meet this standard by July 1, 2026.

HB 2204: Justice Reinvestment

Effective Date: July 19, 2021

Directs the Oregon Criminal Justice Commission to provide grants to public and private entities for restorative justice programs. In the bill, restorative justice is defined as an activity that requires an offender to acknowledge the harm they caused and take the appropriate steps to rehabilitate.

HB 2204 began as a requirement for cities to pay attorney fees in police liability claims coupled with an increase in tort limits. The Legislature rejected this approach, but the relating clause in the bill allowed it to be constructive purpose.

HB 2417: Crisis Intervention and Peer Respite Care

Effective Date: July 27, 2021

While the Legislature made several significant investments in Oregon's behavioral health system, of particular interest to cities will be HB 2417. The bill funds the establishment of crisis stabilization and respite care centers as well as crisis intervention teams. Funding is distributed through the counties but the bill also requires the Oregon Health Authority to report on service coordination with cities and cities may work through their counties to

build projects allowed in the bill.

HB 2513: CPR Training

Effective Date: January 1, 2022

Requires all certified police officers and reserve officers to receive three hours of CPR and airway maintenance training each year.

HB 2930: Arbitration Reform

Effective July 1, 2021

Makes significant changes to police arbitration reform by creating a unified “just cause” standard for police discipline that is not bargainable and requires that an arbitrator take into account the interest of the public when overturning a disciplinary order. The bill also protects officers from a discipline that’s “arbitrary and capricious”. The bill also directs the DPSST to create a commission to establish a statewide discipline matrix for serious misconduct committed by police.

HB 2932: Police Use of Force Reporting

Effective Date: January 1, 2022

Requires all police agencies to participate in the FBI use of force database.

HB 2936: Racism Prevention in Policing

Effective Date: January 1, 2022

Makes legislative findings that racism and membership in militant or hate based organizations is incompatible with policing. The bill further requires that police background checks meet best practices as established by DPSST and that police psychological examinations review an applicant’s views toward diverse cultures and ethnicities. The bill also requires police agencies to develop social media policies that police and police reserve officers must follow that do not violate free speech protections. Finally, the legislation greatly expands the ability of police agencies to conduct thorough background investigations by allowing the review of an applicant’s social media and provides past employers with tort immunity for providing good faith feedback on an applicant’s character and work history.

HB 3145: Police Discipline Reporting

Effective Date: January 1, 2022

Requires police agencies to report serious misconduct findings that result in economic discipline to DPSST.

HB 3355: Crowd Control Identification

Effective Date: January 1, 2022

Requires police officers employed by cities with populations of 60,000 or more to have the

first initial and last name or unique identifying number legible on their front and back when engaged in crowd control activities.

FAILED BILLS

HB 2002: Restorative Justice

HB 2002 was introduced to alleviate minimum sentencing requirements required under Measure 11. The bill was amended to provide funding for restorative justice and innovation grants as well as limit the ability of police to stop for equipment infractions. The bill died in committee, but components that dealt with justice investments were amended into other legislation.

TELECOMMUNICATIONS

PASSED BILLS

HB 2331: Over-the-air Broadcasters Central Assessment

Effective Date: September 25, 2021

HB 2331 excludes property of specific television and radio stations (over-the-air broadcasters) from the meaning of “communication” for purposes of central assessment for property taxation. This specifically applies to television and radio stations licensed by the Federal Communications Commission that use primarily earth-based transmitters to broadcast programming via radio waves to television or radio receivers that use antennas for reception. Over-the-air broadcasters have never been centrally assessed in the past, but after related litigation to other communication providers, they were added.

HB 2345: Rural Economic Development Service Center

Effective Date: January 1, 2020

HB 2345 makes a one-time general fund appropriation of \$500,000 to the Oregon Business Development Department (Business Oregon) to establish the Oregon Rural Capacity Fund. The funds will be available to rural jurisdictions to use for staffing and building capacity necessary for workforce, infrastructure (including broadband), economic, and community development.

HB 2411: ODOT Open Trench Notification

Effective Date: January 1, 2020

HB 2411 will require notification and a process for allowing interested telecommunications providers to coordinate with the Oregon Department of Transportation to include installation of underground broadband infrastructure (e.g. fiber or conduit) as part of

certain projects included in Statewide Transportation Improvement Program. The Oregon Broadband Office will maintain a list of interested telecommunication providers.

HB 2507: Oregon Lifeline Decoupling

Effective Date: January 1, 2022

HB 2507 will extend the Oregon Lifeline Program (OTAP) sunset date and decouple it from the federal Lifeline program. This bill is important to keep telephone subsidies in addition to broadband subsidies in Oregon. The federal program plans to phase out telephone subsidies and only offer broadband subsidies.

HB 2603: Undersea Cables

Effective Date: September 25, 2021

HB 2603 requires owners or operators of undersea cables to obtain financial assurances for installation and removal of cable and create a plan for removal of cable. To ensure the requirements of the bill are implemented: Department of State Lands will be responsible for providing oversight on financial assurances; the Oregon Department of Land Conservation and Development (DLCD) will provide support to update the Territorial Sea Plan addressing placement and removal of cables; and other state agencies and local governments will be consulted as needed. DLCD received a \$497,081 general fund appropriation for work related to oversight of undersea cables.

HB 2654: Electric Co-op Easement Expansion for Broadband

Effective Date: January 1, 2022

HB 2654 expands existing electric cooperative easements to allow for the provision of broadband services. If an electric cooperative chooses to leverage this expansion, it must provide notice to property owners. The bill exempts existing electric easements in city rights-of-way. To be clear, that language does not preempt a city from allowing an electric cooperative from providing broadband service in an easement that is granted on city property. A city could still allow an electric cooperative to expand the use of their easement to provide broadband through another authorization at the local level.

HB 5006: Broadband Funding in Christmas Tree Bill

Effective Date: August 6, 2021

HB 5006 includes \$120 million of American Rescue Plan Act (ARPA) Capital Project funds for Business Oregon's Broadband Fund. Monies in the fund are available to provide grants or loans through the Oregon Broadband Office and for the administrative costs of the office. Eligible uses of the grants and loans include projects for the planning and development of broadband service infrastructure. The bill also allocates ARPA funds for legislator sponsored broadband projects, some of which include direct funding to communities and organizations.

HB 5023: Business Oregon Budget

Effective Date: July 19, 2021

Business Oregon oversees broadband project grants for infrastructure and planning through the Oregon Broadband Office. The budget included additional funding for four FTE in the Broadband Office. Currently, the Broadband Office has one FTE. Extra positions will help the office carry out their mission and provide critical technical assistance.

HB 5032: Public Utility Commission Budget

Effective Date: July 1, 2021

The Oregon Public Utility Commission regulates traditional telecommunication providers and administers the Residential Service Protection Fund (RSPF) and the Oregon Universal Service Fund. The RSPF encompasses the Oregon Telephone Assistance Program (OTAP program). Under HB 5032, there is an adjustment to the RSPF surcharge rate from \$0.10 to \$0.12. This increase supports for the OTAP program, which will increase the discount from \$3.50 to \$10.00 for eligible low-income households subscribing to phone or broadband internet access service.

FAILED BILLS

HB 2410: Public Contracting with Low-Income Broadband Providers

HB 2410 would have prohibited public bodies, including cities, from contracting with broadband internet access service providers that do not offer a low-income rate program that meets minimum standards established by the Oregon Public Utility Commission. This bill attempted to use the same section of statute as Oregon's Net Neutrality bill from 2018 (HB 4155). Some exemptions would have applied. For example, if a provider is the only provider in an area or if the ISP is being used for public safety reasons, etc. The LOC did not support HB 2410. It died without a public hearing in committee.

HB 2425: PSAP Modernizations Funds

HB 2425 would have provided matching grants administered through the Oregon Office of Emergency Management for Public Safety Answering Point (PSAP) consolidation technical assistance and equipment modernization. Any PSAP consolidation would have been voluntary.

HB 2613: Open Trench Notification Preemption

HB 2613 is a broader version of HB 2411. The bill would have required city, county, and state governments to notify all previous telecommunication providers with underground facilities of excavation in the right of way and allow providers 30 days to submit a statement of interest in collocation of underground facilities and it would have required all telecom permit requests to be responded to by a city or county within 72 hours and all other permit requests for underground facilities to be responded to within 60 days. Lastly,

HB 2613 would have preempted cities from requiring providers to submit detailed plans in an application on the depth and location of surrounding underground facilities if a project is 1000 feet or less in length. The LOC was strongly opposed to this bill.

HB 2698: Right to Repair

HB 2698 would have granted consumers, and small businesses alike, access to parts, tools and service information they need to repair and refurbish electronic products. A consumer repairing a device themselves can increase the life of the device and keep it running when it is hard to afford a new one.

HB 2726/SB 290: Rural Broadband Study

HB 2726 and SB 290 would have directed the Public Utilities Commission or Business Oregon to study rural broadband.

HB 3049: County ROW Permitting

HB 3049 was brought by the Association of Oregon Counties and would have allowed counties to charge for permits for use of their rights-of-ways. Currently, counties are preempted from charging for permits.

HB 3069: 9-8-8 Services

Congress passed the National Suicide Hotline Designation Act of 2020 which makes 9-8-8 the national telephone number to reach the National Suicide Prevention Hotline. 9-8-8 is set to be fully operational July 2022. As part of the act, Congress reserved the authority for state and local governments to levy a tax for 9-8-8 services. HB 3069 would have created a statewide crisis system, including a call line for 9-8-8. In many amendments of the bill a state tax was presented for 9-8-8 services, but local taxes were explicitly preempted. The LOC was opposed to such preemption.

HB 3181: Utility Locate Paint Removal

HB 3181 would have required that utility locate paint be temporary and would make operators of underground facilities liable to private property owners for costs associated with removing paint. The LOC submitted testimony in opposition to HB 3181, citing the bill could cause delays to important infrastructure projects and could potentially cause a burden to upkeep utility locates for projects or additional time after a project to remove utility locates.

HB 3256: OTAP Study/Connecting Oregon Libraries Fund

HB 3256 A would have done two things. First, the bill would have required the Oregon Public Utilities Commission in consultation with the Broadband Office and the Oregon Broadband Advisory Council to open an investigation into the Oregon Telephone Assistance Program, which provides low-income broadband and telephone subsidies. This

investigation would have explored ways in which to expand the OTAP program and identify any other barriers to broadband affordability.

Second, HB 3256 A would have created the Connecting Oregon Libraries Fund, similar to the Connecting Oregon Schools Fund, which was created in 2018. Having a dedicated fund for libraries would help Oregon be more competitive for federal E-rate program dollars. Libraries serve as important internet access points for communities and anchor institutions for expansion of broadband.

HB 3359: Digital Rights Task Force

HB 3359 would have created the Digital Rights Task Force, which would have been tasked with developing a Digital Equity and Inclusion Plan for Oregonians.

SB 615: Low-Income Broadband Bill Payment Assistance Fund

SB 615 would have established the Low-Income Broadband Bill Payment Assistance Fund, administered by Business Oregon. Rules for the program would have been created by Business Oregon in consultation with Oregon Housing and Community Services and the Oregon Broadband Advisory Council.

TRANSPORTATION

PASSED BILLS

HB 2021: Renewable Energy EV Charging Station

Effective Date: January 1, 2022

Sections 29-36 establish the "Community Renewable Energy Project Grant Program." One of the renewable systems available for grant funds is for vehicle charging systems.

HB 2165: Governor's Omnibus EV Bill

Effective Date: January 1, 2022

Removes the sunset on the Charge Ahead program and allows for rate recovery from electric companies for transportation electrification. Maintains vehicle privilege tax to fund incentive programs for electric and hybrid vehicles.

HB 2180: EV Capacity Required in New Construction

Effective Date: January 1, 2022 (Code changes effective July 1, 2022)

Amends state building code to require new construction of certain buildings to include provisions for electrical service capacity for specified percentage of parking spaces. Authorizes municipalities to require that each newly constructed building include

provisions for electrical service capacity to accommodate more than 20% of vehicle parking spaces in the garage or parking area for the building.

HB 2518: Brownfield Forgivable Loan Incentive

Effective Date: September 25, 2021

Adds qualification for forgivable brownfield loan if: (a) the brownfield is in a location identified in an electric vehicle infrastructure plan developed by the Department of Transportation; and (b) will be operated as a publicly accessible charging station for electric vehicles immediately after completion.

HB 3055: ODOT Omnibus Legislation

Effective Date: September 25, 2021

The measure includes several [technical statutory adjustments](#) on topics including: railroad water sanitation; documents issued by the Oregon Department of Transportation (ODOT); odometer inspections; the bicycle excise tax; driver responsibilities when approaching a flashing yellow beacon; collection of use fuels; the definition of "autocycle"; and providing for replacement vehicle registration plates. Sections 13-14 provide specific clarity for cities to establish local fuel taxes.

FAILED BILLS

HB 2019: High Crash Corridor for City of Unity

Representative Mark Owens and Representative Marty Wilde along with Senator Lynn Findley advanced a photo radar bill for the City of Unity for speed control along highway 26. The bill did not advance beyond committee due to lack of support from the Committee. LOC supported this bill along with efforts to expand the authorization beyond the city of Portland.

HB 2530: Extending Fixed Photo Radar

This bill repeals the sunset on authority that the City of Portland has had to operate fixed photo radar for speed control in high crash corridors. There were several attempts to bring additional authority to cities who are within a Metropolitan Planning Organization (MPO) boundary since many of those cities face similar safety challenges as the city of Portland. However, the only element the Committee was interested in advancing was a repeal of the sunset for the city of Portland effectively preventing its use in other cities. LOC supported this legislation.

WATER & WASTEWATER

PASSED BILLS

HB 2018: USGS Groundwater Studies/Budgets

Effective Date: January 1, 2022

HB 2018 requires the Oregon Water Resources Department (OWRD) to enter into cost-match agreements with the United State Geological Survey to conduct groundwater studies and produce groundwater budgets for all major hydrologic basins in the state. The bill also requires the OWRD to contract out for a peer-reviewed report on statewide consumptive water use. The report must summarize historical irrigation consumptive water use for all irrigated fields and estimate open water evaporation from all major reservoirs in this state between 1984 and 2020. In addition, HB 2018 requires the OWRD to publish one or more reports that quantify groundwater recharge in each basin, and produce a statewide map to quantify open water evaporation from all major reservoirs in the state. The provisions and requirements set forth in the bill sunset on January 2, 2032.

HB 2021: 100% Clean Energy

Effective Date: September 25, 2021

HB 2021 would require investor-owned utilities to meet specific renewable energy targets, with requirements for utilities to reduce greenhouse gas emissions to: 80% below baseline emissions by the year 2030; 90% below baseline emissions by 2040; and 100% below baseline emissions by the 2050. Under the bill's provisions, baseline emissions would be measured by averaging annual emissions from the years 2010, 2011 and 2013. The bill includes provisions that would allow a local government, or federally recognized tribe, to adopt a local green tariff program for the deployment of community-scale renewables within the local government's jurisdictional boundaries. The program would provide opt-out provisions for residential customers who do not wish to participate. In addition, HB 2021 includes \$50 million in funding for Community Renewable Investment Projects, including projects that support community energy resiliency.

HB 2031: Pesticide Applicator Regulations

Effective Date: January 1, 2022

HB 2031 modifies the definition of "pesticide use applicator" and "applicator" under ORS Chapter 634 (Oregon Pesticide Control Act). The bill also authorizes the Oregon Department of Agriculture (ODA) to refuse to issue or renew an applicator's license under specified circumstances. Finally, HB 2031 authorizes the ODA to assess a civil penalty for violations of the Oregon Pesticide Control Act or related ODA rules and would make such violations a Class A misdemeanor.

HB 2032: Region-by-Region Ditch Maintenance

Effective Date: May 17, 2021

HB 2032 was introduced at the request of Governor Kate Brown, on behalf of the Oregon Department of Agriculture (ODA). In 2019, HB 2437 implemented the Agricultural Channel Maintenance Program, which authorized limited maintenance activities without a removal-fill permit (from the Oregon DSL) in dry, traditionally-maintained agricultural drainage channels (irrigation ditches and some intermittent streams) under certain circumstances. The 2019 bill established a new notice-based process, developed and administered by the ODA. According to testimony from the ODA, the process simplified the protocol by which agricultural landowners can maintain agricultural drainage channels. The process is intended to ensure that any maintenance is conducted in a manner that protects, maintains or improves ecological functions of the channels while upholding state objectives for fish recovery and the protection of wetlands, waterways and fish/wildlife habitat. During the rulemaking process, stakeholders and the state agencies involved have agreed that it would be best to implement the program in a phased approach to better accommodate agency staffing limitations and to better meet regional needs and considerations. The Nature Conservancy testified in support of the bill and indicated support on behalf of Trout Unlimited and the Oregon Farm Bureau.

HB 2062: Energy Efficient Appliances

Effective Date: September 25, 2021

HB 2062 codifies state efficiency standards for certain appliances and requires compliance with those standards in order for specified appliances to be sold, or offered for sale, in the state. The bill was introduced in response to Governor Kate Brown's Executive Order 20-04, which directed state agencies to advance initiatives to reduce greenhouse gases, but also included directives for consumer energy and water conservation. Under current law and administrative processes, energy efficiency and other efficiency standards are updated by rule, but must be secondarily codified in statute through legislation. HB 2062 eliminates that codification requirement for efficiency updates to products that are already covered in statute, and authorizes the Oregon Department of Energy (ODOE) to update certain efficiency standards by rule. The bill requires the ODOE to consult with the state's plumbing board on definitions that apply to certain water-related products, including kitchen faucets, kitchen replacement aerators, lavatory faucets, lavatory replacement aerators, and showerheads. HB 2062 also requires that plumbing fittings, listed in the bill, that are manufactured on or after January 1, 2022, meet requirements in the California Code of Regulations as of January 1, 2020. The bill is notable from a water-perspective in that the standards administered by the Oregon Department of Energy do not appear to be limited to energy efficiency but also include water efficiency standards.

[HB 2142: OWRD Transaction Fee Increase](#)

Effective Date: July 19, 2021

HB 2142 increases water right transaction fees and dam safety fees for the Oregon Water Resources Department. In 2009, negotiations with fee payers resulted in an agreement that 50% of the funding necessary to support the OWRD transaction services and staffing needs would come from fees, with the other 50% from the state general fund. Since 2009, the department has increased fees every four years to sustain current service levels. However, despite the most recent fee increase that occurred in 2017, the department has not had sufficient revenue to fully staff the transactions division and has held seven positions vacant. HB 2142 increases fees by 17.39% to keep pace with the Oregon Department of Administrative Services inflationary costs estimates for 2021-2025. Unfortunately, even with the fee increase contained in HB 2142, the department would need to cut approximately 6.33 full-time equivalent positions within the division. The LOC and other stakeholders testified with concerns that the current funding structure is flawed and unsustainable, resulting in significant fee increases as well as inadequate staffing and cuts. Several stakeholders, including the LOC, have encouraged the department to develop a long-term funding plan for the water rights transaction division in order stabilize funding and fee increases, while ensuring the efficient and timely processing of water rights applications and transfer requests in the future. In response to stakeholder concerns over cuts that would have resulted even with the fee increases as approved through HB 2142, the Legislature allocated an additional \$3 million in general funds through passage of [HB 5006](#) which allocated much of the state's share of American Rescue Plan Act dollars. The additional \$3 million will provide staffing to the water rights transaction division but will also further support a facilitated stakeholder engagement process to develop a long-term funding plan.

[HB 2143: OWRD Hydroelectric Project Fee Structure Modification and Increase](#)

Effective Date: September 25, 2021

HB 2143 modifies the fee structure for hydroelectric project owners and also increases fees in order to maintain current service levels for the Oregon Water Resources Department, the Oregon Department of Environmental Quality and Oregon Department of Fish & Wildlife.

[HB 2145: Well Enforcement and Repair Fund](#)

Effective Date: January 1, 2022

HB 2145 was introduced at the request of the Oregon Water Resources Department (OWRD). The bill establishes a Water Well Abandonment, Repair and Replacement Fund within the OWRD for to provide financial assistance to permanently abandon a well, or to repair or replace a well that is used for household purposes. The funding will also be authorized to help pay for the services or a licensed well constructor, or a match for other available funding programs. The program will provide between 50-75% of the project costs,

for eligible projects, dependent upon the applicant and project type. If an applicant meets certain income thresholds, as established by the department, the full cost of the project may be covered. The bill sets forth additional project eligibility criteria and requirements for funding recipients. In addition, HB 2145 establishes additional requirements for well constructor licensure, and increases the start card fee for new wells from \$225 to \$350. The bill also changes timelines and the application information required in order to commence well-related construction, alteration or abandonment work. HB 2145 establishes a 120-day timeline for the OWRD to review well logs for any deficiencies, assess compliance with standards, and notify the well constructor upon completion of the review. Finally, the bill modifies the membership of the Well Constructors Continuing Education Committee to include one member from the department, one member with expertise in employee safety and one member with expertise in water quality or public health.

HB 2244: Automatic Stay Provisions for Water Right Regulation/Issuance of Final Orders

Effective Date: January 1, 2022

HB 2244 makes changes to the legal process by which the Oregon Water Resource Department may issue a final order, and by which an affected party may appeal the decision to the Oregon Court of Appeals. Under current law, an affected party may appeal a final order as issued by the department. That appeal process would result in an automatic stay of the final order until a judicial review was complete. A number of stakeholder groups have expressed concerns over instances where the department issued a final order that prevented a junior water right holder from accessing all or a portion of their water right during times of water shortage in order to ensure that a senior water right holder could access water under the senior water right. With shortages of water typically occurring during peak demand months, an automatic stay of the final order could create delays that may essentially prevent the department from regulating water use and protect senior water right holders (i.e. the water shortage may be over by the time the legal process has played out). At the same time, many stakeholders recognize the importance of having access to due process for those impacted by the issuance of the final order. HB 2244 authorizes the Oregon Water Resources Commission to deny a stay under certain circumstances and establishes timeframes for the court to review an order denying the stay upon the petitioner's request.

HB 2298: Artificial Beaver Dams

Effective Date: May 21, 2021

HB 2298 requires the Oregon Department of Fish and Wildlife to adopt rules and administer a program to authorize voluntary projects for stream restoration and habitat improvement through the construction of environmental restoration weirs. The purpose of the bill is to authorize the construction of projects that mimic some of the impacts that beaver dams once had on certain streams and ancient floodplains. HB 2298 specifies that the ODFW may only authorize environmental weir projects that meet specific

requirements, including a requirement that the project must be located east of the summit of the Cascade Mountains and constructed in a “qualifying streams” as defined in the bill. Construction of the environmental restoration weirs must be completed by July 1, 2031. The bill includes additional provisions and protections for native migratory fish and for existing water right holders.

HB 2344: Labeling Requirements for Wipes Products

Effective Date: September 25, 2021

HB 2344 was introduced at the request of the Association of Clean Water Agencies, the League of Oregon Cities, and the Special Districts Association of Oregon, and will require manufacturers of baby wipes, make-up wipes, cleaning wipes and other personal care wipes to adhere to a statewide labeling standard that calls for all product packaging to clearly indicate that such products should not be flushed down toilets. The bill includes specific requirements for the appearance, color contrast and size of the required “do not flush” label. HB 2344 requires manufacturer to modify labels in a manner that meets the requirements specified in the bill by July 1, 2023.

HB 2344 reflects one of the recommendations that was forwarded by the LOC Water & Wastewater Policy Committee in the spring of 2020. In a [2020 report](#), the National Association of Clean Water Agencies estimated that wipes result in \$440 million per year in additional operational costs for wastewater utilities. Despite local investments in public education and outreach, numerous Oregon cities have continued to reach out to the LOC to express frustration over clogs in wastewater infrastructure that result from improper disposal of these products.

HB 2409: Homeowner Opt-out of HOA Pesticide Application

Effective Date: January 1, 2022

HB 2409 requires a homeowner’s association to provide notice, upon request of an owner, of any dates and times that the association plans to apply a pesticide to the owner’s property, and a process by which the owner may exclude their property from the application of pesticide. The bill also prohibits an association from requiring an owner to apply a pesticide and allow any owner to exclude their property from any landscaping activities of the association that include application of a pesticide, unless a pesticide or other pest management practice is necessary to manage or prevent a pest issue that could harm ecological or public health.

HB 3040: SDC Taskforce (See Housing & Land Use Section)

HB 3092: Harney remediation

Effective Date: September 25, 2021

HB 3092 requires the Oregon Water Resources Department to establish a grant program to cover costs associated with replacing, repairing or deepening of domestic personal use

wells affected by declining groundwater levels, resulting from overallocation of groundwater within the Greater Harney Valley Groundwater Area of Concern. The bill allocates \$500,000 in general funds to support the program and grants.

HB 3103: Stored Water Transfers

Effective Date: January 1, 2022

HB 3103 was requested by the LOC and individual cities to establish a process to restore the Oregon Water Resource Department's (OWRD) ability to process and approve transfer requests seeking to change the type of use of stored water (i.e. what the stored water can be used for). In 2018, the OWRD issued a memo indicating they lacked statutory authority necessary to process transfer applications seeking to change either the type of use for stored water or the location of where water was being stored; despite the department having processed these types of transfers for decades prior to that determination. Since that time, stakeholders have convened numerous workgroups in an attempt to find a statutory fix to restore that authority. While stakeholders have generally agreed on the process for transfer applications for the type of use of stored water, there has been more complexity and disagreement around how to process stored water location transfers. HB 3103 re-establishes the authority of the department to process stored water type of use transfers, while providing funding for a workgroup that will work to resolve the location transfer issue.

HB 3185: Wetlands Spreading of Materials

Effective Date: January 1, 2022

HB 3185 prohibits the spreading of materials in an undisturbed wetland. The bill defines "undisturbed wetland" as a wetland that has not been materially affected by human activity and as further defined by the Oregon Department of State Lands through administrative rule. The bill was introduced to clarify the intent behind legislation passed in 2019, HB 2437, which established the Agricultural Channel Maintenance Program, authorizing limited maintenance activities without a removal-fill permit in dry, traditionally-maintained agricultural drainage channels. HB 3185 clarifies that any materials removed from traditionally maintained channels during approved ditch maintenance would not be placed in or on undisturbed wetlands, either temporarily or permanently.

HB 3293: Water Project Community Engagement Plan Funding

Effective Date: January 1, 2022

HB 3293 authorizes the Oregon Department of Environmental Quality, the Oregon Water Resources Department, the Oregon Health Authority, the Oregon Business Development Department (Business Oregon), the Oregon Watershed Enhancement Board and the Oregon Department of Fish and Wildlife to utilize funding, that would otherwise be available for water project support, for the purpose of enabling local organizations and local governments to develop and implement community engagement plans related to a water project, including funding to increase participation by representatives of

disproportionately impacted communities in planning processes and water project decision-making. The bill defines “water project support” as planning, technical assistance or financial support of a water project, including watershed enhancement, in-stream flow protection or enhancement, water resource conservation or development, or water supply and wastewater treatment and disposal projects. In addition, HB 3293 defines “disproportionately impacted communities” to include rural communities, coastal communities, and other communities that face barriers to meaningful participation in public processes. The bill outlines specific requirements for community engagement plans to be eligible for state funding assistance, and a process for agency coordination to ensure that best practices are regularly updated and applied consistently.

HB 3372: DEQ Chronic Violator Provisions

Effective Date: September 25, 2021

Current law authorizes the Oregon Department of Environmental Quality (DEQ) to refuse to issue, modify, suspend, revoke or renew any permit issued if the department finds that the applicant: made material misrepresentations or false statements in the permit application; failed to comply with conditions of a permit; or violated applicable rules, standards or laws. HB 3372 authorizes the Oregon Department of Environmental Quality (DEQ) to request information from an applicant for an air quality, water quality, solid waste, reuse and recycling, or hazardous waste permit or license. The information requested would need to be sufficient for the DEQ to evaluate the permittee or license holder’s history of compliance with environmental quality laws over a 10-year period. The bill authorizes the DEQ to consider the permit or license holder’s history of compliance when determining whether to deny, revoke, suspend or refuse to renew a permit, but stipulates factors that must be considered prior to making such a determination. HB 3372 specifies that any decision to deny, revoke, suspend or refuse a permit of license is subject to approval from the director of the DEQ.

HB 5006: Budget Reconciliation Bill – Water Funding Package

Effective Date: August 6, 2021

HB 5006 represents the budget reconciliation bill (commonly referred to as the Christmas Tree Bill). The bill included significant funding for water-related programs and projects, including more than \$440 million in grant funding for drinking water, water supply and water quality projects. In addition, the bill includes the following water-related investments:

OWEB Funding (section 69):

- OWEB Grants for riparian, upland restoration, protection of water quality - \$10.75 million
- OWEB Grants for floodplain restoration and reconnection - \$5 million
- OWEB grants to EWEB for McKenzie River protection - \$4 million

DEQ Funding (section 112-116):

- Scoping/design of a database framework of water and infrastructure data - \$350K

- Backfill of water quality revenue - \$420k
- Septic Loan Program - \$15 million for program; \$569k for administrative costs
- Hazardous Waste and Structural Debris Wildfire Clean-up - \$3 million

ODFW Funding (section 124):

- Fish screens and fish passage - \$5 million

Business Oregon (section 197-198):

- Levee Funding - \$15 million
- Special Public Works Fund - \$100 million (Note: SB 5534 also included an additional \$50 million in lottery bonds for the Special Public Works Fund; totaling \$100 million)

OWRD Funding (sections 232-252):

- Over \$55 million for various programs/projects (includes funding for place-based planning, Integrated Water Resources Strategy Update, Newport and Wallowa Dams; and \$350,000 for a statewide business case assessment to examine the value of water.

SB 94: Landscape Contractor Practical Skills Testing

Effective Date: January 1, 2022

SB 94 authorizes the Oregon Landscape Contractors Board to administer the practical skills, required for licensure, either in person (hands-on) or in a written or electronic format. Current law allows for the test to be administered in person or in writing. SB 94 allows the test to be administered electronically. Drinking water and wastewater utility providers have been engaged in landscape contractor licensure and continuing education issues due to the impact the industry has on both water supply (conservation) and water quality.

SB 130: Irrigation Program Sunset

Effective Date: January 1, 2022

SB 130 would extend the sunset on a pilot program, initially established in 2003, which allows for temporary “place of use” transfers within district boundaries without obtaining authorization from the Oregon Water Resources Department. SB 130 extends the current sunset of January 2, 2022, to January 2, 2030.

SB 246: Prohibition of Radioactive Waste Disposal in Oregon

Effective Date: January 1, 2022

SB 246 modifies the definition of “radioactive waste” in statute and requires the Oregon Energy Facility Siting Council to adopt standards and rules the disposal of radioactive waste in Oregon. The bill was introduced following the disposal of 2.5 million pounds of Technologically Enhanced Naturally Occurring Radioactive Material, or TENORM, had been disposed of at the Chemical Waste Management Facility located in Arlington, Oregon.

SB 622: Levee Funding

Effective Date: July 27, 2021

SB 622 requires 60% of the dollar value of grants awarded from the state's Levee Project Grant Fund be used to provide assistance to levee projects in rural or distressed areas. The bill uses a current statutory definition of rural area which includes areas located entirely outside of the Portland Metropolitan Area Regional Urban Growth Boundary and the acknowledged urban growth boundaries of cities with a population of 30,000 or more. "Distressed area" means a county, city, community or other geographic area that is designated as a distressed area by the Oregon Business Development Department (Business Oregon), based on indicators of economic distress or dislocation, including but not limited to unemployment, poverty and job loss.

SB 745: Alternative Criteria for Wildfire-Impacted Water Districts to Operate as Sanitary Districts

Effective Date: June 11, 2021

Current law specifies four criteria that must be met for a domestic water supply district to also operate as a sanitary district. SB 745 authorizes a water supply district to meet alternative criteria to operate as a sanitary district if the district is located in an area that is covered by a major disaster declaration related to the 2020 wildfires.

SB 5516: Department of Environmental Quality Budget

Effective Date: Effective Upon Passage

HB 5516 is the 2021-23 legislatively adopted \$595 million budget for the Oregon Department of Environmental Quality. The 2021-23 budget increased 26.2% from the 2019-21 legislatively approved budget. Key budget highlights include: \$1.379 million for continued implementation of the department's greenhouse gas reduction program; \$1.06 million in general funds to increase the department's capacity to develop and implement clean watershed plans known as TMDLs (Total Maximum Daily Loads); and \$1.599 million in other funds expenditure limitation for the procurement of a commercial off-the-shelf loan portfolio management software to replace the current Clean Water State Revolving Fund's (CWSRF) manual and outdated system.

SB 5517: Department of Environmental Quality Fee Bill

Effective Date: July 19, 2021

SB 5517 ratified a fee increase for the state's Vehicle Inspection Program, which was initially adopted by the Oregon Environmental Quality Commission in May 2020.

SB 5545: Oregon Water Resources Department Budget

Effective Date: July 27, 2021

SB 5545 includes funding for the Oregon Water Resources Department. The budget includes \$1.5 million to support equitable water access and indigenous energy resiliency as

recommended by the Racial Justice Council. Investments focus on: conducting community-led assessments of water needs of Black, Indigenous, Latino, Latina, Latinx, Asian, Pacific Islander, Native American, and Tribal communities; convening a Justice, Equity, Diversity, and Inclusion Advisory Group as part of the Integrated Water Resources Strategy; and assessing and facilitating implementation of best practices to advance diversity, equity and inclusion within the department's programs and processes. The approved budget also includes: funding for two engineers to assess dams for seismic, flood and other safety risks; \$400,000 to develop a flood methodology for dams; and \$600,000 for engineering analyses on dams. The budget also included funding for a position that will work to coordinate, plan and provide outreach on earthquakes, drought, floods, climate change, and dam failures, and work on Natural Hazards Mitigation, Climate Adaptation, the Governor's Climate Executive Order, the Continuity of Operations Plan, and planning for and responding to potential dam failures. Finally, SB 5545 includes funding for: information technology upgrades, five new assistant watermasters, a new deputy division administrator position, seven new positions to support groundwater studies, funding to support complex basin issues in the Deschutes and Willamette River basins, and funding to cover increased legal service costs.

FAILED BILLS

HB 2050: Water Quality in Schools

HB 2050 would have required the Oregon Department of Education to study water quality in schools and report findings and recommendations to an interim committee of the Legislature no later than December 31, 2021. The bill was requested by the office of Governor Kate Brown, but did not receive a public hearing.

HB 2218: Study of Wetlands & Impact on Economic Development

HB 2218 would have required the Oregon Business Development Department (Business Oregon) to study laws related to wetlands and the impact of those laws on economic development. The study would have been due to Legislature no later than September 15, 2022.

HB 2240: Prohibition of City Stormwater Fees for Certain Federal Facilities

HB 2240 would have prohibited a city from assessing offsite stormwater charges on certain federal facilities held in lease by the United State Air Force, if the federal facility treats stormwater onsite and in compliance with a permit issued by the Oregon Department of Environmental Quality, and discharges the stormwater, treated onsite, into a waterway that is not within the jurisdiction of the city. The LOC was opposed to the bill, and it did not receive a public hearing.

HB 2241: DEQ Third-Party Review and Permit Approval Timelines

HB 2241 would have required the Oregon Department of Environmental Quality (DEQ) to approve a minimum of three businesses qualified to provide permit application review services to any applicants for a water quality permit. Following permit application review, the prequalified business would submit a report to the DEQ indicating whether the applicant has met requirements for a permit. Upon receipt of the report, the DEQ would have 30 days to either approve or disapprove the application. Failure by the DEQ to take any action, or to receive an extension from the Environmental Quality Commission, would have resulted in automatic approval of the permit. The LOC and other stakeholder groups engaged in several attempted negotiations to remedy concerns over HB 2241, including municipal wastewater interests. Those concerns were due to the specified timelines for approval in the bill, which could have further exacerbated staffing capacity challenges, forcing limited staff to prioritize permits reviewed through this alternative process when other permit work may be warranted, creating a potentially inequitable permit review system.

HB 2251: Complex Water Basin Funding and Regional Water Framework Funding

HB 2251 would have required the Oregon Water Resources Department (OWRD) to provide staff support to work through complex water basin issues and to help implement agency priorities in priority water basins, including but not limited to, the Deschutes River and Willamette River basins and other water basins as determined by the department. The bill would have also required the OWRD to develop short and long-term mitigation commitments to facilitate the implementation of agreements developed through the Columbia River-Umatilla Solutions Task (CRUST) Force process. In addition, HB 2251 would have established a taskforce to develop an agreed-upon framework and path forward for state-supported water planning and management at the basin or regional level. Finally, the bill would have provided grants for community water forums. While HB 2251 did not pass, \$422,000 in general funds was included within SB 5545, the OWRD budget bill, to support the complex basin work for the Deschutes and Willamette basins. In addition, HB 5006, which allocated the state's share of American Rescue Plan Act funds, included funding for the CRUST implementation work, a workgroup process to develop a regional water planning framework, and to support a statewide assessment to examine the value of water.

HB 2257: Harney Basin Conservation Reserve Enhancement Program

HB 2257 would have provided funding and staffing support to facilitate the enrollment of lands in the Harney Basin Conservation Reserve Enhancement Program. The bill would have funded a hydrologist position within the Oregon Water Resources Department (OWRD) to support the implementation of contracts entered into under the program. While the bill did not pass, the OWRD budget bill did include funding for this program.

HB 2310: Piping Material Design Specification Preemption

HB 2310 would have preempted local governments, including cities, from adopting any ordinance, resolution, rule or other law to prohibit, restrict or limit an evaluation, comparison or use of pipe or piping materials for a water project. The same bill was introduced during Oregon's 2020 legislative session, and similar legislation has been introduced at the request of the American Chemistry Council, in at least 14 other states, even though it has failed to pass in any state so far. The LOC opposed HB 2310 and heard many concerns from cities and other local governments reiterating that the ability to select the most appropriate pipe for a project should be a local decision, made in coordination with engineering professionals. Upfront project design specifications allow local governments to consider life-cycle costs, soil conditions, past performance of certain pipe materials, seismic and wildfire resilience, water conservation and water/wastewater system continuity.

While the preemption in HB 2310 would have only applied to projects receiving direct or indirect state funds, the LOC was concerned that it could have created a disincentive for communities that need to utilize state funding assistance for water infrastructure projects. While there were some provisions in the bill that would have allowed a local government to have a professional engineer provide project-specific (case-by-case) specifications, the LOC remained strongly opposed to the legislation as it would ultimately make it more difficult for a local government to select the most appropriate pipe for their specific water or wastewater system. In addition, if a local government were to fail to get a project engineer to implement specifications for each component of a water project, they would have been required to accept bids for all types of pipes that meet certain standards. Under this scenario, if an invitation to bid was extended due to a lack of upfront design specifications, the local government would be subject to public contracting laws that require awarding a contract to the lowest responsible bidder.

HB 2386: Independent Science Review Board

HB 2386 would have created a seven-member board, consisting of scientific or technical experts, that could be convened to address requests by state agencies, local governments and private persons for independent scientific review of complex, multidisciplinary natural resource issues that require the involvement of multiple agencies.

HB 2559: Potential Modification of Proximity Threshold for Required Sewer Connection

Under current law, the Oregon Department of Environmental Quality (DEQ) may not issue a permit to construct, install, alter or repair a septic system a community or area-wide sewerage system is available which will satisfactorily accommodate the proposed sewage discharge. Under DEQ administrative rule, a sewerage system must be "physically available" for a permit to be denied. Oregon administrative rules further specify that a sewerage system is deemed to be physically available if it is within 300 feet for single family dwellings,

or 200 feet for either a proposed subdivision or between two to five single family dwellings. HB 2559 would have codified the distance by which a sewerage system would be considered “physically available”; however, the bill did not specify the proposed distance. It is assumed that the exact footage limitation would have been inserted into the bill via an amendment, but the bill was never scheduled for a public hearing.

HB 2610: Fish Passage Waivers

Under current law, a person that owns or operates an artificial obstruction may petition for an exemption from fish passage requirements if agreed-upon alternatives will provide a net benefit to native migratory fish. HB 2610 would have required the Oregon Environmental Quality Commission to waive the requirement for fish passage if it was determined that the artificial obstruction: was to be repaired or replaced, and is less than eight feet tall; is a dam providing hydropower, drinking water or water for irrigation use; or creates fish habitat, and that providing for fish passage would increase the cost of a project by more than 10%.

HB 2613: Open Trench Notification Preemption ([See Telecom Section](#))

HB 2616: Historic Reservoir Registration

Oregon statute requires a water right for storage of water. In the 1990’s, a registration process was created that would allow certain reservoirs/ponds that had previously been storing water without a water right to register their water use with the Oregon Water Resources Department. However, these registrations needed to occur within a certain timeframe, meaning that any unregistered reservoirs/ponds continuing to store water represented an illegal use of water. HB 2616 would have authorized a specific landowner to register a pond that had failed to complete the registration process.

HB 2657: DEQ Permit Approval Timelines

HB 2657 would have required the Oregon Department of Environmental Quality (DEQ) to approve or deny a permit issued for air quality, solid waste, or water quality purposes within 60 days after receipt. The bill stipulated that failure to meet the 30-day timeline would result in automatic approval unless the DEQ shows good cause for not meeting the timeline and receives an extension from the Oregon Environmental Quality Commission. For permits that require public notice and a public comment period, the 30-day timeline would start at the close of the public comment period. The LOC and the Association of Clean Water Agencies met with the sponsors of the bill and did voice concerns that such timelines could result in unintended consequences, could impact the quality of permits and other work of the department, and could result additional litigation.

HB 2660: DEQ List and Report on Permit Fees/Charges

HB 2660 would have required the Oregon Department of Environmental Quality (DEQ) to

create a list of charges and fees for permits, licenses, authorizations or services provided by the department, and to publish that list in a place that is convenient for members of the public to review. The bill would have also required the DEQ to prepare a report that compares the cost to the department for providing each permit, license, authorization or service to the fee amount charged by the department. The bill did receive a public hearing, but was not scheduled for a work session. During testimony, DEQ Director Richard Whitman, committed that he would post a consolidated list of fees/charges for permits, licenses, etc. on the DEQ website.

HB 2701: Rural SDC Program [\(See Housing & Land Use Section\)](#)

HB 3049: County ROW Permits [\(See Telecom Section\)](#)

HB 3072: Workforce Housing [\(See Housing & Land Use Section\)](#)

HB 3083: Seismic Standards for Public Improvements

HB 3083 would have required all public improvement contracts and contracts for public works to include specifications to adhere to seismic safety standards and seismic rehabilitation standards for constructing, reconstructing or performing major renovation on public building or critical infrastructure located in areas of state that are susceptible to seismic events. The LOC and other local government associations testified in opposition to the bill, voicing concerns over: the broad application of the requirements; the cost that would be associated with the requirement; and unintended consequences that would likely result if the bill were to pass, including inadvertently prioritizing seismic standards for projects that may not represent the most critical seismic safety risks.

HB 3089: Water/Sewer Rate Assistance

HB 3089 would have provided \$6 million in state general funds to help Oregonians that are struggling to afford drinking water and sewer services. The need for state/federal funding to provide this type of water-specific ratepayer assistance was identified as one of the LOC's top legislative priorities for the 2021 legislative session. Water and sewer rate affordability continues to be an issue of concern for many cities and for their ratepayers – even prior to the COVID-19 pandemic. The costs of providing safe drinking water and reliable wastewater service continues to increase due to increasingly complex regulations, emerging challenges (including resiliency and drought), and significant infrastructure needs. While many cities have implemented local ratepayer assistance programs, those programs are funded through local ratepayer dollars and are often insufficient to meet needs. While HB 3089 did not pass this session, more than \$13 million was allocated to the state of Oregon through the Consolidated Appropriations Act, which passed in December of 2020, and the American Rescue Plan Act, which passed in March 2021. The LOC is working with the Oregon Housing & Community Services on the draft plan for this new,

federally-funded program.

[HB 3090](#): Septic Loan Program Funding

HB 3090 would have provided \$2 million for the state's Clean Water Loans program, which was initially established in 2016, to provide low-interest loans for either the repair or replacement of failing septic systems, or to finance costs associated with connecting the owner to a public sewer system. The program had ceased approval of new loans in July of 2020 due to a lack of ongoing capital needed to support the program. While HB 3090 did not pass this session, [HB 5006](#) (Sections 114 and 115) allocated \$15 million in funding from the state's share of the American Rescue Plan Act.

[HB 3091](#): Stored Water Transfers Location Taskforce

As initially introduced, HB 3091 would have established a Taskforce on Location Transfers of Stored Water. The bill was requested by the LOC and individual cities to establish a process to restore the Oregon Water Resource Department's (OWRD) ability to process and approve transfer requests seeking to change the location of stored water. In 2018, the OWRD issued a memo indicating they lacked statutory authority necessary to process transfer applications seeking to change either the type of use for stored water or the location of where water was being stored, despite the department having processed these types of transfers for decades prior to that determination. Since that time, stakeholders have convened numerous workgroups to find a statutory fix to restore that authority. While stakeholders have generally agreed on the process for transfer applications for the type of use of stored water, there has been more complexity and disagreement around how to process stored water location transfers. While HB 3091 did not pass, another bill, HB 3103, did pass and does re-establish the authority of the department to process stored water type of use transfers while providing funding for a workgroup that will work to resolve the location transfer issue. HB 3091 was amended to create a "fast-track" process for Oregon Supreme Court judicial review to determine whether the OWRD does, in fact, lack statutory authority for processing stored water transfers.

[HB 3093](#): Harmful Algal Blooms – Interagency Coordination & Enhanced Protocols for Issuing Advisories

HB 3093 would have required the Oregon Health Authority to coordinate with the Oregon Department of Environmental Quality to develop and implement a strategy for monitoring and responding to harmful algal blooms. The bill required interagency communication among state, local, federal, and tribal governments, as well as other organizations that monitor water quality, and would have required various agencies to identify roles and responsibilities related to harmful algal blooms. In addition, HB3093 would have required the development of enhanced protocols, based on analysis of water quality samples and other data, for issuing public health advisory alerts to the public and other stakeholders affected by the occurrence of harmful algal blooms.

[HB 3102](#): Harmful Algal Blooms - Funding for Lab Equipment

HB 3102 would have provided funding to the Oregon Department of Environmental Quality (DEQ) to purchase a cyanotoxin autoanalyzer system instrument and a nutrient analyzer system instrument to be used to analyze water samples for cyanotoxins. The bill would also have provided funding to the DEQ for two staff positions to assist with the analysis of water samples for cyanotoxins and to collect water samples during peak periods. While HB 3102 did not pass, funding was included within [HB 5042](#) (Budget Rebalance Bill), to purchase the cyanotoxin autoanalyzer and to establish two permanent full-time positions within the DEQ for sampling and lab testing of cyanotoxins in waterbodies. Funding for the nutrient analyzer system was included in the DEQ budget bill ([SB 5516](#); Package 108).

[HB 3105](#): Place-Based Water Resources Planning

HB 3105 would have provided funding to support the development of place-based plans or to support the implementation of developed plans. While HB 3105 did not pass, funding was included in HB 5006 that will support entities that are currently participating in place-based water resource planning.

[HB 3166](#): Water Measurement

HB 3166 would have implemented a new, water measurement program within the Oregon Water Resources Department. The bill was heavily negotiated throughout the session among various stakeholder groups, but a final compromise was not reached prior to adjournment. Currently, municipal water right holders are already subject to water measurement and reporting requirements. HB 3166 would have expanded measurement requirements to other types of water right holders. The bill would have required the Oregon Water Resources Commission to designate between three to five water basins, or sub-basins, as “priority water basins” for determining where new measuring requirements would apply. HB 3166 also included funding for a cost-share program to help cover costs associated with installation of measurement devices. While HB 3166 did not pass, HB 5006, included \$1 million in funding for a new, Water Measurement Cost Share Revolving Fund.

[HB 3228](#): Cooperative Water Management Plans

HB 3228 would have authorized water right holders and other affected parties to develop cooperative water management plans to promote more effective and efficient water management, conserve or protect water resources through increased in-stream flow, improve water quality, or restore ground water levels in the plan area. Participation in the plan would be voluntary, but would need to receive approval from the Oregon Water Resources Department.

[HB 3242](#): OWRD Groundwater Monitoring

HB 3242 would have directed the Oregon Water Resources Department to undertake certain activities related to studying and monitoring groundwater, and would have directed

the department to report back to the Legislature on the costs and timing of providing regular basin reports on: groundwater recharge; consumptive groundwater use; evapotranspiration; groundwater levels and trends; the status of groundwater-dependent ecosystems; estimated costs for conducting groundwater basin studies; and recommendations for how to prioritize water management in major hydrological basins in this state.

WILDFIRE

PASSED BILLS

[HB 2247: COVID/Wildfire Tax Penalty Waiver](#) ([See Property Tax Section](#))

[HB 2272: NFIP Alignment for Wildfire Rebuilding](#)

Effective Date: July 19, 2021

HB 2272 allows local governments to require a property owner to submit a permit application for the approval or siting of a nonresidential use that was destroyed or interrupted by the 2020 wildfires, only for the purpose of establishing such conditions that are necessary to maintain participation in the National Flood Insurance Program (NFIP). A bill that passed earlier in session ([HB 2289](#)) included numerous provisions related to rebuilding in fire-affected communities and required adherence to NFIP standards for rebuilt dwellings, but did not clearly state the same requirement for nonresidential and accessory structures.

[HB 2289: Wildfire Rebuilding](#)

Effective Date: June 11, 2021

The "Labor Day" wildfires of 2020 were the most destructive recorded in state history. They burned over one million acres, cost over \$350 million, and destroyed more than 4,000 homes in the Cascades, coast, and southern regions of the state. When the 2021 legislative session began, most displaced households had been waiting to rebuild their homes as environmental hazard assessments, hazard tree removal, and debris removal need to occur first, property-by-property. In response, the Legislature passed HB 2289 to streamline and expedite the permitting and rebuilding process for structures and uses destroyed by the 2020 wildfires. The bill: allows a property owner to alter, restore, or replace certain nonresidential uses without further application to a local government; requires a local government to approve an application to alter, restore, or replace certain dwellings; and requires the Oregon Department of Environmental Quality to approve certain permits to repair or replace a subsurface sewage disposal system that serves an approved dwelling.

[HB 2341: Destroyed or Damaged Property Proration](#) ([See Property Tax Section](#))

[HB 2607: CET Exemption for Disaster Rebuilding](#)

Effective Date: September 25, 2021

HB 2607 exempts from construction excise taxes residential housing constructed to replace residential housing destroyed or damaged by fire or other emergency event on or after January 1, 2020.

[HB 2809: RV Temporary Siting for Disaster Response](#)

Effective Date: January 1, 2022

HB 2809 allows temporary siting of recreational vehicles (RVs) on properties with single-family or manufactured dwellings that natural disasters have made uninhabitable. The bill allows temporary RV siting until no later than: the date the dwelling has been restored and an occupancy permit issued; the date the local government determines the owner is unreasonably delaying; or 24 months after the dwelling became inhabitable.

[HB 3219: Manufactured Park Rebuilding](#)

Effective Date: June 11, 2021

HB 3219 requires local governments to approve the development of manufactured dwelling parks destroyed or impacted by a natural disaster; authorizes local governments to rezone certain areas within an urban growth boundary for manufactured dwelling park development where manufactured dwelling destruction has contributed to housing scarcity; and expands the definition of a manufactured dwelling park to include relocatable prefabricated structures of a certain size. The bill also: specifies certain landlord and tenant responsibilities and obligations when a manufactured dwelling or park is damaged or destroyed; allows a landlord to require a tenant to obtain and maintain renter's liability insurance under specified circumstances; and authorizes the Department of Consumer and Business Services to exempt these manufactured dwelling parks from certain building codes and to adopt temporary standards.

[SB 405: Wildfire Nonconforming Use Rebuild](#)

Effective Date: May 15, 2021

SB 405 allows a nonconforming use to not be considered interrupted or abandoned by a city or county while a federal, state, or local emergency order issued on or after January 1, 2020 temporarily limits or prohibits the use, or the restoration or replacement of the use. The bill also, until September 30, 2025, requires cities and counties to allow commencement of restoration or replacement of nonconforming uses that were damaged or destroyed by the September 2020 wildfires. SB 405 was signed into law and became effective on May 15, 2021.

[SB 464: Wildfire Tax Cancellation](#) ([See the Property Tax Section](#))

[SB 762: Wildfire Policy](#)

Effective Date: July 19, 2021 (Various Operative Dates)

This bill provides the administrative structure and policy guidance for state agencies to follow-up with additional resources, oversight, and regulations to reduce the risk of wildfire in the Wildland Urban Interface (WUI). The WUI is effectively the area/band of forestland that is on the edge of an urban setting. There are multiple advisory groups that will be established by this legislation to take a deeper dive into future land use decisions, emergency response coordination, landowner responsibilities and the mapping process that the Oregon Department of Forestry and Oregon State University will be responsible for.

STATE BUDGET

PASSED BILLS

[HB 5006: Christmas Tree Bill](#)

Effective Date: August 6, 2021

This session's Christmas Tree Bill includes appropriations that will be of significant benefit to cities across Oregon. Details are available in this [budget report](#), and cities can search for their city name by using CTRL+F or see below for specific page numbers from that report. The items outlined below are by no means a complete list of the investments found in HB 5006.

- \$173 million in limitation for the Department of Administrative Services (DAS) to distribute lottery bond proceeds for projects outlined in SB 5534 (see below or page 23 for a list of projects)
- \$120 million in American Rescue Plan Act (ARPA) funds for deposit in the Broadband Fund (pages 24 and 47).
- \$240 million in ARPA grants by state legislative districts (see pages 26 to 38 for a list of projects). DAS has not yet completed a review of the list of projects for ARPA requirements, so we do not expect this money until the fall of 2021 at the earliest; but, there will be grant agreements up front and reporting on the back end.
- More than \$5 million in financial assistance for planning and other needs in communities affected by the 2020 wildfires (page 43).
- Almost \$276 million for drinking water, storm water, and sanitary sewer projects (see pages 43 to 45 for list of projects).
- \$50 million in general funds were dedicated to the Special Public Works Fund, in addition to the \$50 million in lottery bond revenues from SB 5534 (page 45).

- \$410 million in Article XI-Q bond proceeds for the Housing and Community Services Department to develop affordable housing units and supportive housing units for Oregonians who have experienced chronic homelessness (page 49).
- \$100.4 million in the general fund for construction, rebuilding, and financing initiatives for wildfire survivors (page 50).

HB 5042: Program Change Bill

Effective Date: April 15, 2021

This budget rebalance bill passed early in the session and included significant resources for several individual cities. There was \$20 million split between seven communities for navigation centers and more than \$1 million allocated across five cities affected by the 2020 wildfires; see pages 7 and 8 of the [budget report](#) for a list of projects. The bill also included a one-time \$100,000 general fund increase to assist wildfire-impacted communities with land use planning and permitting.

SB 5534: Lottery Bond Authorization Bill

Effective Date: July 1, 2021

This session's lottery bond bill funds numerous city priorities, including: \$50 million for the Special Public Works Fund; \$10 million for the Brownfield Redevelopment Fund; and \$50 million for wildfire recovery housing. The bill also includes significant appropriations to various individual cities, see the [staff measure summary](#) for a list of projects.

SB 5547: American Rescue Plan Act Local Passthrough

Effective Date: July 27, 2021

This bill gives the Oregon Department of Administrative Services the authority to make almost \$250 million in ARPA payments to eligible smaller cities.

VOTING MATRIX

OVERVIEW

In order to provide additional transparency for our membership and to encourage ongoing dialogue with your state legislators regarding LOC legislative priorities, we have compiled a voting matrix as part of this session's LOC bill summary. The intent of this voting matrix is to provide a transparent, convenient collection of public information on votes taken during the session that is available on the Oregon Legislative Information System (OLIS). The voting matrix identifies bills, selected by the LOC's government relations team, that directly impact the six legislative priorities selected by the LOC membership and board in advance of the 2021 session. The matrix also includes other bills that would have significantly affected cities, including bills that would diminish local control.

What the Voting Matrix Is

There are many reasons why a legislator supports or opposes any given bill. Sometimes it's a decision based on the merits of the legislation, other times it may be a caucus-directed vote subject to negotiations for other legislation, or it may also be a function of a pre-session pledge not to support tax/fee increases. All of these explanations are well within the decision space for legislators. The LOC views this voting matrix as a tool, but not the only tool, available to identify trends from legislators. We believe the best tool is a sustained conversation and development of a relationship with legislators. The more local government education we can provide to legislators, the more informed they will be when deciding to support or oppose legislation key to local governments.

What the Voting Matrix is Not

The LOC cautions against the use of this voting matrix as anything but a matrix. We are not offering grades or scoring the votes, as many interest groups do. That's not our role. Rather, this is about transparency and the importance of improving resources available to city leaders so that their dialogue with legislators can be more informed.

Voting Key

If a Red 0 appears in a green highlighted bill, then the legislator opposed legislation the LOC supported.

If a Blue + appears in a green highlighted bill, then the legislator supported legislation the LOC supported.

If a Red 0 appears in a red highlighted bill, then the legislator opposed legislation the LOC opposed.

If a Blue + appears in a red highlighted bill, then the legislator supported legislation the LOC opposed.

E – Signifies an excused absence as determined by the House or Senate Clerk with approval from the respective chamber’s leadership.

A – Notes an absence from a vote that was not excused.

**2021 Legislative
Session Voting Matrix
League of Oregon
Cities**

SENATORS	HB 2345 - Oregon Rural Capacity Fund	SB 866 - Third Party Building Official	SB 864 - Local government cap increase (3%-10%)	SB 762 - Wildfire Policy	SB 582 - Recycling	HB 2930 - Police Arbitration Reform	HB 2936 - Anti-racism in Policing and Background Checks	SB 2086 - Behavioral Health Investments	SB 864 - Marijuana Tax Increase	SB 493 - Prevailing Wage	SB 299 - Children's Service District	HB 2021 - 100% Clean Energy
Sen. Dick Anderson	0	+	+	+	0	+	+	+	+	0	0	0
Sen. Lee Beyer	+	+	+	+	+	+	+	+	+	+	+	+
Sen. Brian Boquist	0	+	+	0	0	0	0	0	+	A	+	0
Sen. Ginny Burdick	+	+	+	E	+	+	+	+	+	+	+	+
Sen. Peter Courtney	+	+	+	+	+	+	+	+	+	+	+	+
Sen. Michael Dembrow	+	+	+	+	+	+	+	+	+	+	+	+
Sen. Lynn Findley	+	+	+	+	0	+	0	0	+	0	+	0
Sen. Lew Frederick	+	+	+	+	+	+	+	+	+	+	+	+
Sen. Sara Gelser	+	+	0	+	+	+	+	+	+	+	+	0
Sen. Fred Girod	+	+	+	+	0	0	0	0	+	+	0	0
Sen. Jeff Golden	+	+	+	+	+	+	+	+	+	+	+	+
Sen. Chris Gorsek	+	+	+	+	+	0	+	+	+	+	+	+
Sen. Bill Hansell	+	+	+	+	0	+	+	+	+	0	+	0
Sen. Dallas Heard	E	0	0	0	0	E	0	E	0	0	0	E
Sen. Kayse Jama	+	+	+	+	+	+	+	+	+	+	+	+
Sen. Betsy Johnson	+	+	+	+	0	0	+	+	+	0	0	0
Sen. Bill Kennemer	+	+	+	+	0	0	E	+	+	0	0	0
Sen. Tim Knopp	+	+	+	+	0	0	+	+	+	0	+	0
Sen. Kate Lieber	+	+	+	+	+	+	+	+	+	+	0	+
Sen. Dennis Linthicum	+	+	+	0	0	0	0	0	0	0	0	0
Sen. James Manning Jr.	E	E	E	E	E	E	E	E	E	E	E	E
Sen. Deb Paterson	+	+	+	+	+	+	+	+	+	+	+	+
Sen. Floyd Prozanski	+	+	0	+	+	+	+	+	+	+	+	0
Sen. Chuck Riley	+	+	+	+	+	+	+	+	+	+	+	+
Sen. Art Robinson	0	+	+	0	0	0	0	0	0	+	+	+
Sen. Elizabeth Steiner Hayward	+	+	+	+	+	+	+	+	+	+	+	+
Sen. Kathleen Taylor	+	+	0	+	+	+	E	+	0	+	+	+
Sen. Kim Thatcher	+	+	+	+	0	0	0	0	0	+	+	+
Sen. Chuck Thomsen	+	+	0	+	0	0	0	0	0	0	0	0
Sen. Rob Wagner	+	+	+	+	+	+	+	+	+	+	+	+

KEY	
Voted in Support	+
Voted in Opposition	0
Excused	E
LOC Opposed	
LOC Supported	
LOC had No Position	

**2021 Legislative
Session Voting
Matrix League of
Oregon Cities**

REPRESENTATIVES	HB 2345 - Oregon Rural Capacity Fund	SB 886 - Third Party Building Official	SB 762 - Wildfire Policy	SB 582 - Recycling	HB 2330 - Police Arbitration Reform	HB 2336 - Anti-racism in Policing and Background Checks	SB 493 - Prevailing Wage	HB 2021 - 100% Clean Energy
Rep. Teresa Alonso Leon	+	+	+	+	+	+	+	+
Rep. Daniel Bonham	+	+	0	0	0	+	0	0
Rep. Shelly Boshart Davis	+	+	0	0	0	+	0	0
Rep. Breese-Iverson	+	+	0	0	0	0	0	0
Rep. Janelle Bynum	+	+	+	+	+	+	+	+
Rep. Winsvey Campos	+	+	+	+	+	+	+	+
Rep. Jami Cate	+	+	0	0	0	0	0	0
Rep. Brian Clem	+	+	+	0	+	+	+	+
Rep. Maxine Dexter	+	E	+	E	+	+	+	E
Rep. Christine Drazan	+	+	+	0	0	+	+	0
Rep. Paul Evans	+	+	+	0	+	+	+	+
Rep. Julie Fahey	+	+	+	+	+	+	+	+
Rep. David Gomborg	+	+	+	+	+	+	+	+
Rep. Dacia Graber	+	0	+	+	+	+	+	+
Rep. Zach Hudson	+	+	+	+	+	+	+	+
Rep. Cedric Hayden	+	+	E	0	0	+	+	E
Rep. Ken Helm	+	0	+	+	+	+	+	+
Rep. Paul Holvey	+	0	+	+	+	+	+	+
Rep. Tina Kotek	+	0	+	+	+	+	+	+
Rep. Jason Kropf	+	+	+	+	+	+	+	+
Rep. Gary Leif	+	+	+	0	+	E	+	0
Rep. Bobby Levy	+	+	+	0	+	+	+	0
Rep. Rick Lewis	+	+	+	0	+	+	+	0
Rep. John Lively	+	+	+	0	+	+	+	E
Rep. Pam Marsh	+	+	+	+	+	+	+	+
Rep. Susan McLain	+	+	+	+	+	+	+	+
Rep. Mark Meek	+	+	+	0	+	+	+	+
Rep. Raquel Moore-Green	+	+	+	0	+	+	+	0
Rep. Lilly Morgan	+	+	E	0	+	+	+	0
Rep. Nancy Nathanson	+	0	+	+	+	+	+	+
Rep. Mike Nearman*	-	-	-	-	E	-	0	-
Rep. Courtney Neron	+	+	+	+	+	+	+	+
Rep. Ron Noble	+	+	+	0	+	+	0	0
Rep. Rob Nosse	+	+	+	+	+	+	+	+
Rep. Mark Owens	+	+	+	0	+	+	0	0
Rep. Khanh Pham	+	+	+	+	+	+	+	+
Rep. Bill Post	+	+	+	0	0	0	+	0
Rep. Karin Power	+	+	+	+	+	+	+	+
Rep. Rachel Prusak	+	+	+	+	+	+	+	+
Rep. Dan Rayfield	+	+	+	+	+	+	+	+
Rep. Jeff Reardon	+	0	+	+	+	+	+	+
Rep. Lisa Reynolds	+	+	+	+	+	+	+	+
Rep. E. Werner Reschke	+	+	0	0	+	0	0	0
Rep. Ricki Ruiz	+	+	+	+	+	+	+	+
Rep. Andrea Salinas	+	+	+	+	+	+	+	+
Rep. Tawna Sanchez	+	+	+	+	+	+	E	+
Rep. Sheri Schouten	+	+	+	+	+	+	+	+
Rep. David Brock Smith	+	+	+	0	+	+	0	0
Rep. Greg Smith	E	E	E	E	E	+	E	+
Rep. Barbara Smith Warner	+	+	+	+	+	+	+	+
Rep. Janeen Sollman	+	+	+	+	+	+	+	+
Rep. Duane Stark	+	+	0	0	+	+	+	0
Rep. Andrea Valderrama	+	+	+	+	+	+	+	+
Rep. Kim Wallan	+	+	0	0	+	+	0	0
Rep. Susan Weber	+	+	E	0	+	+	0	0
Rep. Marty Wilde	+	E	+	E	+	+	+	E
Rep. Anna Williams	+	+	+	+	+	+	+	+
Rep. Brad Witt	+	+	+	0	+	+	+	+
Rep. Boomer Wright	+	+	+	0	+	+	E	0
Rep. Jack Zika	+	+	+	E	+	+	0	0

KEY	
Voted in Support	+
Voted in Opposition	0
Excused	E
Expelled	-
LOC Oppose	
LOC Support	
LOC HAD No Position	

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