



2025 LEGISLATIVE SESSION



INTERGOVERNMENTAL RELATIONS TEAM



**Legislative Director - Transportation,
Wildfire**



**Michael Martin - Water, Wastewater
and Natural Resources**



**Jenna Jones- Finance and Taxation,
Economic Development**



**Alexandra Ring - Housing and
Land Use**



**Telecom, Broadband, Energy, and
Environment, Cybersecurity**



**Scott Winkels - Public Safety, PERS
and General Government**



**Meghyn Fahndrich - Legislative
research, monitoring and tracking**

LOC LEGISLATIVE PRIORITIES

- ✓ Community Infrastructure And Housing Development Funding – HB 3031, HB 5011 & SB 5505
- ✗ Transportation Package – HB 2025 (**Special Session Update**)
- ✓ Restore Recreational Immunity – SB 179
- ✓ Behavioral Health Enforcement – HB 2005
- ✗ Transient Lodging Tax Flexibility – HB 3556 & HB 3962
- ✓ Shelter Funding & Homelessness Response Services – HB 3644 & HB 5011
- ✓ Energy Affordability And Rising Utility Costs – SB 688, HB 3179, & HB 3546
- ✗ Operating In Training Apprenticeships – HB 3634
- ✗ Clarifying HB 3115 – Time, Place, Manner Ordinances – SB 593



RECREATIONAL IMMUNITY

SB 179:

- Remove the 2024 sunset to permanent restore immunity
- Adds “walking, running, and biking” to definition of recreational purposes
- Adds improved trails to recreational immunity
- Accounts for powered recreational vehicles

BEHAVIORAL HEALTH ENHANCEMENTS

- **HB 2005** - Removes the requirement that a person be in imminent danger due to mental illness. Instead, it will allow people who are a danger to themselves and others in the foreseeable future to be vectored to behavioral health care by courts.

Mental
Health



INFRASTRUCTURE WINS

COMMUNITY INFRASTRUCTURE

- **HB 3031** - The legislature approved \$10 million for a new housing infrastructure program to fund water, sewer, stormwater, and transportation infrastructure linked to new housing development. The LOC supported the governor's recommended budget level of \$100 million.

HOUSING DEVELOPMENT

- **HB 5011 & SB 5505** - \$650M in bond funding for affordable housing development, rental housing, homeownership, and permanent supportive housing.

TRANSPORTATION PACKAGE

HB 2025 DID NOT PASS, BUT WOULD HAVE PROVIDED:

- State and local operations & maintenance
- Maintain the 50-30-20 split
- ODOT accountability
- Funding for Great Streets and Safe Routes to School.

SPECIAL SESSION – AUG 29 - SEPT 29, 2025

HB 3991

- \$700 million/biennium
 - + \$.06 Gas Tax Increase
 - + \$42 Reg Fee/\$139 title fee
- 50-30-20 Maintained
 - Cities/Counties +25-30%
- Public Transit Funding - \$.001 Payroll Tax Increase
- ODOT Accountability
- Weight/Mile Solution

LOCAL LODGING TAX FLEXIBILITY

“TOURISM-IMPACTED SERVICES” VS. 40/60 SPLIT

- **HB 3556**- Would have added a third definition to the restricted 70% for public safety and community infrastructure. Bill died during the first deadline.
- **HB 3962** – Would have changed the local TLT split post 2003 to 40% to “tourism-promotion” and “tourism-related facilities” and 60% unrestricted.

SHELTER FUNDING

- **HB 3644** - Strengthened coordinated regional homeless response; and expanded state funding eligibility for safe park and tiny home sites that have previously not been eligible.
- **HB 5011** – For the 2025-2027 biennium, **\$204 million** was awarded to support sheltering efforts, and \$104 million per biennium being set as the baseline through 2034. This was less than the \$217 million we had hoped for.





ENERGY AFFORDABILITY & RISING UTILITY COSTS

- **SB 688** - Inclusion of performance-based regulations (PBR) as part of the Oregon public utility commission's (PUC) toolkit for evaluating energy rate increases.
- **HB 3179 – Fair Energy Act** creates a process for the PUC to consider the economic impact of rate increases when deciding on general rate cases.
- **HB 3546 – The Power Act** ensures that costs associated with the increased demand from these energy users are not passed on to residential utility customers by creating a process for IOUs similar to COUs for separately classifying large energy producers like data centers.
- **SB 5518** – \$25 million for the community renewable energy grant program in ODOE's budget.

OPERATOR IN-TRAINING APPRENTICESHIPS

- **HB 3634** – Would have provided \$3.5 million from the higher education coordinating commission via a local workforce development boards to access funding to train drinking water and wastewater operators.

This bill passed through the house and died in Ways & Means.



CLARIFYING TIME, PLACE, MANNER

- **SB 593** - Amendments would have provided safe harbor examples of what is an “objectively reasonable” time, place, manner restriction and created a clearer path to mediation.

This bill did not advance passed the first deadline.

OTHER BILLS OF INTEREST – PASSED BILLS

- **SB 916: STRIKING WORKERS UI BENEFITS** - Grants striking public and private workers 10 weeks of unemployment benefits
- **SB 83: WILDFIRE MAPS** - Repeals the wildfire risk maps and a statewide standard for landowner responsibility. Wildfire risk now falls on city and county governments to implement standards.
- **HB 2321: PROPERTY TAX STUDY** - Requires the Legislative Revenue Office to produce a report on the current state property tax system and options to modernize it with input from local government organizations.
- **HB 2688: BESPOKE MANUFACTURING** - Applies the prevailing rate of wage to certain off-site bespoke work fabricated, preconstructed, assembled or constructed in accordance with specifications for a particular public works.
- **HB 3940: WILDFIRE FUNDING – \$267 Million (25-27)** from multiple funding sources.
 - New Synthetic Nicotine Pouches Tax At \$0.65/Can Dedicated To Resilience Programs (~\$20-\$30 Million)
 - 20% Of Rainy-day Fund Interest Dedicated To Resilience Funding (~\$30 Million)
 - \$150 Million General Fund Allocation
 - \$57 Million Mix of Agency Budget Funds And Landowner Rate Increases

OTHER BILLS OF INTEREST – FAILED BILLS

- **SB 6: BUILDING PERMIT SHOT CLOCK-** Would have created a 45-calendar day shot clock for building permits. LOC opposed this bill.
- **SB 1153: WATER RIGHTS TRANSFERS** - Would have created new standards for water right transfers, resulting in expensive and time-consuming litigation for our communities on any water right transfer for drinking water rights. LOC negotiated a municipal carve out, but the bill ended up dying.
- **SB 800: TAX COMPLIANCE CONDITIONS FOR CONTRACTS** - Would have required tax compliance as a condition of receiving a license to conduct a business, trade or profession or of entering into a contract with a state agency or political subdivision.
- **HB 3062: SITING INDUSTRIAL USE NEAR “SENSITIVE AREAS”-** Would have required local governments to map sensitive uses in their comprehensive plans for the permitting of industrial developments. And conduct public health impact analysis before issuing a permit.



This Fall

- Policy Committees Open!
- Municipal Fundamentals – Lobbying 201

2026 Session

- TLT Solution
- OGEC Adjustments

2027 Session

- Transportation –Long-term funding Solutions
- LOC Policy Committee Recommendations

QUESTIONS

