



2024 Legislative
Session

Summary of Bills

APRIL 2024

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Significant Progress Made on Legislative Priorities in the 2024 Short Session

The 2024 legislative session ended three days prior to the statutory deadline of March 10. The session shifted from recent experience, with no walkouts and bipartisan support for several major issues facing Oregonians.

The LOC's priorities included Measure 110 reforms, several layers of housing policy, gap funding for shelters, and infrastructure funding for new housing development. This detailed end of session report includes the range of issues that were the main focus of the LOC's Intergovernmental Relations team's advocacy efforts. For the short session, the Legislature brought 291 bills, resolutions, and memorials. More than 500 amendments were introduced to modify the original language of the introduced measures, and Governor Kotek has 115 bills to evaluate for signature. At this stage, we are not expecting any vetoes.

Team LOC is Making a Difference!

It's evident that a combination of member-led grassroots advocacy and the excellent work of the LOC's lobby team and partners resulted in substantial progress in 2024.

For example:

- Significant Measure 110 reforms are now confirmed, largely because of a coalition of public safety interests, including the LOC.
- For the first time, the Legislature allocated nearly \$100 million in general fund dollars to local infrastructure needs for new housing starts and \$65 million to keep existing shelters open, thanks to a pre-session member survey that generated 234 projects from 93 cities.
- Finally, recreational immunity was restored after an adverse court decision, which resulted in multiple trail closures.

The LOC lobby team helped stop several poorly constructed property tax measures that would have contributed to an already unfair and outdated property tax system in need of serious reform. We also stopped a pre-session legislative concept that would have preempted the local government franchise fee structure. Other wins included a fix for the use of photo radar and an improved broadband grant program.

What's Next?

In the interim, there is considerable work to do as we prepare for the 2025 session and ensure commitments are met. We must remain focused on what lies ahead because we are not done. The LOC's policy committees started meetings in March and will complete their process in June. State agencies are evaluating how housing infrastructure and shelter funding will be pushed out, and there will be a significant conversation about the transportation package in 2025.

This session's most important take-home message is that the LOC's grassroots advocacy **WORKS!** Persistent engagement and advocacy from cities combined with the efforts of your LOC lobbyists creates leverage and is a recipe for success. During the interim, cities must reinforce their legislative partners, build on local government education, and let their state legislators know how much they appreciate their support.

How to Use this Summary

This summary provides a snapshot of the LOC's work during the 2024 session. There are many other legislative concepts that your lobby team worked on during the session, but are not part of this summary. If there are bills that are not on this list that you have questions about, or if you want a deeper dive into the details of any legislation profiled in this summary, please reach out to the LOC, and we'll connect you with the appropriate lobbyist.

COMMUNITY DEVELOPMENT

Economic Development

PASSED BILLS

[SB 1526](#): Industrial Site Readiness Program Extension

Effective Date: June 6, 2024



SB 1526 extended the sunset of the Oregon Industrial Site Readiness (RSIS) program from July 1, 2023 to December 31, 2029. It also made several technical changes to the program to improve ease of administration, including the exchange of accurate employment and wage data to calculate the reimbursement. The sunset extension was a key priority for the LOC.

SB 1526 is the revenue omnibus bill, a catch-all for revenue-related technical and administrative changes with some new policies. The LOC took no position on any other provisions of the bill besides the sunset extension of the RSIS program. Also included in SB 1526:

- Adding semiconductor-related development to properties eligible to receive property tax abatement under the e-commerce designation of the state's Enterprise Zone program.

A full summary of the changes in the bill can be found [here](#).

FAILED BILLS

[HB 4042](#): Industrial Site Loan Funding



HB 4042 would have capitalized the Industrial Site Loan Fund with \$40 million. It was a redraft of HB 2258 (2023) and a priority of the state's Semiconductor Task Force. The Legislature created the Regionally Significant Industrial Site (RSIS) program, including the loan fund, in 2013 to assist local governments with the cost of making industrial lands ready for development, but has never funded the loan program. HB 4042 also held the sunset extension of the RSIS program, which passed in SB 1526 (2024). The LOC expects to bring forward similar legislation in 2025.

Housing & Land Use

PASSED BILLS

SB 1529: Emergency Weather Resources Update

Effective Date: Upon signing by the governor



This bill makes technical updates to housing stabilization programs. Of note to cities, SB 1529 adds flexibility to an existing program at the Oregon Health Authority (OHA) that directs the agency to contract with cities and other eligible entities, such as non-profits, to distribute air conditioners and air filters in anticipation of an emergency (not just during or after) and clarifies that technical assistance and community outreach are eligible uses of the funds.

SB 1530: Housing Stabilization and Production Funding

Effective Date: Upon signing by the governor



SB 1530 appropriates \$279.6 million in general fund resources across eight agencies to support investments in housing stability, infrastructure development, housing production, climate impacts, and recovery housing, including:

- \$65 million to keep existing shelters open this biennium;
- \$94.9 million in direct grants to cities for site-specific infrastructure investments to support needed housing;
- \$15 million for the Healthy Homes Repair Fund;
- \$3.5 million to provide air conditioners and air filters to eligible recipients; and
- \$18 million for grants at the OHA directed to specified community-based organizations for recovery housing projects.

SB 1537: Governor's Housing Production Bill

Effective Date: June 6, 2024 (see other effective dates below)



SB 1537 is the Governor's Housing Production Package. The bill creates several new programs and new land use requirements, including:

- Establishing a new [Housing Accountability and Production Office \(HAPO\)](#) with \$5 million for local technical assistance grants, *effective January 1, 2025*;
- Clarifying when a developer may opt in to new housing laws that take effect mid-development application; this language is also included in HB 4063 (*effective June 6, 2024*);
- Expanding prevailing party attorney's fees provisions for affordable housing to include local governments, allowing cities to receive compensation for legal expenses when supporting and responding to land use litigation (*effective January 1, 2025*);
- Allocating \$3 million to Business Oregon to help small and rural local governments access infrastructure programs (*effective June 6, 2024*);
- Establishing and funding a new state revolving loan fund with \$75 million for local governments to administer loans for moderate-income housing development (*effective June 30, 2025*);

- Requiring cities to grant up to 10 administrative adjustments to local siting and design standards for housing development (*effective January 1, 2025*);
- Directing cities to process housing development applications requesting partitions and other property boundary changes; site plan review; nonconforming use cases; or adjustments to land use regulations, as limited land use decisions (*effective January 1, 2025*); and
- Providing a one-time urban growth boundary (UGB) expansion tool, and streamlined process for UGB land swaps (*effective June 6, 2024*).

SB 1564: Optional Housing Model Ordinances

Effective Date: Upon signing by the governor



SB 1564 requires the Oregon Land Conservation and Development Commission to adopt model ordinances for cities of different sizes to implement housing and urbanization requirements. The bill directs the Department of Land Conservation and Development (DLCD) to develop models by January 1, 2026 for optional local adoption. The model ordinances will be focused according to city population (cities below 2,500, 2,500 to 25,000, and above 25,000) and must consider geographical and other regional factors. The model ordinances are presumed to be clear and objective. Local governments may choose to adopt model ordinances prescribed for their population size, or a larger population bracket, into their local code, or adopt them by reference. The ordinances can be adopted in whole or in part, meaning cities can choose to utilize the state model ordinance for certain housing types while retaining their local ordinances for another type.

HB 4015: Battery Facility Siting – See [Energy and Environment section](#)

HB 4026: UGB Expansion Referrals

Effective Date: March 20, 2024



HB 4026 clarifies that local urban growth boundary (UGB) expansion decisions are not eligible to be referred to the ballot by petition and are reviewable exclusively by the Oregon Land Conservation and Development Commission through the established state land use system. The bill received strong bipartisan support and was among the first bills signed by Governor Kotek.

HB 4063: House Housing Omnibus Bill

Effective Date: June 6, 2024



HB 4063 is a largely technical housing policy package that contains several provisions applicable to cities, including:

- Clarifying city and county responsibilities within urban unincorporated lands in the metro region for housing planning and implementation of the Oregon Housing Needs Analysis (OHNA) passed in HB 2001 (2023);
- Clarifying when a developer may opt-in to new housing laws that take effect mid-development application; this language is also included in SB 1537;
- Clarifying that a local jurisdiction may allow the resulting parcel of a partition to be divided into three more parcels for middle housing development;

- Updating the Single-Unit Housing Property Tax Exemption to make local administration more efficient; and
- Updating HB 2001 (2024) to clarify that cities in the metro region will receive a housing needs allocation from the Oregon Department of Administrative Services in the same manner as non-metro cities.

[HB 4134](#): Housing Oregon’s Workforce (HOW)

Effective Date: Upon signing by the governor



HB 4134, known as the Housing Oregon’s Workforce (HOW) bill, provides \$7.1 million in direct grants to four cities for specified infrastructure projects to benefit housing developments that will make at least 30% of the dwelling units affordable to households earning 130% or less of county median income. The original bill proposed \$21.3 million in grants to 11 cities.

FAILED BILLS

[HB 4023B](#): Residential Treatment Facility Supersiting



HB 4023 was introduced as a placeholder bill and amended late in the legislative session. The House Rules Committee amended the bill to include a “supersiting” tool that would prohibit local governments from requiring developers of residential treatment facilities to first obtain a zone change or a conditional use permit, but only in land zoned for commercial use, light industrial use, and publicly owned lands. The LOC submitted [testimony](#) sharing concerns the bill would expose cities to legal confusion and costly litigation for potential violations of the federal Fair Housing Act.

After passing the House, the Senate Rules Committee amended the bill to extend the “supersiting” tool to residential zones. The LOC joined behavioral health providers, counties, chiefs of police, sheriffs, and district attorneys in supporting the amended bill, which passed the Senate on the final day of the session with bipartisan support. The House declined to hear the bill for the concurrence vote required for final passage, and HB 4023B died in the final hour of the session.

[HB 4090](#): Energy Facility Siting – See [Energy and Environment section](#)

[HB 4099A](#): Municipal Development Protection Fund



HB 4099 would have established and appropriated \$10 million for the Municipal Development Protection Fund at Oregon Housing and Community Services (OHCS). The bill directed OHCS to act as a guarantor for any city that agreed to defer system development charge (SDC) collections for housing development for up to 180 days after issuance of certificate of occupancy, or 12 months for publicly supported affordable housing. Should a developer fail to pay their deferred SDC, the program would have reimbursed cities that had agreed to defer SDC collection. The bill also authorized OHCS to assess a 20% fee plus additional interest on a developer who failed to pay the SDC charge. HB 4099A passed the House Housing and Homelessness Committee with unanimous support but did not receive a hearing or funding in the Ways and Means Committee.

[HB 4128A](#): Housing Infrastructure Grants



HB 4128 would have directed nearly \$93 million to Business Oregon for direct allocations to cities for water-related infrastructure projects to support housing development. The bill would have also funded a local infrastructure needs inventory at Business Oregon. While HB 4128A did not pass, the proposed local infrastructure grants informed the allocations that passed in [SB 1530](#).

[HB 4155A](#): Infrastructure Financing Study



This bill would have funded a study of the costs of infrastructure financing in Oregon by considering and evaluating tools the state may use to improve infrastructure and housing costs. HB 4155A passed the House Housing and Homelessness Committee with a unanimous vote but failed to receive a hearing in the Ways and Means Committee.

ENERGY & ENVIRONMENT

PASSED BILLS

[SB 1596](#): Right to Repair

Effective Date: January 1, 2025



SB 1596 requires the “original equipment manufacturers” (OEMs) of electronic equipment to make the necessary documentation, tools, parts, and other resources available to both authorized service providers and independent repair providers on fair and reasonable terms to diagnose, maintain, repair, or update consumer electronic equipment. The bill promotes competition, and equitable access to resources, and ensures that consumers have access to a wide range of repair options, ultimately driving down repair costs that benefit our community members and playing a pivotal role in reducing electronic waste. Additionally, the attorney general will have the authority to investigate and penalize manufacturers that violate the terms of this act and send a clear message that unfair and anti-competitive practices will not be tolerated. Furthermore, the bill helps to promote local independent businesses and drive new economic development opportunities.

Unfortunately, for many communities, especially rural and frontier communities, authorized providers are few and far between. The bill now provides consumers with additional repair options for electronic devices and will reduce improper disposal of electronic waste.

[SB 1525](#): ODOE Technical Fix Bill

Effective Date: March 27, 2024



SB 1525 makes some key technical fixes that modify certain reporting timelines for the Oregon Department of Energy (ODOE), including:

- A natural and working lands net biological carbon sequestration and storage inventory report;
- A study on workforce and training needs to support natural climate solutions on natural and working lands;

- A nonbinding biological carbon sequestration and storage goal for Oregon’s natural and working lands; and
- Submission of Oregon’s energy security plan by September 30, 2024, rather than June 1, 2024.

For Oregon to carry out the requirements for those reports that ensures a robust engagement process, the department needs more time. The original dates were set arbitrarily.

SB 1525 also expands the definitions of “planning costs” and “project cost” in the Community Renewable Energy Grant Program (CREP) to include costs paid or incurred by an applicant’s partner, rather than exclusively by an applicant. The Community Renewable Investment Fund ([HB 2021](#), 2021 session) received \$50 million to provide grants for planning and developing community renewable energy and energy resilience projects (known as the CREP). In addition, instead of distributing funds at completion, 30% of the grant money is released upon entering into a performance agreement, freeing up capacity for smaller communities who cannot start a project without seed money.

Finally, SB 1525 modified the Heat Pump Grants and Rebates Program and expanded an exemption for stand-by generation facilities from obtaining a site certificate from the Energy Facility Siting Council (EFSC) for a standby generation facility.

[SB 1581](#): Reporting Efforts Towards Participating in a Regional Energy Market

Effective Date: January 1, 2024



SB 1581 requires an investor-owned utility that sells more than two million megawatt hours of electricity in a calendar year to submit a report to the Legislature on plans or preparations the utility has taken or is taking toward participating in a regional energy market.

A regional transmission organization (RTO) is an “independent, nonprofit organization that operates and ensures reliability of the bulk power system and optimizes supply and demand for wholesale electricity.” Utilities in Oregon individually perform these functions for their territories and base their rates on a regulated rate of return on investments. Oregon is not part of an RTO or Independent System Operator (ISO).

[HB 4015](#): Defining Battery Energy Storage Systems

Effective Date: January 1, 2025



HB 4015 defines a battery energy storage system (BESS), improves the site certificate process for a BESS, and permits a BESS developer to use the Energy Facility Siting Council (EFSC) to site the BESS. These systems are composed of individual battery cells that are housed together in a module and enclosed in a structure such as a shipping container or a building. Utility- or large-scale BESSs store energy from sources such as wind and solar and provide backup power when those intermittent sources are not available or the cost to generate is high.

Current statute requires a separate site certificate for a BESS, even when paired with a renewable energy project. This extra certificate process increases the cost and would delay project implementation. HB 4015 creates a clear definition of a BESS and allows a separate site certificate to not be required for a BESS when sited in conjunction with another energy facility.

HB 4080: Offshore Wind Development Engagement Policy & Labor Standards

Effective Date: Immediately upon passage



HB 4080 establishes a state policy for the implementation of an Offshore Wind Roadmap. The policy provides for engagement between offshore wind developers and impacted organizations, including local governments, Tribes, ports, and others impacted by the development of offshore wind. Additionally, the legislation aims to promote economic diversification and resilience in offshore wind energy development by ensuring labor and supply chain standards are in line with practices already accepted for renewable energy development projects on land. The bill also requires the Oregon Department of Land Conservation and Development (DLCD) to provide a report on the roadmap to the legislative committees related to marine renewable energy by September 1, 2025.

Having a clear roadmap provides an avenue for the state, local governments, and other impacted groups to engage with all parties, including the federal government. States that have established roadmaps have had more success moving forward with offshore wind projects with less consternation due to the engagement process outlined in their Offshore Wind Roadmaps.

FAILED BILLS

HB 4090: Remove the EFSC Process from Some Energy Siting Review



HB 4090 as amended would have removed the Energy Facility Siting Council (EFSC) certificate process for renewable energy, excluding nuclear, or high-powered transmission line projects exclusively on federal lands. The National Environmental Protection Act (NEPA) process would continue. The LOC secured an amendment that ensured local governments within or adjoining the project area were consulted prior to the NEPA review process. The bill passed the House but died in the Senate.

SB 1559: Modifies State Greenhouse Gas Emission Reduction Goals



SB 1559 would have updated Oregon's greenhouse gas emission reduction goals and changed the term "global warming" to "climate change" in some statutes. The legislation would have updated Oregon's emission reduction practices to be consistent with efforts to limit warming to 1.5 degrees Celsius. Additionally, the state's greenhouse gas emission reduction goals would have been modified to achieve reduction levels of:

- At least 45% below 1990 levels by 2030;
- At least 70% below 1990 levels by 2040; and
- At least 95% below 1990 levels by 2050.

SB 1559 received one public hearing on February 13. Because some groups felt the bill was too controversial for a short session, it was heard only as a courtesy.

FINANCE & TAXATION

Property Taxes

PASSED BILLS

[HB 4031](#): Extends DOR Requirement for Taxpayer Confidentiality to Local Governments

Effective Date: March 27, 2024



HB 4031 extends to local governments the requirements currently placed on the Oregon Department of Revenue to maintain confidentiality of taxpayer information. The requirement covers local government agencies that collect, administer, or manage a local tax imposed upon or measured by gross receipts, gross or net income, wages or net earnings from self-employment, local general sales and use taxes or marijuana taxes. This bill arose out of a situation in which the city of Portland received a public records request for taxpayer information.

[HB 4056](#): Property Foreclosure Surplus

Effective Date: June 6, 2024



HB 4056 temporarily stops counties from taking the deed to a property and requires them to set up a process to determine the surplus from a foreclosure sale. It was brought forth to address the impacts of the recent U.S. Supreme Court Decision, [Tyler v. Hennepin County](#).

Cities with municipal liens on a property are notified and have funds distributed from the sale per [ORS 275.275](#); however there can be debts to the city that are not recorded as liens on the property. Other debtors have requested a process to have their liens satisfied before the surplus is returned if a process is determined, and the LOC has requested that cities have the same opportunity. A workgroup is being formed to work out 2025 legislation.

[HB 4111](#): Farm Equipment Property Tax Exemption

Effective Date: June 6, 2024



HB 4111 exempts real farm equipment and machinery from property taxation. Prior to HB 4111, only farm equipment defined as tangible personal property was exempted. Proponents of the bill have stated there is confusion over whether a piece of farm equipment is “tangible” and depends on arbitrary factors such as if the equipment is fixed or mobile. The LOC stayed neutral on the bill because most of the equipment that is being exempted is outside of cities and the revenue impact is low.

[SB 1545](#): Special Assessment for Wildfire Destroyed Homes

Effective Date: June 6, 2024



SB 1545 allows a county to adopt a special assessment for homes destroyed by the September 2020 wildfires and rebuilt on the same lot. The special assessment is limited to the home value of the 2020-21 real market value of the home, up to the square footage of the destroyed home. The LOC did not take a position because of the limited scope of the special assessment.

FAILED BILLS

[HJR 201/HB 4075](#): Statewide Property Tax for Wildfire



HJR 201 would have referred a constitutional amendment to the voters to create a new statewide property tax to fund public safety. While the bill used the term broadly, it was expected to provide additional funding to rural fire protection districts and the state for wildfire fighting and resilience. The tax would not have impacted compression.

HB 4075 would have only gone into effect if HJR 201 was passed by the voters. It required that 80% of the revenue be distributed to local providers and 20% to the state. It would also have set up a statewide authority to decide how the revenue is spent.

The LOC opposes using the property tax system on state programming as well as the creation of a new statewide authority that would make spending decisions on an already constrained local revenue source. While the tax would have been outside Measure 5 and 50 compression limits, a new statewide tax would have caused voter confusion and limited the ability to pass local bonds and levies.

[HB 4141](#): Lower Delinquent Property Tax Interest Rate



HB 4141 would have decreased the interest rate charged on late property taxes from 1.33% per month to 1.33% per year. When cities receive property tax revenue, the revenue is typically invested in the Local Government Investment Pool until the city needs it to pay for services. When cities receive property tax revenue on time, it serves the long-term health of their budgets because they can invest it and earn interest on the investments.

[SB 1544](#): Special Assessment for Seniors



SB 1544 would have created a special assessment for property owners aged 65 and older. The special assessment would not have had any limitations based on income or value of the home. The state already has an effective program to help seniors with the cost of property taxes, the Oregon Property Tax Deferral for Disabled and Senior Homeowners Program. A broad special assessment for seniors would be redundant and be a massive reduction to the largest and most important source of revenue for local governments.

[SJR 202](#): Senior Property Tax Freeze



SJR 202 would have referred a constitutional amendment to the voters to create a program in which seniors can enroll to have the assessed value of their home frozen. If a homeowner aged 65 and older enrolled, the assessed value of their home would not be able to increase during their time in the program. The bill did not have eligibility requirements based on income or value of the home and no exceptions to increase assessed value with new construction.

HB 4072: State Payment in Lieu of Tax for Public Safety



HB 4072 would have created a payment in lieu of tax program in which the state would pay a public safety fee to cities with state-owned, property tax-exempt land. The program would have created a mechanism for the state to reimburse cities for the cost of providing local public safety services, including police and fire. The bill would have set up a pilot program for the city of Salem to receive the public safety fee and allow other cities with qualifying land to opt-in to the program.

HB 4133: Statewide Fee for Wildfire Funding



HB 4133 was one of several bills designed to provide new funding for the state's wildfire programs. Prior to bill submission, the legislative concept included a new \$10 fee on every property account in the state to fund the Oregon Department of Forestry. The property fee would have impacted compression. The LOC is opposed to this concept, and it did not make it into the introduced bill.

GENERAL GOVERNMENT

Public Safety

PASSED BILLS

HB 4002: Measure 110 Reform

Effective Date: April 1, 2024



HB 4002 recriminalizes the possession and use of small amounts of hard drugs; allows treatment facilities to hold intoxicated persons for 72 instead of 48 hours; addresses an adverse court ruling that made it difficult to prosecute drug dealing; and creates enhanced sentencing for dealing drugs to vulnerable populations. Under the bill, those in possession of small amounts of drugs may be charged with an Unclassified Misdemeanor punishable by up to 180 days in jail. However, the individual may be offered deflection services intended to vector a defendant into treatment and away from the criminal justice system. The 180-day sanction may be imposed by a judge in 30-day increments if the person is revoked by community corrections. HB 4002 also appropriates money to a grant program in the Criminal Justice Commission for counties to create deflection programs. This bill was passed with the strong support of the LOC, the Oregon Association of Chiefs of Police, the Oregon State Sheriffs Association, and the Oregon District Attorneys Association.

HB 4115: Police and Dispatch Collective Bargaining

Effective Date: Upon signing by the governor



HB 4115 allows police and corrections sergeants who do not have the authority to impose economic discipline to form their own collective bargaining units within police agencies. It further allows emergency telecommunications supervisors without economic discipline authority to join existing bargaining units. The bill doesn't allow a police sergeant to be in the same bargaining

unit as the employees they supervise, nor does it impact the “confidential employee” status of sergeants who may be involved in collective bargaining issues and internal affairs investigations in the interest of management. Finally, HB 4115 does not extend past the front-line supervisor employee into command ranks such as lieutenants and commanders. The bill has an emergency clause and applies to contracts entered into after the effective date.

SB 1576: Recreational Immunity

Effective Date: March 27, 2024



SB 1576 is an omnibus bill addressing several areas of civil law. Of interest to cities, the bill temporarily restores recreational immunity after adverse court rulings left property owners vulnerable to claims. The legislation adds “running, walking and cycling” to the definition of recreational purposes until July 1, 2025. SB 1576 is a temporary measure designed to restore recreational immunity until the matter may receive greater deliberation during a long session. The LOC will be a participant in interim conversations with the intention of developing a more durable solution.

Public Contracting

PASSED BILLS

SB 1575: Duty to Defend

Effective Date: January 1, 2025



SB 1575 prohibits contracts with architects, engineers and surveyors that require vendors to indemnify the public body for their work until liability has been established during adjudication. However, the bill does not apply to contracts issued using the “design-build” method of procurement. SB 1575 applies to contracts entered into after January 1, 2025 and the bill sunsets in 2035.

HB 4006: Bond in Lieu of Retainage

Effective Date: March 7, 2024



HB 4006 gives a contractor the option of providing a surety bond instead of having a portion of the payment retained to ensure completion of a project to specifications. The contracting agency is required to accept the bond unless they have found good cause to use retainage and provided that finding in writing to the contractor.

PERS

PASSED BILLS

HB 4045: PERS Benefit Increases

Effective Date: Multiple Dates



HB 4045 increases the Public Employee Retirement System and Oregon Public Service Retirement Program (OPSRP, also known as Tier III) for public safety-related employees. First, the bill allows OPSRP police and fire employees to retire at 55 years of age instead of 60.

Secondly, HB 4045 creates a new “Hazardous Conditions” benefit category for employees of the Oregon State Hospital and emergency telecommunicators. Employees in the new category will be able to retire earlier with benefits similar to police officers and firefighters. The bill is projected to increase system liabilities by \$110 million and increase employer contribution rates for local government employers with emergency telecommunicators by approximately 4.5% of payroll when it takes full effect in 2030.

TELECOMMUNICATIONS, BROADBAND, CYBERSECURITY & ARTIFICIAL INTELLIGENCE

PASSED BILLS

HB 4040: Enhancing the Broadband Grant Process

Effective Date: March 27, 2024



HB 4040 was a placeholder bill that the LOC and other broadband advocates amended to improve the state’s broadband grant process. Prior to the session, the LOC learned that the broadband Grant Application Review Committee (GARC), which was established in 2023 through [HB 3201](#), was struggling to find people to serve.

HB 4040 updates the broadband grant process by replacing the GARC with the Oregon Broadband Advisory Council (OBAC). As an established public body, this will streamline the grant award process, allowing broadband projects to move forward more quickly for communities while continuing to ensure ample oversight and transparency throughout the process.

In addition to the broadband fix, language was inserted to ensure funding previously passed by the Legislature for county fairs would also make the Oregon State Fair and the Portland Expo Center eligible for grants under the program for operations, maintenance and repairs.

HB 4153: Legislative Artificial Intelligence Task Force

Effective Date: March 27, 2024



HB 4153 creates a task force on artificial intelligence (AI) to establish a common understanding of AI terms and definitions, which will serve as a foundation for effective AI regulation and policy. The task force will aim to standardize vocabulary utilized by policymakers and industry professionals, creating shared language through a collaborative process that includes local governments, industry professionals, academics, and others. The LOC worked with sponsors of the bill to ensure that local government expertise and voices would have a seat on the task force.

SB 1571: Standards for Use of Artificial Intelligence in Campaigns

Effective Date: March 27, 2024



SB 1571 aims to protect election integrity and the public’s trust by setting clear standards for the use of artificial intelligence (AI) in the election process. The proliferation of user-friendly AI tools released to the public has created many new opportunities that allow for more efficiency and

creativity across all sectors. AI generated content presents many opportunities for ingenuity as well as potential harms,

SB 1571 will require disclosures on political communications that are the product of AI or synthetic media as defined by the bill. The secretary of state (SOS) will be tasked with investigating complaints and alleged violations of the law using a similar enforcement process established by [ORS 260.537](#). Furthermore, the SOS will have the authority to adopt additional rules necessary for the implementation of this act.

TRANSPORTATION

PASSED BILLS

[HB 4109](#): Transportation Omnibus – Photo Radar Fix

Effective Date: June 11, 2024



In 2023, the LOC sponsored and passed [HB 2095](#), giving all cities the authority to add mobile and fixed photo radar. During the summer of 2023, it was determined that additional clarity was needed to allow the use of fixed photo radar without also requiring an officer present at a location. HB 4109 is an omnibus bill that includes the necessary clarity for the use of fixed photo radar in Section 2. This legislation also cleaned up a portion of photo radar statutes because they are present in three different sections and created confusion.

[HB 4103](#): Trenton’s Law – E-Bicycle Definition

Effective Date: June 11, 2024



HB 4103 updates Oregon statutes to reflect the current technology surrounding electric-assisted bicycles. Oregon joins 48 other states that have modified their statutes to reflect current technology and adopted a three-tier system that reflects different levels of power and speed of e-bikes for purposes of regulation. Class 1 e-bikes only provide assistance when a rider is actively pedaling and stops its motor when the bike reaches 20 miles per hour (mph). Class 2 e-bikes can be propelled without pedaling and top out at 20 mph. Class 3 e-bikes require pedaling, come with a speedometer, and top out at 28 mph. HB 4103 limits access to throttle-assisted e-bikes to riders aged 16 and older while making it illegal for riders younger than 16 without a permit or driver’s license to operate e-bikes, which have capped speeds of 20 mph. The inspiration for HB 4103 resulted from the tragic loss of Trenton Burger, who lost his life while traveling on an e-bike when he was 15.

[SB 1566](#): County Right of Way Fees

Effective Date: March 27, 2024



SB 1566 authorizes counties to require a permit and charge fees when construction activity related to utility operations occurs in a county’s right of way (ROW). The fee structure is limited to a maximum of \$500 for each permit and specifies that the fee may not exceed the county’s cost of issuing the permit. There are several exemptions related to maintenance activity of utilities including water facilities. The LOC, along with the Special Districts Association of Oregon (SDAO), worked to amend the legislation to make it clear that exemptions and fees would not be allowed for core maintenance activity related to stormwater and wastewater facilities. The counties, however, rejected the LOC’s language and there was insufficient

support in the Joint Committee on Transportation to amend the bill. Going forward, cities will need to review all proposed county ordinances to ensure fees or permits do not include maintenance activity related to water, stormwater, or wastewater facility facilities.

FAILED BILLS

[HB 4067](#): Micromobility Study



HB 4067 would have created a task force on electric micromobility and enabled Oregon to convene subject matter experts and communities to evaluate current regulations and safety standards and recommend possible legislation for the 2025 session. The bill did not advance due to the estimated cost of \$200,000 and died in the Joint Ways and Means Committee. The LOC expects this study bill to return in the 2025 session. Given the technological advancements in electric micromobility devices, Oregon needs to update existing regulations to address these devices, including e-driven mono-boards and unicycles with speeds that reach 30 miles per hour.

Weight Mile Legislation



This was a series of legislative concepts addressing Oregon's weight-mile structure and over-collection of road tax from truckers who operate trucks weighing more than 10,000 pounds. It's clear that truckers have been over-charged for their use of roads since 2018. Highway Cost Allocation Studies (HCAS) conducted every two years have shown an overcollection of at least \$193 million for the 2023-2025 cycle. It's likely a solution for weight-mile tax will be part of a transportation package in 2025.

[HB 4165](#): Requires Report on Weight-Mile Tax by ODOT

HB 4165 would have required the Oregon Department of Transportation (ODOT) to evaluate Oregon's cost responsibility system, which determines the rate structure for weight-mile.

[SB 1519](#) & [SB 1543](#): Decreases Weight-Mile Tax

This series of legislative concepts would have established a new rate structure for vehicles exceeding 10,000 pounds. The net effect of these measures would have reduced the revenues available for distribution from the state's highway fund. As a result, the state, counties, and cities would have seen reduced revenues unless there was an increase in gas taxes, license fees, or fees associated with vehicle registration.

WATER AND WASTEWATER

PASSED BILLS

[SB 1567](#): Bistate Water Management

Effective, January 1, 2025



SB 1567 directs the Oregon Water Resources Department (OWRD), in collaboration with the Confederated Tribes of the Umatilla Indian Reservation and the state of Washington, to implement and guide bistate water management in the Walla Walla River Basin following the

Walla Walla Water 2050 Strategic Plan. An advisory committee will include local governments among other key stakeholders.

SB 1561: Monsanto Settlement Agreement

Effective, March 13, 2024



SB 1561 establishes the Environmental Restoration Council and several funds to invest and distribute money from the Monsanto settlement agreement. The funds are available to make distributions to state agencies, non-profit organizations, and Tribal governments for environmental remediation.

FAILED BILLS

HB 4049A: PFAS Study Bill



HB 4049A was the per- and polyfluoroalkyl substances – commonly known as PFAS – study bill. This measure would have appropriated \$740,000 from the state’s general fund for distribution to Oregon State University to study the occurrence and distribution of perfluoroalkyl and polyfluoroalkyl found in biosolids applied to agricultural fields that do not produce crops intended for human consumption. Biosolids are a resource recovered from the wastewater treatment process.

WILDFIRE

FAILED BILLS

SB 1511: Funding Community Wildfire Resilience



SB 1511 would appropriate \$29 million for wildfire resilience programs. The distribution would have been: \$18 million toward community wildfire protection administered by the Oregon State Fire Marshall (OSFM); \$6 million for public health and smoke management to the Oregon Department of Environmental Quality (DEQ); and \$5 million administered by the Oregon Department of Forestry for landscape resilience projects. This legislation was strongly supported by the LOC and the state’s [Wildfire Program’s Advisory Council](#) (WPAC).