

Deschutes
County
2025
End-of-Session
Report







2025 Session



















Session Overview

- 3,492 bills to work in 150 days
- Fewer bills passed than usual
- Critical issues failed
- Unresolved: Sustainable wildfire / transportation funding,
- Question marks:
 - Will the federal administration cut funding to Oregon's Medicaid program?
 - Will Oregon be required to lower its health care provider tax?
- Special Session called for Friday, August 29 to address ODOT's \$350 million funding shortfall

2025 Legislative Session Summary

Oregon's 2025 regular legislative session convened January 21, 2025, and adjourned June 27, 2025.

Measures

Measures include bills, resolutions, and memorials, which may be revised if legislators request amendments.

2,037
House Bills

56 Joint Resolutions

Resolutions

640 bills were sent to the governor for signature.

.267

Senate Bills

76 Concurrent



Amendments

Committees

Each measure is sent to one or more committees, where lawmakers hold public hearings to gather testimony from community members, and conduct work sessions to decide whether to amend (change) a measure before sending it to the Oregon Senate or House of Representatives for a vote.



1,483

2,377

Public Hearings

2,295

Work Sessions

Public Engagement

Oregonians can participate in the legislative process by submitting written testimony or delivering verbal testimony virtually or in person during public hearings.



101,899

Pieces of Written Testimony Submitted

17,678

Sign Ups to Testify in Public Hearings









Deschutes County

Priority Bills

Deschutes County Funding Priorities

Several Deschutes County priorities were included:

- > \$10 million: CORE3
- > \$3.1 million: Children's psychiatric facility
- \$4.6 million: Juniper Mitigation/Water Restoration in seven Eastern and Southern Oregon regions through SWCDs
- > \$150,000 for **COIC management** of Juniper projects/\$500,00 for monitoring
- > \$2 million: High Desert Museum
- \$4 million for Mosaic Medical
- > \$65 million: **Behavioral health housing** (to be allocated through OHA RFPs)
- \$10 million: Housing infrastructure funding (to be allocated through OHCS/OBDD process)
- > \$40 million: **Industrial Readiness bonds** (to be allocated by OBDD).
- > \$205 million: **Homeless shelter funding** (a last-minute victory)
- > \$1.5 million: **Museum at Warm Springs**' permanent exhibition renewal

Other Related Priorities

Several county priorities were funded, including:

- > \$5.7 million lottery funds for county fairs
- > \$1.05 million General Funds, and \$2.18 million for bonds for the Oregon State Fair Council
- > \$2.54 million Union County Fair Association: water / wastewater improvements
- \$3 million Harney County Fairgrounds: flooding infrastructure repair / improvement
- > \$24 million Special Purpose Appropriation: fire protection expenses
- \$150 million Special Purpose Appropriation: natural disaster prevention, preparedness, response and recovery

Transportation

- HB2025 collapsed
- Kotek: 600-700 layoffs at ODOT
- Closure of 21 facilities (including Sisters)

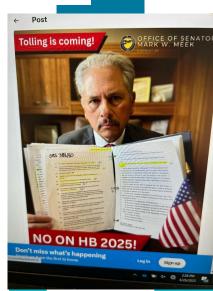


MEDIA CONTACT
Governor Tina Kotek Press Office
news@govpress.oregon.gov

Governor Kotek Calls for Special Session to Address Transportation System Emergency

Special Session Friday, August 29

- > Required to convene: quorum of 60% of the members of each body
- Outstanding issues:
 - Highway Cost Allocation Study (important to the truckers)
 - Great Streets/Safe Routes to Schools funding
 - o Project Labor Agreement changes, etc.
- Questions: "Accountability measures" to ensure that the new revenue is well spent. "Why weren't those unveiled early in the Session?"



Water

- > <u>SB1154</u>, which deals with **areas of groundwater concern**, also passed in the last days of Session and heads to the Governor's desk for signature. (South County relevance)
- New procedures / review processes for water transfers (<u>SB1153</u>) died in the last few weeks of Session. Despite amendments, irrigators, farmers, property owners and others in agriculture remained concerned. City, county and special district advocates were heavily engaged in the discussions and evening work groups.
- No Deschutes mitigation/conservation statutory extension
- No funding for municipal water conservation efforts

Workforce/Contracting:

- Unemployment payments for striking public workers (<u>SB916</u>) passed. The final version made one change, reducing the total number of eligible weeks from 26 to 10.
- HB2688 expands the definition of **public works** for the purpose of applying the **prevailing wage** rate (PWR) to off-site manufacturing that includes "bespoke," off-site fabrication, preconstruction, assembly or construction work performed specifically for, and in accordance with, specifications for public works projects as defined in ORS 279C.800.

Housing

Land use/housing bills that passed included:

- SB967 expands provisions to allow for the creation of local improvement districts in areas outside of urban growth boundaries..
- <u>HB3145</u>, the LIFT Housing Program Funding for factory-built/ modular housing.
- HB3712 extends the Homestead Property Tax Deferral Program
- HB2316 allows governments to sell land within the UGB for housing
- SB974, the "shot clock" bill, requires local governments or special districts to complete final review of final engineering plans for residential development within 120 days of submission. Changes to the bill made it palatable for local gvt. by the end of the Session
- HB2138 allows townhomes/ triplexes in more places, building on '19 "middle housing" reforms



Taxes

Reforms to the **Transient Lodging Tax (TLT)** failed in the Senate in the last days of Session. <u>HB3962</u> would have modified the TLT formula from 30/70 to 60/40 and given local communities more flexibility to address challenges created by an influx of tourists.

Two property tax bills <u>did</u> pass:

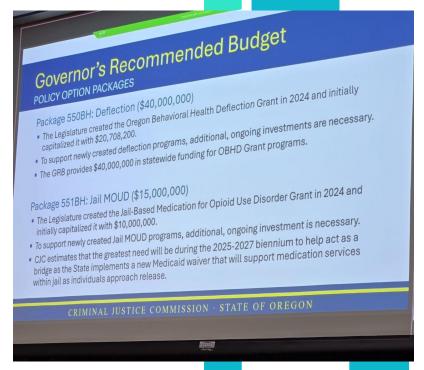
- ➤ HB2089 **Property Tax Foreclosure** implements the Supreme Court's *Tyler* decision concerning the disposition of tax foreclosure proceeds now goes to the House floor. A number of provisions were removed from prior versions (foreclosure notice timing, notice to lien holders and mortgages, and real property posting notice). Likely that small "fixes" may be needed in future Sessions.
- ➤ <u>HB2321</u> **Ballot Measure 5 and 50 Task Force** (certainly a key for us to watch during the interim).

Behavioral Health - IMPACTS

Legislative Policy and Research Office's <u>Behavioral Health</u>
<u>Summary Report</u> summarizes which bills passed and failed this Session. Some highlights:

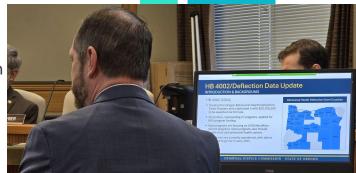
HB5005 and HB3069 appropriate an additional \$10 million to the IMPACTS grant program and, importantly, IMPACTS will be included as a permanent grant program and as part of the CJC's current service level budget moving forward. Move IMPACTS decision-making authority to the Commission effective July 1, 2026.

IMPACTS will become a permanent fixture of the CJC's current service level budget.



Behavioral Health - passed

- <u>HB2024</u> workforce incentive package (\$2 million for tuition assistance and loan forgiveness for public BH workers, \$1 million for United We Heal and worker safety training) (potential scholarship program)
- HB2059 Residential investment in BH infrastructure (\$65 Million for adult res and \$10 million for child res)
- HB2005 A&A & CC policy changes (new timelines for A&A, updates CC criteria, new guidance for appointing public guardians, and other targeted reforms) Also included \$5.4 million for CMHP's for CC services
- SB5526 ODHS budget bill (IDD) received current service level funding instead of the 100% full funding that Counties requested.
- SB729 MH support for individuals with IDD to ensure people with IDD are not discriminated against in health care and BH settings



Behavioral Health - failed

- HB2202 task force recommendation re: admin burden reduction –. HB4092 workgroup will continue to work on developing a more impactful proposal for 2026 or 2027
- > <u>SB725</u> IDD caseload cap bill, for individuals who receive case management services through a CDDP

Wildfire

- > All told, **\$260 million** over the biennium towards wildfire mitigation and prevention.
- > Oral nicotine tax (<u>HB3940</u>), aiming to **raise \$60 million** during the next two years. Other funding elements are contained within state agency budgets.
- Legislation to **repeal the state wildfire maps**, <u>SB83</u>, passed the Senate in April, but was bottled up in the House Rules Committee until late June. Passed through a procedural motion by Rep. Emerson Levy.
- ➤ **ADU Housing Bill** <u>SB75</u>, which updates the wildfire hazard standards for rural ADUs, made its way through the process as well with just days left to spare.



Next Steps

Preparation for Special Session, Interim & 2026 Short Session

Interim To-Do List

- Monitor transportation Special Session
- Evaluate the impact of this Session's decisions
- Consider whether budget requests or policy change might be needed
- Thank your state Legislators for their hard work this session!
- Meet with your state Legislators
- Prepare to mobilize allies and supporters in the fall, as we get ready for the 2026 "Short" (35-day) Session

Long Session Done!



DOUG RIGGSDirector

doug@nwpolicy.com



COREY BARBEROutreach Director

corey@nwpolicy.com

