



2023 Legislative Session – The Indescribable Session

It's hard to know where to begin. 2023 was a new year with a new Governor, a new Senate President, and a new Speaker of the House. In addition, more than half of the 60 House districts had new representatives and the Senate welcomed eight members who were either new or in different seats. This was also the first in-person session since Covid. With so many new members, it was a breath of fresh air (except for the jackhammering as the Capitol undergoes a \$500 million renovation closing nearly two thirds of the building to the public). The Democrats continued to control the House and Senate, but slimly lost their super majorities this cycle. During the first couple of months, bipartisan legislation flowed through the chambers and there appeared to be a certain amount of harmony.

The first few months were a welcome change from the last few years. Inevitably, the fairy tale ended. The Republicans accused the Democrats of overreaching on reproductive rights and gun control, and for the fifth year in the row, they walked out (this time only in the Senate) bringing everything to a screeching halt. This walkout exposed the inexperience of the new legislators and negotiations were at a stalemate.

After much speculation among the lobby about whether the Republicans would return to avoid triggering Measure 113, which prohibits legislators with 10 unexcused absences to run for re-election, the Senate Republicans and one Independent defied the measure and did not return. With the Senate on pause, the House continued to work, but again, bills needing to pass the Senate were in limbo. Even the Governor got involved but was not able to strike a deal.

Eventually, in the eleventh hour, a compromise was reached and most of the Republicans returned to finish the work of the legislature. The two bills at the heart of the controversy were sent back to Rules Committee to be amended and then sent back to the floor. The dichotomy of the two parties and the return with just one week of session left led to bipartisan drama. With days until the constitutionally required Sine Die of June 25, the Christmas Tree bill dropped, although they will deny it, the projects that the Democrats promised to the Republicans were added to the list the weekend before the bill dropped. Many of the projects of those Republicans that did not return, were removed. Naturally, this did not smooth anything over. This even turned into fighting among the Democrats for compromising with the Republicans dragging the session on to the bitter end. Finally, after a dramatic six weeks, the Legislature completed on Sunday, June 25.

Those that walked out are challenging the constitutionality of Measure 113. We will await to see what the courts say.

Let's see if anything changes in 2024. Hopefully, lessons were learned.

CITY OF SANDY PRIORITIES

The City Team tracked over 100 bills during the 2023 Legislative Session, on various issues affecting the City.

BOMA would like to thank Council and City Staff whose collective efforts helped enhance the City's credibility and effectiveness in the Legislative arena. Below is a list and explanation of some of the tracked bills.

PRIORITY BILLS

Christmas Tree Bill – City of Sandy Drinking Water System Reinvestment Project

HB 5030 – Passed (without our money ask)

Sandy is one of the fastest growing cities in Oregon, but our drinking water infrastructure is aging and deteriorating. The city's goal was to invest now to meet three critical needs:

1. **Increasing system capacity** to provide enough drinking water for Sandy in the near future.
2. **Ensuring regulatory compliance** with Federal water treatment requirements.
3. **Increasing system resiliency** to protect our community during emergencies and disasters.

Unfortunately, the city's portion of the bill was removed in the final hours likely due to the Republican walk out.

Conversion of Commercial to Residential Property

HB 2984B – Passed

This bill allows for the conversion of a building from commercial use to housing within urban growth boundary under certain conditions. It prohibits, for such conversions, local governments from enforcing parking minimums and limits collection of system development charges.

Variance Bill

HB 3414B - Failed

This bill would have required local governments to approve certain adjustments to land use regulations for housing development within urban growth boundary. It would have established alternate appellate procedures for adjustments. Requires certain cities to report to Department of Land Conservation and Development on use of adjustments. This bill also developed an alternative process to amend urban growth boundaries to include up to 150 net residential acres per city. This bill would have limited review by Metro, where applicable, and for review by Department of Land Conservation and Development and courts. This bill died on the last day of session.

Tax Credit for Preservation of Historic Property

HB 2079 – Passed

The bill requires the Legislative Revenue Officer to study potential of implementing tax credit and direct grant program to encourage preservation of historic property.

Reach Codes

HB 2198 – Failed

This bill would have prohibited a municipality that administers and enforces building inspection program from adopting construction standards or methods from Reach Code, or similar or related code of standards and methods, that exceed or are more stringent than statewide standards and methods Director of Department of Consumer and Business Services adopts and administers. This bill never received a public hearing.

Enterprise Zones

HB 2199A – Failed

This bill would have extended the sunset date of enterprise zone program. Provides that agreement between zone sponsor and business firm seeking exemption may not become effective before 30 days following publication of terms of agreement on zone sponsor's website. Requires Oregon Business Development Department to provide technical assistance related to such agreements to zone sponsor upon request. Directs Oregon Business Development Department, in consultation with Legislative Revenue Officer, to study transparency of enterprise zone programs and submit report of study findings to Legislative Assembly. Requires zone sponsor to notify adjacent local governments of intention to enter into agreement with business firm that may increase use of infrastructure within those governments' boundaries. Provides limitation on number of years for which property in enterprise zone may be exempt from property taxes imposed by school districts. Subjects long term rural enterprise zone exemption statute to requirement that state agency report certain tax expenditure information to State Chief Information Officer for posting on Oregon transparency website.

Sandy advocated for extending the program to allow the City of Sandy to have continued access to this powerful economic development tool to draw new investments to our region and help retain and expand existing operations. Enterprise zones are sponsored by the local government and serve as one of the only tools to attract economic growth and high paying jobs.

When the extension of 362nd Avenue and Bell Street is complete this summer, the City of Sandy will be presented with an exciting opportunity for the first substantial new commercial development in many years.

Greenhouse Gas Emissions

HB 2236 – Failed

This bill prohibits the Governor and specified state agencies from taking measures to reduce greenhouse gas emissions in Oregon unless authorized by Legislative Assembly by law enacted on or after effective date of Act. The bill did not receive a public hearing and died in committee.

Structural Masonry Licensing Standards

HB 2300 & 2877– Failed

Permits Building Codes Structures Board to adopt licensing standards for performing structural masonry in essential facilities. Permits Construction Contractors Board to adopt licensing standards for applying or installing fireproofing materials in essential facilities. This bill also did not receive a public hearing and died in committee.

Safe Drinking Water

HB 2813– Failed

This bill requires the Oregon Health Authority to ensure that communities in this state have access to safe drinking water. The Oregon Watershed Enhancement Board would establish a grant program to provide grants to water suppliers to protect, restore or enhance sources of drinking water.

The City of Sandy supported HB 2813, which requires the Oregon Health Authority to ensure that communities in this state have access to safe drinking water by establishing a grant program to provide grants to water suppliers to protect, restore or enhance sources of drinking water.

This bill died in committee.

Removal of Homeless Individuals from Camping Site

HB 2939 – Failed

This bill would have reduced notice period before removal of homeless individuals from established camping site to 24 hours. Eliminates certain requirements related to storage of personal property removed from camping site. This bill also did not receive a public hearing and died in committee.

EV Charging Stations

HB 2941 – Failed

The bill would have allowed the Director of Department of Consumer and Business Services may apply a requirement to include provisions for electrical service capacity for charging electric vehicles only to commercial buildings under private ownership. BOMA monitored the bill, but it did not receive a public hearing and died in committee.

Drinking Water and Sewer Ratepayer Assistance Fund

HB 3125 – Failed

Establishes Public Drinking Water and Sewer Ratepayer Assistance Fund. The bill directs the Housing and Community Services Department to provide grants from moneys in fund to qualified organizations to distribute water and sewer bill payment assistance to low-income residential households.

The City of Sandy asked the committee support HB 3125, which would establish the Public Drinking Water and Sewer Ratepayer Assistance Fund (PDWSRAF). This state-supported fund would continue the important work of Oregon’s Low- Income Water & Sewer Assistance Program as the federal funding for that program ends in 2023.

This bill died in committee.

Greenhouse Gas Emissions Reduction

HB 3152– Failed

Permits Public Utility Commission to institute one or more proceedings to ensure commission's regulations, rules and orders, and programs overseen by commission, align with greenhouse gas emissions reduction requirements and targets established by statute or executive order, do not impede or delay timely and equitable implementation of greenhouse gas emissions reduction requirements and targets, and mitigate energy burden and risks of stranded assets for residential utility customers. This bill died in committee.

Place-Based Water Planning Fund

HB 3163A– Failed

Establishes Place-Based Water Planning Fund. Continuously appropriates moneys in fund to Water Resources Department for purposes related to water planning. Directs Water Resources Director to use moneys in fund for certain purposes related to place-based integrated water resources plans and associated activities. This bill died in committee as well.

Regional Housing Coordinators

HB 3174A– Failed

This will would have required the Oregon Department of Administrative Services to provide grants to local governments for regional housing coordinators and to local governments to support development of needed housing. It would have required the department to provide grants to the Association of Oregon Counties and League of Oregon Cities for specific purposes relating to planning for housing. This bill also died in committee.

Pay Equity – Hiring and Retention Bonuses

HB 3205A- Failed

Modifies definition of "compensation," for purposes of pay equity requirements, to exclude hiring bonuses and retention bonuses. Permits employer to pay employees at different compensation levels pursuant to retention bonus provided that employer does not discriminate in payment of retention bonus, and that retention bonus accounts for entire compensation differential. This bill made it out of the House and is a casualty of the Senate walkout.

Right to Rest

HB 3501 - Failed

Establishes Oregon Right to Rest Act that makes a violation of the act an unlawful practice enforceable by Commissioner of Bureau of Labor and Industries or by civil action. This bill had a public hearing and died in committee.

Shelter Plus Program

HB 3547 - Failed

Establishes Shelter Plus program to provide temporary shelter and wraparound social and medical services to individuals discharged from hospitals who do not have appropriate housing in which to recover. This bill did not receive a public hearing and died in committee.

Housing on Lands Zoned for Residential Use

HB 3569 - Failed

Establishes alternative process by which local government must approve an application to develop housing on lands zoned to allow residential uses. The bill would sunset on January 2, 2033. This bill died in committee.

Tenant Termination

SB 799- Failed

Requires residential landlords to extend notice periods for terminations of tenancy based on nonpayment of rent and to include additional notices. Postpones any eviction proceeding based on such termination notices for up to 60 days while an application for rental assistance is pending. Postpones dates for first appearance and trial for evictions based on such termination notices. Requires landlords and clerk to include notice with summons for nonpayment of rent. Requires public bodies and grantees to inform tenants and landlords regarding rental assistance applications. This bill had a public hearing but died in committee.

Prevailing Wage

SB 850- Failed

Requires public body that procures construction services for certain qualified projects that use \$750,000 or more in funds of public agency or moneys made available to state under federal American Rescue Plan Act of 2021 to enter into project labor agreement that, at minimum, provides for payment of wages at or above prevailing rate of wage, to use apprentices to perform at least 15 percent of work hours that workers in apprenticeable occupations perform on project and to establish and execute plan for outreach, recruitment and retention of women, minority individuals and veterans to perform work on project. This bill died in committee.

Abating Waste Due to Homelessness

SB 859- Failed

Allows local governments, and during emergency period allows Governor or certain agencies, to abate waste, graffiti and vandalism associated with homelessness and other factors. Allows costs to be passed to solid waste collection ratepayers. This bill died in committee without a hearing.

OTHER BILLS OF INTEREST

Oregon Housing Needs Analysis

HB 2001B -Passed

Establishes Oregon Housing Needs Analysis in Oregon Department of Administrative Services. Requires cities outside Metro to plan for housing needs as allocated by analysis. Requires Metro to adopt similar methodology to allocate housing needs to cities within Metro. This bill was one of the Governor's priorities and passed early in the session.

Taxable Property

HB 2084- Failed

The bill requires the Legislative Revenue Officer to study calculation of maximum assessed value when taxable property becomes newly eligible for, or is disqualified from, exemption or special assessment program. Directs officer to submit report, in manner provided in ORS

192.245, to interim committees of Legislative Assembly related to revenue not later than December 15, 2023.

Property Tax Withholding

HB 2088 - Failed

This bill directs the county treasurer to withhold three percent of all property tax moneys for use by county for administration of property tax laws. Appropriates moneys from General Fund to Department of Revenue for deposit in County Assessment Function Funding Assistance Account. This bill died in committee.

Tax on Use of Electricity Charge for Electric Vehicles

HB 3131 - Failed

This bill would have required the Department of Transportation to study means of imposing tax on the use of electricity to charge electric vehicles at rate equivalent to tax rate imposed per gallon on motor vehicle fuel. This bill died in committee.

Excise Tax on Tires and Heavy Equipment

HB 3158 - Failed

Imposes excise tax on retail sale of tires, privilege tax for engaging in business of providing nonroad diesel equipment, tax on use in Oregon of nonroad diesel equipment purchased out of state at retail, heavy equipment rental tax on rentals of nonroad diesel equipment, privilege tax on heavy-duty vehicles and license tax on dyed diesel for transfer to Clean Diesel Engine Fund. This bill died in committee.

Campaign Contributions

HB 2003 - Failed

Establishes limits on campaign contributions that may be accepted by candidates and political committees. This bill died in committee without a hearing.

Rank Choice Voting

HB 2004B - Passed

This bill establishes ranked choice voting as voting method for selecting winner of nomination for and election to offices of President of United States, United States Senator, Representative in Congress, Governor, Secretary of State, State Treasurer and Attorney General. This will be referred to voters.

Photo Radar

HB 2095A - Failed

Authorizes all cities to elect to operate photo radar if city pays costs of operating photo radar. Eliminates restriction on number of hours per day photo radar may be used in any one location. Expands authority of city to set designated speed for certain residential streets to speed that is up to 10 miles per hour lower than statutory speed, but not less than 20 miles per hour. This bill died in committee.

This report has been prepared by City of Sandy's Government Affairs advocate Nellie deVries