

**PROPOSED AMENDMENTS TO  
HOUSE BILL 2255**

1 On page 1 of the printed bill, line 2, delete “ORS”.

2 Delete lines 3 and 4 and insert “sections 12 and 13, chapter 564, Oregon  
3 Laws 2011; and declaring an emergency.”.

4 Delete lines 6 through 26 and delete pages 2 through 12 and insert:

5 **“SECTION 1. Section 2 of this 2013 Act is added to and made a part  
6 of ORS chapter 195.**

7 **“SECTION 2. (1) As used in this section:**

8 **“(a) ‘Industrial reserve’ means land that will provide for:**

9 **“(A) Future expansion over a long-term period to provide adequate  
10 opportunities for traded sector industrial uses; and**

11 **“(B) The cost-effective provision of public facilities and services  
12 within the area when the lands are included within the urban growth  
13 boundary.**

14 **“(b) ‘Traded sector’ has the meaning given that term in ORS  
15 285A.010.**

16 **“(2) The county with land use jurisdiction over land and the city  
17 that is considering inclusion of the land within the urban growth  
18 boundary of the city may agree to cooperatively designate land outside  
19 the urban growth boundary as an industrial reserve under this section  
20 subject to ORS 197.610 to 197.625 and 197.626.**

21 **“(3) Land designated as an industrial reserve may not be within the  
22 boundaries of a metropolitan service district or on land designated as**

1 a rural reserve under ORS 195.141 or designated as an urban reserve  
2 under ORS 195.145 (1)(b).

3 “(4) Designation and protection of industrial reserves does not im-  
4 pair the rights and immunities provided under ORS 30.930 to 30.947.

5 “(5) The amount of land included in an industrial reserve may not  
6 exceed the amount estimated to be needed based on a forecast of em-  
7 ployment growth in traded sector industries over a 25-year period that  
8 commences on the date that the county gives notice to the Depart-  
9 ment of Land Conservation and Development pursuant to ORS 197.610,  
10 less the amount of buildable industrial land and other industrial ca-  
11 pacity already included within the urban growth boundary of the city.  
12 If the city has designated an urban reserve pursuant to ORS 195.145,  
13 the city must demonstrate that there is a need for industrial land in  
14 addition to the supply expected to become available in the land desig-  
15 nated as an urban reserve.

16 “(6) Local governments shall base decisions concerning the desig-  
17 nation of industrial reserves under this section on the following cri-  
18 teria, as the criteria are supplemented or made more particular by  
19 rules of the Land Conservation and Development Commission:

20 “(a) Local governments shall minimize the inclusion of land that  
21 is suitable for sustaining long-term agricultural operations, taking  
22 into account:

23 “(A) The existence of larger blocks of agricultural or other resource  
24 lands with a concentration or cluster of farms;

25 “(B) The adjacent land use pattern, including the location of the  
26 land in relation to adjacent nonfarm uses and the existence of buffers  
27 between agricultural operations and nonfarm uses;

28 “(C) The agricultural land use pattern, including parcelization,  
29 tenure and ownership patterns; and

30 “(D) The agricultural infrastructure in the area;

1       **“(b) Local governments shall include land that can be developed for**  
2 **traded sector industrial uses in a way that makes efficient use of ex-**  
3 **isting and future public infrastructure investments;**

4       **“(c) Local governments shall include only land that can be served**  
5 **by transportation infrastructure, including infrastructure to be devel-**  
6 **oped, and other necessary public facilities and services, efficiently and**  
7 **cost-effectively provided by appropriate and financially capable service**  
8 **providers; and**

9       **“(d) Local governments shall include only land that can be designed**  
10 **to preserve and enhance natural ecological systems.**

11       **“(7) After local governments have designated land as an industrial**  
12 **reserve under this section, when the land is included within an urban**  
13 **growth boundary, the land must be planned and zoned for traded sec-**  
14 **tor manufacturing. The commission may set a time period after which**  
15 **all or part of the land may be planned and zoned for other uses, based**  
16 **on a significant change in circumstances.**

17       **“(8) The commission shall adopt by rule a process for designating**  
18 **industrial reserves pursuant to this section.**

19       **“SECTION 3. (1) As used in this section:**

20       **“(a) ‘Permit’ means a permit, license, certificate or other discre-**  
21 **tionary approval required from a local government or a state permit-**  
22 **ting agency to authorize a use of land. ‘Permit’ includes a**  
23 **quasi-judicial amendment to a comprehensive plan that changes the**  
24 **urban growth boundary. ‘Permit’ does not include a permit, license,**  
25 **certificate or other discretionary approval issued pursuant to a feder-**  
26 **ally delegated program.**

27       **“(b) ‘State permitting agency’ means the Department of Environ-**  
28 **mental Quality, the Department of State Lands or the Department of**  
29 **Transportation.**

30       **“(c) ‘State significance’ means, in relation to an economic oppor-**

1 tunity project, that the proposed economic opportunity project in-  
2 volves a specific employer and a use:

3 “(A) Of specific property that is located outside, and adjacent to,  
4 an urban growth boundary;

5 “(B) That is for traded sector industrial use;

6 “(C) For which the employer has agreed to provide at least 500 new  
7 jobs for a period of at least five years; and

8 “(D) That requires at least 150 acres and for which the site charac-  
9 teristics cannot be found on land within five miles of the site that are  
10 already planned and zoned for industrial use.

11 “(2) The county with land use jurisdiction over an economic oppor-  
12 tunity project of state significance and the city whose urban growth  
13 boundary is adjacent to the site of the proposed economic opportunity  
14 project may request that permits be considered in a single review  
15 proceeding before the Economic Recovery Review Council established  
16 under section 3, chapter 564, Oregon Laws 2011. If the economic op-  
17 portunity project is adjacent to the boundary of a metropolitan service  
18 district, the metropolitan service district must join in the request in  
19 order for the council to consider the project.

20 “(3) The council shall expedite the review of an economic opportu-  
21 nity project of state significance through an expedited project review  
22 process if the council determines that:

23 “(a) An adequate workforce resides in the vicinity of the project,  
24 given the planned employment and location;

25 “(b) Agreements are in place to fund public infrastructure and ser-  
26 vices required to serve the project;

27 “(c) Development of the project:

28 “(A) Does not require completion of an environmental impact  
29 statement, either because the development falls within a categorical  
30 exclusion from the requirement or because an environmental assess-

1 **ment results in a finding of no significant impact; and**

2 **“(B) Does not require major transportation improvements that do**  
3 **not have committed funding; and**

4 **“(d) The council has not approved more than two economic oppor-**  
5 **tunity projects of state significance within the last 24-month period.**

6 **“(4) If the county and city file a complete application within the**  
7 **time specified by the council, the council shall:**

8 **“(a) Provide notice of the application in the manner required by**  
9 **ORS 197.763 for a land use decision or in the manner required for a**  
10 **quasi-judicial amendment of a comprehensive plan in the applicable**  
11 **acknowledged land use regulations of the county applicant, whichever**  
12 **results in broader notice;**

13 **“(b) Provide for at least one public hearing at a location within the**  
14 **city applicant on the proposal to site and develop the project;**

15 **“(c) Consider recommendations of the county applicant, the city**  
16 **applicant and the state permitting agencies that would otherwise have**  
17 **jurisdiction to review the permits for the proposed economic develop-**  
18 **ment project in determining whether the project complies with appli-**  
19 **cable standards and criteria and in determining whether to impose**  
20 **conditions of approval for a project the council approves; and**

21 **“(d) Apply the standards and criteria for each local permit, includ-**  
22 **ing the standards and criteria for an amendment of the urban growth**  
23 **boundary, and each state permit required for the construction and**  
24 **operation of the project and determine, within 120 days after the date**  
25 **a complete application is filed and based on the record and the appli-**  
26 **cable law, whether the project complies with the applicable standards**  
27 **and criteria.**

28 **“(5) The council has exclusive jurisdiction to approve permits under**  
29 **this section. The council may not waive standards and criteria that**  
30 **apply to issuance of a permit. If the council determines that the pro-**

1 posed project complies with the applicable standards and criteria, the  
2 council shall issue a project certificate approving the siting and de-  
3 velopment of the project. In addition to other conditions reasonably  
4 necessary to ensure that the project complies with applicable stan-  
5 dards and criteria, the council may impose a condition requiring  
6 commencement of construction by a date calculated to ensure that a  
7 particular site is developed for the project within a specific time pe-  
8 riod. If the council determines that the project does not, or cannot,  
9 comply with applicable standards and criteria, the council shall issue  
10 a final order denying the application and explaining why the applica-  
11 tion was not approved.

12 “(6) A state permitting agency or a local government may recom-  
13 mend conditions of approval reasonably necessary to ensure that the  
14 construction and operation of the project complies with applicable  
15 standards and criteria.

16 “(7) Expedited project review is not subject to ORS 183.413 to 183.470.

17 “(8) Issuance of a project certificate signed by the employer, the  
18 county applicant, the city applicant and the council:

19 “(a) Binds the employer and public bodies, as defined in ORS 174.109,  
20 in regard to the construction and operation of the project.

21 “(b) Satisfies requirements imposed on a state permitting agency  
22 by ORS 197.180 and administrative rules implementing ORS 197.180.

23 “(c) Authorizes the city applicant to include the site within the ur-  
24 ban growth boundary of the city, notwithstanding any contrary re-  
25 quirement of ORS 197.295 to 197.314 or 197.610 to 197.625 or a statewide  
26 land use planning goal relating to urbanization.

27 “(d) Authorizes the county applicant and the city applicant to sub-  
28 mit the changes to the acknowledged comprehensive plan and land use  
29 regulations of the county and the city in the manner required by ORS  
30 197.610 to 197.625 and, for purposes of acknowledgement, limits the

1 scope of Land Conservation and Development Commission review to  
2 confirmation that the changes are consistent with the project certifi-  
3 cate.

4 “(9) The employer must meet or exceed the employment levels  
5 specified in the application for a period of five years. If the employer  
6 does not meet or exceed the employment levels:

7 “(a) The council may notify the city applicant and the Department  
8 of Land Conservation and Development that the lands occupied by the  
9 project must be subtracted from any need determination made for an  
10 amendment of the urban growth boundary of the city; and

11 “(b) The employer must pay the council \$10,000 per year for each  
12 year for each full-time equivalent position by which the employer does  
13 not meet or exceed the specified employment levels.

14 “(10) After the council issues a project certificate, state permitting  
15 agencies and local governments shall:

16 “(a) Issue permits as required in the project certificate; and

17 “(b) Exercise enforcement authority over the permits, including  
18 conditions imposed in the project certificate.

19 “(11) The council shall charge the employer a fee calculated to re-  
20 cover the costs reasonably incurred to conduct expedited project re-  
21 view, including the costs incurred by state permitting agencies and  
22 local governments that make recommendations to the council con-  
23 cerning whether the proposed siting complies with applicable stan-  
24 dards and criteria. If the fee charged by the council includes costs  
25 incurred by a state permitting agency or a local government, the  
26 council shall pay or reimburse the state permitting agency or the local  
27 government in the manner provided by ORS 469.360. The council may  
28 require the employer to pay all or a portion of the fee before initiation  
29 of the expedited project review and may require progress payments as  
30 the review proceeds. The fee required by this section is in lieu of any

1 fee or fees otherwise required for review of a permit addressed in the  
2 project certificate.

3 “(12) The council shall deposit moneys received under this section  
4 in the Economic Recovery Review Council Fund established under  
5 section 5, chapter 564, Oregon Laws 2011.

6 “(13) The Land Use Board of Appeals does not have jurisdiction to  
7 consider decisions, aspects of decisions or actions taken under this  
8 section.

9 “(14) A person who participates in the proceedings before the  
10 council may appeal a final order of the council to the Court of Appeals.  
11 The appeal shall proceed in the manner provided by ORS 197.850,  
12 197.855 and 197.860. However, notwithstanding ORS 197.850 (9) or any  
13 other provision of law, the court shall reverse or remand the decision  
14 only if the court finds that:

15 “(a) The council’s determination that the proposed siting qualifies  
16 as an economic opportunity project was clearly in error;

17 “(b) There is a basis to vacate the decision as described in ORS  
18 36.705 (1)(a) to (d) or a basis for modification or correction of an award  
19 as described in ORS 36.710; or

20 “(c) The decision was unconstitutional.

21 “SECTION 4. (1) As used in this section:

22 “(a) ‘Permit’ means a permit, license, certificate or other discre-  
23 tionary approval required from a local government or a state permit-  
24 ting agency to authorize a use of land. ‘Permit’ includes a  
25 quasi-judicial amendment to a comprehensive plan that changes the  
26 urban growth boundary. ‘Permit’ does not include a permit, license,  
27 certificate or other discretionary approval issued pursuant to a feder-  
28 ally delegated program.

29 “(b) ‘State permitting agency’ means the Department of Environ-  
30 mental Quality, the Department of State Lands or the Department of



1 **Transportation.**

2 **“(c) ‘Regional significance’ means, in relation to an economic op-**  
3 **portunity project, that the proposed economic opportunity project in-**  
4 **volves a specific employer and a use:**

5 **“(A) Of specific property that is located outside, and adjacent to,**  
6 **an urban growth boundary in a county that has a population of 20,000**  
7 **or less or that shares a portion of its boundary with the eastern**  
8 **boundary of the State of Oregon;**

9 **“(B) That is for traded sector industrial use;**

10 **“(C) For which the employer has agreed to provide at least 100 new**  
11 **jobs for a period of at least five years; and**

12 **“(D) That requires at least 50 acres and for which the site charac-**  
13 **teristics cannot be found on land within three miles of the site that**  
14 **are already planned and zoned for industrial use.**

15 **“(2) The county with land use jurisdiction over an economic oppor-**  
16 **tunity project of regional significance and the city whose urban**  
17 **growth boundary is adjacent to the site of the proposed economic op-**  
18 **portunity project may request that permits be considered in a single**  
19 **review proceeding before the Economic Recovery Review Council es-**  
20 **tablished under section 3, chapter 564, Oregon Laws 2011.**

21 **“(3) The council shall expedite the review of an economic opportu-**  
22 **nity project of regional significance through an expedited project re-**  
23 **view process if the council determines that:**

24 **“(a) An adequate workforce resides in the vicinity of the project,**  
25 **given the planned employment and location;**

26 **“(b) Agreements are in place to fund public infrastructure and ser-**  
27 **vices required to serve the project;**

28 **“(c) Development of the project:**

29 **“(A) Does not require completion of an environmental impact**  
30 **statement, either because the development falls within a categorical**

1 exclusion from the requirement or because an environmental assess-  
2 ment results in a finding of no significant impact; and

3 “(B) Does not require major transportation improvements that do  
4 not have committed funding; and

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9 time specified by the council, the council shall:

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11 ORS 197.763 for a land use decision or in the manner required for a  
12 quasi-judicial amendment to a comprehensive plan in the applicable  
13 acknowledged land use regulations of the county applicant, whichever  
14 results in broader notice;

15 “(b) Provide for at least one public hearing at a location within the  
16 city applicant on the proposal to site and develop the project;

17 “(c) Consider recommendations of the county applicant, the city  
18 applicant and the state permitting agencies that would otherwise have  
19 jurisdiction to review the permits for the proposed economic develop-  
20 ment project in determining whether the project complies with appli-  
21 cable standards and criteria and in determining whether to impose  
22 conditions of approval for a project the council approves; and

23 “(d) Apply the standards and criteria for each local permit, includ-  
24 ing the standards and criteria for an amendment of the urban growth  
25 boundary, and each state permit required for the construction and  
26 operation of the project and determine, within 120 days after the date  
27 a complete application is filed and based on the record and the appli-  
28 cable law, whether the project complies with the applicable standards  
29 and criteria.

30 “(5) The council has exclusive jurisdiction to approve permits under

1 this section. The council may not waive standards and criteria that  
2 apply to issuance of a permit. If the council determines that the pro-  
3 posed project complies with the applicable standards and criteria, the  
4 council shall issue a project certificate approving the siting and de-  
5 velopment of the project. In addition to other conditions reasonably  
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7 dards and criteria, the council may impose a condition requiring  
8 commencement of construction by a date calculated to ensure that a  
9 particular site is developed for the project within a specific time pe-  
10 riod. If the council determines that the project does not, or cannot,  
11 comply with applicable standards and criteria, the council shall issue  
12 a final order denying the application and explaining why the applica-  
13 tion was not approved.

14 “(6) A state permitting agency or a local government may recom-  
15 mend conditions of approval reasonably necessary to ensure that the  
16 construction and operation of the project complies with applicable  
17 standards and criteria.

18 “(7) Expedited project review is not subject to ORS 183.413 to 183.470.

19 “(8) Issuance of a project certificate signed by the employer, the  
20 county applicant, the city applicant and the council:

21 “(a) Binds the employer and public bodies, as defined in ORS 174.109,  
22 in regard to the construction and operation of the project.

23 “(b) Satisfies requirements imposed on a state permitting agency  
24 by ORS 197.180 and administrative rules implementing ORS 197.180.

25 “(c) Authorizes the city applicant to include the site within the ur-  
26 ban growth boundary of the city, notwithstanding any contrary re-  
27 quirement of ORS 197.295 to 197.314 or 197.610 to 197.625 or a statewide  
28 land use planning goal relating to urbanization.

29 “(d) Authorizes the county applicant and the city applicant to sub-  
30 mit the changes to the acknowledged comprehensive plan and land use

1 regulations of the county and the city in the manner required by ORS  
2 197.610 to 197.625 and, for purposes of acknowledgement, limits the  
3 scope of Land Conservation and Development Commission review to  
4 confirmation that the changes are consistent with the project certifi-  
5 cate.

6 “(9) The employer must meet or exceed the employment levels  
7 specified in the application for a period of five years. If the employer  
8 does not meet or exceed the employment levels:

9 “(a) The council may notify the city applicant and the Department  
10 of Land Conservation and Development that the lands occupied by the  
11 project must be subtracted from any need determination made for an  
12 amendment of the urban growth boundary of the city; and

13 “(b) The employer must pay the council \$10,000 per year for each  
14 year for each full-time equivalent position by which the employer does  
15 not meet or exceed the specified employment levels.

16 “(10) After the council issues a project certificate, state permitting  
17 agencies and local governments shall:

18 “(a) Issue permits as required in the project certificate; and

19 “(b) Exercise enforcement authority over the permits, including  
20 conditions imposed in the project certificate.

21 “(11) The council shall charge the employer a fee calculated to re-  
22 cover the costs reasonably incurred to conduct expedited project re-  
23 view, including the costs incurred by state permitting agencies and  
24 local governments that make recommendations to the council con-  
25 cerning whether the proposed siting complies with applicable stan-  
26 dards and criteria. If the fee charged by the council includes costs  
27 incurred by a state permitting agency or a local government, the  
28 council shall pay or reimburse the state permitting agency or the local  
29 government in the manner provided by ORS 469.360. The council may  
30 require the employer to pay all or a portion of the fee before initiation

1 of the expedited project review and may require progress payments as  
2 the review proceeds. The fee required by this section is in lieu of any  
3 fee or fees otherwise required for review of a permit addressed in the  
4 project certificate.

5 “(12) The council shall deposit moneys received under this section  
6 in the Economic Recovery Review Council Fund established under  
7 section 5, chapter 564, Oregon Laws 2011.

8 “(13) The Land Use Board of Appeals does not have jurisdiction to  
9 consider decisions, aspects of decisions or actions taken under this  
10 section.

11 “(14) A person who participates in the proceedings before the  
12 council may appeal a final order of the council to the Court of Appeals.  
13 The appeal shall proceed in the manner provided by ORS 197.850,  
14 197.855 and 197.860. However, notwithstanding ORS 197.850 (9) or any  
15 other provision of law, the court shall reverse or remand the decision  
16 only if the court finds that:

17 “(a) The council’s determination that the proposed siting qualifies  
18 as an economic opportunity project was clearly in error;

19 “(b) There is a basis to vacate the decision as described in ORS  
20 36.705 (1)(a) to (d) or a basis for modification or correction of an award  
21 as described in ORS 36.710; or

22 “(c) The decision was unconstitutional.

23 “SECTION 5. Section 12, chapter 564, Oregon Laws 2011, is amended to  
24 read:

25 “**Sec. 12.** (1) On the date of the repeal of sections 1 to 5, chapter 564,  
26 Oregon Laws 2011, specified in section 13, chapter 564, Oregon Laws 2011  
27 [*of this 2011 Act*]:

28 “(a) The Economic Recovery Review Council established under section 3,  
29 chapter 564, Oregon Laws 2011, [*of this 2011 Act*] is abolished and the  
30 tenure of office of the members of the council, the program manager for the

1 council and all employees ceases.

2 “(b) The Economic Recovery Review Council Fund established under sec-  
3 tion 5, **chapter 564, Oregon Laws 2011**, [*of this 2011 Act*] is abolished. The  
4 Economic Recovery Review Council shall transfer the unexpended balance  
5 of moneys in the fund to the General Fund.

6 “(2) The members of the council shall allocate and deliver to the respec-  
7 tive state agencies whose directors served as members of the council all re-  
8 cords and property within the jurisdiction of the council, and the state  
9 agencies whose directors served on the council shall take possession of the  
10 records and property. The Governor shall resolve any dispute relating to the  
11 allocation and delivery of records and property under this section and the  
12 Governor’s decision is final.

13 “(3) The abolishment of the council does not relieve a person of a liabil-  
14 ity, duty or obligation accruing under or with respect to the duties, functions  
15 and powers of the council abolished by this section. The Oregon Department  
16 of Administrative Services may undertake the collection or enforcement of  
17 any such liability, duty or obligation.

18 “(4) The rights and obligations of the council legally incurred under  
19 contracts, leases and business transactions executed, entered into or begun  
20 before the date **of the repeal of sections 1 to 5, chapter 564, Oregon Laws**  
21 **2011**, specified in section 13, **chapter 564, Oregon Laws 2011**, [*of this 2011*  
22 *Act*] are transferred to the Oregon Department of Administrative Services.  
23 For the purpose of succession to these rights and obligations, the department  
24 is a continuation of the council and not a new authority.

25 “(5) Notwithstanding the repeal of sections 1 to 5, **chapter 564, Oregon**  
26 **Laws 2011**, [*of this 2011 Act*] by section 13, **chapter 564, Oregon Laws 2011**  
27 [*of this 2011 Act*], members of the council may take [*action*] **actions** under  
28 this section that are necessary to wind down the operations of the council  
29 before, on or after the date of the repeal of sections 1 to 5, **chapter 564,**  
30 **Oregon Laws 2011** [*of this 2011 Act*].

1       **“SECTION 6.** Section 13, chapter 564, Oregon Laws 2011, is amended to  
2 read:

3       **“Sec. 13.** Sections 1 to 5 [*of this 2011 Act*], **chapter 564, Oregon Laws**  
4 **2011, and sections 3 and 4 of this 2013 Act** are repealed on **the later of**  
5 **the following dates:**

6       **“(1) The date specified in ORS 197.723 (1) by which the Economic**  
7 **Recovery Review Council must designate regionally significant indus-**  
8 **trial areas; or**

9       **“(2) January 2 of the first even-numbered year after the Employment De-**  
10 **partment notifies the Economic Recovery Review Council and the Office of**  
11 **the Legislative Counsel that the annual average unemployment rate for the**  
12 **most recent calendar year in Oregon is less than six percent.**

13       **“SECTION 7. This 2013 Act being necessary for the immediate**  
14 **preservation of the public peace, health and safety, an emergency is**  
15 **declared to exist, and this 2013 Act takes effect on its passage.”.**

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