

**Fiscal:** Fiscal impact issued

**Revenue:** No Revenue Impact

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**Action Date:** 06/03/15

**Action:** Do Pass With Amendments To The A-Eng Bill. (Printed B-Eng.)

**Meeting Dates:** 05/28, 06/03

**Vote:**

Yeas: 4 - Burdick, Gelser, Kruse, Prozanski

Nays: 1 - Thatcher

**Prepared By:** Laura Handzel, Administrator

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**WHAT THE MEASURE DOES:**

Directs state agencies to give priority notification to nonprofit organizations and Indian tribes of lands available for purchase for purposes of affordable housing development.

**ISSUES DISCUSSED:**

- Work on housing issues during 2013 Legislative Session
- Measure result of work group
- Desire to make better use of lands by nonprofit organizations and tribes
- Minor changes made to existing statute
- Requirement to list, not to sell
- Changes made to order of priority housing notifications
- Exemptions, specifically for Oregon Department of Transportation and Department of Administrative Services
- Effects of amendment

**EFFECT OF COMMITTEE AMENDMENT:**

Expands application to include Indian tribes as defined by statute and adds exemption for Department of State Lands. Resolves conflict with Senate Bill 224.

**BACKGROUND:**

Oregon law requires the Department of State Lands, the Oregon Department of Transportation and the Department of Administrative Services to sell real property in surplus. Agencies routinely review properties to make surplus determinations. If parcels are not needed, they are offered for sale first to other state agencies; then to local government entities; and then to the public. Properties that will be needed in the future are leased until such time as they are needed. The sale and lease of these lands generates millions of dollars in revenue each year that funds a variety of needs such as schools or state highway investments, depending on the agency that sells the land.

House Bill 3524-B requires state agencies selling certain lands to give the first right of refusal to acquire, purchase, exchange or lease the property to nonprofit organizations and Indian tribes as defined by ORS 97.740 for the development of affordable housing. The property must be within an urban growth boundary, an urban reserve, a rural community, or an urban unincorporated community; not being used for a public purpose; and not needed for public use within five years.