

D R A F T

SUMMARY

Modifies requirements for housing cost impact statement required for adoption of certain rules.

A BILL FOR AN ACT

Relating to housing cost impact statements; creating new provisions; and amending ORS 183.530, 183.534 and 183.538.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 183.530 is amended to read:

183.530. A housing cost impact statement shall be prepared upon the proposal for adoption or repeal of any rule or any amendment to an existing rule by:

(1) The Oregon Housing Stability Council;

(2) A building codes division of the Department of Consumer and Business Services or any board associated with the department with regard to rules adopted under ORS 455.610 to 455.630;

(3) The Land Conservation and Development Commission;

(4) The Environmental Quality Commission;

(5) The Construction Contractors Board;

(6) The Occupational Safety and Health Division of the Department of Consumer and Business Services; [*or*]

(7) The State Department of Energy[.];

(8) The Department of the State Fire Marshal;

(9) The State Board of Architect Examiners;

(10) The State Board of Examiners for Engineering and Land Sur-

1 **veying;**

2 **(11) The Department of State Lands; or**

3 **(12) The State Historic Preservation Officer.**

4 **SECTION 2.** ORS 183.534 is amended to read:

5 183.534. *[(1) A housing cost impact statement is an estimate of the effect of*
6 *a proposed rule or ordinance on the cost of development of a 6,000 square foot*
7 *parcel and the construction of a 1,200 square foot detached single family*
8 *dwelling on that parcel. The Oregon Housing Stability Council shall adopt*
9 *rules prescribing the form to be used when preparing the estimate and other*
10 *such rules necessary to the implementation of this section and ORS 183.530*
11 *and 183.538.]*

12 **(1) A housing cost impact statement required under ORS 183.530**
13 **must include:**

14 **(a) An estimate of the effect of a proposed rule on the cost of de-**
15 **velopment of a:**

16 **(A) Parcel or lot and the construction on the parcel or lot of a de-**
17 **tached single family dwelling offered for sale at 80 to 150 percent of**
18 **Oregon's median family income; and**

19 **(B) Parcel or lot and the construction on the parcel or lot of a**
20 **middle housing unit as described in ORS 197.758 offered for sale at 80**
21 **to 150 percent of Oregon's median family income;**

22 **(b) A finding as to whether the proposed rule may result in the**
23 **displacement of members of historically disadvantaged communities**
24 **or families with income below 50 percent of the median family income**
25 **for the area in which the rule is applicable; and**

26 **(c) A finding as to whether the proposed rule will have a significant**
27 **adverse effect upon the ability of a member of a historically disad-**
28 **vantaged community to purchase housing offered for sale at 80 percent**
29 **to 150 percent of median family income in the area in which the rule**
30 **is in effect.**

31 **(2) A housing cost impact statement must include a finding as to**

1 whether the proposed rule will require residential developers to adopt
2 additional training, record keeping, inspections or verification under
3 the rule, and an estimate of the effect these administrative require-
4 ments will have on development of the dwellings described in para-
5 graph (a) of this subsection.

6 (3) The Oregon Housing Stability Council shall adopt rules pre-
7 scribing the form to be used when preparing the housing cost impact
8 statement and other such rules necessary to the implementation of
9 this section and ORS 183.530 and 183.538.

10 (4) Upon adoption of a rule, an agency listed under ORS 183.530 shall
11 monitor and maintain records of the costs described in this section.
12 The agency shall report to an appropriate committee or interim com-
13 mittee of the Legislative Assembly at least once every two years on
14 whether the estimated costs of the rules have substantially changed
15 since adoption. In preparing each report, the agency shall solicit in-
16 formation from the public over a 30-day period regarding the costs of
17 compliance with the rules and shall include a summary of public tes-
18 timony received in the report.

19 (5) An agency preparing a housing cost impact statement pursuant
20 to this section must make a finding that a proposal for adoption or
21 repeal of a rule subject to this section is necessary for the protection
22 of health and safety, and that the health and safety protections out-
23 weigh the impacts identified in subsection (1) of this section, if the
24 agency determines that a proposed rule:

25 (a) Significantly increases the cost of a dwelling described in sub-
26 section (1)(a) of this section;

27 (b) May result in the displacement of persons identified in sub-
28 section (1)(b) of this section; or

29 (c) Will have a significant adverse effect upon persons identified in
30 subsection (1)(c) of this section.

31 [(2)] (6) A housing cost impact statement:

1 (a) For an agency listed in ORS 183.530 shall be incorporated in the:

2 (A) Fiscal impact statement required by ORS 183.335 (2)(b)(E) for perma-
3 nent rule adoption; or

4 (B) Statements required by ORS 183.335 (5) for temporary rule adoption.

5 (b) [*Shall not be*] **Is not** required for the adoption of any procedural rule
6 by an agency listed in ORS 183.530.

7 **SECTION 3.** ORS 183.538 is amended to read:

8 183.538. [*(1) Notwithstanding ORS 183.335 (12), 183.400 (4) or any other*
9 *provision of law, the failure to prepare a housing cost impact statement shall*
10 *not affect the validity or effective date of any rule or ordinance or any*
11 *amendment to a rule or ordinance.*]

12 [(2)] If a rule [*or ordinance*] or any amendment to a rule [*or ordinance*]
13 is challenged based on the failure to prepare a housing cost impact statement
14 **as described in ORS 183.534**, the court or other reviewing authority shall
15 remand the proposed rule [*or ordinance*] or any amendment to a rule [*or or-*
16 *dinance*] to the adopting or repealing entity if it determines that a housing
17 cost impact statement is required **or that the agency failed to make**
18 **proper findings as required by ORS 183.534.**

19 [(3) *The court or other reviewing authority shall determine only whether a*
20 *housing cost impact statement was prepared and shall not make any determi-*
21 *nation as to the sufficiency of the housing cost impact statement.*]

22 **SECTION 4. The amendments to ORS 183.530, 183.534 and 183.538 by**
23 **sections 1 to 3 of this 2022 Act apply to notices of rules given under**
24 **ORS 183.335 on or after the effective date of this 2022 Act.**

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