

SB 1537 STAFF MEASURE SUMMARY

Senate Committee On Housing and Development

Action Date: 02/14/22

Action: Without recommendation as to passage and request referral to Rules.

Vote: 5-0-0-0

Yeas: 5 - Anderson, Girod, Golden, Jama, Patterson

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 2/7, 2/9, 2/14

WHAT THE MEASURE DOES:

Requires Department of State Fire Marshal, State Board of Architect Examiners, State Board of Examiners for Engineering and Land Surveying, Department of State Lands, and State Historic Preservation Officer to produce housing cost impact statements when adopting or repealing rules, or amendments to rules. Redefines "housing cost impact statement" to require agencies to produce development cost estimates of proposed rulemaking on construction of single-family dwellings and middle housing units for sale at 80 to 150 percent of Oregon median family income. Requires agencies to produce findings on whether proposed rulemaking will displace historically disadvantaged community members or families with incomes below 50 percent of median family income in areas in which the proposed rulemaking applies. Requires agencies to produce findings on whether proposed rulemaking will have significant adverse effect on ability of historically disadvantaged community members to buy housing for sale at 80 to 150 percent of median family income in areas in which the proposed rulemaking applies. Requires agencies to produce findings on whether proposed rulemaking will require residential developers to adopt additional training, record keeping, inspections, or verification, and requires agencies to estimate development impacts of administrative requirements on certain housing types. Directs Oregon Housing Stability Council to adopt rulemaking for implementation of provisions. Directs agencies to monitor and maintain records of cost estimates, reporting to interim committee of Legislative Assembly at least once every two years if estimates change substantially since rules adoption. Requires agencies, in adopting or repealing a rule, to declare when health and safety protections outweigh certain cost impacts, displacement measures, and adverse effects on members of historically disadvantaged communities. Allows courts or reviewing authorities to remand proposed rulemaking if agencies fail to make proper required findings.

ISSUES DISCUSSED:

- Remanding and overturning of rules
- Modernization of housing cost impact statements
- Ability of agencies to implement new requirements
- Variance of development cost estimates
- Stakeholder engagement during policymaking process
- Challenges to long-term cost estimates
- Development cost estimates from imposition of wildfire building code standards
- Proposed amendment to replace measure with task force to study housing cost impact statements

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Certain agencies are required to produce housing cost impact statements when they propose adoption or repeal of rules, or amendments to existing rules. The agencies include: the Oregon Housing Stability Council; the building

SB 1537 STAFF MEASURE SUMMARY

codes division of the Department of Consumer and Business Services or associated boards; the Land Conservation and Development Commission; the Environmental Quality Commission; the Construction Contractors Board; the Occupational Safety and Health Division of the Department of Consumer and Business Services; and the State Department of Energy. Housing cost impact statements require agencies to estimate the effect of proposed rulemaking on the development cost of constructing a 1,200 square foot detached single-family dwelling on a 6,000 square foot parcel.

Senate Bill 1537 adds five agencies to the requirement to produce housing cost impact statements. The measure redefines "housing cost impact statement" to include the estimated effects of proposed rulemaking on development costs for certain housing selling at 80 to 150 percent of median family income, findings on how proposed rulemaking affects displacement of historically disadvantaged community members and low-income families, and findings related to the ability to purchase certain housing and related to administrative requirements for residential developers. The Oregon Housing Stability Council is directed to adopt rulemaking for implementation of the measure's provisions. The measure requires agencies to monitor and maintain records, and report to an interim committee of the Legislative Assembly at least once every two years if estimates change substantially since the adoption of rules. In addition, the measure allows courts or reviewing authorities to remand proposed rulemaking if agencies fail to make the proper required findings.