A-Engrossed Senate Bill 1536

Ordered by the Senate February 15 Including Senate Amendments dated February 15

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with presession filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Housing and Development)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Limits restrictions on portable cooling devices in residences by landlords, homeowners associations, condominium associations and local governments. [Requires certain landlords to provide community spaces for cooling.]

[Requires landlords to make reasonable accommodations to allow certain tenants access to cooling.]

Requires that Housing and Community Services Department website contain list of dates where counties experienced extreme heat events and contain information regarding programs and services for landlords providing cooling.

Requires new [and certain rehabilitated] residential dwelling units to provide adequate cooling facilities. Requires rented spaces in facilities to provide adequate electrical service for tenant's reasonable heating and cooling uses for new manufactured dwellings and floating homes and for updated electrical connections.

Authorizes State Department of Energy to make available for rental housing [loans] grants for upgrades to support cooling facilities and rebates for heat pump purchases and installations. Establishes [Residential Energy Upgrade Loan Fund and] Residential Heat Pump [Rebate] Fund. [Appropriates moneys for deposit into funds. Sunsets rebate program and Residential Heat Pump Rebate Fund on January 2, 2025. Requires certain residential landlords to submit to Housing and Community Services department proposals for implementing cooling strategies by December 31, 2024.] Requires department to provide grants to entity to assist landlords with creating or operating community cooling centers. Requires department to study cooling facilities for certain residential dwellings. Requires department to report on [proposals] programs to interim committee of Legislative Assembly no later than September 15, [2025] 2023. [Requires department to provide technical assistance to residential landlords on acquiring cooling technologies and devices.] Appropriates moneys to department for fund and programs. Sunsets fund and programs on January 2, 2025.

Expands Department of Human Services grant program for clean air shelters to include warming and cooling shelters and facilities. Appropriates moneys to department.

Declares emergency, effective on passage.

A BILL FOR AN ACT

- Relating to indoor temperature control; creating new provisions; amending ORS 90.320, 90.730, 94.779, 100.023, 197.772, 431A.410 and 431A.412; and declaring an emergency.
 - Be It Enacted by the People of the State of Oregon:

PORTABLE COOLING DEVICES

8 <u>SECTION 1.</u> Section 2 of this 2022 Act is added to and made a part of ORS chapter 90. 9 <u>SECTION 2.</u> (1) As used in this section:

(a) "Extreme heat event" means a day on which National Weather Service of the National Oceanic and Atmospheric Administration has predicted or indicated that there exists a heat index of extreme caution for the county.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1

4 5

6

10

- (b) "Portable cooling device" includes air conditioners and evaporative coolers, including devices mounted in a window or that are designed to sit on the floor but not including devices whose installation or use requires alteration to the dwelling unit.
- (2) A landlord may not prohibit or restrict a tenant from installing or using a portable cooling device of the tenant's choosing, unless:
 - (a) The installation or use of the device would:

- (A) Violate building codes or state or federal law;
- (B) Violate the device manufacture's written safety guidelines for the device;
 - (C) Damage the premises or render the premises uninhabitable; or
- (D) Require amperage to power the device that cannot be accommodated by the power service to the building, dwelling unit or circuit;
 - (b) If the device would be installed in a window:
 - (A) The window is a necessary egress from the dwelling unit;
- (B) The device would interfere with the tenant's ability to lock a window that is accessible from outside;
- (C) The device requires the use of brackets or other hardware that would damage or void the warranty of the window or frame, puncture the envelope of the building or otherwise cause significant damages;
- (D) The restrictions require that the device be adequately drained to prevent damage to the dwelling unit or building; or
- (E) The restrictions require that the device be installed in a manner that prevents risk of falling; or
 - (c) The restrictions require that the device be:
 - (A) Installed or removed by the landlord or landlord's agent;
 - (B) Subject to inspection or servicing by the landlord or landlord's agent; or
 - (C) Removed from October 1 through April 30.
- (3) A landlord may not enforce a restriction on portable cooling devices against a tenant allowed under subsection (2) of this section unless the restrictions are in writing and delivered to the tenant. The written restrictions must include whether the landlord intends to operate, whenever there is an extreme heat event for the county of the premises, one or more community cooling spaces available to the tenant that are located on or near the premises and that maintain a temperature of not higher than 80 degrees Fahrenheit.
- (4) A landlord is immune from liability for any claim for damages, injury or death caused by a portable cooling device installed by the tenant.
- (5) A landlord who must limit portable cooling devices for a building under subsection (2)(a)(D) of this section shall prioritize allowing the use of devices for individuals who require a device to accommodate a disability. A landlord is not responsible for any interruption in electrical service that is not caused by the landlord, including interruptions caused by an electrical supply's inability to accommodate use of a portable cooling device.
- (6) If a landlord issues a termination notice under ORS 90.392 or 90.630 based on a violation of a restriction regulating a portable cooling device allowed under subsection (2) of this section:
- (a) On each day that there is an extreme heat event for the county of the premises, the notice period described in ORS 90.392 (3), (4), (5) or (6) or 90.630 (1), (3) or (6) does not run.
 - (b) The termination notice must state:

- (A) The deadline of a cure period designated in the notice, if any;
- (B) That the date of termination specified in the notice will be extended by one day for each day that there is an extreme heat event for the county of the premises; and
- (C) That information regarding days with an extreme heat event can be found on the website for the Housing and Community Services Department.

SECTION 3. ORS 94.779 is amended to read:

- 94.779. (1) A provision of a planned community's governing document or landscaping or architectural guidelines that imposes irrigation requirements on an owner or the association is void and unenforceable while any of the following is in effect:
- (a) A declaration by the Governor that a severe, continuing drought exists or is likely to occur in a political subdivision within which the planned community is located;
- (b) A finding by the Water Resources Commission that a severe, continuing drought exists or is likely to occur in a political subdivision within which the planned community is located;
- (c) An ordinance adopted by the governing body of a political subdivision within which the planned community is located that requires conservation or curtailment of water use; or
- (d) A rule adopted by the association under subsection (2) of this section to reduce or eliminate irrigation water use.
- (2) Notwithstanding any provision of a planned community's governing documents or landscaping or architectural guidelines imposing irrigation requirements on an owner or the association, an association may adopt rules that:
 - (a) Require the reduction or elimination of irrigation on any portion of the planned community.
- (b) Permit or require the replacement of turf or other landscape vegetation with xeriscape on any portion of the planned community.
- (c) Require prior review and approval by the association or its designee of any plans by an owner or the association to replace turf or other landscape vegetation with xeriscape.
- (d) Require the use of best practices and industry standards to reduce the landscaped areas and minimize irrigation of existing landscaped areas of common property where turf is necessary for the function of the landscaped area.
- (3) Except as provided in subsections (4) and (5) of this section, **if adopted on or after January**1, 2018, the following provisions of a planned community's governing document are void and unenforceable:
- (a) A provision that prohibits or restricts the use of the owner's unit or lot as the premises of an exempt family child care provider participating in the subsidy program under ORS 329A.500; or
- (b) If the unit does not share a wall, floor or ceiling surface in common with another unit, a provision that prohibits or restricts the use of the owner's unit or lot as a certified or registered family child care home pursuant to ORS 329A.250 to 329A.450.
- (4) Subsection (3) of this section does not prohibit a homeowners association from adopting or enforcing a provision of the planned community's governing document that regulates parking, noise, odors, nuisance, use of common property or activities that impact the cost of insurance policies held by the planned community, provided the provision:
 - (a) Is reasonable; and
- (b) Does not have the effect of prohibiting or restricting the use of a unit or lot as the premises of an exempt family child care provider participating in the subsidy program under ORS 329A.500 or as a certified or registered family child care home pursuant to ORS 329A.250 to 329A.450.
 - (5)(a) Subsection (3) of this section does not apply to planned communities that provide housing

1 for older persons.

- 2 (b) As used in this subsection, "housing for older persons" has the meaning given that term in 3 ORS 659A.421.
 - (6) A provision in a planned community's governing document that restricts or prohibits the installation or use of a portable cooling device, as defined in section 2 (1) of this 2022 Act, is void and unenforceable, unless:
 - (a) The installation or use of the device would:
 - (A) Violate building codes or state or federal law; or
 - (B) Violate the device manufacture's written safety guidelines for the device; or
 - (b) The restrictions are only to require that the device be removed from October 1 through April 30.

SECTION 4. ORS 100.023 is amended to read:

100.023. (1) A provision of a condominium's governing document or landscaping or architectural guidelines that imposes irrigation requirements on a unit owner or the association is void and unenforceable while any of the following is in effect:

- (a) A declaration by the Governor that a severe, continuing drought exists or is likely to occur in a political subdivision within which the condominium is located;
- (b) A finding by the Water Resources Commission that a severe, continuing drought exists or is likely to occur in a political subdivision within which the condominium is located;
- (c) An ordinance adopted by the governing body of a political subdivision within which the condominium is located that requires conservation or curtailment of water use; or
- (d) A rule adopted by the association under subsection (2) of this section to reduce or eliminate irrigation water use.
- (2) Notwithstanding any provision of a condominium's governing document or landscaping or architectural guidelines imposing irrigation requirements on a unit owner or the association, an association may adopt rules that:
 - (a) Require the reduction or elimination of irrigation on any portion of the condominium.
- (b) Permit or require the replacement of turf or other landscape vegetation with xeriscape on any portion of the condominium.
- (c) Require prior review and approval by the association or its designee of any plans by a unit owner or the association to replace turf or other landscape vegetation with xeriscape.
- (d) Require the use of best practices and industry standards to reduce the landscaped areas and minimize irrigation of existing landscaped general common elements where turf is necessary for the function of the general common elements.
- (3) Except as provided in subsections (4) and (5) of this section, **if adopted after January 1, 2018,** the following provisions of a condominium's governing document are void and unenforceable:
- (a) A provision that prohibits or restricts the use of the unit owner's condominium unit or any limited common element designated for exclusive use by the occupants of the unit as the premises of an exempt family child care provider participating in the subsidy program under ORS 329A.500; or
- (b) If the condominium unit does not share a wall, floor or ceiling surface in common with another unit, a provision that prohibits or restricts the use of the unit owner's condominium unit or any limited common element designated for exclusive use by the occupants of the unit as a certified or registered family child care home pursuant to ORS 329A.250 to 329A.450.
 - (4) Subsection (3) of this section does not prohibit an association of unit owners from adopting

- or enforcing a provision of the condominium's governing document that regulates parking, noise, odors, nuisance, use of common elements or activities that impact the cost of insurance policies held by the condominium, provided the provision:
 - (a) Is reasonable; and

- (b) Does not have the effect of prohibiting or restricting the use of a unit as the premises of an exempt family child care provider participating in the subsidy program under ORS 329A.500 or as a certified or registered family child care home pursuant to ORS 329A.250 to 329A.450.
- (5)(a) Subsection (3) of this section does not apply to condominiums that provide housing for older persons.
- 10 (b) As used in this subsection, "housing for older persons" has the meaning given that term in 11 ORS 659A.421.
 - (6) A provision in a condominium's governing document that restricts or prohibits the installation or use of a portable cooling device, as defined in section 2 (1) of this 2022 Act, is void and unenforceable, unless:
 - (a) The installation or use of the device would:
 - (A) Violate building codes or state or federal law;
 - (B) Violate the device manufacture's written safety guidelines for the device;
 - (C) Interfere with the common elements of the condominium; or
 - (D) Require amperage to power the device that cannot be accommodated by the power service to the building, unit or circuit;
 - (b) The device would be installed in a window and:
 - (A) The window is a necessary egress from the unit;
 - (B) The device would interfere with the unit owner's ability to lock a window that is accessible from outside;
 - (C) Requires the use of brackets or other hardware that would damage or void the warranty of the window or frame, puncture the envelope of the building or otherwise cause significant damages;
 - (D) The restrictions require that the device be adequately drained to prevent damage to the dwelling unit or building; or
 - (E) The restrictions require that the device be installed in a manner that prevents risk of falling; or
 - (c) The restrictions are only to require that the device be:
 - (A) Installed by building maintenance or a licensed contractor; or
 - (B) Removed from October 1 through April 30.
 - **SECTION 5.** ORS 197.772 is amended to read:
 - 197.772. (1) Notwithstanding any other provision of law, a local government shall allow a property owner to refuse to consent to any form of historic property designation at any point during the designation process. Such refusal to consent shall remove the property from any form of consideration for historic property designation under ORS 358.480 to 358.545 or other law, except for consideration or nomination to the National Register of Historic Places pursuant to the National Historic Preservation Act of 1966, as amended (54 U.S.C. 300101 et seq.).
 - (2) A permit for the demolition or modification of property removed from consideration for historic property designation under subsection (1) of this section may not be issued during the 120-day period following the date of the property owner's refusal to consent.
 - (3) A local government shall allow a property owner to remove from the property a historic

1	property	designation	that	was	imposed	on	the	property	bv	the	local	government

- (4) A local government may not enforce any ordinance or design regulation restricting the use of a portable cooling device, as defined in section 2 (1) of this 2022 Act, based on a historic property designation for property used as a residential tenancy, unless:
- (a) The restriction is necessary to protect or prohibit the removal of historical architectural features of the property; or
- (b) The restriction only requires that the device be removed from October 1 through April 30.
- SECTION 6. (1) Section 2 of this 2022 Act applies to tenancies commenced before, on or after the effective date of this 2022 Act.
- (2) The amendments to ORS 94.779 by section 3 of this 2022 Act apply to provisions in governing documents adopted before, on or after the effective date of this 2022 Act.
- (3) The amendments to ORS 100.023 by section 4 of this 2022 Act apply to provisions in a condominium's governing document adopted before, on or after the effective date of this 2022 Act.
- (4) The amendments to ORS 197.772 by section 5 of this 2022 Act apply to ordinances and design regulations adopted by a local government before, on or after the effective date of this 2022 Act.

HOUSING AND COMMUNITY SERVICES DEPARTMENT WEBSITE

SECTION 7. Section 8 of this 2022 Act is added to and made a part of ORS chapter 458.

- <u>SECTION 8.</u> The Housing and Community Services Department shall make available on the department's website:
- (1) A list of dates and counties in which there exists an extreme heat event as defined in section 2 of this 2022 Act. Dates published on the website must remain on the website for at least one year.
- (2) Information regarding relevant programs and services available to landlords to provide adequate cooling under ORS 90.320 (1)(m) or 90.730 (3)(d), including:
 - (a) Programs administered by the department;
- (b) Information provided by the Oregon Health Authority regarding programs administered by the authority;
- (c) Information provided by the State Department of Energy regarding programs administered by the department;
- (d) Programs administered by a nongovernmental entity that administers public purpose charges under ORS 757.612 (3)(d); and
- (e) Federal programs, rebates or incentives, including those administered by the Bonneville Power Administration.

COOLING REQUIREMENTS IN NEW OR RENOVATED UNITS

SECTION 9. ORS 90.320 is amended to read:

90.320. (1) A landlord shall at all times during the tenancy maintain the dwelling unit in a habitable condition. For purposes of this section, a dwelling unit shall be considered unhabitable if it substantially lacks:

- (a) Effective waterproofing and weather protection of roof and exterior walls, including windows and doors;
- (b) Plumbing facilities that conform to applicable law in effect at the time of installation[,] and are maintained in good working order;
 - (c) A water supply approved under applicable law that is:
- (A) Under the control of the tenant or landlord and is capable of producing hot and cold running water;
 - (B) Furnished to appropriate fixtures;

3

4 5

6 7

8

9

10

11 12

13

14 15

16

17 18

19 20

21 22

23

2425

26 27

28

29 30

31

32

33 34

35

36 37

38

39

40

41

42

43

44

- (C) Connected to a sewage disposal system approved under applicable law; and
- (D) Maintained so as to provide safe drinking water and to be in good working order to the extent that the system can be controlled by the landlord;
- (d) Adequate heating facilities that conform to applicable law at the time of installation and are maintained in good working order;
- (e) Electrical lighting with wiring and electrical equipment that conform to applicable law at the time of installation and **is** maintained in good working order;
- (f) Buildings, grounds and appurtenances at the time of the commencement of the rental agreement in every part safe for normal and reasonably foreseeable uses, clean, sanitary and free from all accumulations of debris, filth, rubbish, garbage, rodents and vermin, and all areas under control of the landlord kept in every part safe for normal and reasonably foreseeable uses, clean, sanitary and free from all accumulations of debris, filth, rubbish, garbage, rodents and vermin;
- (g) Except as otherwise provided by local ordinance or by written agreement between the landlord and the tenant, an adequate number of appropriate receptacles for garbage and rubbish in clean condition and good repair at the time of the commencement of the rental agreement, and the landlord shall provide and maintain appropriate serviceable receptacles thereafter and arrange for their removal;
 - (h) Floors, walls, ceilings, stairways and railings maintained in good repair;
- (i) Ventilating, air conditioning and other facilities and appliances, including elevators, maintained in good repair if supplied or required to be supplied by the landlord;
- (j) Safety from fire hazards, including a working smoke alarm or smoke detector, with working batteries if solely battery-operated, provided only at the beginning of any new tenancy when the tenant first takes possession of the premises, as provided in ORS 479.270, but not to include the tenant's testing of the smoke alarm or smoke detector as provided in ORS 90.325 (1);
 - (k) A carbon monoxide alarm, and the dwelling unit:
 - (A) Contains a carbon monoxide source; or
- (B) Is located within a structure that contains a carbon monoxide source and the dwelling unit is connected to the room in which the carbon monoxide source is located by a door, ductwork or a ventilation shaft; [or]
- (L) Working locks for all dwelling entrance doors, and, unless contrary to applicable law, latches for all windows, by which access may be had to that portion of the premises that the tenant is entitled under the rental agreement to occupy to the exclusion of others and keys for those locks that require keys[.]; or
- (m) For a dwelling unit in a building where building permits for its construction were issued on or after April 1, 2024, adequate cooling facilities that:
 - (A) Provide cooling in at least one room of the dwelling unit, not including a bathroom;
 - (B) Conform to applicable law at the time of installation and are maintained in good

working order; and

- (C) May include central air conditioning, an air-source or ground-source heat pump or a portable air conditioning device that is provided by the landlord.
- [(2)] (3) The landlord and tenant may agree in writing that the tenant is to perform specified repairs, maintenance tasks and minor remodeling only if:
- (a) The agreement of the parties is entered into in good faith and not for the purpose of evading the obligations of the landlord;
- (b) The agreement does not diminish the obligations of the landlord to other tenants in the premises; and
- (c) The terms and conditions of the agreement are clearly and fairly disclosed and adequate consideration for the agreement is specifically stated.
- [(3)] (4) Any provisions of this section that reasonably apply only to a structure that is used as a home, residence or sleeping place [shall] do not apply to a manufactured dwelling, recreational vehicle or floating home where the tenant owns the manufactured dwelling, recreational vehicle or floating home, rents the space and, in the case of a dwelling or home, the space is not in a facility. Manufactured dwelling or floating home tenancies in which the tenant owns the dwelling or home and rents space in a facility [shall be] are governed by ORS 90.730[,] and not by this section.

SECTION 10. ORS 90.730 is amended to read:

- 90.730. (1) As used in this section, "facility common areas" means all areas under control of the landlord and held out for the general use of tenants.
- (2) A landlord who rents a space for a manufactured dwelling or floating home shall at all times during the tenancy maintain the rented space, vacant spaces in the facility and the facility common areas in a habitable condition. The landlord does not have a duty to maintain a dwelling or home. A landlord's habitability duty under this section includes only the matters described in subsections (3) to (6) of this section.
- (3) For purposes of this section, a rented space is considered unhabitable if it substantially lacks:
- (a) A sewage disposal system and a connection to the space approved under applicable law at the time of installation and maintained in good working order to the extent that the sewage disposal system can be controlled by the landlord;
- (b) If required by applicable law, a drainage system reasonably capable of disposing of storm water, ground water and subsurface water, approved under applicable law at the time of installation and maintained in good working order;
- (c) A water supply and a connection to the space approved under applicable law at the time of installation and maintained so as to provide safe drinking water and to be in good working order to the extent that the water supply system can be controlled by the landlord;
- (d) An electrical supply and a connection to the space approved under applicable law at the time of installation and maintained in good working order and of sufficient amperage to meet reasonable year-round needs for electrical heating and cooling uses, to the extent that the electrical supply system can be controlled by the landlord;
- (e) A natural gas or propane gas supply and a connection to the space approved under applicable law at the time of installation and maintained in good working order to the extent that the gas supply system can be controlled by the landlord, if the utility service is provided within the facility pursuant to the rental agreement;
 - (f) At the time of commencement of the rental agreement, buildings, grounds and appurtenances

- that are kept in every part safe for normal and reasonably foreseeable uses, clean, sanitary and free from all accumulations of debris, filth, rubbish, garbage, rodents and vermin;
- (g) Excluding the normal settling of land, a surface or ground capable of supporting a manufactured dwelling approved under applicable law at the time of installation and maintained to support a dwelling in a safe manner so that it is suitable for occupancy. A landlord's duty to maintain the surface or ground arises when the landlord knows or should know of a condition regarding the surface or ground that makes the dwelling unsafe to occupy; and
- (h) Completion of any landlord-provided space improvements, including but not limited to installation of carports, garages, driveways and sidewalks, approved under applicable law at the time of installation.
- (4) A rented space is considered unhabitable if the landlord does not maintain a hazard tree as required by ORS 90.727.
- (5) A vacant space in a facility is considered unhabitable if the space substantially lacks safety from the hazards of fire or injury.
 - (6) A facility common area is considered unhabitable if it substantially lacks:
- (a) Buildings, grounds and appurtenances that are kept in every part safe for normal and reasonably foreseeable uses, clean, sanitary and free from all accumulations of debris, filth, rubbish, garbage, rodents and vermin;
 - (b) Safety from the hazards of fire;
 - (c) Trees, shrubbery and grass maintained in a safe manner;
- (d) If supplied or required to be supplied by the landlord to a common area, a water supply system, sewage disposal system or system for disposing of storm water, ground water and subsurface water approved under applicable law at the time of installation and maintained in good working order to the extent that the system can be controlled by the landlord; and
- (e) Except as otherwise provided by local ordinance or by written agreement between the landlord and the tenant, an adequate number of appropriate receptacles for garbage and rubbish in clean condition and good repair at the time of commencement of the rental agreement and for which the landlord shall provide and maintain appropriate serviceable receptacles thereafter and arrange for their removal.
- (7) The landlord and tenant may agree in writing that the tenant is to perform specified repairs, maintenance tasks and minor remodeling only if:
- (a) The agreement of the parties is entered into in good faith and not for the purpose of evading the obligations of the landlord;
- (b) The agreement does not diminish the obligations of the landlord to other tenants on the premises; and
- (c) The terms and conditions of the agreement are clearly and fairly disclosed and adequate consideration for the agreement is specifically stated.
- SECTION 11. The amendments to ORS 90.730 by section 10 of this 2022 Act apply only to spaces in which, on or after the effective date of this 2022 Act:
- (1) A new manufactured dwelling or floating home is connected to the electrical supply; or
 - (2) The electrical supply or electrical supply connection is replaced.

44 RESIDENTIAL HEAT PUMP REBATES AND GRANTS

SECTION 12. (1) The State Department of Energy shall provide rebates for the purchase and installation of air-source or ground-source heat pumps to owners of a dwelling unit used as a residential tenancy and to owners of a manufactured dwelling or recreational vehicle who rent a space in a manufactured dwelling or recreational vehicle park.

- (2)(a) Rebates available under this section may only be claimed by a contractor that installs a heat pump for the owner of a residential dwelling unit in Oregon. A contractor that claims a rebate under this section must use the full amount of the rebate to reduce the net cost to the customer of the purchase of the heat pump for which the rebate is issued.
 - (b) The amount that may be claimed as a rebate under this section may not exceed:
- (A) For the owner of a dwelling unit used as a residential tenancy, 60 percent of the purchase price of the heat pump.
- (B) For the owner of a manufactured dwelling or recreation vehicle, a percentage of the purchase price of the heat pump as established by the department.
- (c) To be eligible to claim a rebate on behalf of a customer under this section, a contractor that installs a heat pump must, at the time of the installation:
- (A) Hold any license, bond, insurance or permit required to sell and install the heat pump;
- (B) Demonstrate a history of compliance with the rules and other requirements of the Construction Contractors Board, the Bureau of Labor and Industries and the Workers' Compensation Division and the Occupational Safety and Health Division of the Department of Consumer and Business Services; and
- (C) Meet any other certification requirements set forth in rules adopted by the State Department of Energy.
 - (3) To claim a rebate under this section, a contractor must:
- (a) Before installing a heat pump, apply to the department to reserve a rebate on behalf of the customer for whom the heat pump will be installed.
- (b) After installing the heat pump, verify the purchase and installation of the heat pump on a form provided by the department that must contain:
 - (A) The location of the heat pump;

1 2

3

4

5

6

7

8 9

10

11 12

13

14 15

16

17

18

19

20

21 22

23

24

25

26 27

28

29 30

31

32

33 34

35

36 37

38

39

40

41

42 43

44

- (B) A description of the heat pump;
- (C) Evidence that the contractor is eligible to claim a rebate under subsection (2)(c) of this section;
- (D) A statement signed by both the contractor and the customer for whom the heat pump is installed that the customer has received the full value of the rebate as a reduction in the net cost of the purchase and installation of the heat pump and that the rebate was clearly reflected on an invoice provided to the customer;
 - (E) The projected energy savings from the installation of the heat pump; and
 - (F) Any other information that the department determines is necessary.
- (4) Rebates made under this section must be made from moneys in the Residential Heat Pump Fund established under section 14 of this 2022 Act. A rebate may be made only if there are moneys available in the fund to make the rebate.
- (5) Pursuant to the procedures for a contested case under ORS chapter 183, the department may:
- (a) Deny or revoke a contractor's eligibility to claim a rebate on behalf of a customer under this section if the department finds that:

- (A) The contractor's eligibility was obtained by fraud or misrepresentation by the contractor;
- (B) The contractor's performance for installation of heat pumps does not meet industry standards; or
- (C) The contractor has misrepresented to customers either the program established under this section or the nature or quality of the heat pumps for which rebates are available.
- (b) Revoke a rebate or a portion of a rebate made under this section if the department finds that:
 - (A) The rebate was obtained by fraud or misrepresentation; or
- (B) The rebate was obtained by mistake or miscalculation.
 - (6)(a) The department may adopt rules to administer the rebate program.
 - (b) In adopting rules under this section, the department may coordinate or consult with:
- (A) The Housing and Community Services Department, the Building Codes Division of the Department of Consumer and Business Services and any other relevant state agencies;
 - (B) Nonprofit organizations and utilities; and
- (C) Other incentive providers.

3

4

5

6

7

8

10

11 12

13

14 15

16

17

18 19

20 21

22

23

24

25

26 27

28

29 30

31

32

33 34

35

36 37

38

39

40

- (c) Rules adopted under this section may include:
- (A) Preferences for providing rebates that benefit low and moderate income residential tenants;
 - (B) Preferences for providing rebates to support heat pumps with superior energy efficiency:
 - (C) Provisions for determining eligibility and verification of heat pumps; and
 - (D) Policies and procedures for the administration and enforcement of this section and section 14 of this 2022 Act, which may include policies and procedures for audits and inspections.
 - SECTION 13. (1) The State Department of Energy shall provide grants for upgrades, including electrical and mechanical upgrades, to facilitate the installation of heat pumps for owners of a dwelling unit or a manufactured dwelling for whom a rebate has been reserved under section 12 (3)(a) of this 2022 Act.
 - (2) Grants made under this section must be made from moneys in the Residential Heat Pump Fund established under section 14 of this 2022 Act. A grant may be made only if there are moneys available in the fund to make the grant.
 - (3)(a) The department shall adopt rules to administer the grant program.
 - (b) In adopting rules under this section, the department may coordinate or consult with:
 - (A) The Housing and Community Services Department, the Building Codes Division of the Department of Consumer and Business Services, the United States Department of Energy and any other relevant agencies;
 - (B) Nonprofit organizations and utilities; and
 - (C) Other incentive providers.
 - (c) Rules adopted under this section must include:
- 41 (A) Preferences for providing grants that benefit low and moderate income residential 42 tenants;
 - (B) Provisions for determining eligibility and verification of the upgrades; and
- 44 (C) Policies and procedures for the administration and enforcement of this section.
- 45 SECTION 14. (1) The Residential Heat Pump Fund is established in the State Treasury,

separate and distinct from the General Fund. Moneys in the Residential Heat Pump Fund consist of:

- (a) Amounts donated to the fund;
- (b) Amounts appropriated or otherwise transferred to the fund by the Legislative Assembly; and
 - (c) Other amounts deposited into the fund from any public or private source.
- (2) Moneys in the fund are continuously appropriated to the State Department of Energy to be used to provide grants and rebates under sections 12 and 13 of this 2022 Act and to pay the costs and expenses of the department related to the administration and implementation of sections 12 and 13 of this 2022 Act.
- (3) In each calendar year, of the moneys available for issuing grants and rebate from the fund:
 - (a) 25 percent must be reserved for affordable housing providers; and
- (b) 25 percent must be reserved for loans for owners of units occupied by households whose income is less than 80 percent of the area median income.
- SECTION 15. In addition to and not in lieu of any other appropriation, there is appropriated to the State Department of Energy, for the biennium ending June 30, 2023, out of the General Fund, the amount of \$15,000,000 for deposit into the Residential Heat Pump Fund established under section 14 of this 2022 Act.
 - SECTION 16. (1) Sections 12 to 15 of this 2022 Act are repealed on January 2, 2025.
- (2) On the date of the repeal of sections 12 to 15 of this 2022 Act under subsection (1) of this section, any moneys in the Residential Heat Pump Fund that are unexpended, unobligated and not subject to any conditions or reservations under section 12 (3)(a) of this 2022 Act are transferred to the General Fund.

COMMUNITY COOLING CENTERS

SECTION 17. (1) The State Department of Energy shall provide grants to a nongovernmental entity that administers public purpose charges under ORS 757.612 (3)(d) to enable the nongovernmental entity to assist landlords in creating or operating, whenever there is an extreme heat event as defined in section 2 of this 2022 Act for the county of the premises, one or more private community cooling spaces available to the landlord's tenants during the extreme heat event that are on or near the premises and that maintain a temperature of not higher than 80 degrees Fahrenheit.

- (2) Assistance provided under this section may include:
- (a) Grants to landlords to create or operate community cooling spaces that will accommodate at least five individuals.
 - (b) Information to landlords regarding:
 - (A) Lists of providers and installers of suitable cooling devices;
- (B) Private and government programs that may be used to create or operate community cooling spaces; and
- (C) Best practices and model technical specifications for installing and operating various temporary and permanent community cooling spaces.
- (c) Promoting the services of the nongovernmental entity under this section.
- SECTION 18. In addition to and not in lieu of any other appropriation, there is appro-

priated to the State Department of Energy, for the biennium ending June 30, 2023, o	out of the
General Fund, the amount of \$1,000,000, to provide grants under section 17 of this	2022 Act.

COOLING NEEDS STUDY

 SECTION 19. (1) The State Department of Energy shall study the cooling and electrical needs of publicly supported housing as defined in ORS 456.250, manufactured dwelling parks and recreational vehicle parks. The study should detail information including but not limited to the following:

- (a) The prevalence of cooling facilities;
- (b) The need for cooling facilities;
- (c) Barriers to transitioning housing and parks to include cooling facilities; and
- (d) When possible, specific scenarios for properties in development or preservation to add cooling facilities.
- (2) The Building Codes Division of the Department of Consumer and Business Services shall provide assistance in conducting the study under this section.

SECTION 20. In addition to and not in lieu of any other appropriation, there is appropriated to the State Department of Energy, for the biennium ending June 30, 2023, out of the General Fund, the amount of \$500,000, to perform the duties of the department under section 19 of this 2022 Act.

SECTION 21. Section 19 of this 2022 Act is repealed on January 2, 2025.

STATE DEPARTMENT OF ENERGY REPORTS

SECTION 22. No later than September 15, 2023, the State Department of Energy shall provide a report to an appropriate interim committee of the Legislative Assembly in the manner provided in ORS 192.245 on:

- (1) The heat pump grants and rebates under sections 12 and 13 of this 2022 Act;
- (2) The community cooling centers under section 17 of this 2022 Act; and
- (3) The results of the cooling needs study under section 19 of this 2022 Act.

WARMING AND COOLING SHELTERS

SECTION 23. ORS 431A.410 is amended to read:

431A.410. (1) As used in this section, "smoke filtration system" means an air filtration system capable of removing particulates and other harmful components of wildfire smoke in a public building.

- (2) In consultation and coordination with the Oregon Health Authority, the Department of Human Services shall establish and implement a grant program that allows local governments to:
 - (a) Establish emergency [clean air] shelters for clean air, warming or cooling.
 - (b) Equip public buildings with:
- (A) Smoke filtration systems so the public buildings may serve as cleaner air spaces during wildfire smoke and other poor air quality events.
- (B) Warming or cooling facilities so the public buildings may serve as temperate spaces during dangerously hot or cold conditions.

1	(3) The department shall require grantees to provide access to the [clean air] shelters at no
2	charge.
3	(4) Warming or cooling shelters or facilities receiving grants under this section shall
4	notify 211Info, a public benefit corporation, regarding the shelter's location and capacity and
5	shall keep the corporation updated with the shelter's hours and dates of operation.
6	SECTION 24. ORS 431A.412 is amended to read:
7	431A.412. The Department of Human Services is the lead state agency for clean air, warming
8	and cooling shelter operations. The department shall:
9	(1) Consult and collaborate with the Oregon Health Authority to align practices for voluntary
10	evacuations and emergency sheltering operations.
11	(2) Coordinate with the authority in setting priorities for awarding grants described in ORS
12	431A.410.
13	(3) Provide support to local agencies that take lead roles in operating and planning [clean air]
14	shelters in the local agencies' jurisdictions.
15	SECTION 25. In addition to and not in lieu of any other appropriation, there is appro-
16	priated to the Department of Human Services, for the biennium ending June 30, 2023, out of
17	the General Fund, the amount of \$2,000,000, to provide grants for emergency shelters or fa-
18	cilities that include warming or cooling under ORS 431A.410 (2)(a) or (b)(B).
19	
20	UNIT CAPTIONS
21	
22	SECTION 26. The unit captions used in this 2022 Act are provided only for the conven-
23	ience of the reader and do not become part of the statutory law of this state or express any
24	legislative intent in the enactment of this 2022 Act.
25	
26	EMERGENCY CLAUSE
27	
28	SECTION 27. This 2022 Act being necessary for the immediate preservation of the public
29	peace, health and safety, an emergency is declared to exist, and this 2022 Act takes effect

[14]

30

31

on its passage.