

## SENATE AMENDMENTS TO A-ENGROSSED SENATE BILL 1536

By JOINT COMMITTEE ON WAYS AND MEANS

February 28

1 On page 1 of the printed A-engrossed bill, line 3, after “197.772,” insert “431A.400,”.

2 After line 3, insert:

3 “Whereas the frequency and severity of extreme weather events and wildfires affecting  
4 Oregonians has increased in recent years and is expected to increase further; and

5 “Whereas the impacts of extreme weather events such as cold snaps and heat domes have a  
6 disproportionate impact on low-income communities and members of environmental justice commu-  
7 nities; and

8 “Whereas heating, cooling or air filtration technologies may increase electricity use and can  
9 impact the energy burden of low-income residential customers and residential customers who are  
10 members of environmental justice communities; and

11 “Whereas energy efficient air conditioners and heat pumps and other energy burden mitigation  
12 measures can save renters and homeowners money on utility bills and improve the comfort and  
13 habitability of dwellings; now, therefore,”.

14 On page 6, delete lines 19 through 45 and delete pages 7 through 13.

15 On page 14, delete lines 1 through 18 and insert:

### “AIR CONDITIONER AND AIR FILTER DEPLOYMENT PROGRAM

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

21 “(a) ‘Air conditioner’ means a portable, stand-up air conditioner that has an energy effi-  
22 ciency ratio rating of eight or higher.

23 “(b)(A) ‘Air filter’ means an air filtering device that uses a high-efficiency particulate air  
24 (HEPA) filter to remove contaminating particles from the air.

25 “(B) ‘Air filter’ does not include a device that is labeled an ‘air purifier’ and that uses  
26 an electrostatic or ionizing process.

27 “(c) ‘Eligible distribution entity’ means a:

28 “(A) Local government as defined in ORS 174.116;

29 “(B) Local housing authority;

30 “(C) Nonprofit organization;

31 “(D) Federally recognized Indian tribe in Oregon;

32 “(E) Indian health center;

33 “(F) Coordinated care organization as defined in ORS 414.025;

34 “(G) Community action agency as described in ORS 458.505;

35 “(H) Manufactured dwelling park nonprofit cooperative as defined in ORS 62.803;

1       “(I) Landlord that has a residential tenant who has received medical assistance through  
2 the Oregon Health Authority, the Department of Human Services or Medicare within the  
3 past 12 months;

4       “(J) Electric utility as defined in ORS 757.600; or

5       “(K) Natural gas utility as defined in ORS 757.392.

6       “(d) ‘Medical assistance’ has the meaning given that term in ORS 414.025.

7       “(2)(a) The Oregon Health Authority shall create a program to:

8       “(A) Acquire a supply of air conditioners and air filters; and

9       “(B) Distribute the air conditioners and air filters to eligible distribution entities that  
10 will provide the air conditioners and air filters on an emergency basis to eligible individuals  
11 as described in subsection (4) of this section.

12       “(b) The Oregon Health Authority may provide or contract with one or more third parties  
13 to administer the program.

14       “(3) The administrator of the program shall:

15       “(a) Determine the percentage of program funds needed to support the costs of installa-  
16 tion and materials for installation.

17       “(b) Determine the percentage of program funds, but no more than 10 percent of program  
18 funds, needed to cover the costs of the authority or a third party or parties and eligible  
19 distribution entities in administering the program.

20       “(c) Make technical assistance resources available to individuals who receive an air con-  
21 ditioner or air filter under the program that answer questions about the installation, use and  
22 maintenance of the air conditioners and air filters.

23       “(d) Provide technical assistance to eligible distribution entities, including assistance that  
24 supports the distribution, installation and maintenance of the air conditioners and air filters.

25       “(4) An eligible distribution entity may distribute air conditioners and air filters under  
26 this section only to individuals who:

27       “(a) Are eligible to receive medical assistance through the Oregon Health Authority, the  
28 Department of Human Services or Medicare, or have received any of these services in the  
29 past 12 months;

30       “(b) Reside in any type of housing or recreational vehicle, as defined in ORS 174.101, that  
31 has electricity for operating the air conditioner or air filter; and

32       “(c) Upon receiving an air conditioner or air filter, provide an attestation that the indi-  
33 vidual can safely and legally install the air conditioner or air filter in the individual’s home  
34 or recreational vehicle.

35       “(5) The Oregon Health Authority shall make available a list of eligible distribution enti-  
36 ties participating in the program to:

37       “(a) Individuals who are eligible to receive medical assistance through the Oregon Health  
38 Authority or Department of Human Services.

39       “(b) The 2-1-1 system provided for in ORS 403.400 to 403.430.

40       “(c) The Housing and Community Services Department.

41       “(6) The Oregon Health Authority and any eligible distribution entity participating in the  
42 program are immune from civil liability for:

43       “(a) The functioning, safety or impact of any air conditioner or air filter distributed by  
44 the program.

45       “(b) Any heat-related health impacts to an individual using an air conditioner or air filter

1 distributed by the program.

2 “(7) The Oregon Health Authority shall adopt rules to implement the program.

3 “**SECTION 8.** In addition to and not in lieu of any other appropriation, there is appro-  
4 priated to the Oregon Health Authority, for the biennium ending June 30, 2023, out of the  
5 General Fund, the amount of \$5,000,000, for the program created under section 7 of this 2022  
6 Act.

7  
8 “HOUSING AND COMMUNITY SERVICES DEPARTMENT WEBSITE

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10 “**SECTION 9.** Section 10 of this 2022 Act is added to and made a part of ORS chapter 458.

11 “**SECTION 10.** The Housing and Community Services Department shall make available  
12 on the department’s website:

13 “(1) A list of dates and counties in which there exists an extreme heat event as defined  
14 in section 2 of this 2022 Act. Dates published on the website must remain on the website for  
15 at least one year.

16 “(2) Information regarding relevant programs and services available to landlords to pro-  
17 vide adequate cooling under ORS 90.320 (1)(m) or 90.730 (3)(d), including:

18 “(a) Programs administered by the department;

19 “(b) Information provided by the Oregon Health Authority regarding programs adminis-  
20 tered by the authority, including the list of eligible distribution entities compiled under sec-  
21 tion 7 (5) of this 2022 Act;

22 “(c) Information provided by the State Department of Energy regarding programs ad-  
23 ministered by the department;

24 “(d) Programs administered by the nongovernmental entity that administers public pur-  
25 pose charge moneys under ORS 757.612 (3)(d); and

26 “(e) Federal programs, rebates or incentives, including those administered by the  
27 Bonneville Power Administration.

28  
29 “COOLING REQUIREMENTS IN NEW UNITS

30  
31 “**SECTION 11.** ORS 90.320 is amended to read:

32 “90.320. (1) A landlord shall at all times during the tenancy maintain the dwelling unit in a  
33 habitable condition. For purposes of this section, a dwelling unit shall be considered uninhabitable if  
34 it substantially lacks:

35 “(a) Effective waterproofing and weather protection of roof and exterior walls, including win-  
36 dows and doors;

37 “(b) Plumbing facilities that conform to applicable law in effect at the time of installation[,] and  
38 **are** maintained in good working order;

39 “(c) A water supply approved under applicable law that is:

40 “(A) Under the control of the tenant or landlord and is capable of producing hot and cold run-  
41 ning water;

42 “(B) Furnished to appropriate fixtures;

43 “(C) Connected to a sewage disposal system approved under applicable law; and

44 “(D) Maintained so as to provide safe drinking water and to be in good working order to the  
45 extent that the system can be controlled by the landlord;

1       “(d) Adequate heating facilities that conform to applicable law at the time of installation and  
2 **are** maintained in good working order;

3       “(e) Electrical lighting with wiring and electrical equipment that conform to applicable law at  
4 the time of installation and **is** maintained in good working order;

5       “(f) Buildings, grounds and appurtenances at the time of the commencement of the rental  
6 agreement in every part safe for normal and reasonably foreseeable uses, clean, sanitary and free  
7 from all accumulations of debris, filth, rubbish, garbage, rodents and vermin, and all areas under  
8 control of the landlord kept in every part safe for normal and reasonably foreseeable uses, clean,  
9 sanitary and free from all accumulations of debris, filth, rubbish, garbage, rodents and vermin;

10       “(g) Except as otherwise provided by local ordinance or by written agreement between the  
11 landlord and the tenant, an adequate number of appropriate receptacles for garbage and rubbish in  
12 clean condition and good repair at the time of the commencement of the rental agreement, and the  
13 landlord shall provide and maintain appropriate serviceable receptacles thereafter and arrange for  
14 their removal;

15       “(h) Floors, walls, ceilings, stairways and railings maintained in good repair;

16       “(i) Ventilating, air conditioning and other facilities and appliances, including elevators, main-  
17 tained in good repair if supplied or required to be supplied by the landlord;

18       “(j) Safety from fire hazards, including a working smoke alarm or smoke detector, with working  
19 batteries if solely battery-operated, provided only at the beginning of any new tenancy when the  
20 tenant first takes possession of the premises, as provided in ORS 479.270, but not to include the  
21 tenant’s testing of the smoke alarm or smoke detector as provided in ORS 90.325 (1);

22       “(k) A carbon monoxide alarm, and the dwelling unit:

23       “(A) Contains a carbon monoxide source; or

24       “(B) Is located within a structure that contains a carbon monoxide source and the dwelling unit  
25 is connected to the room in which the carbon monoxide source is located by a door, ductwork or a  
26 ventilation shaft; [or]

27       “(L) Working locks for all dwelling entrance doors, and, unless contrary to applicable law,  
28 latches for all windows, by which access may be had to that portion of the premises that the tenant  
29 is entitled under the rental agreement to occupy to the exclusion of others and keys for those locks  
30 that require keys[.]; or

31       **“(m) For a dwelling unit in a building where building permits for its construction were  
32 issued on or after April 1, 2024, adequate cooling facilities that:**

33       **“(A) Provide cooling in at least one room of the dwelling unit, not including a bathroom;**

34       **“(B) Conform to applicable law at the time of installation and are maintained in good  
35 working order; and**

36       **“(C) May include central air conditioning, an air-source or ground-source heat pump or  
37 a portable air conditioning device that is provided by the landlord.**

38       “(2) The landlord and tenant may agree in writing that the tenant is to perform specified repairs,  
39 maintenance tasks and minor remodeling only if:

40       “(a) The agreement of the parties is entered into in good faith and not for the purpose of evad-  
41 ing the obligations of the landlord;

42       “(b) The agreement does not diminish the obligations of the landlord to other tenants in the  
43 premises; and

44       “(c) The terms and conditions of the agreement are clearly and fairly disclosed and adequate  
45 consideration for the agreement is specifically stated.

1 “(3) Any provisions of this section that reasonably apply only to a structure that is used as a  
2 home, residence or sleeping place [shall] **do** not apply to a manufactured dwelling, recreational ve-  
3 hicle or floating home where the tenant owns the manufactured dwelling, recreational vehicle or  
4 floating home, rents the space and, in the case of a dwelling or home, the space is not in a facility.  
5 Manufactured dwelling or floating home tenancies in which the tenant owns the dwelling or home  
6 and rents space in a facility [shall be] **are** governed by ORS 90.730[,] **and** not by this section.

7 “**SECTION 12.** ORS 90.730 is amended to read:

8 “90.730. (1) As used in this section, ‘facility common areas’ means all areas under control of the  
9 landlord and held out for the general use of tenants.

10 “(2) A landlord who rents a space for a manufactured dwelling or floating home shall at all  
11 times during the tenancy maintain the rented space, vacant spaces in the facility and the facility  
12 common areas in a habitable condition. The landlord does not have a duty to maintain a dwelling  
13 or home. A landlord’s habitability duty under this section includes only the matters described in  
14 subsections (3) to (6) of this section.

15 “(3) For purposes of this section, a rented space is considered uninhabitable if it substantially  
16 lacks:

17 “(a) A sewage disposal system and a connection to the space approved under applicable law at  
18 the time of installation and maintained in good working order to the extent that the sewage disposal  
19 system can be controlled by the landlord;

20 “(b) If required by applicable law, a drainage system reasonably capable of disposing of storm  
21 water, ground water and subsurface water, approved under applicable law at the time of installation  
22 and maintained in good working order;

23 “(c) A water supply and a connection to the space approved under applicable law at the time  
24 of installation and maintained so as to provide safe drinking water and to be in good working order  
25 to the extent that the water supply system can be controlled by the landlord;

26 “(d) An electrical supply and a connection to the space approved under applicable law at the  
27 time of installation and maintained in good working order **and of sufficient amperage to meet**  
28 **reasonable year-round needs for electrical heating and cooling uses**, to the extent that the  
29 electrical supply system can be controlled by the landlord;

30 “(e) A natural gas or propane gas supply and a connection to the space approved under appli-  
31 cable law at the time of installation and maintained in good working order to the extent that the  
32 gas supply system can be controlled by the landlord, if the utility service is provided within the fa-  
33 cility pursuant to the rental agreement;

34 “(f) At the time of commencement of the rental agreement, buildings, grounds and appurtenances  
35 that are kept in every part safe for normal and reasonably foreseeable uses, clean, sanitary and free  
36 from all accumulations of debris, filth, rubbish, garbage, rodents and vermin;

37 “(g) Excluding the normal settling of land, a surface or ground capable of supporting a manu-  
38 factured dwelling approved under applicable law at the time of installation and maintained to sup-  
39 port a dwelling in a safe manner so that it is suitable for occupancy. A landlord’s duty to maintain  
40 the surface or ground arises when the landlord knows or should know of a condition regarding the  
41 surface or ground that makes the dwelling unsafe to occupy; and

42 “(h) Completion of any landlord-provided space improvements, including but not limited to in-  
43 stallation of carports, garages, driveways and sidewalks, approved under applicable law at the time  
44 of installation.

45 “(4) A rented space is considered uninhabitable if the landlord does not maintain a hazard tree

1 as required by ORS 90.727.

2 “(5) A vacant space in a facility is considered uninhabitable if the space substantially lacks safety  
3 from the hazards of fire or injury.

4 “(6) A facility common area is considered uninhabitable if it substantially lacks:

5 “(a) Buildings, grounds and appurtenances that are kept in every part safe for normal and rea-  
6 sonably foreseeable uses, clean, sanitary and free from all accumulations of debris, filth, rubbish,  
7 garbage, rodents and vermin;

8 “(b) Safety from the hazards of fire;

9 “(c) Trees, shrubbery and grass maintained in a safe manner;

10 “(d) If supplied or required to be supplied by the landlord to a common area, a water supply  
11 system, sewage disposal system or system for disposing of storm water, ground water and subsurface  
12 water approved under applicable law at the time of installation and maintained in good working  
13 order to the extent that the system can be controlled by the landlord; and

14 “(e) Except as otherwise provided by local ordinance or by written agreement between the  
15 landlord and the tenant, an adequate number of appropriate receptacles for garbage and rubbish in  
16 clean condition and good repair at the time of commencement of the rental agreement and for which  
17 the landlord shall provide and maintain appropriate serviceable receptacles thereafter and arrange  
18 for their removal.

19 “(7) The landlord and tenant may agree in writing that the tenant is to perform specified repairs,  
20 maintenance tasks and minor remodeling only if:

21 “(a) The agreement of the parties is entered into in good faith and not for the purpose of evad-  
22 ing the obligations of the landlord;

23 “(b) The agreement does not diminish the obligations of the landlord to other tenants on the  
24 premises; and

25 “(c) The terms and conditions of the agreement are clearly and fairly disclosed and adequate  
26 consideration for the agreement is specifically stated.

27 **“SECTION 13. The amendments to ORS 90.730 by section 12 of this 2022 Act apply only  
28 to spaces in which, on or after the effective date of this 2022 Act:**

29 **“(1) A new manufactured dwelling or floating home is connected to the electrical supply;  
30 or**

31 **“(2) The electrical supply or electrical supply connection is replaced.**

32  
33 **“HEAT PUMP DEPLOYMENT PROGRAM**

34  
35 **“SECTION 14. (1) As used in this section:**

36 **“(a) ‘Bulk fuel’ means liquid petroleum, propane, coal, wood, wood-based products or  
37 other fuel delivered and stored until used on-site by the final consumer to produce energy.**

38 **“(b) ‘Climate zone’ means a heating or cooling climate zone assigned to a county by the  
39 Bonneville Power Administration.**

40 **“(c) ‘Electric resistance heat’ means heat produced by passing an electric current  
41 through a material that has high resistance, such as used in an electric baseboard, wall or  
42 space heater.**

43 **“(d) ‘Electric utility’ has the meaning given that term in ORS 757.600.**

44 **“(e) ‘Eligible entity’ means a:**

45 **“(A) Local government as defined in ORS 174.116;**

1       **“(B) Local housing authority;**  
2       **“(C) Nonprofit organization;**  
3       **“(D) Federally recognized Indian tribe in Oregon;**  
4       **“(E) Coordinated care organization as defined in ORS 414.025;**  
5       **“(F) Community action agency as described in ORS 458.505;**  
6       **“(G) Manufactured dwelling park nonprofit cooperative as defined in ORS 62.803; or**  
7       **“(H) An electric utility.**  
8       **“(f) ‘Energy burden’ means the percentage of gross household income spent on energy**  
9       **costs.**  
10       **“(g) ‘Environmental justice communities’ has the meaning given that term in ORS**  
11       **469A.400.**  
12       **“(h) ‘Heat pump’ means an air-source or ground-source heat pump with an energy effi-**  
13       **ciency rating set by the State Department of Energy under subsection (5) of this section or**  
14       **a higher efficiency rating.**  
15       **“(i) ‘Region’ means an economic development district in Oregon, designated by the Eco-**  
16       **nomics Development Administration of the United States Department of Commerce, for which**  
17       **a regional solutions center has been established under ORS 284.754.**  
18       **“(2) The Heat Pump Deployment Program is established within the State Department of**  
19       **Energy. The purpose of the program is to award grants to one eligible entity for each region**  
20       **and federally recognized Indian tribe in Oregon to provide financial assistance, including**  
21       **loans, grants, rebates or incentives, for the purchase and installation of heat pumps and re-**  
22       **lated upgrades to individuals who reside within that region or who are members of that tribe.**  
23       **“(3)(a) To be eligible to receive a grant from the Heat Pump Deployment Program, an**  
24       **eligible entity must establish that it:**  
25       **“(A) Serves or represents:**  
26       **“(i) An environmental justice community or communities within a region; or**  
27       **“(ii) Members of a federally recognized Indian tribe in Oregon; and**  
28       **“(B) Has the capacity to administer grant funds received under this section.**  
29       **“(b) An eligible entity applying for a grant may partner with other eligible entities, but**  
30       **the entity that is awarded the grant shall take a lead role in administering grant funds and**  
31       **providing financial assistance.**  
32       **“(c) An eligible entity that serves or represents a community that is located within more**  
33       **than one region may apply for a grant only for the region within which the greatest per-**  
34       **centage of the individuals of that community reside.**  
35       **“(d) An eligible entity that serves a specific geographical area may propose, in consulta-**  
36       **tion with any electric utility that serves the area, that the department use alternative**  
37       **boundaries to define a region. The department may approve the use of alternative boundaries**  
38       **to define a region provided that a minimum percentage, as determined by the department,**  
39       **of the eligible entity’s specific geographical area is within the alternative boundaries of the**  
40       **region.**  
41       **“(e) If an electric utility is awarded a grant from the Heat Pump Deployment Program:**  
42       **“(A) The electric utility may provide financial assistance from grant funds only to indi-**  
43       **viduals who reside within the electric utility’s service area and within the region for which**  
44       **the electric utility is awarded a grant.**  
45       **“(B) The electric utility shall partner with one or more other eligible entities to provide**

1 financial assistance from grant funds to individuals who reside outside the electric utility's  
2 service area and within the region for which the electric utility is awarded a grant.

3 “(4) An eligible entity that is awarded a grant from the Heat Pump Deployment Program  
4 shall:

5 “(a) Use the grant funds to cover up to:

6 “(A) One hundred percent of the purchase and installation costs of a heat pump.

7 “(B) A percentage, as determined by the department, of the costs for related upgrades  
8 that support or enable the use of a heat pump, including:

9 “(i) A new electrical panel or other upgrades to the electrical system of a home or  
10 building.

11 “(ii) Weatherization or other structural repairs to reduce home or building heat and  
12 cooling loss.

13 “(iii) Upgrades to improve the airflow of a home or building.

14 “(b) Prioritize the provision of financial assistance to:

15 “(A) Environmental justice communities.

16 “(B) Individuals who rely on bulk fuels or electric resistance heating.

17 “(C) Individuals who reside in a home or structure that does not have a functioning  
18 heating or cooling system.

19 “(c) Enter into a performance agreement with the department as described in subsection  
20 (8) of this section.

21 “(5) The department shall:

22 “(a) Award grants using available funds in the Heat Pump Deployment Fund established  
23 under section 16 of this 2022 Act.

24 “(b) In awarding grants, give preference to eligible entities with:

25 “(A) Experience in administering state grant programs or programs similar to the Heat  
26 Pump Deployment Program.

27 “(B) Experience with community program development within a region or with members  
28 of a tribe.

29 “(C) Connections to communities within a region or with members of a tribe.

30 “(c) Develop criteria for allocating the amount of each grant based on the energy burden  
31 of residences within the region or of members of the tribe and the climate zones that make  
32 up the counties of that region or of tribal lands.

33 “(d) Permit a review of awarded grant funds by members of communities who may ben-  
34 efit from the Heat Pump Deployment Program.

35 “(e) In consultation with electric utilities, the Bonneville Power Administration and the  
36 nongovernmental entity that administers public purpose charge moneys collected under ORS  
37 757.612 (3)(d), set the minimum energy efficiency rating that a heat pump must have to be  
38 eligible for grant funds. The minimum energy efficiency rating for a heat pump set by the  
39 department must be equal to or greater than federal energy efficiency rating standards for  
40 heat pumps.

41 “(6) The department may not use moneys collected through the energy resource supplier  
42 assessment required under ORS 469.421 (8) to fund grants awarded under the Heat Pump  
43 Deployment Program.

44 “(7) The department may:

45 “(a) Establish a maximum amount of grant funds payable toward the purchase and in-



1 **stallation of a heat pump and related upgrades.**

2 **“(b) Permit the use of loans, grants, rebates or incentives offered by an electric utility**  
3 **or other programs toward any costs of the purchase and installation of a heat pump and**  
4 **related upgrades not covered by the Heat Pump Deployment Program.**

5 **“(c) Provide information to individuals receiving financial assistance from the Heat Pump**  
6 **Deployment Program about other loans, grants, rebates or incentives that may be offered**  
7 **by an electric utility or other programs.**

8 **“(d) Develop criteria for how specific loans, grants, rebates or incentives offered by an**  
9 **electric utility or other programs may be used toward the costs of the purchase or installa-**  
10 **tion of a heat pump and related upgrades.**

11 **“(e) Establish incentives to encourage the purchase and installation of heat pumps and**  
12 **related upgrades that have higher efficiency ratings.**

13 **“(f) Establish incentives for the purchase and installation of a heating or cooling device**  
14 **that has an efficiency rating similar to or higher than that of a heat pump and that provides**  
15 **additional benefits such as improving indoor air quality or lowering an individual’s energy**  
16 **burden.**

17 **“(g) Develop program procedures and practices that align with the reporting and other**  
18 **requirements of loans, grants, rebates or incentives offered by an electric utility or other**  
19 **programs.**

20 **“(h) Require, by rule, that eligible entities notify electric utilities of a heat pump instal-**  
21 **lation and whether grant funds may be used for necessary electric distribution system up-**  
22 **grades associated with the installation of the heat pump.**

23 **“(8) Before receiving a grant under this section, an eligible entity shall enter into a per-**  
24 **formance agreement with the department that:**

25 **“(a) Indicates the purposes for which the grant funds may be used;**

26 **“(b) Prohibits the eligible entity from using more than 15 percent of awarded grant funds**  
27 **for administrative expenses and marketing costs;**

28 **“(c) Includes the repayment provisions set forth in subsection (9) of this section;**

29 **“(d) Permits the department to conduct audits and investigations of the eligible entity**  
30 **regarding the use of grant funds; and**

31 **“(e) Requires the eligible entity to provide reports as required by subsection (10) of this**  
32 **section.**

33 **“(9) An eligible entity must repay to the department, in whole or in part, grant funds**  
34 **received under this section to the extent that:**

35 **“(a) The eligible entity does not use the grant funds in accordance with the provisions**  
36 **of the performance agreement executed between the department and the eligible entity under**  
37 **subsection (8) of this section; or**

38 **“(b) The Director of the State Department of Energy determines that the eligible entity**  
39 **must repay all or part of the grant funds on grounds of misappropriation, fraud or similar**  
40 **reasons after auditing or investigating the eligible entity’s operations and conducting a con-**  
41 **tested case hearing under ORS 183.413 to 183.470.**

42 **“(10) Each eligible entity that receives a grant under this section shall report to the de-**  
43 **partment by June 30 of each year concerning the status and use of grant funds. The report**  
44 **may not disclose the personal information of the recipients of financial assistance under the**  
45 **program. The report must include:**

1       “(a) A detailed description of the eligible entity’s use of grant funds;

2       “(b) A list of each loan, grant or other financial assistance that the eligible entity has

3 provided and, where applicable, a full accounting of the repayment status of the loans;

4       “(c) The nature and amounts of the administrative expenses and marketing costs the

5 eligible entity has incurred in providing loans, grants and other financial assistance under

6 the program; and

7       “(d) Any other information required by the department.

8       “(11) The department shall adopt rules to carry out the provisions of this section. The

9 rules shall be developed in consultation with:

10       “(a) The Bureau of Labor and Industries on issues related to the workforce.

11       “(b) The Building Codes Division of the Department of Consumer and Business Services

12 on issues related to building codes and commissioning.

13       “(c) The Housing and Community Services Department to ensure the Heat Pump De-

14 ployment Program complements any existing programs or services.

15       “(d) The Department of Environmental Quality on issues of air quality related to bulk

16 fuels and to ensure the Heat Pump Deployment Program complements any existing programs

17 or services.

18       “(e) The Oregon Health Authority on any health impacts and health impact data related

19 to the Heat Pump Deployment Program and to ensure the program complements any existing

20 programs or services.

21       “(f) Electric utilities and utility program administrators on any impacts the Heat Pump

22 Deployment Program may have on utility systems or services and to ensure the program

23 complements any existing programs, incentives or services.

24       “(g) Nonprofit organizations, housing providers, heat pump technicians and other

25 stakeholders as appropriate.

26       “SECTION 15. (1) The Heat Pump Deployment Advisory Council is established.

27       “(2) The council consists of representatives from eligible entities administering grant

28 funds under the Heat Pump Deployment Program established under section 14 of this 2022

29 Act.

30       “(3) The council shall study and identify:

31       “(a) Best practices for administering grant funds and providing financial assistance;

32       “(b) Barriers to administering grant funds and providing financial assistance; and

33       “(c) Opportunities for providing technical assistance.

34       “(4) A majority of the members of the council constitutes a quorum for the transaction

35 of business.

36       “(5) Official action by the council requires the approval of a majority of the members of

37 the council.

38       “(6) The council shall elect one of its members to serve as chairperson.

39       “(7) The council shall meet at times and places specified by the call of the chairperson

40 or of a majority of the members of the council. The council may meet by telephone or video

41 conference.

42       “(8) The council may adopt rules necessary for the operation of the council.

43       “(9) Members of the council are entitled to compensation and expenses as provided in

44 ORS 292.495 from moneys in the Heat Pump Deployment Fund established under section 16

45 of this 2022 Act.



1       “(2)(a) Rebates available under this section may only be claimed by a contractor that  
2 installs a heat pump for the owner of a residential dwelling unit in Oregon. A contractor that  
3 claims a rebate under this section must use the full amount of the rebate to reduce the net  
4 cost to the customer of the purchase of the heat pump for which the rebate is issued.

5       “(b) The amount that may be claimed as a rebate under this section may not exceed:

6       “(A) For the owner of a dwelling unit used as a residential tenancy, 60 percent of the  
7 purchase price of the heat pump.

8       “(B) For the owner of a manufactured dwelling or recreation vehicle, a percentage of the  
9 purchase price of the heat pump as established by the department.

10       “(c) To be eligible to claim a rebate on behalf of a customer under this section, a con-  
11 tractor that installs a heat pump must, at the time of the installation:

12       “(A) Hold any license, bond, insurance or permit required to sell and install the heat  
13 pump;

14       “(B) Demonstrate a history of compliance with the rules and other requirements of the  
15 Construction Contractors Board, the Bureau of Labor and Industries and the Workers’  
16 Compensation Division and the Occupational Safety and Health Division of the Department  
17 of Consumer and Business Services; and

18       “(C) Meet any other certification requirements set forth in rules adopted by the State  
19 Department of Energy.

20       “(3) To claim a rebate under this section, a contractor must:

21       “(a) Before installing a heat pump, apply to the department to reserve a rebate on behalf  
22 of the customer for whom the heat pump will be installed.

23       “(b) After installing the heat pump, verify the purchase and installation of the heat pump  
24 on a form provided by the department that must contain:

25       “(A) The location of the heat pump;

26       “(B) A description of the heat pump;

27       “(C) Evidence that the contractor is eligible to claim a rebate under subsection (2)(c) of  
28 this section;

29       “(D) A statement signed by both the contractor and the customer for whom the heat  
30 pump is installed that the customer has received the full value of the rebate as a reduction  
31 in the net cost of the purchase and installation of the heat pump and that the rebate was  
32 clearly reflected on an invoice provided to the customer;

33       “(E) The projected energy savings from the installation of the heat pump; and

34       “(F) Any other information that the department determines is necessary.

35       “(4) Rebates made under this section must be made from moneys in the Residential Heat  
36 Pump Fund established under section 21 of this 2022 Act. A rebate may be made only if there  
37 are moneys available in the fund to make the rebate.

38       “(5) Pursuant to the procedures for a contested case under ORS chapter 183, the de-  
39 partment may:

40       “(a) Deny or revoke a contractor’s eligibility to claim a rebate on behalf of a customer  
41 under this section if the department finds that:

42       “(A) The contractor’s eligibility was obtained by fraud or misrepresentation by the con-  
43 tractor;

44       “(B) The contractor’s performance for installation of heat pumps does not meet industry  
45 standards; or

1       “(C) The contractor has misrepresented to customers either the program established  
2 under this section or the nature or quality of the heat pumps for which rebates are available.

3       “(b) Revoke a rebate or a portion of a rebate made under this section if the department  
4 finds that:

5           “(A) The rebate was obtained by fraud or misrepresentation; or

6           “(B) The rebate was obtained by mistake or miscalculation.

7           “(6)(a) The department may adopt rules to administer the rebate program.

8           “(b) In adopting rules under this section, the department may coordinate or consult with:

9           “(A) The Housing and Community Services Department, the Building Codes Division of  
10 the Department of Consumer and Business Services and any other relevant state agencies;

11           “(B) Nonprofit organizations and utilities; and

12           “(C) Other incentive providers.

13           “(c) Rules adopted under this section may include:

14           “(A) Preferences for providing rebates that benefit low and moderate income residential  
15 tenants;

16           “(B) Preferences for providing rebates to support heat pumps with superior energy effi-  
17 ciency;

18           “(C) Provisions for determining eligibility and verification of heat pumps; and

19           “(D) Policies and procedures for the administration and enforcement of this section and  
20 section 21 of this 2022 Act, which may include policies and procedures for audits and in-  
21 spections.

22       “SECTION 20. (1) The State Department of Energy shall provide grants for upgrades,  
23 including electrical and mechanical upgrades, to facilitate the installation of heat pumps for  
24 owners of a dwelling unit or a manufactured dwelling for whom a rebate has been reserved  
25 under section 19 (3)(a) of this 2022 Act.

26       “(2) Grants made under this section must be made from moneys in the Residential Heat  
27 Pump Fund established under section 21 of this 2022 Act. A grant may be made only if there  
28 are moneys available in the fund to make the grant.

29           “(3)(a) The department shall adopt rules to administer the grant program.

30           “(b) In adopting rules under this section, the department may coordinate or consult with:

31           “(A) The Housing and Community Services Department, the Building Codes Division of  
32 the Department of Consumer and Business Services, the United States Department of En-  
33 ergy and any other relevant agencies;

34           “(B) Nonprofit organizations and utilities; and

35           “(C) Other incentive providers.

36           “(c) Rules adopted under this section must include:

37           “(A) Preferences for providing grants that benefit low and moderate income residential  
38 tenants;

39           “(B) Provisions for determining eligibility and verification of the upgrades; and

40           “(C) Policies and procedures for the administration and enforcement of this section.

41       “SECTION 21. (1) The Residential Heat Pump Fund is established in the State Treasury,  
42 separate and distinct from the General Fund. Moneys in the Residential Heat Pump Fund  
43 consist of:

44           “(a) Amounts donated to the fund;

45           “(b) Amounts appropriated or otherwise transferred to the fund by the Legislative As-

1 **sembly; and**

2 **“(c) Other amounts deposited into the fund from any public or private source.**

3 **“(2) Moneys in the fund are continuously appropriated to the State Department of Energy**  
4 **to be used to provide grants and rebates under sections 19 and 20 of this 2022 Act and to pay**  
5 **the costs and expenses of the department related to the administration and implementation**  
6 **of sections 19 and 20 of this 2022 Act.**

7 **“(3) In each calendar year, of the moneys available for issuing grants and rebate from**  
8 **the fund:**

9 **“(a) 25 percent must be reserved for affordable housing providers; and**

10 **“(b) 25 percent must be reserved for loans for owners of units occupied by households**  
11 **whose income is less than 80 percent of the area median income.**

12 **“SECTION 22. In addition to and not in lieu of any other appropriation, there is appro-**  
13 **priated to the State Department of Energy, for the biennium ending June 30, 2023, out of the**  
14 **General Fund, the amount of \$15,000,000 for deposit into the Residential Heat Pump Fund**  
15 **established under section 21 of this 2022 Act.**

16 **“SECTION 22a. Notwithstanding any other law limiting expenditures, the amount of**  
17 **\$6,562,051 is established for the biennium ending June 30, 2023, as the maximum limit for**  
18 **payment of expenses by the State Department of Energy from the Residential Heat Pump**  
19 **Fund established under section 21 of this 2022 Act to be used for the residential heat pump**  
20 **rebate and grant programs under sections 19 to 21 of this 2022 Act.**

21 **“SECTION 23. (1) Sections 19 to 21 of this 2022 Act are repealed on January 2, 2025.**

22 **“(2) On the date of the repeal of sections 19 to 21 of this 2022 Act under subsection (1)**  
23 **of this section, any moneys in the Residential Heat Pump Fund that are unexpended, unob-**  
24 **ligated and not subject to any conditions or reservations under section 19 (3)(a) of this 2022**  
25 **Act are transferred to the General Fund.**

26  
27 **“COMMUNITY COOLING SPACES**  
28

29 **“SECTION 24. (1) The State Department of Energy shall provide a grant to the nongov-**  
30 **ernmental entity that administers public purpose charge moneys under ORS 757.612 (3)(d) to**  
31 **enable the nongovernmental entity to assist landlords in creating or operating, whenever**  
32 **there is an extreme heat event as defined in section 2 of this 2022 Act for the county of the**  
33 **premises, one or more private community cooling spaces available to the landlord’s tenants**  
34 **during the extreme heat event that are on or near the premises and that maintain a tem-**  
35 **perature of not higher than 80 degrees Fahrenheit.**

36 **“(2) Assistance provided under this section may include:**

37 **“(a) Grants to landlords to create or operate community cooling spaces that will accom-**  
38 **modate at least five individuals.**

39 **“(b) Information to landlords regarding:**

40 **“(A) Lists of providers and installers of suitable cooling devices;**

41 **“(B) Private and government programs that may be used to create or operate community**  
42 **cooling spaces; and**

43 **“(C) Best practices and model technical specifications for installing and operating various**  
44 **temporary and permanent community cooling spaces.**

45 **“(c) Promoting the services relating to community cooling spaces under this section that**

1 are provided by the nongovernmental entity.

2 “(3) The nongovernmental entity receiving a grant under this section shall maintain  
3 separate accounting of the expenditures of the grant funds and shall report the accounting  
4 to the Public Utility Commission and the independent auditor described in ORS 757.746 (1)(d).  
5 The nongovernmental entity may not utilize moneys received under ORS 757.054 (4) or 757.612  
6 (3)(d) for grant purposes under this section.

7 “SECTION 25. In addition to and not in lieu of any other appropriation, there is appro-  
8 priated to the State Department of Energy, for the biennium ending June 30, 2023, out of the  
9 General Fund, the amount of \$2,000,000, to provide grants under section 24 of this 2022 Act.

10  
11 “COOLING NEEDS STUDY  
12

13 “SECTION 26. (1) The State Department of Energy shall study the cooling and electrical  
14 needs of publicly supported housing as defined in ORS 456.250, manufactured dwelling parks  
15 and recreational vehicle parks. The study should detail information including but not limited  
16 to the following:

17 “(a) The prevalence of cooling facilities;

18 “(b) The need for cooling facilities;

19 “(c) Barriers to transitioning housing and parks to include cooling facilities; and

20 “(d) When possible, specific scenarios for properties in development or preservation to  
21 add cooling facilities.

22 “(2) The Building Codes Division of the Department of Consumer and Business Services  
23 shall provide assistance in conducting the study under this section.

24 “SECTION 27. In addition to and not in lieu of any other appropriation, there is appro-  
25 priated to the State Department of Energy, for the biennium ending June 30, 2023, out of the  
26 General Fund, the amount of \$500,000, to perform the duties of the department under section  
27 26 of this 2022 Act.

28 “SECTION 28. Section 26 of this 2022 Act is repealed on January 2, 2025.

29  
30 “STATE DEPARTMENT OF ENERGY REPORTS  
31

32 “SECTION 29. No later than September 15, 2023, the State Department of Energy shall  
33 provide a report to an appropriate interim committee of the Legislative Assembly in the  
34 manner provided in ORS 192.245 on:

35 “(1) The heat pump grants and rebates under sections 19 and 20 of this 2022 Act;

36 “(2) The community cooling spaces under section 24 of this 2022 Act; and

37 “(3) The results of the cooling needs study under section 26 of this 2022 Act.  
38

39 “WARMING AND COOLING SHELTERS  
40

41 “SECTION 30. ORS 431A.410 is amended to read:

42 “431A.410. (1) As used in this section, ‘smoke filtration system’ means an air filtration system  
43 capable of removing particulates and other harmful components of wildfire smoke in a public build-  
44 ing.

45 “(2) In consultation and coordination with the Oregon Health Authority, the Department of

1 Human Services shall establish and implement a grant program that allows local governments to:

2 “(a) Establish emergency [*clean air*] shelters **for clean air, warming or cooling.**

3 “(b) Equip public buildings with:

4 “(A) Smoke filtration systems so the public buildings may serve as cleaner air spaces during  
5 wildfire smoke and other poor air quality events.

6 “(B) **Warming or cooling facilities so the public buildings may serve as temperate spaces  
7 during dangerously hot or cold conditions.**

8 “(3) The department shall require grantees to provide access to the [*clean air*] shelters at no  
9 charge.

10 “(4) **Warming or cooling shelters or facilities receiving grants under this section shall  
11 notify the 2-1-1 system provided for in ORS 403.400 to 403.430, regarding the shelter’s location  
12 and capacity and shall keep the corporation updated with the shelter’s hours and dates of  
13 operation.**

14 “**SECTION 31.** ORS 431A.412 is amended to read:

15 “431A.412. The Department of Human Services is the lead state agency for clean air, **warming  
16 and cooling** shelter operations. The department shall:

17 “(1) Consult and collaborate with the Oregon Health Authority to align practices for voluntary  
18 evacuations and emergency sheltering operations.

19 “(2) Coordinate with the authority in setting priorities for awarding grants described in ORS  
20 431A.410.

21 “(3) Provide support to local agencies that take lead roles in operating and planning [*clean air*]  
22 shelters in the local agencies’ jurisdictions.

23 “**SECTION 32. In addition to and not in lieu of any other appropriation, there is appro-  
24 priated to the Department of Human Services, for the biennium ending June 30, 2023, out of  
25 the General Fund, the amount of \$2,000,000, to provide grants for emergency shelters or fa-  
26 cilities that include warming or cooling under ORS 431A.410 (2)(a) or (b)(B).**

27  
28 “**HEALTHY HOMES PROGRAM**

29  
30 “**SECTION 33.** ORS 431A.400 is amended to read:

31 “431A.400. (1) As used in this section:

32 “(a) ‘Eligible entity’ means a:

33 “(A) Local government as defined in ORS 174.116;

34 “(B) Local housing authority;

35 “(C) Nonprofit organization;

36 “(D) Federally recognized Indian tribe in Oregon;

37 “(E) **Indian health center;**

38 “[*(E)*] (F) Coordinated care organization as defined in ORS 414.025;

39 “[*(F)*] (G) Community action agency as described in ORS 458.505; [*or*]

40 “[*(G)*] *Program administered by:*

41 “(H) **Manufactured dwelling park nonprofit cooperative as defined in ORS 62.803;**

42 “[*(i)*] (I) An electric [*company*] **utility** as defined in ORS 757.600; or

43 “[*(ii)*] (J) A natural gas utility as defined in ORS 757.392.

44 “(b) ‘Environmental justice factor’ means a circumstance or condition that impacts a  
45 community’s ability to achieve a balance of health, economic or environmental benefits and burdens



1 or that impacts a community's ability to participate in public processes.

2 “(c) ‘Grant program recipient’ means an eligible entity that has been awarded a grant from the  
3 Oregon Health Authority under this section.

4 “(d) ‘Landlord’ means a landlord, as defined in ORS 90.100, that meets eligibility criteria for a  
5 loan, grant or other financial assistance under the Healthy Homes Program as determined by the  
6 authority.

7 “(e) ‘Low income household’ means a household having an income equal to or below 80 percent  
8 of the area median family income as determined by the authority.

9 “(f) ‘Nonprofit organization’ means an organization or group of organizations that is described  
10 in section 501(c)(3) of the Internal Revenue Code and is exempt from income tax under section 501(a)  
11 of the Internal Revenue Code.

12 “(g) ‘Repair and rehabilitation’ includes actions that:

13 “(A) Maximize energy efficiency of residences;

14 “(B) Extend the usable life of residences; or

15 “(C) Improve the health and safety of the occupants of residences, including:

16 “(i) Radon abatement;

17 “(ii) Lead abatement;

18 “(iii) Mold and mildew abatement;

19 “(iv) Installation of a smoke filtration system, an air purification system or ventilation or re-  
20 duction of pathways for air infiltration;

21 “(v) Removal of asthma or allergen triggers;

22 “(vi) Structural or safety improvements that increase accessibility or visitability;

23 “(vii) Improvements that make homes more fire resistant; [*and*]

24 “(viii) Structural or safety improvements that promote seismic resiliency[.];

25 “(ix) **Improvements that reduce the reflection of heat on or around the home, including**  
26 **improvements related to trees, vegetation, green roofs or cool roofs; and**

27 “(x) **Electrical upgrades that improve the safety of the home or support or enable the**  
28 **use of energy efficiency upgrades such as heating or cooling devices.**

29 “(h) ‘Residence’ means a dwelling that is intended for occupation by a single family and is oc-  
30 cupied by one or more individuals who are members of a low income household as the individuals’  
31 principal residence, including a site-built home, manufactured home, residential trailer, mobile home,  
32 condominium unit or unit within multifamily housing.

33 “(i) ‘Smoke filtration system’ means a residential air filtration system that meets minimum effi-  
34 ciency standards, as determined by the authority, for the removal of particulates and other harmful  
35 substances generated by wildfires.

36 “(2) The Healthy Homes Program is established within the Oregon Health Authority. The pur-  
37 pose of the program is to provide grants to eligible entities that provide financial assistance to  
38 persons in low income households to repair and rehabilitate their residences and to landlords to  
39 repair and rehabilitate dwelling units inhabited by low income households.

40 “(3) To be eligible to receive grants from the Healthy Homes Program, an eligible entity must  
41 establish that it:

42 “(a) Serves or represents:

43 “(A) Communities with high concentrations of low income households; or

44 “(B) Communities impacted by environmental justice factors, including but not limited to:

45 “(i) Areas with above-average concentrations of historically disadvantaged households or resi-

1 dents with low levels of educational attainment, areas with high unemployment, high linguistic iso-  
2 lation, low levels of homeownership or high rent burden or sensitive populations;

3 “(ii) Areas disproportionately affected by environmental pollution and other hazards that can  
4 lead to negative public health effects, exposure or environmental degradation; or

5 “(iii) Other environmental justice factors as determined by the authority.

6 “(b) Has the capacity to administer grant funds received under this section.

7 “(c) Is able to comply with the requirements of all state and federal laws, rules and regulations.

8 “(4)(a) The authority shall adopt by rule processes for eligible entities to apply to receive grants  
9 from the Healthy Homes Program. The processes may include a request for proposals.

10 “(b) The authority may adopt by rule:

11 “(A) Standards for repair and rehabilitation activities conducted by low-income households;

12 “(B) Standards for repair and rehabilitation activities conducted by landlords;

13 “(C) Additional requirements for landlords who receive program funds; and

14 “(D) Provisions for the allocation of program funds including but not limited to allocations for  
15 types of eligible entities, types of recipients, types of housing and regions of this state.

16 “(c) The authority, in consultation with the Governor’s Policy Advisor for Economic and Busi-  
17 ness Equity, may establish by rule standards for the work performed using grants from the program  
18 to be performed by disadvantaged business enterprises, minority-owned businesses, woman-owned  
19 businesses or businesses that service-disabled veterans own, as those terms are defined in ORS  
20 200.005.

21 “(5) Upon being awarded a grant under this section, the grant program recipient shall enter into  
22 an agreement with the authority that contains provisions that:

23 “(a) Indicate the purposes for which the grant funds may be used;

24 “(b) Prohibit the grant program recipient from using more than 15 percent of grant funds for  
25 administrative expenses and program delivery costs;

26 “(c) Include the repayment provisions set forth in subsection (6) of this section;

27 “(d) Permit the authority to conduct audits and investigations of the grant program recipient  
28 regarding the purposes for which grant funds have been used; and

29 “(e) Require the grant program recipient to provide reports as set forth in subsection (7) of this  
30 section.

31 “(6) A grant program recipient must repay to the authority, in whole or in part, grant funds  
32 received under this section to the extent that:

33 “(a) The grant program recipient does not use the grant funds in accordance with the provisions  
34 of the grant agreement executed between the authority and the grant program recipient under sub-  
35 section (5) of this section; or

36 “(b) The Director of the Oregon Health Authority determines that the grant program recipient  
37 must repay all or part of the grant funds on grounds of misappropriation, fraud or similar reasons  
38 after auditing or investigating the grant program recipient’s operations and conducting a contested  
39 case hearing under ORS 183.413 to 183.470.

40 “(7) A grant program recipient shall report to the authority by June 30 of each year concerning  
41 the status and use of grant funds received under this section. The report required under this section  
42 may not disclose the personal information of the recipients of loans, grants or other financial as-  
43 sistance under the Healthy Homes Program. The report must include:

44 “(a) A detailed description of the grant program recipient’s use of grant funds;

45 “(b) A list of each loan, grant or other financial assistance that the grant program recipient has

1 provided and, where applicable, a full accounting of the repayment status of the loans;

2 “(c) The number of low income households that the grant program recipient has provided fi-

3 nancial assistance to for the repair and rehabilitation of their residences;

4 “(d) The number of landlords that the grant program recipient has provided financial assistance

5 to for the repair and rehabilitation of dwelling units;

6 “(e) The nature and amounts of the administrative expenses and program delivery costs the

7 grant program recipient has incurred in providing the financial assistance under the program;

8 “(f) Disaggregated data concerning the income, racial or ethnic background, family size and re-

9 lated demographic information of low income households who received financial assistance for repair

10 and rehabilitation of residences under the program from the grant program recipient; and

11 “(g) Any other information required by the authority.

12 “(8) The authority may not pay amounts for grants under this section from any source other

13 than available funds in the Healthy Homes Repair Fund established in ORS 431A.402.

14 “(9) Under the Healthy Homes Program, the authority may develop, or contract with public in-

15 stitutions of higher education or nonprofit organizations to assist in developing:

16 “(a) Methods for evaluating health hazards in housing;

17 “(b) Methods for preventing and reducing health hazards in housing;

18 “(c) Performance measures for the work being performed through the financial assistance pro-

19 vided under the program; and

20 “(d) Recommendations for promoting the incorporation of healthy housing into ongoing practices

21 and systems, including housing codes.”

22 In line 22, delete “26” and insert “34”.

23 In line 28, delete “27” and insert “35”.

24 \_\_\_\_\_