# SENATE AMENDMENTS TO SENATE BILL 1536

By COMMITTEE ON HOUSING AND DEVELOPMENT

## February 15

On page 1 of the printed bill, delete lines 9 through 18. 1 On page 2, delete lines 1 through 33 and insert: "SECTION 2. (1) As used in this section: 3 "(a) 'Extreme heat event' means a day on which National Weather Service of the Na-5 tional Oceanic and Atmospheric Administration has predicted or indicated that there exists a heat index of extreme caution for the county. 6 "(b) 'Portable cooling device' includes air conditioners and evaporative coolers, including 7 devices mounted in a window or that are designed to sit on the floor but not including de-8 9 vices whose installation or use requires alteration to the dwelling unit. 10 "(2) A landlord may not prohibit or restrict a tenant from installing or using a portable 11 cooling device of the tenant's choosing, unless: "(a) The installation or use of the device would: 12 13 "(A) Violate building codes or state or federal law; 14 "(B) Violate the device manufacture's written safety guidelines for the device; 15 "(C) Damage the premises or render the premises uninhabitable; or "(D) Require amperage to power the device that cannot be accommodated by the power 16 17 service to the building, dwelling unit or circuit; 18 "(b) If the device would be installed in a window: 19 "(A) The window is a necessary egress from the dwelling unit; 20 "(B) The device would interfere with the tenant's ability to lock a window that is acces-21 sible from outside; "(C) The device requires the use of brackets or other hardware that would damage or 22 void the warranty of the window or frame, puncture the envelope of the building or otherwise 23 24 cause significant damages; 25 "(D) The restrictions require that the device be adequately drained to prevent damage 26 to the dwelling unit or building; or 27 "(E) The restrictions require that the device be installed in a manner that prevents risk 28 of falling; or 29 "(c) The restrictions require that the device be: "(A) Installed or removed by the landlord or landlord's agent; 30 31 "(B) Subject to inspection or servicing by the landlord or landlord's agent; or 32 "(C) Removed from October 1 through April 30. 33 "(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 deliv-

ered to the tenant. The written restrictions must include whether the landlord intends to

34 35 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.".

On page 4, line 45, delete "or".

On page 5, delete lines 1 through 7 and insert:

- "(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:
- 28 "(A) The window is a necessary egress from the unit;
- 29 "(B) The device would interfere with the unit owner's ability to lock a window that is accessible 30 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
- 36 "(E) The restrictions require that the device be installed in a manner that prevents risk of falling; or".

Delete lines 40 through 45.

On page 6, delete lines 1 through 6 and insert:

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### "HOUSING AND COMMUNITY SERVICES DEPARTMENT WEBSITE

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

"SECTION 8. 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.".

On page 7, delete lines 10 through 23 and insert:

- "(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.".

On page 9, delete lines 18 through 45 and delete pages 10 through 12.

On page 13, delete lines 1 through 22 and insert:

#### "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' 1 2 Compensation Division and the Occupational Safety and Health Division of the Department
- of Consumer and Business Services; and

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- 4 "(C) Meet any other certification requirements set forth in rules adopted by the State 5 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 7 of the customer for whom the heat pump will be installed. 8
  - "(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;
    - "(B) A description of the heat pump;
- "(C) Evidence that the contractor is eligible to claim a rebate under subsection (2)(c) of 13 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. 20
  - "(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 34 finds that: 35
  - "(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. 38
- "(b) In adopting rules under this section, the department may coordinate or consult with: 39
- 40 "(A) The Housing and Community Services Department, the Building Codes Division of 41 the Department of Consumer and Business Services and any other relevant state agencies;
  - "(B) Nonprofit organizations and utilities; and
- 43 "(C) Other incentive providers.
  - "(c) Rules adopted under this section may include:
- "(A) Preferences for providing rebates that benefit low and moderate income residential 45

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- "(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:
- 23 "(A) Preferences for providing grants that benefit low and moderate income residential 24 tenants;
  - "(B) Provisions for determining eligibility and verification of the upgrades; and
  - "(C) Policies and procedures for the administration and enforcement of this section.
  - "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.
- 38 "(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 appropriated to the State Department of Energy, for the biennium ending June 30, 2023, 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 1 19 of this 2022 Act. 2 3 "SECTION 21. Section 19 of this 2022 Act is repealed on January 2, 2025. 4 "STATE DEPARTMENT OF ENERGY REPORTS 5 "SECTION 22. No later than September 15, 2023, the State Department of Energy shall 7 provide a report to an appropriate interim committee of the Legislative Assembly in the 8 manner provided in ORS 192.245 on: "(1) The heat pump grants and rebates under sections 12 and 13 of this 2022 Act; 10 "(2) The community cooling centers under section 17 of this 2022 Act; and 11 12 "(3) The results of the cooling needs study under section 19 of this 2022 Act.". After line 39, insert: 13 "(4) Warming or cooling shelters or facilities receiving grants under this section shall notify 14 211Info, a public benefit corporation, regarding the shelter's location and capacity and shall keep 15 the corporation updated with the shelter's hours and dates of operation.". 16 17