

Senate Bill 1537

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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 **as introduced**.

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

A BILL FOR AN ACT

1
2 Relating to housing cost impact statements; creating new provisions; and amending ORS 183.530,
3 183.534 and 183.538.

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

5 **SECTION 1.** ORS 183.530 is amended to read:

6 183.530. A housing cost impact statement shall be prepared upon the proposal for adoption or
7 repeal of any rule or any amendment to an existing rule by:

8 (1) The Oregon Housing Stability Council;

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

11 (3) The Land Conservation and Development Commission;

12 (4) The Environmental Quality Commission;

13 (5) The Construction Contractors Board;

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

16 (7) The State Department of Energy~~].~~;

17 **(8) The Department of the State Fire Marshal;**

18 **(9) The State Board of Architect Examiners;**

19 **(10) The State Board of Examiners for Engineering and Land Surveying;**

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

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

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

23 183.534. *[(1) A housing cost impact statement is an estimate of the effect of a proposed rule or or-*
24 *dinance on the cost of development of a 6,000 square foot parcel and the construction of a 1,200 square*
25 *foot detached single family dwelling on that parcel. The Oregon Housing Stability Council shall adopt*
26 *rules prescribing the form to be used when preparing the estimate and other such rules necessary to*
27 *the implementation of this section and ORS 183.530 and 183.538.]*

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

29 **(a) An estimate of the effect of a proposed rule on the cost of development of a:**

30 **(A) Parcel or lot and the construction on the parcel or lot of a detached single family**
31 **dwelling offered for sale at 80 to 150 percent of Oregon's median family income; and**

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 (B) Parcel or lot and the construction on the parcel or lot of a middle housing unit as
 2 described in ORS 197.758 offered for sale at 80 to 150 percent of Oregon’s median family in-
 3 come;

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

7 (c) A finding as to whether the proposed rule will have a significant adverse effect upon
 8 the ability of a member of a historically disadvantaged community to purchase housing of-
 9 fered for sale at 80 percent to 150 percent of median family income in the area in which the
 10 rule is in effect.

11 (2) A housing cost impact statement must include a finding as to whether the proposed
 12 rule will require residential developers to adopt additional training, record keeping, in-
 13 spections or verification under the rule, and an estimate of the effect these administrative
 14 requirements will have on development of the dwellings described in subsection (1)(a) of this
 15 section.

16 (3) The Oregon Housing Stability Council shall adopt rules prescribing the form to be
 17 used when preparing the housing cost impact statement and other such rules necessary to
 18 the implementation of this section and ORS 183.530 and 183.538.

19 (4) Upon adoption of a rule, an agency listed under ORS 183.530 shall monitor and main-
 20 tain records of the costs described in this section. The agency shall report to an appropriate
 21 committee or interim committee of the Legislative Assembly at least once every two years
 22 on whether the estimated costs of the rules have substantially changed since adoption. In
 23 preparing each report, the agency shall solicit information from the public over a 30-day pe-
 24 riod regarding the costs of compliance with the rules and shall include a summary of public
 25 testimony received in the report.

26 (5) An agency preparing a housing cost impact statement pursuant to this section must
 27 make a finding that a proposal for adoption or repeal of a rule subject to this section is
 28 necessary for the protection of health and safety, and that the health and safety protections
 29 outweigh the impacts identified in subsection (1) of this section, if the agency determines
 30 that a proposed rule:

31 (a) Significantly increases the cost of a dwelling described in subsection (1)(a) of this
 32 section;

33 (b) May result in the displacement of persons identified in subsection (1)(b) of this sec-
 34 tion; or

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

37 [(2)] (6) A housing cost impact statement:

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

39 (A) Fiscal impact statement required by ORS 183.335 (2)(b)(E) for permanent rule adoption; or

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

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

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

44 183.538. [(1) Notwithstanding ORS 183.335 (12), 183.400 (4) or any other provision of law, the
 45 failure to prepare a housing cost impact statement shall not affect the validity or effective date of any

1 *rule or ordinance or any amendment to a rule or ordinance.]*

2 [(2)] If a rule [*or ordinance*] or any amendment to a rule [*or ordinance*] is challenged based on
3 the failure to prepare a housing cost impact statement **as described in ORS 183.534**, the court or
4 other reviewing authority shall remand the proposed rule [*or ordinance*] or any amendment to a rule
5 [*or ordinance*] to the adopting or repealing entity if it determines that a housing cost impact state-
6 ment is required **or that the agency failed to make proper findings as required by ORS**
7 **183.534**.

8 [(3) *The court or other reviewing authority shall determine only whether a housing cost impact*
9 *statement was prepared and shall not make any determination as to the sufficiency of the housing cost*
10 *impact statement.*]

11 **SECTION 4. The amendments to ORS 183.530, 183.534 and 183.538 by sections 1 to 3 of this**
12 **2022 Act apply to notices of rules given under ORS 183.335 on or after the effective date of**
13 **this 2022 Act.**

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