

February 23, 2022

Senate Rules Committee
Oregon State Capitol
Salem, OR 97301

RE: SB 1537-2

Chair Wagner and Members of the Committee,

On behalf of the undersigned organizations, we are writing to express our significant concerns with SB 1537-2 as drafted. We respectfully request amendments to the -2 amendment if it is to move forward this session.

Our organizations strongly support efforts to improve housing affordability and increase access to affordable housing options across the state. However, we are concerned that SB 1537-2 misses the mark as currently drafted. Rather than focusing on new policies and tools needed to address the underlying issues like increasing affordable housing options, the proposed task force is narrowly focused on new requirements for housing cost assessments for new state agency regulations. These after-the-fact housing cost assessments applied to new regulation would also have to be implemented by many state agencies who are not represented at the task force membership in the -2 amendment.

We have many concerns with this proposed task force created by the proposed -2 amendment. The scope is very prescriptive, which raises fears of unintended consequences. SB 1537-2 assumes specific outcomes without first considering the broader underlying issues and needs of communities who stand to be impacted. Due to its narrow scope, we are concerned the task force would perpetuate a cost-only frame of new rules and agency actions that ignores the multitude of benefits of new rules and regulations (including safety, health, clean air, energy savings, etc.). The charge of the task force is too narrow to address underlying issues leading to housing unaffordability and unavailability in Oregon. By their nature, fiscal impact statements and cost assessments disproportionately emphasize costs to businesses and government agencies over the multitude of benefits that many types of public policy provide for Oregonians and especially affected communities, including potential homebuyers and renters.

To give a specific example, the charge of the task force would have broad-reaching consequences of requiring additional state agencies, including the Oregon Departments of Energy and Environmental Quality, to complete newly elevated housing cost impact statements for a host of unrelated rulemakings like energy efficiency and zero emission vehicle rules. Again, this is all the more troubling given that these statements do not measure the benefits like health, safety, clean air, energy savings of such regulations, only upfront cost on a specific type of single-family housing.¹ Neither these agencies nor related stakeholders are represented on the task force as proposed in the -2 amendment. Ultimately, given the prescriptive scope, the bill's burdensome requirements could make agency rulemaking and

¹ E.g., For an issue unrelated to root causes of affordable housing that would be implicated by this task force's scope, please see the "Housing Cost" statement for the Advanced Clean Truck Rule creating requirements for zero emission medium- and heavy-duty vehicles before its adoption by the EQC in 2021, (p. 29): <https://www.oregon.gov/deq/Regulations/rulemaking/RuleDocuments/ctr2021pnp.pdf>

compliance prohibitively expensive and complicated. We believe a better starting point would be to ask affordable housing and low income advocates what tools and policies they would seek as most needed to address these systemic issues.

Given these concerns, we are significantly concerned about SB 1537-2 and respectfully request it not move forward as drafted. If the committee chooses to move forward with this task force, we strongly urge you to amend the language to ensure that stakeholders and state agencies are adequately represented and to broaden the scope to have a more holistic discussion about the solutions aimed at housing affordability, as well as the savings and public benefits of new regulations.

Sincerely,

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