



Oregon

Kate Brown, Governor

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TO: Interested Persons, Local Governments and State Agencies

**FROM: Ellen Miller, Legislative Coordinator
Department of Land Conservation and Development**

SUBJECT: 2017 Land Use Legislation

The attached report describes legislation that has been enacted by the 2017 legislature and that is related to land use planning or programs administered by the Department of Land Conservation and Development (DLCD). Not all the bills listed here are signed by the Governor as of the date of this report. This report is also published on the DLCD web site at:

http://www.oregon.gov/LCD/Pages/publications.aspx#Director_s_Office

This report provides only a brief summary of each legislative measure. Many of these new laws have elements in addition to those described in the summary, or may include details not apparent in the summary. Therefore, we recommend that you use the report primarily as a reference to new laws that may be of interest.

In general, if legislation does not specify an effective date, the new law will take effect on January 1, 2018. However, many of the bills enacted in the 2017 session take effect upon passage (with the Governor's signature). The attached report indicates the effective date of all bills that are signed by the Governor at the time of the report.

State law (ORS 197.646¹) requires DLCD to notify local governments when new statutory requirements require changes to local comprehensive plans, regional framework plans, or ordinances implementing these plans. The department is providing this report for that purpose with the caveat that DLCD cannot determine which bills will apply to specific local governments, or which bills will require changes. Therefore, the department suggests local governments seek advice from legal counsel in considering whether new laws on this list require local changes and when such changes should be adopted given the applicability date of the new laws.

¹ Oregon Law (ORS 197.646) requires that "a local government shall amend its acknowledged comprehensive plan, regional framework plan, and land use regulations implementing the plan, by a self-initiated post-acknowledgment process under ORS 197.610 to 197.625 to comply with ... a new statutory requirement." Furthermore, this statute requires that, "when a local government does not adopt amendments to a comprehensive plan, a regional framework plan and land use regulations implementing the plan as required by ... this section, the new statutory ... requirements apply directly to the local government's land use decisions."

The department believes the following bills will most likely require changes to certain (primarily county) acknowledged comprehensive plans and/or land use regulations: [HB 2179 Biosolids Mixing](#), [HB 3055 Lot Line Adjustments](#), [SB 644 Non-aggregate Mineral Mining Permits](#), [SB 677* Cider Business Privileges](#), and [SB 1051* Housing Supply Bill \(originally HB 2007\)](#). However, additional bills listed in this report may also require changes for certain local governments. Several of these measures authorize but do not require local plan and code amendments. Others may apply only to specific local governments indicated in the legislation.

If you have further questions about farm and forest use legislation contact Tim Murphy, Farm and Forest Lands Specialist, at 503-934-0048, timothy.murphy@state.or.us. If you have further questions about SB 1051 contact Gordon Howard, Principal Urban Planner, at 971-673-0964, gordon.howard@state.or.us.

Finally, we note that some of these new or amended statutes may soon be reflected in new or amended DLCD administrative rules adopted in response to the legislation. This required rulemaking will be summarized in the Land Conservation and Development Commission (LCDC) 2017-19 Policy agenda. The [Draft 2017-19 Policy Agenda](#) is available on the DLCD website and rulemaking that is a result of recent legislation is posted as a [supplement](#) to the draft policy agenda.

This report includes hyperlinks for easy download of a pdf file of the final “enrolled” version of bills published on the Oregon Legislative Information System (OLIS). All legislation considered in the 2017 legislative session, including a large number of measures that were submitted but did not pass, may be accessed at <https://olis.leg.state.or.us/liz/2017R1>. DLCD does not have printed copies of legislative measures available for distribution.

If you have questions or comments about the attached report or other legislation, please call DLCD legislative coordinator: Ellen Miller, ellen.l.miller@state.or.us, 503-934.0020.

Cc: LCDC, LOC, AOC, LOAC, CIAC

Final Report on 2017 Land Use Legislation

DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT

The following bills relating to land use planning or similar topics have been enacted by the 2017 Oregon Legislature. Most of the bills listed here have been signed by the Governor at the time of this report, unless otherwise noted.

For questions about this report, contact Ellen Miller, (503) 934-0020, ellen.l.miller@state.or.us. For information about the Oregon Legislature, call (503) 986-1180.

Bill Name	Bill Summary	Effective Date
HB 2012	Defines "Eastern Oregon Border Economic Development Region." Establishes Eastern Oregon Border Economic Development Board, in collaboration with Oregon Business Development Department, to formulate and implement strategies and practices for strategic investment in workforce development and economic development in Eastern Oregon Border Economic Development Region and to make grants or loans to eligible applicants to encourage workforce development and economic development in region. Sets forth duties, functions and responsibilities of department and board. Establishes Eastern Oregon Border Economic Development Board Fund and continuously appropriates moneys to department for board for purposes set forth in Act. Appropriates moneys from General Fund to department for deposit in Eastern Oregon Border Economic Development Board Fund. Declares emergency, effective on passage.	Awaiting signature.
HB 2017	Modifies and adds laws related to transportation. Transportation Funding Package.	October 6, 2017
HB 2031	Permits owner of Metolius resort site to apply to county for approval of small-scale recreation community within three years if owner meets certain requirements. Modifies areas on which small-scale recreation community may not be sited. Directs county court to enforce requirements of weed control district. Declares emergency, effective on passage.	June 29, 2017
HB 2095	Allows metropolitan service district to revise demonstration of sufficient buildable lands on single occasion under certain circumstances and to expand urban growth boundary if metropolitan service district concludes expansion is warranted.	January 1, 2018
HB 2140	Requires seller of real property to disclose seismic risk in seller's property disclosure statement.	January 1, 2018

Bill Name	Bill Summary	Effective Date
HB 2159	Changes definition of "cider" for purposes of alcohol control laws and alcohol taxation laws. Exempts licensee producing only cider from certain winery licensee requirements regarding federal permits	January 1, 2018
HB 2179	Permits onsite treatment o septage prior to application of biosolid on exclusive farm use land using treatment facilities that are portable, temporary and transportable by truck trailer during authorized period of time.	May 25, 2017
HB 2316	Requires city with population of less than 25,000 to determine estimated housing need for 20-year period, inventory buildable land and adopt measures as part of periodic or legislative review of comprehensive plan.	January 1, 2018
HB 2730	Makes golf course on high-value farmland meeting certain criteria conditional use in area zoned for exclusive farm use.	January 1, 2018
HB 2737	Requires Director of Department of Consumer and Business Services to adopt construction standards for homes that have floor area of not more than 600 square feet. Identifies certain matters for inclusion in standards. Requires that initial construction standards for small homes become effective by January 1, 2018.Requires director to report to committee of Legislative Assembly no later than March 1, 2019, regarding implementation and use of construction standards for small homes. Allows inclusion of director's recommendations regarding small home construction standards in report.	October 6, 2017
HB 2743	Directs Land Conservation and Development Commission to establish and implement pilot program to implement master plan for economic development on land adjacent to airport with approved airport master plan in rural area. Establishes criteria for pilot program. Requires commission to report on pilot program during 2022 regular session of Legislative Assembly.	Awaiting signature.
HB 2785	Exempts from requirements of removal-fill laws removal or filling, or both, originally intended or subsequently used for establishment, repair, restoration, resumption or replacement of certain uses on lands zoned for exclusive farm use, forest use or mixed farm and forest use that were established on or before January 1, 2017.	January 1, 2018
HB 3012	Permits county to allow owner of lot or parcel of at least two acres zoned for rural residential uses to construct new single-family dwelling on lot or parcel if owner converts existing historic home to accessory dwelling unit.	January 1, 2018
HB 3055	Modifies authority to use property line adjustment on certain units of land established by subdivision or partition authorized by waiver.	January 1, 2018

Bill Name	Bill Summary	Effective Date
HB 3149	Requires development of plan for Oregon Coast Trail.	Awaiting signature.
HB 3202	Provides procedures and requirements for establishing criteria for siting of Southwest Corridor MAX Light Rail Project. Provides procedures for review of criteria and land use decisions for siting of Southwest Corridor MAX Light Rail Project. Declares emergency, effective on passage.	Awaiting signature.
HB 3245	Permits city to authorize planning commission or hearings officer to conduct hearings and make final decisions on applications for amendments to city comprehensive plan map. Permits person who appeared or participated in proceedings orally or in writing to appeal or petition for review of final decision to city governing body.	January 1, 2018
HB 3249	Establishes Oregon Agricultural Heritage Fund and continuously appropriates moneys in fund to Oregon Watershed Enhancement Board. Authorizes use of moneys for purposes associated with supporting use of land for agricultural production, maintenance or enhancement of fish or wildlife habitat, improvement of water quality or support of other natural resource values. Establishes programs to provide grants for qualifying conservation management plans, working land conservation covenants or working land conservation easements on agricultural lands. Establishes Oregon Agricultural Heritage Commission and specifies duties of commission. Makes provisions related to supporting use of land for agricultural production, fish and wildlife habitat, water quality and other natural resource values, fund establishment, grant programs and establishment and duties of commission operative January 1, 2018. Appropriates moneys from General Fund to Oregon Watershed Enhancement Board for 2017-2019 biennium for carrying out provisions. Requires Legislative Policy and Research Director to study effect of financial incentives, incremental tax reduction and tax elimination on transfers and succession planning for land used for agricultural production, maintenance or enhancement of fish or wildlife habitat, improvement of water quality or support of other natural resource values. Requires director to complete study and report findings to interim legislative committee on or before September 15, 2018. Declares emergency, effective on passage.	Awaiting signature.
HB 3456	Permits establishment of photovoltaic solar power generation facility on certain high-value farmland. Declares emergency, effective on passage.	June 29, 2017

Bill Name	Bill Summary	Effective Date
SB 3	<p>Prohibits motorized in-stream placer mining in certain areas in order to protect indigenous anadromous salmonids and habitat essential to recovery and conservation of Pacific lamprey. Requires applications for water quality permits to engage in motorized in-stream placer mining to include certain information. Places certain conditions on motorized in-stream placer mining pursuant to water quality permit. Establishes certain fees for water quality permits for motorized in-stream placer mining. Punishes motorized in-stream placer mining without permit coverage by maximum of \$2,000 fine. Requires motorized equipment used for motorized in-stream placer mining to be inspected at aquatic invasive species check stations. Provides that motorized in-stream placer mining permitting, use restriction, inspection and penalty provisions become operative January 3, 2021. Requires consultation to determine whether state and federal mining programs can be better coordinated.</p>	January 1, 2018
SB 333	<p>Requires Oregon Business Development Department to consult with Department of Revenue in establishing and administering Oregon Industrial Site Readiness Program. Directs Oregon Business Development Department to obtain employment and wage information for eligible employer at regionally significant industrial site and to determine annual amount of estimated incremental income tax revenues generated by eligible employer per tax year. Requires Oregon Business Development Department to request that Oregon Department of Administrative Services certify amounts determined to be estimated incremental income tax revenues. Permits Employment Department to disclose to Oregon Business Development Department information required by Oregon Business Development Department in performing department's duties with respect to Oregon Industrial Site Readiness Program.</p>	October 6, 2017
SB 418	<p>Requires Director of Department of Land Conservation and Development, at city's request, to approve or remand sequential phases of work tasks related to potential amendment of urban growth boundary.</p>	January 1, 2018

Bill Name	Bill Summary	Effective Date
SB 644	Exempts county permit application for mining operation on significant mineral resource site in certain counties from requirements for uses in exclusive farm use zones and statewide land use planning goals and rules relating to land use. Provides exceptions. Requires State Department of Geology and Mineral Industries to issue provisional operating permit for mining operation of significant mineral resource site if permit contains and applicant meets certain conditions. Requires department to provide notice of application for operating permit of significant mineral resource site to each permitting agency and cooperating agency and to provide opportunity to respond, identifying expected adverse effects of proposed operation. Requires department to include in operating permit conditions addressing adverse effect under certain circumstances. Requires project coordinating committee to analyze and address conflict identified by private property owner or lessee within impact area. Requires department to avoid or minimize conflict through imposition of permit conditions. Requires department to activate project coordinating committee upon receipt of application for nonaggregate mineral mine operating permit to mine significant mineral resource site.	Awaiting signature.
SB 677	Establishes standards for establishment of cider businesses on land zoned for exclusive farm use or on land zoned for mixed farm and forest use.	January 1, 2018
SB 865	Requires county or city governing body to submit notice of tentative plan to certain special districts for district approval prior to approval by governing body. Requires certain special districts to submit report detailing district boundaries, district facilities and easements and rights of way held by special district to each city and county in which any part of district is located. Requires district to notify city or county within 90 days of change to information in report.	January 1, 2018
SB 1039	Declares state policy on ocean acidification and hypoxia. Establishes Oregon Coordinating Council on Ocean Acidification and Hypoxia. Establishes duties of coordinating council. Requires coordinating council to submit biennial report to Legislative Assembly and Ocean Policy Advisory Council by September 15 of each even-numbered year on coordinating council's activities and recommendations.	Awaiting signature.

Bill Name	Bill Summary	Effective Date
SB 1051	<p>Requires city with population greater than 5,000 or county with population greater than 25,000 to review and decide on applications for certain housing developments containing affordable housing units within 100 days. Establishes standards of review for city or county decision on application for certain housing developments located within urban growth boundary. Becomes operative July 1, 2018. Amends definition of "needed housing." Prohibits city or county from denying application for housing development that complies with clear and objective standards. Prohibits city or county from reducing density or height of application if density or height applied for is at or below authorized density for zone. Permits local government to apply clear and objective standards, conditions and procedures regulating development of housing that regulate density or height of development. Prohibits city with population greater than 2,500 or county with population greater than 15,000 from prohibiting building accessory dwelling unit in area zoned for single-family dwellings. Becomes operative July 1, 2018. Requires city and county to allow nonresidential place of worship to use real property for affordable housing. Requires local government to annually report to Department of Land Conservation and Development certain information relating to applications received for development of housing containing one or more units sold or rented below market rate as part of housing program.</p>	<p>Awaiting signature.</p>
SB 5527	<p>Appropriates moneys from General Fund to Department of Land Conservation and Development for certain biennial expenses. Limits certain biennial expenditures from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by department. Limits biennial expenditures by department from federal funds.</p>	<p>July 1, 2017</p>