

LC 558
2023 Regular Session
91400-007
9/22/22 (RLM/vsr/ps)

D R A F T

SUMMARY

Authorizes Housing and Community Services Department to support replacement, reconstruction or rehabilitation of residential units damaged or destroyed by disaster and to support recovery of residents of such housing. Establishes Disaster Housing Recovery Fund. Continuously appropriates moneys in fund to department for specified purposes.

Confirms abolition of Wildfire Damage Housing Relief Account.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to residential units destroyed by disasters; creating new provisions;
3 amending ORS 456.559; repealing ORS 458.667; and declaring an emer-
4 gency.

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

6 **SECTION 1. Sections 2 and 3 of this 2023 Act are added to and made**
7 **a part of ORS chapter 458.**

8 **SECTION 2. (1) As used in this section:**

9 **(a) “Disaster” means a declared disaster or emergency as defined**
10 **in ORS 401.685.**

11 **(b) “Residential units” includes recreational vehicles, manufactured**
12 **dwellings, prefabricated structures, small homes and dwelling units**
13 **of any type.**

14 **(2) The Housing and Community Services Department may:**

15 **(a) Provide loans, grants or other forms of assistance to repair, re-**
16 **place, rebuild or address the infrastructure needs for residential units**
17 **damaged or destroyed during a disaster.**

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) Support residents of residential units that were damaged or de-
2 stroyed during a disaster, including by providing rental assistance,
3 down payment assistance, housing navigation assistance, intermediate
4 housing and assistance relating to housing or recovery associated with
5 housing loss.

6 (c) Support the acquisition of land or property for housing for
7 communities impacted by disaster.

8 (3) The department may contract with entities to take action under
9 this section, including directly entering into construction contracts
10 with general contractors or others and administering loans or grants
11 to construct or repair damaged or destroyed residential units.

12 **SECTION 3.** (1) The Disaster Housing Recovery Fund is established
13 in the State Treasury, separate and distinct from the General Fund.
14 Interest earned by the Disaster Housing Recovery Fund shall be cred-
15 ited to the fund.

16 (2) The fund consists of moneys appropriated, allocated, deposited
17 or transferred to the fund by the Legislative Assembly or otherwise.

18 (3) Moneys in the fund are continuously appropriated to the Hous-
19 ing and Community Services Department to carry out the purposes
20 of section 2 of this 2023 Act.

21 **SECTION 4.** ORS 456.559 is amended to read:

22 456.559. (1) The Housing and Community Services Department shall:

23 (a) Maintain current housing data and information concerning available
24 programs, status of funding, programs planned or undertaken which might
25 conflict with, overlap, duplicate or supersede other planned or existing pro-
26 grams and call these to the attention of appropriate state agencies, govern-
27 mental bodies and public or private housing sponsors.

28 (b) Maintain current data from local, state and federal sources concerning
29 publicly supported housing as that term is defined in ORS 456.250, the status
30 of existing affordability restrictions as that term is defined in ORS 456.250
31 and rental assistance contracts at publicly supported housing.

1 (c) Provide to appropriate state agencies, governmental bodies and public
2 or private housing sponsors such advisory and educational services as will
3 assist them in the development of housing plans and projects.

4 (d) Subject to the approval of the Oregon Housing Stability Council, make
5 noninterest bearing advances, in accordance with ORS 456.710 and the poli-
6 cies of the department, to qualified nonprofit sponsors for development costs
7 of housing projects until mortgage funds are released to repay the advances
8 as provided in ORS 456.710.

9 (e) Advise and assist appropriate state agencies, governmental bodies and
10 public or private housing sponsors, cities and counties, in all programs and
11 activities which are designed or might tend to fulfill the purposes of ORS
12 456.548 to 456.725 and ORS chapter 458.

13 (f) Encourage and assist in the planning, development, construction, re-
14 habilitation and conservation of dwelling units for persons and families of
15 lower income.

16 (g) Be the central state department to apply for, receive and distribute,
17 on behalf of appropriate state agencies, governmental bodies and public or
18 private housing sponsors in the state, grants, gifts, contributions, loans,
19 credits or assistance from the federal government or any other source for
20 housing programs except when the donor, grantor, or lender of such funds
21 specifically directs some other agency to administer them. Moneys received
22 under this section shall be deposited with the State Treasurer in an account
23 separate and distinct from the General Fund. Interest earned by the account
24 shall be credited to the account.

25 (h) For the purposes of acquiring moneys, credits or other assistance from
26 any agency or instrumentality of the United States or from any public cor-
27 poration chartered by the United States, comply with any applicable agree-
28 ments or restrictions for the receipt of such assistance and become a member
29 of any such association or public corporation chartered by the United States.

30 (i) Assist individuals, appropriate state agencies, governmental bodies and
31 public or private housing sponsors through a program which provides hous-

1 ing information, planning, educational services and technical assistance.

2 (j) Comply with the requirements of ORS 443.225 in assisting in the de-
3 velopment of any housing for residential care, training or treatment for
4 persons with intellectual or developmental disabilities or mental or emo-
5 tional disturbances.

6 (2) Except as otherwise provided in ORS 456.255 to 456.265, 456.625 (7)
7 [*and*], 458.480 to 458.490 **and section 2 (3) of this 2023 Act**, the department
8 may not itself develop, construct, rehabilitate or conserve housing units; and
9 neither the department nor any housing sponsor, including but not limited
10 to any association, corporation, cooperative housing authority or urban re-
11 newal agency organized to provide housing and other facilities under ORS
12 456.548 to 456.725, may own, acquire, construct, purchase, lease, operate or
13 maintain utility facilities, including facilities for the generation of electric-
14 ity, for the distribution of gas and electricity, and for the conveyance of
15 telephone and telegraph messages.

16 (3) In accordance with the provisions of this section and with the advice
17 of the council, the department shall establish statewide priorities for housing
18 programs. State agencies shall coordinate their housing programs with the
19 department. All state agencies intending to apply for federal funds for use
20 in planning, developing or managing housing, or rendering assistance to
21 governmental bodies or sponsors or individuals involved therein shall submit
22 a description of the proposed activity to the department for review not less
23 than 30 days prior to the intended date of submission of the application to
24 the federal agency. The department shall determine whether the proposal
25 would result in a program that would overlap, duplicate or conflict with any
26 other housing program in the state. If the department finds overlapping or
27 duplication or conflict, it shall recommend modifications in the application.
28 The Oregon Department of Administrative Services shall consider these rec-
29 ommendations in making its decision to approve or disapprove the applica-
30 tion. The department shall complete its review and forward its
31 recommendations within 15 working days after receipt of the notification.

1 Failure of the department to complete the review within that time shall
2 constitute approval of the application by the department.

3 (4) The Director of the Housing and Community Services Department may
4 participate in discussions and deliberations of the council. The director may
5 suggest policies and rules to the council, including those necessary to stim-
6 ulate and increase the supply of housing for persons and families of lower
7 income.

8 **SECTION 5. The Legislative Assembly finds that:**

9 (1) **ORS 458.620 (1)(f) (2019 Edition) and 458.667 (2019 Edition) estab-**
10 **lished and regulated the use of the Wildfire Damage Housing Relief**
11 **Account within the Oregon Housing Fund.**

12 (2) **The Wildfire Damage Housing Relief Account was abolished by**
13 **section 38, chapter 10, Oregon Laws 2020 (second special session), the**
14 **amendments to ORS 458.620 by section 39, chapter 10, Oregon Laws**
15 **2020 (second special session), and the repeal of ORS 458.667 by section**
16 **40, chapter 10, Oregon Laws 2020 (second special session).**

17 (3) **On September 20, 2020, the Governor purported to veto sections**
18 **38 to 40, chapter 10, Oregon Laws 2020 (second special session), citing**
19 **the single-item veto exception allowed for appropriation bills under**
20 **Article V, section 15a, of the Oregon Constitution.**

21 (4) **Oregon courts have not interpreted the term “appropriation**
22 **bills” for purposes of Article V, section 15a, of the Oregon Constitu-**
23 **tion.**

24 (5) **There may exist a legal dispute as to whether the Wildfire**
25 **Damage Housing Relief Account was abolished by sections 38 to 40,**
26 **chapter 10, Oregon Laws 2020 (second special session), considering the**
27 **Governor’s purported single-item veto.**

28 (6) **The repeal of ORS 458.667 by section 6 of this 2023 Act is intended**
29 **to confirm that, regardless of the effect of the Governor’s purported**
30 **single-item veto, the Wildfire Damage Housing Relief Account is**
31 **abolished and ORS 458.667 is repealed. Any moneys remaining in the**

1 account on the effective date of this section shall be transferred to the
2 General Fund for general governmental purposes.

3 SECTION 6. ORS 458.667 is repealed.

4 SECTION 7. This 2023 Act being necessary for the immediate pres-
5 ervation of the public peace, health and safety, an emergency is de-
6 clared to exist, and this 2023 Act takes effect on its passage.

7
