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February 24, 2022

Sen. Rob Wagner, Chair, and Committee Members
Senate Committee on Rules
State Capitol
Salem, OR 97301

Re: SB 1537 and -2 amendment (Impact Statement)

Dear Chair Wagner and Committee Members:

Thank you for the opportunity to provide testimony on SB 1537 and the -2 amendment. We ask you to not move the bill or the amendment forward.

1000 Friends of Oregon is a nonprofit, membership organization that works with Oregonians to support livable urban and rural communities; protect family farms, forests and natural areas; and provide transportation and housing choice. This includes working to pass legislation focused on providing more housing - and more diverse and affordable housing - in every neighborhood.

We testified in the Senate Committee on Housing & Development in opposition to SB 1537, so we focus our comments here on the -2 amendment, which was not before that Committee.

The -2 amendment would create an 11-member Task Force and direct it to "conduct a comprehensive review of how housing impact statements should be modernized to reflect current housing policies and are developed for administrative rules." It then provides a long list of issues for the task force to consider.

Like the base bill, the -2 amendment seems designed as a one-more-bite-at-the-apple attempt to undermine policies that the legislature set and directed agencies to implement through rules. The scope of the bill is broad, the task force is not representative of that scope, and many of the issues assigned to be covered in a cost impact statement are not really appropriate for that type of document.

The -2 amendment potentially impacts any state agency. For example, these provisions encompass all agencies that enact rules that potentially impact housing:

"(3) The task force shall conduct a comprehensive review of how housing impact statements should be modernized to reflect current housing policies and are developed for administrative rules. The task force shall consider:

(a) Ways to accurately capture the impacts to different types of housing in the development of administrative rules.

(e) Ways to ensure that the housing cost impact statement has parity with the fiscal impact statement required under ORS 183.335(2)(b)(E)

"(14) All agencies of state government, as defined in ORS 174.111, are directed to assist the task force in the performance of the duties of the task force and, to the extent permitted by laws relating to confidentiality, to furnish information and advice the members of the task force consider necessary to perform their duties."

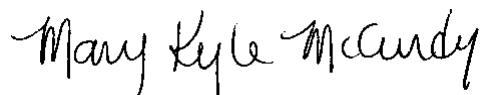
Yet, the proposed task force does not include critical stakeholders in this scope, including state agencies (such as the Departments of Environmental Quality and Energy, and various health & safety divisions) and related community groups.

In addition, while the -2 amendment asks the task force to address several worthy issues, the topics are not appropriate for a document that is developed *at the end of rulemaking* – that is, after legislation has been crafted, hearings held, and passed, and after a rules advisory process has been held and completed. Rather, these topics are ones that should be considered at the front end - when adopting the underlying legislation. For example, "impacts on communities of color, including but not limited to housing costs, displacement and racial disparities" is a critical consideration to be built into the legislation itself. (-2, Sec 1(3)(c)). Similarly, the topic of "How to increase participation in agency rulemaking as it relates to housing" (-2, Sec 1(3)(d)) is a worthy issue, but is broader than housing issues, and should be addressed much sooner in any process that when the impact statement is developed.

Finally, we are concerned that the -2 amendment, like the base bill, seems focused on short term costs and does not include short or long term benefits to both the resident and the community, such as health, safety, cleaner air and water, living near amenities, walkability, reduction in wildfire risk, and much more.

We respectfully urge you to not proceed with SB 1537 or the -2 amendment. Thank you.

Sincerely,



Deputy Director