

B-Engrossed
Senate Bill 1536

Ordered by the Senate February 28
Including Senate Amendments dated February 15 and February 28

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Housing and Development)

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.

Limits restrictions on portable cooling devices in residences by landlords, homeowners associations, condominium associations and local governments.

Directs Oregon Health Authority to create program to acquire air conditioners and air filters for distribution on emergency basis to eligible individuals. Appropriates moneys for program.

Requires that Housing and Community Services Department website contain list of dates where counties experienced extreme heat events and contain information **for landlords** regarding **state** programs and services [*for landlords providing cooling*] **that may help tenants meet cooling needs.**

Requires new residential dwelling units to provide adequate cooling facilities. Requires rented spaces in facilities to provide adequate electrical service for tenant's reasonable heating and cooling uses for new manufactured dwellings and floating homes and for updated electrical connections.

Establishes Heat Pump Deployment Program within State Department of Energy to provide grants to entities to support purchase and installation of heat pumps and related upgrades. Establishes Heat Pump Deployment Advisory Council. Establishes Heat Pump Deployment Fund. Appropriates moneys for fund.

Authorizes State Department of Energy to make available for rental housing grants for upgrades to support cooling facilities and rebates for heat pump purchases and installations. Establishes Residential Heat Pump Fund. Requires department to provide grants to entity to assist landlords with creating or operating community cooling centers. Requires department to study cooling facilities for certain residential dwellings. Requires department to report on programs to interim committee of Legislative Assembly no later than September 15, 2023. Appropriates moneys to department for fund and programs. Sunsets fund and programs on January 2, 2025.

Expands Department of Human Services grant program for clean air shelters to include warming and cooling shelters and facilities. Appropriates moneys to department.

Adds Indian health center and manufactured dwelling park nonprofit cooperative to participants eligible for Healthy Homes Program grants. Makes heat reduction improvements and electrical upgrades eligible for program grants.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to indoor temperature control; creating new provisions; amending ORS 90.320, 90.730,
3 94.779, 100.023, 197.772, 431A.400, 431A.410 and 431A.412; and declaring an emergency.

4 Whereas the frequency and severity of extreme weather events and wildfires affecting
5 Oregonians has increased in recent years and is expected to increase further; and

6 Whereas the impacts of extreme weather events such as cold snaps and heat domes have a dis-
7 proportionate impact on low-income communities and members of environmental justice communi-
8 ties; and

9 Whereas heating, cooling or air filtration technologies may increase electricity use and can
10 impact the energy burden of low-income residential customers and residential customers who are
11 members of environmental justice communities; 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 Whereas energy efficient air conditioners and heat pumps and other energy burden mitigation
2 measures can save renters and homeowners money on utility bills and improve the comfort and
3 habitability of dwellings; now, therefore,

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

5
6 **PORTABLE COOLING DEVICES**

7
8 **SECTION 1.** Section 2 of this 2022 Act is added to and made a part of ORS chapter 90.

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

10 (a) “Extreme heat event” means a day on which National Weather Service of the Na-
11 tional Oceanic and Atmospheric Administration has predicted or indicated that there exists
12 a heat index of extreme caution for the county.

13 (b) “Portable cooling device” includes air conditioners and evaporative coolers, including
14 devices mounted in a window or that are designed to sit on the floor but not including de-
15 vices whose installation or use requires alteration to the dwelling unit.

16 (2) A landlord may not prohibit or restrict a tenant from installing or using a portable
17 cooling device of the tenant’s choosing, unless:

18 (a) The installation or use of the device would:

19 (A) Violate building codes or state or federal law;

20 (B) Violate the device manufacture’s written safety guidelines for the device;

21 (C) Damage the premises or render the premises uninhabitable; or

22 (D) Require amperage to power the device that cannot be accommodated by the power
23 service to the building, dwelling unit or circuit;

24 (b) If the device would be installed in a window:

25 (A) The window is a necessary egress from the dwelling unit;

26 (B) The device would interfere with the tenant’s ability to lock a window that is acces-
27 sible from outside;

28 (C) The device requires the use of brackets or other hardware that would damage or void
29 the warranty of the window or frame, puncture the envelope of the building or otherwise
30 cause significant damages;

31 (D) The restrictions require that the device be adequately drained to prevent damage to
32 the dwelling unit or building; or

33 (E) The restrictions require that the device be installed in a manner that prevents risk
34 of falling; or

35 (c) The restrictions require that the device be:

36 (A) Installed or removed by the landlord or landlord’s agent;

37 (B) Subject to inspection or servicing by the landlord or landlord’s agent; or

38 (C) Removed from October 1 through April 30.

39 (3) A landlord may not enforce a restriction on portable cooling devices against a tenant
40 allowed under subsection (2) of this section unless the restrictions are in writing and deliv-
41 ered to the tenant. The written restrictions must include whether the landlord intends to
42 operate, whenever there is an extreme heat event for the county of the premises, one or
43 more community cooling spaces available to the tenant that are located on or near the
44 premises and that maintain a temperature of not higher than 80 degrees Fahrenheit.

45 (4) A landlord is immune from liability for any claim for damages, injury or death caused

1 by a portable cooling device installed by the tenant.

2 (5) A landlord who must limit portable cooling devices for a building under subsection
3 (2)(a)(D) of this section shall prioritize allowing the use of devices for individuals who require
4 a device to accommodate a disability. A landlord is not responsible for any interruption in
5 electrical service that is not caused by the landlord, including interruptions caused by an
6 electrical supply's inability to accommodate use of a portable cooling device.

7 (6) If a landlord issues a termination notice under ORS 90.392 or 90.630 based on a vio-
8 lation of a restriction regulating a portable cooling device allowed under subsection (2) of this
9 section:

10 (a) On each day that there is an extreme heat event for the county of the premises, the
11 notice period described in ORS 90.392 (3), (4), (5) or (6) or 90.630 (1), (3) or (6) does not run.

12 (b) The termination notice must state:

13 (A) The deadline of a cure period designated in the notice, if any;

14 (B) That the date of termination specified in the notice will be extended by one day for
15 each day that there is an extreme heat event for the county of the premises; and

16 (C) That information regarding days with an extreme heat event can be found on the
17 website for the Housing and Community Services Department.

18 **SECTION 3.** ORS 94.779 is amended to read:

19 94.779. (1) A provision of a planned community's governing document or landscaping or archi-
20 tectural guidelines that imposes irrigation requirements on an owner or the association is void and
21 unenforceable while any of the following is in effect:

22 (a) A declaration by the Governor that a severe, continuing drought exists or is likely to occur
23 in a political subdivision within which the planned community is located;

24 (b) A finding by the Water Resources Commission that a severe, continuing drought exists or is
25 likely to occur in a political subdivision within which the planned community is located;

26 (c) An ordinance adopted by the governing body of a political subdivision within which the
27 planned community is located that requires conservation or curtailment of water use; or

28 (d) A rule adopted by the association under subsection (2) of this section to reduce or eliminate
29 irrigation water use.

30 (2) Notwithstanding any provision of a planned community's governing documents or landscaping
31 or architectural guidelines imposing irrigation requirements on an owner or the association, an as-
32 sociation may adopt rules that:

33 (a) Require the reduction or elimination of irrigation on any portion of the planned community.

34 (b) Permit or require the replacement of turf or other landscape vegetation with xeriscape on
35 any portion of the planned community.

36 (c) Require prior review and approval by the association or its designee of any plans by an
37 owner or the association to replace turf or other landscape vegetation with xeriscape.

38 (d) Require the use of best practices and industry standards to reduce the landscaped areas and
39 minimize irrigation of existing landscaped areas of common property where turf is necessary for the
40 function of the landscaped area.

41 (3) Except as provided in subsections (4) and (5) of this section, **if adopted on or after January**
42 **1, 2018**, the following provisions of a planned community's governing document are void and
43 unenforceable:

44 (a) A provision that prohibits or restricts the use of the owner's unit or lot as the premises of
45 an exempt family child care provider participating in the subsidy program under ORS 329A.500; or

1 (b) If the unit does not share a wall, floor or ceiling surface in common with another unit, a
2 provision that prohibits or restricts the use of the owner's unit or lot as a certified or registered
3 family child care home pursuant to ORS 329A.250 to 329A.450.

4 (4) Subsection (3) of this section does not prohibit a homeowners association from adopting or
5 enforcing a provision of the planned community's governing document that regulates parking, noise,
6 odors, nuisance, use of common property or activities that impact the cost of insurance policies held
7 by the planned community, provided the provision:

8 (a) Is reasonable; and

9 (b) Does not have the effect of prohibiting or restricting the use of a unit or lot as the premises
10 of an exempt family child care provider participating in the subsidy program under ORS 329A.500
11 or as a certified or registered family child care home pursuant to ORS 329A.250 to 329A.450.

12 (5)(a) Subsection (3) of this section does not apply to planned communities that provide housing
13 for older persons.

14 (b) As used in this subsection, "housing for older persons" has the meaning given that term in
15 ORS 659A.421.

16 **(6) A provision in a planned community's governing document that restricts or prohibits**
17 **the installation or use of a portable cooling device, as defined in section 2 (1) of this 2022 Act,**
18 **is void and unenforceable, unless:**

19 **(a) The installation or use of the device would:**

20 **(A) Violate building codes or state or federal law; or**

21 **(B) Violate the device manufacture's written safety guidelines for the device; or**

22 **(b) The restrictions are only to require that the device be removed from October 1**
23 **through April 30.**

24 **SECTION 4.** ORS 100.023 is amended to read:

25 100.023. (1) A provision of a condominium's governing document or landscaping or architectural
26 guidelines that imposes irrigation requirements on a unit owner or the association is void and
27 unenforceable while any of the following is in effect:

28 (a) A declaration by the Governor that a severe, continuing drought exists or is likely to occur
29 in a political subdivision within which the condominium is located;

30 (b) A finding by the Water Resources Commission that a severe, continuing drought exists or is
31 likely to occur in a political subdivision within which the condominium is located;

32 (c) An ordinance adopted by the governing body of a political subdivision within which the
33 condominium is located that requires conservation or curtailment of water use; or

34 (d) A rule adopted by the association under subsection (2) of this section to reduce or eliminate
35 irrigation water use.

36 (2) Notwithstanding any provision of a condominium's governing document or landscaping or
37 architectural guidelines imposing irrigation requirements on a unit owner or the association, an
38 association may adopt rules that:

39 (a) Require the reduction or elimination of irrigation on any portion of the condominium.

40 (b) Permit or require the replacement of turf or other landscape vegetation with xeriscape on
41 any portion of the condominium.

42 (c) Require prior review and approval by the association or its designee of any plans by a unit
43 owner or the association to replace turf or other landscape vegetation with xeriscape.

44 (d) Require the use of best practices and industry standards to reduce the landscaped areas and
45 minimize irrigation of existing landscaped general common elements where turf is necessary for the

1 function of the general common elements.

2 (3) Except as provided in subsections (4) and (5) of this section, **if adopted after January 1,**
3 **2018**, the following provisions of a condominium’s governing document are void and unenforceable:

4 (a) A provision that prohibits or restricts the use of the unit owner’s condominium unit or any
5 limited common element designated for exclusive use by the occupants of the unit as the premises
6 of an exempt family child care provider participating in the subsidy program under ORS 329A.500;
7 or

8 (b) If the condominium unit does not share a wall, floor or ceiling surface in common with an-
9 other unit, a provision that prohibits or restricts the use of the unit owner’s condominium unit or
10 any limited common element designated for exclusive use by the occupants of the unit as a certified
11 or registered family child care home pursuant to ORS 329A.250 to 329A.450.

12 (4) Subsection (3) of this section does not prohibit an association of unit owners from adopting
13 or enforcing a provision of the condominium’s governing document that regulates parking, noise,
14 odors, nuisance, use of common elements or activities that impact the cost of insurance policies held
15 by the condominium, provided the provision:

16 (a) Is reasonable; and

17 (b) Does not have the effect of prohibiting or restricting the use of a unit as the premises of an
18 exempt family child care provider participating in the subsidy program under ORS 329A.500 or as
19 a certified or registered family child care home pursuant to ORS 329A.250 to 329A.450.

20 (5)(a) Subsection (3) of this section does not apply to condominiums that provide housing for
21 older persons.

22 (b) As used in this subsection, “housing for older persons” has the meaning given that term in
23 ORS 659A.421.

24 **(6) A provision in a condominium’s governing document that restricts or prohibits the**
25 **installation or use of a portable cooling device, as defined in section 2 (1) of this 2022 Act, is**
26 **void and unenforceable, unless:**

27 **(a) The installation or use of the device would:**

28 **(A) Violate building codes or state or federal law;**

29 **(B) Violate the device manufacture’s written safety guidelines for the device;**

30 **(C) Interfere with the common elements of the condominium; or**

31 **(D) Require amperage to power the device that cannot be accommodated by the power**
32 **service to the building, unit or circuit;**

33 **(b) The device would be installed in a window and:**

34 **(A) The window is a necessary egress from the unit;**

35 **(B) The device would interfere with the unit owner’s ability to lock a window that is ac-**
36 **cessible from outside;**

37 **(C) Requires the use of brackets or other hardware that would damage or void the war-**
38 **ranty of the window or frame, puncture the envelope of the building or otherwise cause sig-**
39 **nificant damages;**

40 **(D) The restrictions require that the device be adequately drained to prevent damage to**
41 **the dwelling unit or building; or**

42 **(E) The restrictions require that the device be installed in a manner that prevents risk**
43 **of falling; or**

44 **(c) The restrictions are only to require that the device be:**

45 **(A) Installed by building maintenance or a licensed contractor; or**

1 **(B) Removed from October 1 through April 30.**

2 **SECTION 5.** ORS 197.772 is amended to read:

3 197.772. (1) Notwithstanding any other provision of law, a local government shall allow a prop-
4 erty owner to refuse to consent to any form of historic property designation at any point during the
5 designation process. Such refusal to consent shall remove the property from any form of consider-
6 ation for historic property designation under ORS 358.480 to 358.545 or other law, except for con-
7 sideration or nomination to the National Register of Historic Places pursuant to the National
8 Historic Preservation Act of 1966, as amended (54 U.S.C. 300101 et seq.).

9 (2) A permit for the demolition or modification of property removed from consideration for his-
10 toric property designation under subsection (1) of this section may not be issued during the 120-day
11 period following the date of the property owner’s refusal to consent.

12 (3) A local government shall allow a property owner to remove from the property a historic
13 property designation that was imposed on the property by the local government.

14 **(4) A local government may not enforce any ordinance or design regulation restricting**
15 **the use of a portable cooling device, as defined in section 2 (1) of this 2022 Act, based on a**
16 **historic property designation for property used as a residential tenancy, unless:**

17 **(a) The restriction is necessary to protect or prohibit the removal of historical archi-**
18 **tectural features of the property; or**

19 **(b) The restriction only requires that the device be removed from October 1 through**
20 **April 30.**

21 **SECTION 6.** (1) Section 2 of this 2022 Act applies to tenancies commenced before, on or
22 after the effective date of this 2022 Act.

23 (2) The amendments to ORS 94.779 by section 3 of this 2022 Act apply to provisions in
24 governing documents adopted before, on or after the effective date of this 2022 Act.

25 (3) The amendments to ORS 100.023 by section 4 of this 2022 Act apply to provisions in
26 a condominium’s governing document adopted before, on or after the effective date of this
27 2022 Act.

28 (4) The amendments to ORS 197.772 by section 5 of this 2022 Act apply to ordinances and
29 design regulations adopted by a local government before, on or after the effective date of this
30 2022 Act.

31
32 **AIR CONDITIONER AND AIR FILTER**
33 **DEPLOYMENT PROGRAM**
34

35 **SECTION 7.** (1) As used in this section:

36 (a) “Air conditioner” means a portable, stand-up air conditioner that has an energy effi-
37 ciency ratio rating of eight or higher.

38 (b)(A) “Air filter” means an air filtering device that uses a high-efficiency particulate air
39 (HEPA) filter to remove contaminating particles from the air.

40 (B) “Air filter” does not include a device that is labeled an “air purifier” and that uses
41 an electrostatic or ionizing process.

42 (c) “Eligible distribution entity” means a:

43 (A) Local government as defined in ORS 174.116;

44 (B) Local housing authority;

45 (C) Nonprofit organization;

- 1 **(D) Federally recognized Indian tribe in Oregon;**
2 **(E) Indian health center;**
3 **(F) Coordinated care organization as defined in ORS 414.025;**
4 **(G) Community action agency as described in ORS 458.505;**
5 **(H) Manufactured dwelling park nonprofit cooperative as defined in ORS 62.803;**
6 **(I) Landlord that has a residential tenant who has received medical assistance through**
7 **the Oregon Health Authority, the Department of Human Services or Medicare within the**
8 **past 12 months;**
9 **(J) Electric utility as defined in ORS 757.600; or**
10 **(K) Natural gas utility as defined in ORS 757.392.**
11 **(d) “Medical assistance” has the meaning given that term in ORS 414.025.**
12 **(2)(a) The Oregon Health Authority shall create a program to:**
13 **(A) Acquire a supply of air conditioners and air filters; and**
14 **(B) Distribute the air conditioners and air filters to eligible distribution entities that will**
15 **provide the air conditioners and air filters on an emergency basis to eligible individuals as**
16 **described in subsection (4) of this section.**
17 **(b) The Oregon Health Authority may provide or contract with one or more third parties**
18 **to administer the program.**
19 **(3) The administrator of the program shall:**
20 **(a) Determine the percentage of program funds needed to support the costs of installa-**
21 **tion and materials for installation.**
22 **(b) Determine the percentage of program funds, but no more than 10 percent of program**
23 **funds, needed to cover the costs of the authority or a third party or parties and eligible**
24 **distribution entities in administering the program.**
25 **(c) Make technical assistance resources available to individuals who receive an air con-**
26 **ditioner or air filter under the program that answer questions about the installation, use and**
27 **maintenance of the air conditioners and air filters.**
28 **(d) Provide technical assistance to eligible distribution entities, including assistance that**
29 **supports the distribution, installation and maintenance of the air conditioners and air filters.**
30 **(4) An eligible distribution entity may distribute air conditioners and air filters under this**
31 **section only to individuals who:**
32 **(a) Are eligible to receive medical assistance through the Oregon Health Authority, the**
33 **Department of Human Services or Medicare, or have received any of these services in the**
34 **past 12 months;**
35 **(b) Reside in any type of housing or recreational vehicle, as defined in ORS 174.101, that**
36 **has electricity for operating the air conditioner or air filter; and**
37 **(c) Upon receiving an air conditioner or air filter, provide an attestation that the indi-**
38 **vidual can safely and legally install the air conditioner or air filter in the individual’s home**
39 **or recreational vehicle.**
40 **(5) The Oregon Health Authority shall make available a list of eligible distribution enti-**
41 **ties participating in the program to:**
42 **(a) Individuals who are eligible to receive medical assistance through the Oregon Health**
43 **Authority or Department of Human Services.**
44 **(b) The 2-1-1 system provided for in ORS 403.400 to 403.430.**
45 **(c) The Housing and Community Services Department.**

1 **(6) The Oregon Health Authority and any eligible distribution entity participating in the**
2 **program are immune from civil liability for:**

3 **(a) The functioning, safety or impact of any air conditioner or air filter distributed by the**
4 **program.**

5 **(b) Any heat-related health impacts to an individual using an air conditioner or air filter**
6 **distributed by the program.**

7 **(7) The Oregon Health Authority shall adopt rules to implement the program.**

8 **SECTION 8. In addition to and not in lieu of any other appropriation, there is appropri-**
9 **ated to the Oregon Health Authority, for the biennium ending June 30, 2023, out of the**
10 **General Fund, the amount of \$5,000,000, for the program created under section 7 of this 2022**
11 **Act.**

12
13 **HOUSING AND COMMUNITY SERVICES DEPARTMENT WEBSITE**

14
15 **SECTION 9. Section 10 of this 2022 Act is added to and made a part of ORS chapter 458.**

16 **SECTION 10. The Housing and Community Services Department shall make available on**
17 **the department's website:**

18 **(1) A list of dates and counties in which there exists an extreme heat event as defined**
19 **in section 2 of this 2022 Act. Dates published on the website must remain on the website for**
20 **at least one year.**

21 **(2) Information regarding relevant programs and services available to landlords to pro-**
22 **vide adequate cooling under ORS 90.320 (1)(m) or 90.730 (3)(d), including:**

23 **(a) Programs administered by the department;**

24 **(b) Information provided by the Oregon Health Authority regarding programs adminis-**
25 **tered by the authority, including the list of eligible distribution entities compiled under sec-**
26 **tion 7 (5) of this 2022 Act;**

27 **(c) Information provided by the State Department of Energy regarding programs admin-**
28 **istered by the department;**

29 **(d) Programs administered by the nongovernmental entity that administers public pur-**
30 **pose charge moneys under ORS 757.612 (3)(d); and**

31 **(e) Federal programs, rebates or incentives, including those administered by the**
32 **Bonneville Power Administration.**

33
34 **COOLING REQUIREMENTS IN NEW UNITS**

35
36 **SECTION 11. ORS 90.320 is amended to read:**

37 **90.320. (1) A landlord shall at all times during the tenancy maintain the dwelling unit in a**
38 **habitable condition. For purposes of this section, a dwelling unit shall be considered uninhabitable if**
39 **it substantially lacks:**

40 **(a) Effective waterproofing and weather protection of roof and exterior walls, including windows**
41 **and doors;**

42 **(b) Plumbing facilities that conform to applicable law in effect at the time of installation[,] and**
43 **are maintained in good working order;**

44 **(c) A water supply approved under applicable law that is:**

45 **(A) Under the control of the tenant or landlord and is capable of producing hot and cold running**

- 1 water;
- 2 (B) Furnished to appropriate fixtures;
- 3 (C) Connected to a sewage disposal system approved under applicable law; and
- 4 (D) Maintained so as to provide safe drinking water and to be in good working order to the
- 5 extent that the system can be controlled by the landlord;
- 6 (d) Adequate heating facilities that conform to applicable law at the time of installation and **are**
- 7 maintained in good working order;
- 8 (e) Electrical lighting with wiring and electrical equipment that conform to applicable law at the
- 9 time of installation and **is** maintained in good working order;
- 10 (f) Buildings, grounds and appurtenances at the time of the commencement of the rental agree-
- 11 ment in every part safe for normal and reasonably foreseeable uses, clean, sanitary and free from
- 12 all accumulations of debris, filth, rubbish, garbage, rodents and vermin, and all areas under control
- 13 of the landlord kept in every part safe for normal and reasonably foreseeable uses, clean, sanitary
- 14 and free from all accumulations of debris, filth, rubbish, garbage, rodents and vermin;
- 15 (g) Except as otherwise provided by local ordinance or by written agreement between the land-
- 16 lord and the tenant, an adequate number of appropriate receptacles for garbage and rubbish in clean
- 17 condition and good repair at the time of the commencement of the rental agreement, and the land-
- 18 lord shall provide and maintain appropriate serviceable receptacles thereafter and arrange for their
- 19 removal;
- 20 (h) Floors, walls, ceilings, stairways and railings maintained in good repair;
- 21 (i) Ventilating, air conditioning and other facilities and appliances, including elevators, main-
- 22 tained in good repair if supplied or required to be supplied by the landlord;
- 23 (j) Safety from fire hazards, including a working smoke alarm or smoke detector, with working
- 24 batteries if solely battery-operated, provided only at the beginning of any new tenancy when the
- 25 tenant first takes possession of the premises, as provided in ORS 479.270, but not to include the
- 26 tenant's testing of the smoke alarm or smoke detector as provided in ORS 90.325 (1);
- 27 (k) A carbon monoxide alarm, and the dwelling unit:
- 28 (A) Contains a carbon monoxide source; or
- 29 (B) Is located within a structure that contains a carbon monoxide source and the dwelling unit
- 30 is connected to the room in which the carbon monoxide source is located by a door, ductwork or a
- 31 ventilation shaft; *[or]*
- 32 (L) Working locks for all dwelling entrance doors, and, unless contrary to applicable law,
- 33 latches for all windows, by which access may be had to that portion of the premises that the tenant
- 34 is entitled under the rental agreement to occupy to the exclusion of others and keys for those locks
- 35 that require keys[.]; **or**
- 36 **(m) For a dwelling unit in a building where building permits for its construction were**
- 37 **issued on or after April 1, 2024, adequate cooling facilities that:**
- 38 **(A) Provide cooling in at least one room of the dwelling unit, not including a bathroom;**
- 39 **(B) Conform to applicable law at the time of installation and are maintained in good**
- 40 **working order; and**
- 41 **(C) May include central air conditioning, an air-source or ground-source heat pump or a**
- 42 **portable air conditioning device that is provided by the landlord.**
- 43 (2) The landlord and tenant may agree in writing that the tenant is to perform specified repairs,
- 44 maintenance tasks and minor remodeling only if:
- 45 (a) The agreement of the parties is entered into in good faith and not for the purpose of evading

1 the obligations of the landlord;

2 (b) The agreement does not diminish the obligations of the landlord to other tenants in the
3 premises; and

4 (c) The terms and conditions of the agreement are clearly and fairly disclosed and adequate
5 consideration for the agreement is specifically stated.

6 (3) Any provisions of this section that reasonably apply only to a structure that is used as a
7 home, residence or sleeping place *[shall]* **do** not apply to a manufactured dwelling, recreational ve-
8 hicle or floating home where the tenant owns the manufactured dwelling, recreational vehicle or
9 floating home, rents the space and, in the case of a dwelling or home, the space is not in a facility.
10 Manufactured dwelling or floating home tenancies in which the tenant owns the dwelling or home
11 and rents space in a facility *[shall be]* **are** governed by ORS 90.730[,] **and** not by this section.

12 **SECTION 12.** ORS 90.730 is amended to read:

13 90.730. (1) As used in this section, “facility common areas” means all areas under control of the
14 landlord and held out for the general use of tenants.

15 (2) A landlord who rents a space for a manufactured dwelling or floating home shall at all times
16 during the tenancy maintain the rented space, vacant spaces in the facility and the facility common
17 areas in a habitable condition. The landlord does not have a duty to maintain a dwelling or home.
18 A landlord’s habitability duty under this section includes only the matters described in subsections
19 (3) to (6) of this section.

20 (3) For purposes of this section, a rented space is considered uninhabitable if it substantially
21 lacks:

22 (a) A sewage disposal system and a connection to the space approved under applicable law at
23 the time of installation and maintained in good working order to the extent that the sewage disposal
24 system can be controlled by the landlord;

25 (b) If required by applicable law, a drainage system reasonably capable of disposing of storm
26 water, ground water and subsurface water, approved under applicable law at the time of installation
27 and maintained in good working order;

28 (c) A water supply and a connection to the space approved under applicable law at the time of
29 installation and maintained so as to provide safe drinking water and to be in good working order
30 to the extent that the water supply system can be controlled by the landlord;

31 (d) An electrical supply and a connection to the space approved under applicable law at the time
32 of installation and maintained in good working order **and of sufficient amperage to meet rea-**
33 **sonable year-round needs for electrical heating and cooling uses,** to the extent that the elec-
34 trical supply system can be controlled by the landlord;

35 (e) A natural gas or propane gas supply and a connection to the space approved under applica-
36 ble law at the time of installation and maintained in good working order to the extent that the gas
37 supply system can be controlled by the landlord, if the utility service is provided within the facility
38 pursuant to the rental agreement;

39 (f) At the time of commencement of the rental agreement, buildings, grounds and appurtenances
40 that are kept in every part safe for normal and reasonably foreseeable uses, clean, sanitary and free
41 from all accumulations of debris, filth, rubbish, garbage, rodents and vermin;

42 (g) Excluding the normal settling of land, a surface or ground capable of supporting a manu-
43 factured dwelling approved under applicable law at the time of installation and maintained to sup-
44 port a dwelling in a safe manner so that it is suitable for occupancy. A landlord’s duty to maintain
45 the surface or ground arises when the landlord knows or should know of a condition regarding the

1 surface or ground that makes the dwelling unsafe to occupy; and

2 (h) Completion of any landlord-provided space improvements, including but not limited to in-
3 stallation of carports, garages, driveways and sidewalks, approved under applicable law at the time
4 of installation.

5 (4) A rented space is considered uninhabitable if the landlord does not maintain a hazard tree as
6 required by ORS 90.727.

7 (5) A vacant space in a facility is considered uninhabitable if the space substantially lacks safety
8 from the hazards of fire or injury.

9 (6) A facility common area is considered uninhabitable if it substantially lacks:

10 (a) Buildings, grounds and appurtenances that are kept in every part safe for normal and rea-
11 sonably foreseeable uses, clean, sanitary and free from all accumulations of debris, filth, rubbish,
12 garbage, rodents and vermin;

13 (b) Safety from the hazards of fire;

14 (c) Trees, shrubbery and grass maintained in a safe manner;

15 (d) If supplied or required to be supplied by the landlord to a common area, a water supply
16 system, sewage disposal system or system for disposing of storm water, ground water and subsurface
17 water approved under applicable law at the time of installation and maintained in good working
18 order to the extent that the system can be controlled by the landlord; and

19 (e) Except as otherwise provided by local ordinance or by written agreement between the land-
20 lord and the tenant, an adequate number of appropriate receptacles for garbage and rubbish in clean
21 condition and good repair at the time of commencement of the rental agreement and for which the
22 landlord shall provide and maintain appropriate serviceable receptacles thereafter and arrange for
23 their removal.

24 (7) The landlord and tenant may agree in writing that the tenant is to perform specified repairs,
25 maintenance tasks and minor remodeling only if:

26 (a) The agreement of the parties is entered into in good faith and not for the purpose of evading
27 the obligations of the landlord;

28 (b) The agreement does not diminish the obligations of the landlord to other tenants on the
29 premises; and

30 (c) The terms and conditions of the agreement are clearly and fairly disclosed and adequate
31 consideration for the agreement is specifically stated.

32 **SECTION 13. The amendments to ORS 90.730 by section 12 of this 2022 Act apply only to**
33 **spaces in which, on or after the effective date of this 2022 Act:**

34 **(1) A new manufactured dwelling or floating home is connected to the electrical supply;**
35 **or**

36 **(2) The electrical supply or electrical supply connection is replaced.**

37
38 **HEAT PUMP DEPLOYMENT PROGRAM**

39
40 **SECTION 14. (1) As used in this section:**

41 **(a) "Bulk fuel" means liquid petroleum, propane, coal, wood, wood-based products or**
42 **other fuel delivered and stored until used on-site by the final consumer to produce energy.**

43 **(b) "Climate zone" means a heating or cooling climate zone assigned to a county by the**
44 **Bonneville Power Administration.**

45 **(c) "Electric resistance heat" means heat produced by passing an electric current**

1 through a material that has high resistance, such as used in an electric baseboard, wall or
2 space heater.

3 (d) “Electric utility” has the meaning given that term in ORS 757.600.

4 (e) “Eligible entity” means a:

5 (A) Local government as defined in ORS 174.116;

6 (B) Local housing authority;

7 (C) Nonprofit organization;

8 (D) Federally recognized Indian tribe in Oregon;

9 (E) Coordinated care organization as defined in ORS 414.025;

10 (F) Community action agency as described in ORS 458.505;

11 (G) Manufactured dwelling park nonprofit cooperative as defined in ORS 62.803; or

12 (H) An electric utility.

13 (f) “Energy burden” means the percentage of gross household income spent on energy
14 costs.

15 (g) “Environmental justice communities” has the meaning given that term in ORS
16 469A.400.

17 (h) “Heat pump” means an air-source or ground-source heat pump with an energy effi-
18 ciency rating set by the State Department of Energy under subsection (5) of this section or
19 a higher efficiency rating.

20 (i) “Region” means an economic development district in Oregon, designated by the Eco-
21 nomic Development Administration of the United States Department of Commerce, for which
22 a regional solutions center has been established under ORS 284.754.

23 (2) The Heat Pump Deployment Program is established within the State Department of
24 Energy. The purpose of the program is to award grants to one eligible entity for each region
25 and federally recognized Indian tribe in Oregon to provide financial assistance, including
26 loans, grants, rebates or incentives, for the purchase and installation of heat pumps and re-
27 lated upgrades to individuals who reside within that region or who are members of that tribe.

28 (3)(a) To be eligible to receive a grant from the Heat Pump Deployment Program, an el-
29 igible entity must establish that it:

30 (A) Serves or represents:

31 (i) An environmental justice community or communities within a region; or

32 (ii) Members of a federally recognized Indian tribe in Oregon; and

33 (B) Has the capacity to administer grant funds received under this section.

34 (b) An eligible entity applying for a grant may partner with other eligible entities, but the
35 entity that is awarded the grant shall take a lead role in administering grant funds and
36 providing financial assistance.

37 (c) An eligible entity that serves or represents a community that is located within more
38 than one region may apply for a grant only for the region within which the greatest per-
39 centage of the individuals of that community reside.

40 (d) An eligible entity that serves a specific geographical area may propose, in consulta-
41 tion with any electric utility that serves the area, that the department use alternative
42 boundaries to define a region. The department may approve the use of alternative boundaries
43 to define a region provided that a minimum percentage, as determined by the department,
44 of the eligible entity’s specific geographical area is within the alternative boundaries of the
45 region.

1 (e) If an electric utility is awarded a grant from the Heat Pump Deployment Program:

2 (A) The electric utility may provide financial assistance from grant funds only to indi-
3 viduals who reside within the electric utility's service area and within the region for which
4 the electric utility is awarded a grant.

5 (B) The electric utility shall partner with one or more other eligible entities to provide
6 financial assistance from grant funds to individuals who reside outside the electric utility's
7 service area and within the region for which the electric utility is awarded a grant.

8 (4) An eligible entity that is awarded a grant from the Heat Pump Deployment Program
9 shall:

10 (a) Use the grant funds to cover up to:

11 (A) One hundred percent of the purchase and installation costs of a heat pump.

12 (B) A percentage, as determined by the department, of the costs for related upgrades
13 that support or enable the use of a heat pump, including:

14 (i) A new electrical panel or other upgrades to the electrical system of a home or build-
15 ing.

16 (ii) Weatherization or other structural repairs to reduce home or building heat and
17 cooling loss.

18 (iii) Upgrades to improve the airflow of a home or building.

19 (b) Prioritize the provision of financial assistance to:

20 (A) Environmental justice communities.

21 (B) Individuals who rely on bulk fuels or electric resistance heating.

22 (C) Individuals who reside in a home or structure that does not have a functioning
23 heating or cooling system.

24 (c) Enter into a performance agreement with the department as described in subsection
25 (8) of this section.

26 (5) The department shall:

27 (a) Award grants using available funds in the Heat Pump Deployment Fund established
28 under section 16 of this 2022 Act.

29 (b) In awarding grants, give preference to eligible entities with:

30 (A) Experience in administering state grant programs or programs similar to the Heat
31 Pump Deployment Program.

32 (B) Experience with community program development within a region or with members
33 of a tribe.

34 (C) Connections to communities within a region or with members of a tribe.

35 (c) Develop criteria for allocating the amount of each grant based on the energy burden
36 of residences within the region or of members of the tribe and the climate zones that make
37 up the counties of that region or of tribal lands.

38 (d) Permit a review of awarded grant funds by members of communities who may benefit
39 from the Heat Pump Deployment Program.

40 (e) In consultation with electric utilities, the Bonneville Power Administration and the
41 nongovernmental entity that administers public purpose charge moneys collected under ORS
42 757.612 (3)(d), set the minimum energy efficiency rating that a heat pump must have to be
43 eligible for grant funds. The minimum energy efficiency rating for a heat pump set by the
44 department must be equal to or greater than federal energy efficiency rating standards for
45 heat pumps.

1 **(6) The department may not use moneys collected through the energy resource supplier**
2 **assessment required under ORS 469.421 (8) to fund grants awarded under the Heat Pump**
3 **Deployment Program.**

4 **(7) The department may:**

5 **(a) Establish a maximum amount of grant funds payable toward the purchase and in-**
6 **stallation of a heat pump and related upgrades.**

7 **(b) Permit the use of loans, grants, rebates or incentives offered by an electric utility**
8 **or other programs toward any costs of the purchase and installation of a heat pump and**
9 **related upgrades not covered by the Heat Pump Deployment Program.**

10 **(c) Provide information to individuals receiving financial assistance from the Heat Pump**
11 **Deployment Program about other loans, grants, rebates or incentives that may be offered**
12 **by an electric utility or other programs.**

13 **(d) Develop criteria for how specific loans, grants, rebates or incentives offered by an**
14 **electric utility or other programs may be used toward the costs of the purchase or installa-**
15 **tion of a heat pump and related upgrades.**

16 **(e) Establish incentives to encourage the purchase and installation of heat pumps and**
17 **related upgrades that have higher efficiency ratings.**

18 **(f) Establish incentives for the purchase and installation of a heating or cooling device**
19 **that has an efficiency rating similar to or higher than that of a heat pump and that provides**
20 **additional benefits such as improving indoor air quality or lowering an individual's energy**
21 **burden.**

22 **(g) Develop program procedures and practices that align with the reporting and other**
23 **requirements of loans, grants, rebates or incentives offered by an electric utility or other**
24 **programs.**

25 **(h) Require, by rule, that eligible entities notify electric utilities of a heat pump instal-**
26 **lation and whether grant funds may be used for necessary electric distribution system up-**
27 **grades associated with the installation of the heat pump.**

28 **(8) Before receiving a grant under this section, an eligible entity shall enter into a per-**
29 **formance agreement with the department that:**

30 **(a) Indicates the purposes for which the grant funds may be used;**

31 **(b) Prohibits the eligible entity from using more than 15 percent of awarded grant funds**
32 **for administrative expenses and marketing costs;**

33 **(c) Includes the repayment provisions set forth in subsection (9) of this section;**

34 **(d) Permits the department to conduct audits and investigations of the eligible entity**
35 **regarding the use of grant funds; and**

36 **(e) Requires the eligible entity to provide reports as required by subsection (10) of this**
37 **section.**

38 **(9) An eligible entity must repay to the department, in whole or in part, grant funds re-**
39 **ceived under this section to the extent that:**

40 **(a) The eligible entity does not use the grant funds in accordance with the provisions of**
41 **the performance agreement executed between the department and the eligible entity under**
42 **subsection (8) of this section; or**

43 **(b) The Director of the State Department of Energy determines that the eligible entity**
44 **must repay all or part of the grant funds on grounds of misappropriation, fraud or similar**
45 **reasons after auditing or investigating the eligible entity's operations and conducting a con-**

1 tested case hearing under ORS 183.413 to 183.470.

2 (10) Each eligible entity that receives a grant under this section shall report to the de-
3 partment by June 30 of each year concerning the status and use of grant funds. The report
4 may not disclose the personal information of the recipients of financial assistance under the
5 program. The report must include:

6 (a) A detailed description of the eligible entity's use of grant funds;

7 (b) A list of each loan, grant or other financial assistance that the eligible entity has
8 provided and, where applicable, a full accounting of the repayment status of the loans;

9 (c) The nature and amounts of the administrative expenses and marketing costs the eli-
10 gible entity has incurred in providing loans, grants and other financial assistance under the
11 program; and

12 (d) Any other information required by the department.

13 (11) The department shall adopt rules to carry out the provisions of this section. The
14 rules shall be developed in consultation with:

15 (a) The Bureau of Labor and Industries on issues related to the workforce.

16 (b) The Building Codes Division of the Department of Consumer and Business Services
17 on issues related to building codes and commissioning.

18 (c) The Housing and Community Services Department to ensure the Heat Pump Deploy-
19 ment Program complements any existing programs or services.

20 (d) The Department of Environmental Quality on issues of air quality related to bulk
21 fuels and to ensure the Heat Pump Deployment Program complements any existing programs
22 or services.

23 (e) The Oregon Health Authority on any health impacts and health impact data related
24 to the Heat Pump Deployment Program and to ensure the program complements any existing
25 programs or services.

26 (f) Electric utilities and utility program administrators on any impacts the Heat Pump
27 Deployment Program may have on utility systems or services and to ensure the program
28 complements any existing programs, incentives or services.

29 (g) Nonprofit organizations, housing providers, heat pump technicians and other
30 stakeholders as appropriate.

31 **SECTION 15.** (1) The Heat Pump Deployment Advisory Council is established.

32 (2) The council consists of representatives from eligible entities administering grant
33 funds under the Heat Pump Deployment Program established under section 14 of this 2022
34 Act.

35 (3) The council shall study and identify:

36 (a) Best practices for administering grant funds and providing financial assistance;

37 (b) Barriers to administering grant funds and providing financial assistance; and

38 (c) Opportunities for providing technical assistance.

39 (4) A majority of the members of the council constitutes a quorum for the transaction
40 of business.

41 (5) Official action by the council requires the approval of a majority of the members of
42 the council.

43 (6) The council shall elect one of its members to serve as chairperson.

44 (7) The council shall meet at times and places specified by the call of the chairperson or
45 of a majority of the members of the council. The council may meet by telephone or video

1 conference.

2 (8) The council may adopt rules necessary for the operation of the council.

3 (9) Members of the council are entitled to compensation and expenses as provided in ORS
4 292.495 from moneys in the Heat Pump Deployment Fund established under section 16 of this
5 2022 Act.

6 (10) The State Department of Energy shall provide staff support to the council.

7 **SECTION 16.** (1) The Heat Pump Deployment Fund is established in the State Treasury,
8 separate and distinct from the General Fund. Interest earned by the Heat Pump Deployment
9 Fund shall be credited to the fund. The fund consists of:

10 (a) Moneys appropriated or otherwise transferred to the fund by the Legislative Assem-
11 bly;

12 (b) Moneys received from federal, state or local sources;

13 (c) Gifts, grants or other moneys contributed to the fund; and

14 (d) Other amounts deposited in the fund from any source.

15 (2) Moneys in the fund are continuously appropriated to the State Department of Energy
16 for the purpose of the Heat Pump Deployment Program established under section 14 of this
17 2022 Act.

18 (3) The department may use reasonable amounts from the fund, but no more than 15
19 percent of the fund, necessary to:

20 (a) Administer and market the Heat Pump Deployment Program; and

21 (b) Provide for the compensation and expenses of members of the Heat Pump Deployment
22 Advisory Council established under section 15 of this 2022 Act.

23 (4) The Director of the State Department of Energy shall submit a biennial report to the
24 Legislative Assembly in the manner provided by ORS 293.640 regarding the expenditures of
25 moneys deposited in the Heat Pump Deployment Fund, including:

26 (a) A detailed description of the use of the moneys;

27 (b) A detailed description of the loans, grants or other financial assistance provided from
28 the moneys and, where applicable, an accounting of the repayment status of the loans;

29 (c) The nature and amounts of the administrative expenses and marketing costs paid
30 from the moneys; and

31 (d) Indicators of program success.

32 **SECTION 17.** The Director of the State Department of Energy shall submit the first
33 biennial report required under section 16 of this 2022 Act to the Legislative Assembly no later
34 than December 31, 2023.

35 **SECTION 18.** In addition to and not in lieu of any other appropriation, there is appro-
36 priated to the State Department of Energy, for the biennium ending June 30, 2023, out of the
37 General Fund, the amount of \$10,000,000 for deposit into the Heat Pump Deployment Fund
38 established under section 16 of this 2022 Act.

39 **SECTION 18a.** Notwithstanding any other law limiting expenditures, the amount of
40 \$5,548,537 is established for the biennium ending June 30, 2023, as the maximum limit for
41 payment of expenses by the State Department of Energy from the Heat Pump Deployment
42 Fund established under section 16 of this 2022 Act to be used for the Heat Pump Deployment
43 Program under sections 14 to 17 of this 2022 Act.

1 **SECTION 19.** (1) The State Department of Energy shall provide rebates for the purchase
2 and installation of air-source or ground-source heat pumps to owners of a dwelling unit used
3 as a residential tenancy and to owners of a manufactured dwelling or recreational vehicle
4 who rent a space in a manufactured dwelling or recreational vehicle park.

5 (2)(a) Rebates available under this section may only be claimed by a contractor that in-
6 stalls a heat pump for the owner of a residential dwelling unit in Oregon. A contractor that
7 claims a rebate under this section must use the full amount of the rebate to reduce the net
8 cost to the customer of the purchase of the heat pump for which the rebate is issued.

9 (b) The amount that may be claimed as a rebate under this section may not exceed:

10 (A) For the owner of a dwelling unit used as a residential tenancy, 60 percent of the
11 purchase price of the heat pump.

12 (B) For the owner of a manufactured dwelling or recreation vehicle, a percentage of the
13 purchase price of the heat pump as established by the department.

14 (c) To be eligible to claim a rebate on behalf of a customer under this section, a con-
15 tractor that installs a heat pump must, at the time of the installation:

16 (A) Hold any license, bond, insurance or permit required to sell and install the heat
17 pump;

18 (B) Demonstrate a history of compliance with the rules and other requirements of the
19 Construction Contractors Board, the Bureau of Labor and Industries and the Workers'
20 Compensation Division and the Occupational Safety and Health Division of the Department
21 of Consumer and Business Services; and

22 (C) Meet any other certification requirements set forth in rules adopted by the State
23 Department of Energy.

24 (3) To claim a rebate under this section, a contractor must:

25 (a) Before installing a heat pump, apply to the department to reserve a rebate on behalf
26 of the customer for whom the heat pump will be installed.

27 (b) After installing the heat pump, verify the purchase and installation of the heat pump
28 on a form provided by the department that must contain:

29 (A) The location of the heat pump;

30 (B) A description of the heat pump;

31 (C) Evidence that the contractor is eligible to claim a rebate under subsection (2)(c) of
32 this section;

33 (D) A statement signed by both the contractor and the customer for whom the heat
34 pump is installed that the customer has received the full value of the rebate as a reduction
35 in the net cost of the purchase and installation of the heat pump and that the rebate was
36 clearly reflected on an invoice provided to the customer;

37 (E) The projected energy savings from the installation of the heat pump; and

38 (F) Any other information that the department determines is necessary.

39 (4) Rebates made under this section must be made from moneys in the Residential Heat
40 Pump Fund established under section 21 of this 2022 Act. A rebate may be made only if there
41 are moneys available in the fund to make the rebate.

42 (5) Pursuant to the procedures for a contested case under ORS chapter 183, the depart-
43 ment may:

44 (a) Deny or revoke a contractor's eligibility to claim a rebate on behalf of a customer
45 under this section if the department finds that:

1 (A) The contractor's eligibility was obtained by fraud or misrepresentation by the con-
2 tractor;

3 (B) The contractor's performance for installation of heat pumps does not meet industry
4 standards; or

5 (C) The contractor has misrepresented to customers either the program established un-
6 der this section or the nature or quality of the heat pumps for which rebates are available.

7 (b) Revoke a rebate or a portion of a rebate made under this section if the department
8 finds that:

9 (A) The rebate was obtained by fraud or misrepresentation; or

10 (B) The rebate was obtained by mistake or miscalculation.

11 (6)(a) The department may adopt rules to administer the rebate program.

12 (b) In adopting rules under this section, the department may coordinate or consult with:

13 (A) The Housing and Community Services Department, the Building Codes Division of the
14 Department of Consumer and Business Services and any other relevant state agencies;

15 (B) Nonprofit organizations and utilities; and

16 (C) Other incentive providers.

17 (c) Rules adopted under this section may include:

18 (A) Preferences for providing rebates that benefit low and moderate income residential
19 tenants;

20 (B) Preferences for providing rebates to support heat pumps with superior energy effi-
21 ciency;

22 (C) Provisions for determining eligibility and verification of heat pumps; and

23 (D) Policies and procedures for the administration and enforcement of this section and
24 section 21 of this 2022 Act, which may include policies and procedures for audits and in-
25 spections.

26 SECTION 20. (1) The State Department of Energy shall provide grants for upgrades, in-
27 cluding electrical and mechanical upgrades, to facilitate the installation of heat pumps for
28 owners of a dwelling unit or a manufactured dwelling for whom a rebate has been reserved
29 under section 19 (3)(a) of this 2022 Act.

30 (2) Grants made under this section must be made from moneys in the Residential Heat
31 Pump Fund established under section 21 of this 2022 Act. A grant may be made only if there
32 are moneys available in the fund to make the grant.

33 (3)(a) The department shall adopt rules to administer the grant program.

34 (b) In adopting rules under this section, the department may coordinate or consult with:

35 (A) The Housing and Community Services Department, the Building Codes Division of the
36 Department of Consumer and Business Services, the United States Department of Energy
37 and any other relevant agencies;

38 (B) Nonprofit organizations and utilities; and

39 (C) Other incentive providers.

40 (c) Rules adopted under this section must include:

41 (A) Preferences for providing grants that benefit low and moderate income residential
42 tenants;

43 (B) Provisions for determining eligibility and verification of the upgrades; and

44 (C) Policies and procedures for the administration and enforcement of this section.

45 SECTION 21. (1) The Residential Heat Pump Fund is established in the State Treasury,

1 separate and distinct from the General Fund. Moneys in the Residential Heat Pump Fund
2 consist of:

3 (a) Amounts donated to the fund;

4 (b) Amounts appropriated or otherwise transferred to the fund by the Legislative As-
5 sembly; and

6 (c) Other amounts deposited into the fund from any public or private source.

7 (2) Moneys in the fund are continuously appropriated to the State Department of Energy
8 to be used to provide grants and rebates under sections 19 and 20 of this 2022 Act and to pay
9 the costs and expenses of the department related to the administration and implementation
10 of sections 19 and 20 of this 2022 Act.

11 (3) In each calendar year, of the moneys available for issuing grants and rebate from the
12 fund:

13 (a) 25 percent must be reserved for affordable housing providers; and

14 (b) 25 percent must be reserved for loans for owners of units occupied by households
15 whose income is less than 80 percent of the area median income.

16 **SECTION 22.** In addition to and not in lieu of any other appropriation, there is appro-
17 priated to the State Department of Energy, for the biennium ending June 30, 2023, out of the
18 General Fund, the amount of \$15,000,000 for deposit into the Residential Heat Pump Fund
19 established under section 21 of this 2022 Act.

20 **SECTION 22a.** Notwithstanding any other law limiting expenditures, the amount of
21 \$6,562,051 is established for the biennium ending June 30, 2023, as the maximum limit for
22 payment of expenses by the State Department of Energy from the Residential Heat Pump
23 Fund established under section 21 of this 2022 Act to be used for the residential heat pump
24 rebate and grant programs under sections 19 to 21 of this 2022 Act.

25 **SECTION 23.** (1) Sections 19 to 21 of this 2022 Act are repealed on January 2, 2025.

26 (2) On the date of the repeal of sections 19 to 21 of this 2022 Act under subsection (1) of
27 this section, any moneys in the Residential Heat Pump Fund that are unexpended, unobli-
28 gated and not subject to any conditions or reservations under section 19 (3)(a) of this 2022
29 Act are transferred to the General Fund.

30
31 **COMMUNITY COOLING SPACES**

32
33 **SECTION 24.** (1) The State Department of Energy shall provide a grant to the nongov-
34 ernmental entity that administers public purpose charge moneys under ORS 757.612 (3)(d) to
35 enable the nongovernmental entity to assist landlords in creating or operating, whenever
36 there is an extreme heat event as defined in section 2 of this 2022 Act for the county of the
37 premises, one or more private community cooling spaces available to the landlord's tenants
38 during the extreme heat event that are on or near the premises and that maintain a tem-
39 perature of not higher than 80 degrees Fahrenheit.

40 (2) Assistance provided under this section may include:

41 (a) Grants to landlords to create or operate community cooling spaces that will accom-
42 modate at least five individuals.

43 (b) Information to landlords regarding:

44 (A) Lists of providers and installers of suitable cooling devices;

45 (B) Private and government programs that may be used to create or operate community

1 cooling spaces; and

2 (C) Best practices and model technical specifications for installing and operating various
3 temporary and permanent community cooling spaces.

4 (c) Promoting the services relating to community cooling spaces under this section that
5 are provided by the nongovernmental entity.

6 (3) The nongovernmental entity receiving a grant under this section shall maintain sep-
7 arate accounting of the expenditures of the grant funds and shall report the accounting to
8 the Public Utility Commission and the independent auditor described in ORS 757.746 (1)(d).
9 The nongovernmental entity may not utilize moneys received under ORS 757.054 (4) or 757.612
10 (3)(d) for grant purposes under this section.

11 **SECTION 25.** In addition to and not in lieu of any other appropriation, there is appro-
12 priated to the State Department of Energy, for the biennium ending June 30, 2023, out of the
13 General Fund, the amount of \$2,000,000, to provide grants under section 24 of this 2022 Act.

14
15 **COOLING NEEDS STUDY**

16
17 **SECTION 26.** (1) The State Department of Energy shall study the cooling and electrical
18 needs of publicly supported housing as defined in ORS 456.250, manufactured dwelling parks
19 and recreational vehicle parks. The study should detail information including but not limited
20 to the following:

21 (a) The prevalence of cooling facilities;

22 (b) The need for cooling facilities;

23 (c) Barriers to transitioning housing and parks to include cooling facilities; and

24 (d) When possible, specific scenarios for properties in development or preservation to add
25 cooling facilities.

26 (2) The Building Codes Division of the Department of Consumer and Business Services
27 shall provide assistance in conducting the study under this section.

28 **SECTION 27.** In addition to and not in lieu of any other appropriation, there is appro-
29 priated to the State Department of Energy, for the biennium ending June 30, 2023, out of the
30 General Fund, the amount of \$500,000, to perform the duties of the department under section
31 26 of this 2022 Act.

32 **SECTION 28.** Section 26 of this 2022 Act is repealed on January 2, 2025.

33
34 **STATE DEPARTMENT OF ENERGY REPORTS**

35
36 **SECTION 29.** No later than September 15, 2023, the State Department of Energy shall
37 provide a report to an appropriate interim committee of the Legislative Assembly in the
38 manner provided in ORS 192.245 on:

39 (1) The heat pump grants and rebates under sections 19 and 20 of this 2022 Act;

40 (2) The community cooling spaces under section 24 of this 2022 Act; and

41 (3) The results of the cooling needs study under section 26 of this 2022 Act.

42
43 **WARMING AND COOLING SHELTERS**

44
45 **SECTION 30.** ORS 431A.410 is amended to read:

1 431A.410. (1) As used in this section, “smoke filtration system” means an air filtration system
2 capable of removing particulates and other harmful components of wildfire smoke in a public build-
3 ing.

4 (2) In consultation and coordination with the Oregon Health Authority, the Department of Hu-
5 man Services shall establish and implement a grant program that allows local governments to:

6 (a) Establish emergency [*clean air*] shelters **for clean air, warming or cooling.**

7 (b) Equip public buildings with:

8 (A) Smoke filtration systems so the public buildings may serve as cleaner air spaces during
9 wildfire smoke and other poor air quality events.

10 (B) **Warming or cooling facilities so the public buildings may serve as temperate spaces**
11 **during dangerously hot or cold conditions.**

12 (3) The department shall require grantees to provide access to the [*clean air*] shelters at no
13 charge.

14 (4) **Warming or cooling shelters or facilities receiving grants under this section shall**
15 **notify the 2-1-1 system provided for in ORS 403.400 to 403.430, regarding the shelter’s location**
16 **and capacity and shall keep the corporation updated with the shelter’s hours and dates of**
17 **operation.**

18 **SECTION 31.** ORS 431A.412 is amended to read:

19 431A.412. The Department of Human Services is the lead state agency for clean air, **warming**
20 **and cooling** shelter operations. The department shall:

21 (1) Consult and collaborate with the Oregon Health Authority to align practices for voluntary
22 evacuations and emergency sheltering operations.

23 (2) Coordinate with the authority in setting priorities for awarding grants described in ORS
24 431A.410.

25 (3) Provide support to local agencies that take lead roles in operating and planning [*clean air*]
26 shelters in the local agencies’ jurisdictions.

27 **SECTION 32. In addition to and not in lieu of any other appropriation, there is appro-**
28 **propriated to the Department of Human Services, for the biennium ending June 30, 2023, out of**
29 **the General Fund, the amount of \$2,000,000, to provide grants for emergency shelters or fa-**
30 **cilities that include warming or cooling under ORS 431A.410 (2)(a) or (b)(B).**

31
32 **HEALTHY HOMES PROGRAM**

33
34 **SECTION 33.** ORS 431A.400 is amended to read:

35 431A.400. (1) As used in this section:

36 (a) “Eligible entity” means a:

37 (A) Local government as defined in ORS 174.116;

38 (B) Local housing authority;

39 (C) Nonprofit organization;

40 (D) Federally recognized Indian tribe in Oregon;

41 (E) **Indian health center;**

42 [(E)] (F) Coordinated care organization as defined in ORS 414.025;

43 [(F)] (G) Community action agency as described in ORS 458.505; [or]

44 [(G) Program administered by:]

45 (H) **Manufactured dwelling park nonprofit cooperative as defined in ORS 62.803;**

1 *(i)* **(I)** An electric *[company]* **utility** as defined in ORS 757.600; or

2 *(ii)* **(J)** A natural gas utility as defined in ORS 757.392.

3 (b) “Environmental justice factor” means a circumstance or condition that impacts a
4 community’s ability to achieve a balance of health, economic or environmental benefits and burdens
5 or that impacts a community’s ability to participate in public processes.

6 (c) “Grant program recipient” means an eligible entity that has been awarded a grant from the
7 Oregon Health Authority under this section.

8 (d) “Landlord” means a landlord, as defined in ORS 90.100, that meets eligibility criteria for a
9 loan, grant or other financial assistance under the Healthy Homes Program as determined by the
10 authority.

11 (e) “Low income household” means a household having an income equal to or below 80 percent
12 of the area median family income as determined by the authority.

13 (f) “Nonprofit organization” means an organization or group of organizations that is described
14 in section 501(c)(3) of the Internal Revenue Code and is exempt from income tax under section 501(a)
15 of the Internal Revenue Code.

16 (g) “Repair and rehabilitation” includes actions that:

17 (A) Maximize energy efficiency of residences;

18 (B) Extend the usable life of residences; or

19 (C) Improve the health and safety of the occupants of residences, including:

20 (i) Radon abatement;

21 (ii) Lead abatement;

22 (iii) Mold and mildew abatement;

23 (iv) Installation of a smoke filtration system, an air purification system or ventilation or re-
24 duction of pathways for air infiltration;

25 (v) Removal of asthma or allergen triggers;

26 (vi) Structural or safety improvements that increase accessibility or visitability;

27 (vii) Improvements that make homes more fire resistant; *[and]*

28 (viii) Structural or safety improvements that promote seismic resiliency[.];

29 **(ix) Improvements that reduce the reflection of heat on or around the home, including**
30 **improvements related to trees, vegetation, green roofs or cool roofs; and**

31 **(x) Electrical upgrades that improve the safety of the home or support or enable the use**
32 **of energy efficiency upgrades such as heating or cooling devices.**

33 (h) “Residence” means a dwelling that is intended for occupation by a single family and is oc-
34 cupied by one or more individuals who are members of a low income household as the individuals’
35 principal residence, including a site-built home, manufactured home, residential trailer, mobile home,
36 condominium unit or unit within multifamily housing.

37 (i) “Smoke filtration system” means a residential air filtration system that meets minimum effi-
38 ciency standards, as determined by the authority, for the removal of particulates and other harmful
39 substances generated by wildfires.

40 (2) The Healthy Homes Program is established within the Oregon Health Authority. The purpose
41 of the program is to provide grants to eligible entities that provide financial assistance to persons
42 in low income households to repair and rehabilitate their residences and to landlords to repair and
43 rehabilitate dwelling units inhabited by low income households.

44 (3) To be eligible to receive grants from the Healthy Homes Program, an eligible entity must
45 establish that it:

- 1 (a) Serves or represents:
- 2 (A) Communities with high concentrations of low income households; or
- 3 (B) Communities impacted by environmental justice factors, including but not limited to:
- 4 (i) Areas with above-average concentrations of historically disadvantaged households or resi-
- 5 dents with low levels of educational attainment, areas with high unemployment, high linguistic iso-
- 6 lation, low levels of homeownership or high rent burden or sensitive populations;
- 7 (ii) Areas disproportionately affected by environmental pollution and other hazards that can lead
- 8 to negative public health effects, exposure or environmental degradation; or
- 9 (iii) Other environmental justice factors as determined by the authority.
- 10 (b) Has the capacity to administer grant funds received under this section.
- 11 (c) Is able to comply with the requirements of all state and federal laws, rules and regulations.
- 12 (4)(a) The authority shall adopt by rule processes for eligible entities to apply to receive grants
- 13 from the Healthy Homes Program. The processes may include a request for proposals.
- 14 (b) The authority may adopt by rule:
- 15 (A) Standards for repair and rehabilitation activities conducted by low-income households;
- 16 (B) Standards for repair and rehabilitation activities conducted by landlords;
- 17 (C) Additional requirements for landlords who receive program funds; and
- 18 (D) Provisions for the allocation of program funds including but not limited to allocations for
- 19 types of eligible entities, types of recipients, types of housing and regions of this state.
- 20 (c) The authority, in consultation with the Governor's Policy Advisor for Economic and Business
- 21 Equity, may establish by rule standards for the work performed using grants from the program to
- 22 be performed by disadvantaged business enterprises, minority-owned businesses, woman-owned busi-
- 23 nesses or businesses that service-disabled veterans own, as those terms are defined in ORS 200.005.
- 24 (5) Upon being awarded a grant under this section, the grant program recipient shall enter into
- 25 an agreement with the authority that contains provisions that:
- 26 (a) Indicate the purposes for which the grant funds may be used;
- 27 (b) Prohibit the grant program recipient from using more than 15 percent of grant funds for
- 28 administrative expenses and program delivery costs;
- 29 (c) Include the repayment provisions set forth in subsection (6) of this section;
- 30 (d) Permit the authority to conduct audits and investigations of the grant program recipient
- 31 regarding the purposes for which grant funds have been used; and
- 32 (e) Require the grant program recipient to provide reports as set forth in subsection (7) of this
- 33 section.
- 34 (6) A grant program recipient must repay to the authority, in whole or in part, grant funds re-
- 35 ceived under this section to the extent that:
- 36 (a) The grant program recipient does not use the grant funds in accordance with the provisions
- 37 of the grant agreement executed between the authority and the grant program recipient under sub-
- 38 section (5) of this section; or
- 39 (b) The Director of the Oregon Health Authority determines that the grant program recipient
- 40 must repay all or part of the grant funds on grounds of misappropriation, fraud or similar reasons
- 41 after auditing or investigating the grant program recipient's operations and conducting a contested
- 42 case hearing under ORS 183.413 to 183.470.
- 43 (7) A grant program recipient shall report to the authority by June 30 of each year concerning
- 44 the status and use of grant funds received under this section. The report required under this section
- 45 may not disclose the personal information of the recipients of loans, grants or other financial as-

1 assistance under the Healthy Homes Program. The report must include:

2 (a) A detailed description of the grant program recipient’s use of grant funds;

3 (b) A list of each loan, grant or other financial assistance that the grant program recipient has
4 provided and, where applicable, a full accounting of the repayment status of the loans;

5 (c) The number of low income households that the grant program recipient has provided finan-
6 cial assistance to for the repair and rehabilitation of their residences;

7 (d) The number of landlords that the grant program recipient has provided financial assistance
8 to for the repair and rehabilitation of dwelling units;

9 (e) The nature and amounts of the administrative expenses and program delivery costs the grant
10 program recipient has incurred in providing the financial assistance under the program;

11 (f) Disaggregated data concerning the income, racial or ethnic background, family size and re-
12 lated demographic information of low income households who received financial assistance for repair
13 and rehabilitation of residences under the program from the grant program recipient; and

14 (g) Any other information required by the authority.

15 (8) The authority may not pay amounts for grants under this section from any source other than
16 available funds in the Healthy Homes Repair Fund established in ORS 431A.402.

17 (9) Under the Healthy Homes Program, the authority may develop, or contract with public in-
18 stitutions of higher education or nonprofit organizations to assist in developing:

19 (a) Methods for evaluating health hazards in housing;

20 (b) Methods for preventing and reducing health hazards in housing;

21 (c) Performance measures for the work being performed through the financial assistance pro-
22 vided under the program; and

23 (d) Recommendations for promoting the incorporation of healthy housing into ongoing practices
24 and systems, including housing codes.

25
26 **UNIT CAPTIONS**

27
28 **SECTION 34. The unit captions used in this 2022 Act are provided only for the conven-**
29 **ience of the reader and do not become part of the statutory law of this state or express any**
30 **legislative intent in the enactment of this 2022 Act.**

31
32 **EMERGENCY CLAUSE**

33
34 **SECTION 35. This 2022 Act being necessary for the immediate preservation of the public**
35 **peace, health and safety, an emergency is declared to exist, and this 2022 Act takes effect**
36 **on its passage.**

37 _____