

**HB 2138 A BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

**Prepared By:** Angela Parada, Department of Administrative Services

**Reviewed By:** Haylee Morse-Miller, Legislative Fiscal Office

---

**Department of Land Conservation and Development  
2025-27**

### **Budget Summary\***

	2023-25 Legislatively Approved Budget <sup>(1)</sup>	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
General Fund	\$ -	\$ -	\$ 3,891,599	\$ 3,891,599	100.0%
Total	\$ -	\$ -	\$ 3,891,599	\$ 3,891,599	100.0%

### **Position Summary**

Authorized Positions	0	0	3	3
Full-time Equivalent (FTE) positions	0.00	0.00	2.63	2.63

<sup>(1)</sup> Includes adjustments through January 2025

\* Excludes Capital Construction expenditures

### **Summary of Revenue Changes**

House Bill 2138 appropriates \$3,891,599 General Fund to the Department of Land Conservation and Development (DLCD) to hire staff, conduct rulemaking, provide technical assistance to local governments related to establishment of middle housing, and to provide grants related to middle housing.

### **Summary of Natural Resources Subcommittee Action**

House Bill 2138 requires the Land Conservation and Development Commission to adopt rules by January 1, 2028, relating to siting and design standards, model system development charges, procedures to estimate the reasonable zoned housing capacity of an area, and other provisions to support housing development. The Department of Administrative Services is required to annually publish regional affordability thresholds used to define affordable housing. Cities, counties, and Metro must update local codes and comprehensive plans to align with the expanded requirements for middle housing and land use review procedures. The measure expands where middle housing must be allowed, including in urban unincorporated areas, and updates definitions and land use processes. Local governments must allow additional housing units on qualifying lots when affordable or accessible units are included, accommodate single room occupancies, and apply only clear and objective standards in specified areas. The measure prohibits local governments from imposing certain traffic-related requirements or reducing residential densities unless consistent with statewide planning goals. Restrictive covenants and governing document provisions that limit housing types or land divisions are rendered unenforceable, with retroactive application and an operative date of January 1, 2027.

House Bill 2138 appropriates a total of \$3,891,599 General Fund to DLCD and establishes three permanent, full-time Planner 3 positions (2.63 FTE) to support rulemaking, lead a Rulemaking Advisory Committee, and assist local governments in aligning code updates with statutory

requirements. DLCDC will also reclassify one existing permanent, full-time Planner 3 to a Planner 4 to support expanded responsibilities related to public works planning. One-time funding of \$1.5 million will be used for technical assistance grants to local governments for middle housing-related work.

PRELIMINARY

## DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of Land Conversation and Development  
Angela Parada - 971-720-0987

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS</u>									
<b>SCR 001 - Planning</b>									
Personal Services	\$ 875,974	\$ -	\$ -	\$ -	\$ -	\$ -	875,974	3	2.63
Services and Supplies	\$ 1,515,625	\$ -	\$ -	\$ -	\$ -	\$ -	1,515,625		
<b>SCR 003 - Grants</b>									
Special Payments	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	1,500,000		
TOTAL ADJUSTMENTS	\$ 3,891,599	\$ -	\$ -	\$ -	\$ -	\$ -	3,891,599	3	2.63
SUBCOMMITTEE RECOMMENDATION *	\$ 3,891,599	\$ -	\$ -	\$ -	\$ -	\$ -	3,891,599	3	2.63

\*Excludes Capital Construction Expenditures