

Enrolled
House Bill 3505

Sponsored by Representative MARSH; Representative GRAYBER, Senators HAYDEN, PHAM K

CHAPTER

AN ACT

Relating to housing; amending ORS 223.301.

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

SECTION 1. ORS 223.301 is amended to read:

223.301. (1) As used in this section, “employer” means any person who contracts to pay remuneration for, and secures the right to direct and control the services of, any person.

(2) A local government may not establish or impose a system development charge that requires an employer to pay a reimbursement fee or an improvement fee based on:

(a) The number of individuals hired by the employer after a specified date; or

(b) A methodology that assumes that costs are necessarily incurred for capital improvements when an employer hires an additional employee.

(3) A methodology set forth in an ordinance or resolution that establishes an improvement fee or a reimbursement fee shall not include or incorporate any method or system under which the payment of the fee or the amount of the fee is determined by the number of employees of an employer without regard to new construction, new development or new use of an existing structure by the employer.

(4) A local government may not impose a system development charge for increased use of a transportation facility that results from the production of marijuana on a property located in an exclusive farm use zone.

(5) A local government may not impose or increase a system development charge for:

(a) The installation of a National Fire Protection Association 13D residential fire sprinkler system; or

(b) The difference between the increased capacity of a water meter required by the fire sprinkler system and the capacity of the water meter that would be required for the dwelling without the fire sprinkler system installed.

Passed by House March 18, 2025

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Timothy G. Sekerak, Chief Clerk of House

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Julie Fahey, Speaker of House

Passed by Senate May 6, 2025

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Rob Wagner, President of Senate

Received by Governor:

.....M.,....., 2025

Approved:

.....M.,....., 2025

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Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M.,....., 2025

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Tobias Read, Secretary of State