

Enrolled House Bill 3560

Sponsored by Representatives MARSH, NERON, Senator REYNOLDS; Representatives ANDERSEN, BOWMAN, CHOTZEN, DOBSON, FRAGALA, GAMBA, HELM, HUDSON, KROPF, LEVY E, MCDONALD, MCLAIN, MUNOZ, NGUYEN H, PHAM H, WALTERS, Senator PATTERSON

CHAPTER

AN ACT

Relating to the siting of child care facilities; creating new provisions; and amending ORS 243.560 and 329A.440.

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

SECTION 1. ORS 329A.440 is added to and made a part of ORS chapter 197.

SECTION 2. ORS 329A.440 is amended to read:

329A.440. (1) As used in this section:

(a) "Child care center" means a:

(A) Child care facility, other than a family child care home, that is certified under ORS 329A.280 (3)[.];

(B) **Preschool recorded program or school-age recorded program recorded under ORS 329A.255; or**

(C) **Parent cooperative, as defined in ORS 329A.250.**

(b) "Family child care home" means a child care facility in a dwelling that is caring for not more than 16 children and is certified under ORS 329A.280 (2) or is registered under ORS 329A.330.

[(c) "Land use regulation" and "local government" have the meanings given those terms in ORS 197.015.]

(2)(a) A family child care home is considered a residential use of property for zoning purposes. A family child care home is a permitted use in all areas zoned for residential or commercial purposes, including areas zoned for single-family dwellings.

(b) A local government may not enact or enforce a land use regulation prohibiting the use of a residential dwelling, located in an area zoned for residential or commercial use, as a family child care home.

(c) A local government may not impose land use regulations, special fees or conditions on the establishment or maintenance of a family child care home more restrictive than those imposed on other residential dwellings in the same zone.

(3) Notwithstanding subsection (2)(c) of this section, a county may impose reasonable conditions on the establishment of a family child care home in an area zoned for *[farm use]* **exclusive farm use, forest use or mixed farm and forest use.**

(4)[(a)] A child care center is a permitted use *[in all areas zoned for]* **on land:**

(a) **Zoned primarily for multiunit residential uses and to allow for development at the following densities:**

(A) Seventeen dwelling units per net residential acre within the Metro urban growth boundary; or

(B) Twelve dwelling units per net residential acre within an urban growth boundary outside of Metro;

(b) In areas within an urban growth boundary that are primarily zoned to allow for residential use, provided that the center is colocated with a legally established institutional use, including a civic center, public recreational center, public park, place of worship, school, college or library; or

(c) Zoned primarily for commercial or industrial use, except in areas specifically designated by the local government for heavy industrial use.

(5) For an institutional use conditionally allowed under subsection (4)(b) of this section, a local government may not add additional conditions of approval before allowing a child care center to be colocated with the institutional use.

[(b)] (6) A local government may not impose land use regulations, special fees or conditions on the establishment or maintenance of a child care center in an area zoned for commercial or industrial use **under subsection (4)(c) of this section** that are more restrictive than those imposed for other uses in the same zone[.]

[(5) Notwithstanding subsection (4) of this section, a], **but the** local government may impose [reasonable conditions] upon the establishment or maintenance of a child care center in an area zoned for industrial uses[.]

[(6) As used in this section, "reasonable conditions" includes, but is not limited to,] **reasonable conditions, including** siting restrictions for properties designated on the Department of Environmental Quality's statewide list of contaminated properties as having known or suspected releases of hazardous substances.

SECTION 3. A local government shall comply as described in ORS 197.646 (1) with the new requirements imposed under the amendments to ORS 329A.440 by section 2 of this 2025 Act within one year after the effective date of this 2025 Act.

SECTION 4. ORS 243.560 is amended to read:

243.560. (1) The Public Employees' Benefit Board may provide, administer and maintain an expense reimbursement plan for the benefit of eligible employees of this state.

(2) In providing an expense reimbursement plan, the board shall adopt rules to:

(a) Determine the qualifications of eligible employees and the expenses eligible for reimbursement.

(b) Establish limits on the amount by which an eligible employee's compensation may be reduced.

(c) Establish procedures for enrollment of eligible employees in an expense reimbursement plan.

(d) Establish requirements for verification of reimbursable expenses.

(3) The board may assess a charge to participating employees to pay the cost of administering the plan or may pay some or all of the cost from funds authorized to pay general administration expenses incurred by the board or from earnings on moneys deposited with the account administrator as designated by the board.

(4) The state shall maintain accounts and records necessary and appropriate to the efficient administration of ORS 243.550 to 243.585 [and 329A.440] or that may be required under federal or state law.

Passed by House April 14, 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 19, 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