HB 2692-1 (LC 1523) 2/10/25 (MNJ/ps)

Requested by Representative SCHARF

PROPOSED AMENDMENTS TO HOUSE BILL 2692

1 On page 1 of the printed bill, line 3, delete "and 183.484" and insert ", 2 183.484, 196.115, 279B.415 and 813.450".

³ On page 7, line 42, delete the boldfaced material.

4 On page 8, delete lines 33 through 45 and delete pages 9 through 11 and 5 insert:

6 **"SECTION 4.** ORS 183.482 is amended to read:

"183.482. (1) Jurisdiction for judicial review of contested cases is con-7 ferred upon the Court of Appeals. Proceedings for review shall be instituted 8 by filing a petition in the Court of Appeals. The petition shall be filed within 9 60 days only following the date the order upon which the petition is based 10 is served unless otherwise provided by statute. If a petition for rehearing has 11 been filed, then the petition for review shall be filed within 60 days only 12 following the date the order denying the petition for rehearing is served. If 13 the agency does not otherwise act, a petition for rehearing or reconsideration 14 15shall be deemed denied the 60th day following the date the petition was filed, and in such cases, petition for judicial review shall be filed within 60 days 16 only following such date. Date of service shall be the date on which the 17 agency delivered or mailed its order in accordance with ORS 183.470. 18

"(2) The petition shall state the nature of the order the petitioner desires reviewed, and shall state whether the petitioner was a party to the administrative proceeding, was denied status as a party or is seeking judicial re-

view as a person adversely affected or aggrieved by the agency order. In the 1 latter case, the petitioner shall, by supporting affidavit, state the facts $\mathbf{2}$ showing how the petitioner is adversely affected or aggrieved by the agency 3 order. Before deciding the issues raised by the petition for review, the Court 4 of Appeals shall decide, from facts set forth in the affidavit, whether or not $\mathbf{5}$ the petitioner is entitled to petition as an adversely affected or an aggrieved 6 person. Copies of the petition shall be served by registered or certified mail 7 upon the agency, and all other parties of record in the agency proceeding. 8

9 "(3)(a) The filing of the petition shall not stay enforcement of the agency 10 order, but the agency may do so upon a showing of:

11 "(A) Irreparable injury to the petitioner; and

12 "(B) A colorable claim of error in the order.

"(b) When a petitioner makes the showing required by paragraph (a) of this subsection, the agency shall grant the stay unless the agency determines that substantial public harm will result if the order is stayed. If the agency denies the stay, the denial shall be in writing and shall specifically state the substantial public harm that would result from the granting of the stay.

"(c) When the agency grants a stay, the agency may impose such reasonable conditions as the giving of a bond, irrevocable letter of credit or other undertaking and that the petitioner file all documents necessary to bring the matter to issue before the Court of Appeals within specified reasonable periods of time.

"(d) Agency denial of a motion for stay is subject to review by the Court
of Appeals under such rules as the court may establish.

²⁵ "(4) Within 30 days after service of the petition, or within such further ²⁶ time as the court may allow, the agency shall transmit to the reviewing ²⁷ court the original or a certified copy of the entire record of the proceeding ²⁸ under review, but, by stipulation of all parties to the review proceeding, the ²⁹ record may be shortened. Any party unreasonably refusing to stipulate to ³⁰ limit the record may be taxed by the court for the additional costs. The court

1 may require or permit subsequent corrections or additions to the record 2 when deemed desirable. Except as specifically provided in this subsection, 3 the cost of the record shall not be taxed to the petitioner or any intervening 4 party. However, the court may tax such costs and the cost of agency tran-5 scription of record to a party filing a frivolous petition for review.

"(5) If, on review of a contested case, before the date set for hearing, ap-6 plication is made to the court for leave to present additional evidence, and 7 it is shown to the satisfaction of the court that the additional evidence is 8 material and that there were good and substantial reasons for failure to 9 present it in the proceeding before the agency, the court may order that the 10 additional evidence be taken before the agency upon such conditions as the 11 court deems proper. The agency may modify its findings and order by reason 12 of the additional evidence and shall, within a time to be fixed by the court, 13 file with the reviewing court, to become a part of the record, the additional 14 evidence, together with any modifications or new findings or orders, or its 15certificate that the agency elects to stand on its original findings and order, 16 as the case may be. 17

"(6) At any time subsequent to the filing of the petition for review and 18 prior to the date set for hearing the agency may withdraw its order for 19 purposes of reconsideration. If an agency withdraws an order for purposes 20of reconsideration, the agency shall, within such time as the court may al-21low, affirm, modify or reverse its order. If the petitioner is dissatisfied with 22the agency action after withdrawal for purposes of reconsideration, the 23petitioner may refile the petition for review and the review shall proceed 24upon the revised order. An amended petition for review shall not be required 25if the agency, on reconsideration, affirms the order or modifies the order 26with only minor changes. If an agency withdraws an order for purposes of 27reconsideration and modifies or reverses the order in favor of the petitioner, 28the court shall allow the petitioner costs, but not attorney fees, to be paid 29 from funds available to the agency. 30

"(7) Review of a contested case shall be confined to the record, and the 1 court shall not substitute its judgment for that of the agency as to any issue $\mathbf{2}$ of fact or agency discretion. In the case of disputed allegations of irregular-3 ities in procedure before the agency not shown in the record which, if 4 proved, would warrant reversal or remand, the Court of Appeals may refer $\mathbf{5}$ the allegations to a master appointed by the court to take evidence and make 6 findings of fact upon them. The court shall remand the order for further 7 agency action if the court finds that either the fairness of the proceedings 8 or the correctness of the action may have been impaired by a material error 9 in procedure or a failure to follow prescribed procedure, including a failure 10 by the presiding officer to comply with the requirements of ORS 183.417 (8). 11 "(8)(a) The court may affirm, reverse or remand the order. If the court 12 finds that the agency has erroneously interpreted a provision of law and that 13a correct interpretation compels a particular action, the court shall: 14

15 "(A) Set aside or modify the order; or

"(B) Remand the case to the agency for further action under a correctinterpretation of the provision of law.

"(b) The court shall remand the order to the agency if the court finds theagency's exercise of discretion to be:

20 "(A) Outside the range of discretion delegated to the agency by law;

"(B) Inconsistent with an agency rule[, an officially stated agency position,
or a prior agency practice, if the inconsistency is not explained by the agency;
or];

"(C) Inconsistent with an officially stated agency position, a past interpretation of a rule by the agency or a prior agency practice, unless the officially stated position, interpretation or practice was changed before the agency's exercise of discretion by adoption of a rule in compliance with the rulemaking procedures of ORS 183.325 to 183.410; or

(C) (D) Otherwise in violation of a constitutional or statutory pro-

1 vision.

"(c) The court shall set aside or remand the order if the court finds that the order is not supported by substantial evidence in the record. Substantial evidence exists to support a finding of fact when the record, viewed as a whole, would permit a reasonable person to make that finding.

"(d) The court shall set aside or remand the order if the court finds
that the agency action or the findings or conclusions supporting the
order were arbitrary or capricious.

9 "SECTION 5. ORS 183.484 is amended to read:

"183.484. (1) Jurisdiction for judicial review of orders other than contested cases is conferred upon the Circuit Court for Marion County and upon the circuit court for the county in which the petitioner resides or has a principal business office. Proceedings for review under this section shall be instituted by filing a petition in the Circuit Court for Marion County or the circuit court for the county in which the petitioner resides or has a principal business office.

"(2) Petitions for review shall be filed within 60 days only following the 17 date the order is served, or if a petition for reconsideration or rehearing has 18 been filed, then within 60 days only following the date the order denying 19 such petition is served. If the agency does not otherwise act, a petition for 20rehearing or reconsideration shall be deemed denied the 60th day following 21the date the petition was filed, and in such case petition for judicial review 22shall be filed within 60 days only following such date. Date of service shall 23be the date on which the agency delivered or mailed its order in accordance 24with ORS 183.470. 25

"(3) The petition shall state the nature of the petitioner's interest, the facts showing how the petitioner is adversely affected or aggrieved by the agency order and the ground or grounds upon which the petitioner contends the order should be reversed or remanded. The review shall proceed and be conducted by the court without a jury.

"(4) At any time subsequent to the filing of the petition for review and 1 prior to the date set for hearing, the agency may withdraw its order for $\mathbf{2}$ purposes of reconsideration. If an agency withdraws an order for purposes 3 of reconsideration, it shall, within such time as the court may allow, affirm, 4 modify or reverse its order. If the petitioner is dissatisfied with the agency $\mathbf{5}$ action after withdrawal for purposes of reconsideration, the petitioner may 6 refile the petition for review and the review shall proceed upon the revised 7 order. An amended petition for review shall not be required if the agency, 8 on reconsideration, affirms the order or modifies the order with only minor 9 changes. If an agency withdraws an order for purposes of reconsideration and 10 modifies or reverses the order in favor of the petitioner, the court shall allow 11 the petitioner costs, but not attorney fees, to be paid from funds available 12 to the agency. 13

"(5)(a) The court may affirm, reverse or remand the order. If the court finds that the agency has erroneously interpreted a provision of law and that a correct interpretation compels a particular action, [*it*] **the court** shall:

17 "(A) Set aside or modify the order; or

"(B) Remand the case to the agency for further action under a correctinterpretation of the provision of law.

"(b) The court shall remand the order to the agency if [*it*] the court finds
the agency's exercise of discretion to be:

²² "(A) Outside the range of discretion delegated to the agency by law;

"(B) Inconsistent with an agency rule[, an officially stated agency position,
or a prior agency practice, if the inconsistency is not explained by the agency;
or];

"(C) Inconsistent with an officially stated agency position, a past interpretation of a rule by the agency or a prior agency practice, unless the officially stated position, interpretation or practice was changed before the agency's exercise of discretion by adoption of a rule in compliance with the rulemaking procedures of ORS 183.325 to

1 183.410; or

2 "[(C)] (**D**) Otherwise in violation of a constitutional or statutory pro-3 vision.

"(c) The court shall set aside or remand the order if [*it*] **the court** finds that the order is not supported by substantial evidence in the record. Substantial evidence exists to support a finding of fact when the record, viewed as a whole, would permit a reasonable person to make that finding.

"(d) The court shall set aside or remand the order if the court finds
that the agency action or the findings or conclusions supporting the
order were arbitrary or capricious.

"(6) In the case of reversal the court shall make special findings of fact based upon the evidence in the record and conclusions of law indicating clearly all aspects in which the agency's order is erroneous.

¹⁴ "<u>SECTION 6.</u> ORS 196.115 is amended to read:

"196.115. (1) For purposes of judicial review, decisions of the Columbia
River Gorge Commission shall be subject to review solely as provided in this
section, except as otherwise provided by the Columbia River Gorge National
Scenic Area Act, P.L. 99-663.

"(2)(a) A final action or order by the commission in a review or appeal 19 of any action of the commission pursuant to section 10(c) or 15(b)(4) of the 20Columbia River Gorge National Scenic Area Act, or a final action or order 21by the commission in a review or appeal of any action of a county pursuant 22to section 15(a)(2) or 15(b)(4) of the Columbia River Gorge National Scenic 23Area Act, shall be reviewed by the Court of Appeals on a petition for judicial 24review filed and served as provided in subsections (3) and (4) of this section 25and ORS 183.482. 26

"(b) On a petition for judicial review under paragraph (a) of this subsection the Court of Appeals also shall review the action of the county that is the subject of the commission's order, if requested in the petition.

³⁰ "(c) The Court of Appeals shall issue a final order on review under this

1 subsection within the time limits provided by ORS 197.855.

"(d) In lieu of judicial review under paragraphs (a) and (b) of this subsection, a county action may be appealed to the Land Use Board of Appeals under ORS 197.805 to 197.855. A notice of intent to appeal the county's action shall be filed not later than 21 days after the commission's order on the county action becomes final.

"(e) Notwithstanding ORS 197.835, the scope of review in an appeal pursuant to paragraph (d) of this subsection shall not include any issue relating
to interpretation or implementation of the Columbia River Gorge National
Scenic Area Act, P.L. 99-663, and any issue related to such interpretation or
implementation shall be waived by the filing of an appeal under paragraph
(d) of this subsection.

"(f) After county land use ordinances are approved pursuant to sections 7(b) and 8(h) to (k) of the Columbia River Gorge National Scenic Area Act, P.L. 99-663, the Land Use Board of Appeals shall not review land use decisions within the general management area or special management area for compliance with the statewide planning goals. The limitation of this paragraph shall not apply if the Land Conservation and Development Commission decertifies the management plan pursuant to ORS 196.107.

"(3)(a) If a petition for judicial review of a commission order is filed pursuant to subsection (2)(a) of this section, the procedures to be followed by the parties, the commission and the court, and the court's review, shall be in accordance with ORS 183.480, 183.482 (1) to (7), 183.485, 183.486, 183.490 and 183.497, except as this section or the Columbia River Gorge National Scenic Area Act, P.L. 99-663, otherwise provides.

²⁶ "(b) Notwithstanding any provision of ORS 183.482:

"(A) The commission shall transmit the original record or the certified
copy of the entire record within 21 days after service of a petition for judicial review is served on the commission; and

30 "(B) The parties shall file briefs with the court within the times allowed

1 by rules of the court.

"(c) The court may affirm, reverse or remand the order. If the court finds
that the agency has erroneously interpreted a provision of law and that a
correct interpretation compels a particular action, the court shall:

5 "(A) Set aside or modify the order; or

6 "(B) Remand the case to the agency for further action under a correct 7 interpretation of the provision of law.

8 "(d) The court shall remand the order to the agency if the court finds the
9 agency's exercise of discretion to be:

10 "(A) Outside the range of discretion delegated to the agency by law;

"(B) Inconsistent with an agency rule[, an officially stated agency position
or a prior agency practice, unless the inconsistency is explained by the agency;
or];

"(C) Inconsistent with an officially stated agency position, a past interpretation of a rule by the agency or a prior agency practice, unless the officially stated position, interpretation or practice was changed before the agency's exercise of discretion by adoption of a rule in compliance with the rulemaking procedures of ORS 183.325 to 183.410; or

"[(C)] (**D**) Otherwise in violation of a constitutional or statutory provision.

"(e) The court shall set aside or remand the order if the court finds that
the order is not supported by substantial evidence in the whole record.

"(f) The court shall set aside or remand the order if the court finds
that the agency action or the findings or conclusions supporting the
order were arbitrary or capricious.

"[(f)] (g) Notwithstanding any other provision of this section, in any case where review of a county action as well as a commission order is sought pursuant to subsection (2)(a) and (b) of this section, the court shall accept any findings of fact by the commission which the court finds to be supported by substantial evidence in the whole record, and such findings by the commission shall prevail over any findings by the county concerning the same
or substantially the same facts.

"(4)(a) Except as otherwise provided by this section or the Columbia River 4 Gorge National Scenic Area Act, P.L. 99-663, if review of a county action is $\mathbf{5}$ sought pursuant to subsection (2)(b) of this section, the procedures to be 6 followed by the parties, the county and the court, and the court's review, 7 shall be in accordance with those provisions governing review of county land 8 use decisions by the Land Use Board of Appeals set forth in ORS 197.830 (2) 9 to (8), (10), (15) and (16) and 197.835 (2) to (10), (12) and (13). As used in this 10 section, 'board' as used in the enumerated provisions shall mean 'court' and 11 the term 'notice of intent to appeal' in ORS 197.830 (10) shall refer to the 12 petition described in subsection (2) of this section. 13

"(b) In addition to the other requirements of service under this section,
the petitioner shall serve the petition upon the persons and bodies described
in ORS 197.830 (9), as a prerequisite to judicial review of the county action.
"(c) In accordance with subsection (3)(b)(B) of this section, a party to a
review of both a commission order and a county action shall file only one
brief with the court, which shall address both the commission order and the
county action.

"(d) Review of a decision under ORS 197.830 to 197.845 shall be confined to the record. Subject to subsection (3)(f) of this section, the court shall be bound by any finding of fact of the county for which there is substantial evidence in the whole record. The court may appoint a master and follow the procedures of ORS 183.482 (7) in connection with matters that the board may take evidence for under ORS 197.835 (2).

"(5) Approval of county land use ordinances by the commission pursuant
to section 7 of the Columbia River Gorge National Scenic Area Act, P.L.
99-663, may be reviewed by the Court of Appeals as provided in ORS 183.482.
"(6) Notwithstanding ORS 183.484, any proceeding filed in circuit court

by or against the commission shall be filed with the circuit court for the
county in which the commission has a principal business office or in which
the land involved in the proceeding is located.

4

"SECTION 7. ORS 279B.415 is amended to read:

"279B.415. (1) As used in this section, 'bidder' includes a person who
submits a proposal to a public contracting agency pursuant to a request for
proposals.

6 "(2) A decision by a state contracting agency on a protest of a contract 9 award is reviewable by the Circuit Court for Marion County or the circuit 10 court for the county in which the principal offices of the state contracting 11 agency are located. A decision by a local contracting agency on a protest 12 of a contract award is reviewable by the circuit court for the county in 13 which the principal offices of the local contracting agency are located.

"(3) To obtain review, a complainant must commence an action before the 14 contract that is the subject of the protest is approved by the Attorney Gen-15eral, if required by ORS 291.047, and executed by the contracting agency. In 16 the complaint, the complainant shall state the nature of the complainant's 17 interest, the facts showing how the complainant is adversely affected or 18 aggrieved by the contracting agency's decision and the basis upon which the 19 decision should be reversed or remanded. The complainant shall join as par-20ties all bidders that would be in line for an award of the contract ahead of 21the complainant. If injunctive relief is sought, the court may require the 22person seeking a stay to post a bond in an amount sufficient to protect the 23contracting agency and the public from costs associated with delay in exe-24cution of the contract. 25

²⁶ "(4) When judicial review is sought, the contracting agency may not ²⁷ proceed with contract execution unless the contracting agency determines ²⁸ that there is a compelling governmental interest in proceeding or that the ²⁹ goods and services are urgently needed. If the contracting agency makes ³⁰ such a determination, the contracting agency shall set forth the reasons for

the determination in writing and immediately provide them to the 1 complainant. Thereafter, upon motion from the complainant, the court may $\mathbf{2}$ nonetheless stay the performance of the contract if the court finds that the 3 contracting agency's determination of the existence of a compelling govern-4 mental interest in proceeding with contract execution, or the contracting $\mathbf{5}$ agency's determination that the goods or services were urgently needed, was 6 not supported by substantial evidence or constituted a manifest abuse of 7 discretion. In granting a stay, the court may require the person seeking the 8 stay to post a bond in an amount sufficient to protect the contracting agency 9 and the public from costs associated with delay in contract performance. 10

"(5) The court shall review the matter without a jury and shall consider only those grounds the complainant raised in the protest to the contracting agency.

"(6) The court shall remand the matter to the contracting agency for afurther decision if:

"(a) Substantial evidence does not exist to support the contracting agency's decision. Substantial evidence exists to support a finding of fact when the record, viewed as a whole, would permit a reasonable person to make that finding;

"(b) The contracting agency's decision was outside the range of discretion
delegated to the contracting agency by law;

"(c) The decision was inconsistent with a contracting agency rule[, an officially stated contracting agency position or an officially stated prior contracting agency practice, if the inconsistency is not explained by the contracting agency; or];

"(d) The decision was inconsistent with an officially stated position of the contracting agency, a past interpretation of a rule by the contracting agency or a prior practice of the contracting agency, unless the officially stated position, interpretation or practice was changed before the contracting agency's decision by adoption of a rule in compliance with the rulemaking procedures of ORS 183.325 to 183.410;
 or

"[(d)] (e) The decision was in violation of a constitutional or statutory
provision.

5 "(7)(a) In addition to remanding the decision to the contracting agency, 6 the court may order such ancillary relief, such as the cost of bid preparation, 7 as the court finds necessary to redress the effects of official action 8 wrongfully taken or withheld. Ancillary relief does not include the award 9 of a contract to the complainant or the award of lost profits or other dam-10 ages.

"(b) If a contract has not been executed and the court rules in favor of the complainant, the court shall remand the matter to the contracting agency for a determination whether to continue with the procurement process in light of the court's decision.

"(c) If a contract has been executed, in addition to the relief provided for 15in paragraph (a) of this subsection, the court shall include in its order a 16 determination whether the party that signed the contract with the contract-17 ing agency is entitled to reimbursement under the conditions of, and calcu-18 lated in the same manner as provided in, ORS 279C.470. Notwithstanding 19 that ORS 279C.470 otherwise applies only to public improvement contracts, 20under this paragraph the court shall apply ORS 279C.470 to both public im-21provement contracts and other public contracts of contracting agencies. 22

"(d) The court may award costs and attorney fees to the prevailing party.
"SECTION 8. ORS 813.450 is amended to read:

25 "813.450. (1) The petition to the circuit court appealing an order of the 26 Department of Transportation after a hearing under ORS 813.410 shall state 27 the nature of the petitioner's interest and the ground or grounds upon which 28 the petitioner contends the order should be reversed or remanded.

"(2) The court shall conduct the review without a jury. Review shall be
limited to the record of the department's hearing.

1 "(3) Any party to the proceedings before the circuit court may appeal 2 from the judgment of the court to the Court of Appeals.

"(4) Upon review in the circuit court and Court of Appeals, the court may
affirm, reverse or remand the order as follows:

5 "(a) If the court finds that the department has erroneously interpreted a 6 provision of law and that a correct interpretation compels a particular 7 action, it shall:

8 "(A) Set aside or modify the order; or

9 "(B) Remand the case to the department for further action under a correct 10 interpretation of the provision of law.

11 "(b) The court shall remand the order to the department if [*it*] **the court** 12 finds the department's exercise of discretion to be any of the following:

"(A) Outside the range of discretion delegated to the [agency] department by law.

"(B) Inconsistent with a department rule[, an officially stated department
position, or a prior department practice, if the inconsistency is not explained
by the department].

"(C) Inconsistent with an officially stated department position, a past interpretation of a rule by the department or a prior department practice, unless the officially stated position, interpretation or practice was changed before the department's exercise of discretion by adoption of a rule in compliance with the rulemaking procedures of ORS 183.325 to 183.410.

"[(C)] (**D**) Otherwise in violation of a constitutional or statutory provision.

"(c) The court shall set aside or remand the order if [*it*] the court finds
that the order is not supported by substantial evidence in the record.

"(d) The court shall set aside or remand the order if the court finds
that the department action or the findings or conclusions supporting
the order were arbitrary or capricious.

"(5) Upon review, the court shall affirm the department's order unless the court finds a ground for setting aside, modifying or remanding to the department under a specified provision of this section.

"(6) In any review under this section, the court shall also review de novo
determinations made by an agency that are subject to ORS 183.650 (4).

"SECTION 9. Section 10 of this 2025 Act is added to and made a part
of ORS chapter 183.

8 "<u>SECTION 10.</u> The Oregon Department of Administrative Services, 9 the Department of Justice and the Oregon Business Development De-10 partment shall collaborate to publish a guide to administrative rules 11 designed for the general public.

12 "<u>SECTION 11.</u> ORS 183.336 is repealed.

"SECTION 12. The amendments to ORS 183.333, 183.335 and 183.355
by sections 1 to 3 of this 2025 Act and the repeal of ORS 183.336 by
section 11 of this 2025 Act apply to rules for which an agency gives
notice of intended action under ORS 183.335 on or after the effective
date of this 2025 Act.

"SECTION 13. The amendments to ORS 183.482, 183.484, 196.115,
279B.415 and 813.450 by sections 4 to 8 of this 2025 Act apply to orders
served on or after the effective date of this 2025 Act.".

21