



Eugene City Council

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EUGENE CITY COUNCIL AGENDA

May 27, 2026

12:00 p.m. CITY COUNCIL WORK SESSION

City Council Wednesday work sessions are held in hybrid format using in person and virtual meeting technology. Information about online or other options for access and participation will be available at <https://www.eugene-or.gov/3360/Webcasts-and-Meeting-Materials>

**Meeting of May 27, 2026;
Her Honor Mayor Kaarin Knudson Presiding**

Councilors

Lyndsie Leech, President
Jennifer Yeh
Mike Clark
Randy Groves

Eliza Kashinsky, Vice President
Alan Zelenka
Greg Evans
Matt Keating

12:00 p.m. CITY COUNCIL WORK SESSION

- 1. EXECUTIVE SESSION: Pursuant to ORS 192.660(2)(i)(Review and Evaluate Employment Related Performance)**
- 2. WORK SESSION: Police Auditor Performance Evaluation**
- 3. WORK SESSION: Intergovernmental Relations 2026 Legislative Summary**

The Eugene City Council welcomes your interest in these agenda items. This meeting location is wheelchair-accessible. For the hearing impaired, an interpreter can be provided with 48 hours' notice prior to the meeting. Spanish-language interpretation will also be provided with 48 hours' notice. To arrange for these services, contact the receptionist at 541-682-5010. City Council meetings are telecast live on Metro Television, Comcast channel 21, and rebroadcast later in the week.

El consejo de la Ciudad de Eugene agradece su interés en estos asuntos de la agenda. El lugar de la reunión tiene acceso para sillas de ruedas. Se puede proveer a un intérprete para las personas con discapacidad auditiva si avisa con 48 horas de anticipación. También se puede proveer interpretación para español si avisa con 48 horas de anticipación. Para reservar estos servicios llame al 541-682-5010. Las reuniones del consejo de la ciudad se transmiten en vivo por Metro Television, Canal 21 de Comcast y son retransmitidas durante la semana.

For more information, contact the Council Coordinator at 541-682-5010,
or visit us online at www.eugene-or.gov.

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Work Session: Police Auditor Performance Evaluation

Meeting Date: May 27, 2026
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 2
Staff Contact: Keri Beraldo
Phone: 541-682-5765

ISSUE STATEMENT

Per City Charter, the City Council is responsible for hiring and directing the work of a Police Auditor. Craig Renetzky was hired as the City of Eugene Police Auditor on August 20, 2025. This agenda item is for Council to conduct Police Auditor Renetzky's annual performance review. This review includes a two-part format with an executive session followed by a public session. During these sessions Councilors will share their overall performance feedback and discuss future goals.

BACKGROUND

Performance evaluations and salary adjustments for the Police Auditor are outlined in the City's employment agreement with Renetzky. Specifically, paragraph 5 of Renetzky's employment agreement provides:

Performance Evaluations and Salary Adjustments: The City Council shall annually review and evaluate Renetzky's performance, alternating yearly between an informal evaluation and a formal evaluation. Renetzky and City will establish a mutually agreed upon list of stakeholders to provide feedback for an informal evaluation and a broader list of stakeholders to provide feedback for a formal evaluation. The City Council's discussion of Renetzky's performance shall be scheduled to occur every year at a meeting held sometime between March 1 and May 30. The City Council shall consider increasing Renetzky's compensation at the same time of Renetzky's annual performance evaluation. The City Council may conduct additional reviews of Renetzky's performance at any other time it deems appropriate.

This year's evaluation is an informal process, which includes feedback collected by Renetzky which he incorporated into his self-evaluation and sent to Council in advance of this work session.

Council established the salary range for the Police Auditor within the non-represented employee compensation structure, setting the Police Auditor position at pay grade 11, which has a 10-step pay range starting at \$129,188 for step 1 and ending at \$174,387 for step 10. Auditor Renetzky is currently at the top of grade 11 pay scale (step 10) with a current annual salary of \$174,387. The City's non-represented employee compensation structure does not provide for increases beyond the top of the range; however, Auditor Renetzky's employment agreement provides for Cost-of-Living Allowance (COLA) increases at the same time and at the same amount as the non-represented employee group.

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RELATED CITY POLICIES

The City Council conducts an annual performance review of the Police Auditor, aligned with their desire to offer formal feedback.

COUNCIL OPTIONS

The Council may discuss the evaluation, provide feedback and direct staff accordingly. The Council has the sole authority to determine compensation for the Police Auditor. The Council has a wide variety of options available to them including, but not limited to the following:

1. Recognize Auditor Renetzky's contribution to the City, but because he is currently at the top of the pay grade, provide no merit increase. Per the contract Renetzky would be provided with a Cost-of-Living Allowance (COLA) increase at the same time and at the same amount as the non-represented employee group.

OR

2. Award Auditor Renetzky a merit increase in a specific dollar amount or percentage, moving his compensation above Step 10 (top step) of the established pay range for the Police Auditor position and removing the Police Auditor position from the non-represented employer compensation schedule.

OR

3. An alternative option as determined by Council.

POSSIBLE MOTIONS

1. Move to recognize Auditor Renetzky's positive contribution to the City.

OR

2. Move to award Auditor Renetzky a merit increase of _____ and remove the Police Auditor position from the non-represented employee compensation schedule.

OR

3. [Alternative motion or direction provided by Council]

ATTACHMENTS

- A. 2026 Police Auditor Renetzky Self-Evaluation (to be sent under separate cover)
- B. Current employment agreement between the City and Auditor Renetzky

FOR MORE INFORMATION

Staff Contact: Keri Beraldo, Employee Resource Center Director
Phone: 541-682-5765
Staff E-Mail: kberaldo@eugene-or.gov

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EMPLOYMENT AGREEMENT

Police Auditor

BETWEEN: **City of Eugene** **(City)**

AND: Craig Renetzky (Renetzky)

RECITALS:

- A.** The City Charter vests the City Council with sole authority and responsibility to hire, supervise and specify the salary of an independent police auditor to oversee investigations of complaints involving police employees.
- B.** On May 12, 2025, the Council unanimously voted to appoint Craig Renetzky as the Eugene Police Auditor.
- C.** The City wishes to hire Renetzky as the Police Auditor and Renetzky wishes to accept the position of Police Auditor, on the terms set forth in this Agreement.

AGREEMENTS:

1. Duties.

- 1.1. City agrees to employ Renetzky as the Police Auditor beginning on August 20, 2025, to perform the functions and duties of Police Auditor in accordance with Section 15A of the City Charter and in accordance with Eugene City Code and Council direction. Renetzky agrees to accept the position of Police Auditor effective August 20, 2025.
 - 1.2. Except as specifically provided in this paragraph, Renetzky agrees to remain in the exclusive employ of the City during his tenure as the Police Auditor. The City and Renetzky understand that Renetzky is in the process of transitioning away from his private law practice, hearings official duties, and teaching obligations, and that the transition will be completed no later than December 31, 2025. The City and Renetzky also understand that the time Renetzky spends transitioning away from his private law practice, hearings official duties, and teaching obligations will occur when Renetzky is not functioning as the Police Auditor (either after work hours or during vacation leave).
2. **Term.** This Agreement shall begin on August 20, 2025, and remain in effect for an indefinite term and is an at will agreement. Renetzky understands and agrees that he serves

at the pleasure of the City Council and may be removed from his position without notice and without cause. Renetzky may resign at any time with sixty (60) days' prior written notice. The period of such prior notice may be shortened by the Council due to exigent circumstances, such permission not to be unreasonably held.

3. Termination and Severance.

- 3.1.** Except as provided in paragraph 3.2, if Renetzky's employment is terminated by the City Council, Renetzky shall receive severance pay in the amount of two-months' total compensation (*i.e.*, base salary, health insurance, PERS contribution, deferred compensation, and auto allowance).
- 3.2.** Renetzky shall receive no severance pay if his employment is terminated for committing a felony or a misdemeanor involving moral turpitude, or for conduct that constitutes a knowing and willful violation of law governing the conduct of public office or employees.

4. Salary and Benefits. For Renetzky's services as the Police Auditor pursuant to this Agreement, the City agrees to provide Renetzky the following salary and benefits:

- 4.1.** The position of the Police Auditor has a current ten-step salary range of \$129,188.80 to \$174,387.20, equivalent to Grade 11 of the Non-Represented Pay Scales. This salary range includes the July 1, 2025, Cost-of-Living-Allowance (COLA) increase to be made to the salary range of the non-represented staff.
- 4.2.** An annual base salary of \$174,387.20, equivalent to Grade 11, Step 10, of the Non-Represented Pay Scales.
- 4.3.** COLA increases will be given Renetzky at the same time each year and at the same percentage as given to the non-represented employee group. Renetzky agrees and understands that any other increase in base salary will be based on merit and that increases require City Council review and approval.
- 4.4.** Transportation allowance of \$350 per month.
- 4.5.** A smartphone allowance of \$65 per month or, in lieu of the monthly smartphone allowance, the City shall provide Renetzky with a smartphone to be used exclusively for City business.
- 4.6.** A deferred compensation benefit of three percent (3%) of his salary, provided Renetzky contributes a minimum contribution of one percent (1%) of his salary to the program.

- 4.7. Participation in the state's public employees retirement system ("PERS") as generally available to City's other exempt, managerial employees.
 - 4.8. Insurance benefits, including medical, dental, vision, life and long-term disability insurance, and the City's employee assistance program, as generally available to City's other exempt managerial employees.
 - 4.9. Vacation, sick leave and holiday leave benefits in accordance with City's policies and practices with as generally available to the City's other exempt, managerial employees. In addition to 176 hours of vacation that Renetzky shall accrue annually, on August 20, 2025, Renetzky shall receive a bank of 80 hours of vacation that he can use at any time.
 - 4.10. Payment of Oregon State Bar dues and reimbursement for tuition and reasonable expenses related to continued legal education or other professional conferences or trainings, including dues and fees incurred by Renetzky during June through August 2025, but prior to Renetzky's August 20, 2025, start date.
 - 4.11. Reimbursement of moving expenses up to \$6,800.
 - 4.12. For purposes of converting any monthly or annual dollar amount set forth in this Agreement to an hourly or bi-monthly amount, all conversions shall be rounded up or down to the nearest cent (*i.e.*, rounded to the nearest hundredth of a dollar).
5. **Performance Evaluations and Salary Adjustments.** The City Council shall annually review and evaluate Renetzky's performance, alternating yearly between an informal evaluation and a formal evaluation. Renetzky and City will establish a mutually agreed upon list of stakeholders to provide feedback for an informal evaluation and a broader list of stakeholders to provide feedback for a formal evaluation. The City Council's discussion of Renetzky's performance shall be scheduled to occur every year at a meeting held sometime between March 1 and May 30. The City Council shall consider increasing Renetzky's compensation at the same time of Renetzky's annual performance evaluation. The City Council may conduct additional reviews of Renetzky's performance at any other time it deems appropriate.
6. **Indemnification.** The City shall defend and indemnify Renetzky against any tort, professional liability claim or demand, or other legal action arising out of an alleged act or omission occurring in the performance of Renetzky's duties as Police Auditor, unless prohibited by law. The duties of Police Auditor do not include the commission of any criminal act or intentional tort. This indemnification shall include the cost of defense, provided that the City shall choose or approve legal representation for Renetzky and will retain control over the defense of the claim, including the sole power to compromise and

settle any claim or action and pay the amount of the settlement or judgment.

7. **Bonding.** The City shall pay the full cost of any fidelity or other bonds required of Renetzky by law or ordinance.
8. **Notices.** Notices pursuant to this Agreement shall be given by deposit in the United States Mail, postage prepaid, addressed as follows:

City: Council President
City of Eugene
500 East 4th Avenue, Suite 302
Eugene, OR 97401

Employee: Craig Renetzky
101 E Broadway
Suite 230
Eugene, OR 97401

Alternately, notices required by this Agreement may be personally served. Notice shall be deemed given as of the date of personal service or three business days after the date of deposit of such written notice in the United States Mail.

9. **Review by Independent Counsel.** Renetzky acknowledges that the City has advised him to have this Agreement reviewed by an attorney of his choice.
10. **Effective Date.** The appointment of Renetzky as Police Auditor and this Agreement shall become effective when signed by the Council President and Renetzky.
11. **Voluntary Agreement.** Renetzky acknowledges that he understands the terms of this Agreement and that he has entered into it voluntarily.
12. **Integration.** The terms of the parties' agreement are set forth completely in this written document. This Agreement supersedes all prior or contemporaneous oral and written agreements, understandings, and commitments. Renetzky acknowledges that he has not relied on any other representation or promises by the City, its agents, employees or representatives, except those contained in this Agreement.
13. **Severability of Provisions.** Any provision, or portion of any provision in this Agreement that is held unenforceable, void, or unconstitutional shall not affect the remainder of the terms of this Agreement or any portion thereof which shall be deemed severable and shall remain in full force and effect. In the event that a provision is held unenforceable, void, or unconstitutional, the City Council and Renetzky shall discuss what changes, if any, should be made in response.

14. **Construction.** It is the intent of the parties that this Agreement and the appointment of Renetzky as the Police Auditor comply, in all aspects, with the provisions of the Charter and City Code. If any provision of this Agreement is capable of two constructions, only one of which complies with the Charter and City Code, the construction that complies with the Charter and City Code shall control. If any provision of the Agreement conflicts with the Charter or City Code, the Charter or City Code shall control and the conflicting provision of this Agreement shall be of no effect. All other provisions not in conflict with the Charter or City Code shall remain in full force and effect. Without limiting the foregoing, this Agreement will be governed by and interpreted in accordance with the laws of the State of Oregon.
15. **Modification.** The City Council and Renetzky may agree to modify this Agreement at any time. Any modifications must be made in writing.

CITY OF EUGENE, OREGON

By: 
 Greg Evans
 President of the City Council


 Craig Renetzky (Jun 12, 2025 20:34 PDT)
 Craig Renetzky

Date: 6-17-2025

Date: 06/12/2025

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Work Session: Intergovernmental Relations 2026 Legislative Summary

Meeting Date: May 27, 2026
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 3
Staff Contact: Ethan Nelson
Phone: 541-682-5245

ISSUE STATEMENT

During this work session, staff will provide the City Council with a summary of the 2026 Oregon Legislative Session and the 2026 United Front Delegation Trip. This work session is informational only.

BACKGROUND

In October 2023, the City Council passed Resolution 5387 that adopted revised Intergovernmental Relations (IGR) Committee Operating Agreements. The IGR Operating Agreements provide direction on how the City of Eugene sets state and federal policy priorities and directs City resources on high priority items to be reviewed and approved by the Council's IGR Committee.

Current IGR Committee Members include Councilors Evans, Groves (Chair), and Yeh. Mayor Knudson regularly attends IGR Committee meetings as a non-voting member. The IGR Committee meets regularly, generally monthly with the ability to hold special meetings during the legislative session. IGR Committee meetings are posted on the City's website and open to the public via Zoom. More information on the IGR Committee and testimony provided on priority bills can be found at the IGR Program webpage: <https://www.eugene-or.gov/368/Intergovernmental-Relations>

The last time the Priorities and Policies documents were reviewed and adopted by City Council was in January 2026 (**Attachment A**), in preparation for the 2026 Oregon Legislative Session.

2026 Oregon Legislative Session

The 2026 Oregon Assembly started on February 2 and concluded on March 6. Eugene's top priorities received direct allocations this year (**Attachment B** provides a session summary). The City's contract lobby team at CFM Advocates produced an End of Session Report (**Attachment C**), and the League of Oregon Cities 2026 Bill Summary (**Attachment D**) provides additional details on legislative policy accomplishments.

2026 United Front Delegation

The United Front Partners of Lane County (UF) delegation was held from April 20-24th, with Mayor Knudson, Chief of Staff Brooke Freed, and IGR Manager Ethan Nelson representing the City (**Attachment E** provides a summary, '1-pagers' on Eugene priorities, and meeting notes). The UF partners include City of Eugene, City of Springfield, Lane County, Springfield School District, Willamalane Parks and Recreation District, and Lane Transit District.

Eugene's top priority focused on sharing information on the \$3M Congressionally Directed Spending request for Eugene Airport Expansion. Discussions incorporated this priority within a

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larger focus on Economic Development, including information on the Clear Lake Road Infrastructure for Economic Development investments, the Crow Road Housing Infrastructure investments, and the City's role within the Southern Willamette Valley Innovation Corridor initiative. The delegation met with a wide array of federal agency leadership including White House Intergovernmental Affairs, Environmental Protection Agency, Economic Development Administration, Department of Justice, Department of Transportation, US Forest Service, Bureau of Land Management, as well as Senators Wyden, Merkley and Congresswoman Hoyle and their respective staff teams.

To view the full 2026 United Front booklet, visit (<https://www.eugene-or.gov/DocumentCenter/View/82605/2026-United-Front-Federal-Priorities>).

RELATED CITY POLICIES

- [City Council Strategic Plan](#)
- [City Council Operating Agreements](#)
- [City Council Resolution 5387](#)

PREVIOUS COUNCIL DIRECTION

[October 23, 2023 Meeting](#)

Councilor Keating, seconded by Councilor Clark, moved to approve items B and C on Consent Calendar 1. Note: Item C was 'Adoption of a Resolution Amending Eugene City Council Operating Agreements and Repealing Resolution No. 5381'
Passed 8:0

[November 27, 2023 Work Session](#)

Councilor Groves, seconded by Councilor Keating, move to adopt the recommended changes to the 2024 Eugene State and Federal Policies document and the 2024 Eugene State Priorities document as approved by the IGR Committee in attachment A and B (of the AIS).
Passed 8:0

[April 24, 2024 Work Session](#)

IGR Manager provided the City Council a summary of activities and accomplishments from the 2024 Oregon Legislative Session and the 2024 United Front Delegation Trip. No action was taken.

[January 22, 2025 Work Session](#)

Councilor Zelenka, seconded by Councilor Clark, moved to adopt the 2025 Eugene State and Federal Policies document and the 2025 Eugene State Priorities document as approved by the IGR Committee.
Passed 5:1 (Opposed by Clark)

[January 26, 2026 Work Session](#)

Councilor Leech, seconded by Councilor Zelenka, moved to adopt the 2026 Eugene State and Federal Policies document and the 2026 Eugene State Priorities document as approved by the IGR Committee.
Passed 7:0

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COUNCIL OPTIONS

Informational session only.

CITY MANAGER'S RECOMMENDATION

None.

POSSIBLE MOTIONS

None.

ATTACHMENTS

- A. 2026 Eugene State Priorities Document and 2026 Eugene State and Federal Legislative Policy Document
- B. 2026 Eugene End of Session Summary
- C. 2026 CFM End of Session Summary
- D. 2026 League of Oregon Cities Bill Summary
- E. 2026 United Front Summary

FOR MORE INFORMATION

Staff Contact: Ethan Nelson, Intergovernmental Relations Officer
Phone: 541-682-5245
Staff E-Mail: enelson@eugene-or.gov



2026 Eugene-State Legislative Priorities

Approved by the Eugene City Council on January 26, 2026

- **Protect full funding for OHCS Statewide Shelter Program (SSP).**
 During the 2025 Legislative Session, [HB 3644](#) was passed into law creating the Statewide Shelter Program (SSP), with \$204M allocated to Oregon Housing and Community Services Department (OHCS) for the two-year biennium (2025-2027). Since the end of the session, continued state financial forecasts are signaling that the Legislature will need to cut budgets in the existing 25-27 biennium to balance the state budget. Staff will work to keep shelter funding at the appropriated level.
- **Protect the \$6M Lottery Bond allocation for Clear Lake Road Infrastructure.**
 During the 2025 Legislative Session, the Clear Lake Road Infrastructure project was allotted \$6M in the '[Lottery Bond Bill](#)' [HB 5031](#) -Section 20, '*for distribution to the City of Eugene to construct a wastewater collection system to prepare industrial land for development.*' As these are Lottery Bond funds, they will not be sold and available until 2026. Since the end of the session, the bonding amount estimates for the Lottery Bond program have decreased, potentially creating a situation where Bond sales are limited and approved projects may be impacted. Staff will work to keep the full \$6M allocation to Clear Lake Road project intact.
- **Support increased protections related to threats to public officials.**
 During the 2025 Legislative Session, Eugene spearheaded [SB 473](#), which would increase protections to elected and appointed officials from threatening behaviors. The bill received broad support on the Senate side, being passed unanimously during a very divisive legislative session. Unfortunately, it stalled in the House Chamber. Staff will work with a coalition of local governments and the Eugene Legislative Delegation to keep this bill as a priority through the short session.
- **Support state and federal financial support for Eugene Airport Expansion.**
 Eugene supports increased federal and state funding for the development of the Eugene Airport Terminal and Apron facilities
- **Support increased state investment in behavioral health systems.**
 Placeholder-consult with Lane County regarding potential BH funding priorities.
- **Support statewide property tax reform.**
[HB 2321](#) Established the Task Force on Impacts of Ballot Measures 5 and 50. Representative Nathanson leads the effort to make recommendations for the 2027 legislative session to address the structural deficits local governments face due to property tax restrictions.



2026 State and Federal Legislative Policy

Approved by Eugene City Council on January 26, 2026

Support Housing Opportunities and Financial Stability for Eugene Residents and Addressing the Homelessness Crisis.

Eugene supports the preservation and expansion of the following policy positions, programs, and investments:

1. Housing Policy:
 - a. Programs and tools to fund the development, preservation, and protections of housing affordable to low-income persons.
 - b. Land use and community planning tools that enable the development of affordable housing.
2. Unhoused Shelter and Homeless Services:
 - a. Publicly operated emergency shelters and permanent supportive housing investments designed to transition homeless individuals and families into stable housing situations.
 - b. Funding for human services, emergency housing assistance, and other programs to meet the needs of homeless persons and those at risk of homelessness.
 - c. Robust funding for the Statewide Shelter Program.
3. Human Services:
 - a. Increased state funding for addiction treatment and recovery, including sobering and detox.
 - b. Behavioral health outreach, services, and treatment designed to transition persistently homeless individuals with behavioral health conditions to housing and treatment.
 - c. Tools to support financial stability, savings, and asset development for low-income persons.
4. Renter Protections:
 - a. Ensure Oregon residents do not experience discrimination in housing and may access appropriate information and complaint systems.
 - b. Legislation that increases the stability of renter households and maintains appropriate protections for landlord-tenant relations.

Securing Local Finance Options

1. Proposals to restructure or change the state's tax and revenue system must allow local government's continued authority to finance the level of services needed by their residents.
2. City governments are the most practical and effective providers of urban municipal services, and state or county tax policies should avoid raising revenues for duplication of city services by other jurisdictions.
3. Eugene opposes the levying of property taxes by the state to fund services that are deemed the responsibility of the state.
4. Eugene supports the ability to maintain local flexibility over revenue systems, retain local apportionment of revenue from state gas, liquor, beer and wine taxes, marijuana taxes

2026 City of Eugene State and Federal Legislative Policies

and other state-imposed taxes and fees, and the preservation and enhancement of state shared revenues.

5. Eugene opposes the granting of new exemptions, deferrals, or forgiveness of property taxes by the Legislature without reimbursement of the revenue forgone by cities.
6. Eugene supports the repeal of local government preemptions created by state or federal agencies or legislation and opposes federal or state pre-emption of local taxation authority.
7. Eugene opposes subsidizing through taxes, services, or changes to revenue sharing formulas those businesses or households in unincorporated areas.
8. Eugene supports maintaining current tax and fee authority regarding System Development Charges (SDCs) and Urban Renewal Districts.

General Government

1. Eugene supports the exemption from disclosure of attorney-client privileged records under the Public Records Law.
2. Eugene opposes changes in state public records laws that place undue financial burden on municipalities to comply or restrict a municipality's ability to represent its interest throughout an appeal process.
3. Eugene opposes efforts to increase supervisor representation.
4. Eugene opposes changes to collective bargaining laws that reduce local bargaining rights or present unfunded mandates to local governments.

Economic Development

1. Eugene will look for opportunities to strengthen and fund the local entrepreneurial ecosystem.
2. Eugene supports bioscience and advanced manufacturing as regional economic drivers and supports state and federal funding investments to advance local initiatives.
3. Eugene supports the Cultural Arts sector as a primary economic driver.
4. Eugene seeks resources to expand its industrial land supply.
5. Eugene supports state and federal infrastructure investments for economic development.

Land Use

1. Eugene opposes state or federal legislative or regulatory pre-emption of local land use laws and authorities.
2. To the extent the legislature establishes mandates that require Eugene to take certain actions, Eugene supports legislation that provides clarity, and incorporates flexibility to the extent possible. Eugene also supports timely and efficient state technical support and funding to provide assistance in implementation of such mandates.
3. Eugene supports legislation that streamlines the Urban Growth Boundary expansion and the Urban Reserves establishment processes, providing clarity, and incorporating flexibility to the extent possible. In addition, Eugene supports allowing the adoption of Rural Reserves outside of the Eugene Metro area.
4. Eugene supports the removal of regulatory barriers to housing affordability, availability, and diversity, as well as the removal of regulatory barriers to mixed-use development, all without sacrificing local control.
5. Eugene supports actions that incentivize multi-family and mixed-use development along transit corridors.

2026 City of Eugene State and Federal Legislative Policies

6. Eugene seeks appropriate funding from the Legislature to cities to implement new Legislation or Agency Regulatory Actions related to climate and land-use.
7. Eugene opposes legislation that eliminates or weakens existing methods of annexation.
8. Eugene supports legislation that creates incentives for annexation.
9. Eugene supports state-wide policy that is permissive of voluntary annexation of non-contiguous properties within an existing urban growth boundary.

Information Technology, Telecommunications, and Municipal Right of Way (ROW)**Authority.**

1. Eugene broadly defines telecommunications activities, services, and facilities to include wireless and wireline voice (including VOIP-voice over internet protocol), data, and video, including cable system communications, and high-speed broadband services such as IPTV (Internet Protocol TV), OTT (Over the Top Programming), and Internet Access.
2. Eugene supports City Ordinance 20083 authority and responsibility to manage the public rights of way (ROW), especially for issuing permits for installations and city pole use contracts for wireless facilities.
3. Eugene supports the City Ordinance 20083 authority to determine and collect fair and reasonable compensation, including in-kind services, for use of public infrastructure and public rights of way.
4. Eugene supports the existing ability of cities and municipal utilities to own, operate, construct and provide telecommunications services, including high-speed broadband.
5. Eugene supports the 2015 net neutrality provisions and opposes actions that would decrease open access to the internet through tiered pricing structures or other strategies.
6. Eugene supports improvements and funding for ensuring effective cyber-security systems and IT modernization at state and local government levels.
7. Eugene supports the preservation and expansion of affordable and accessible broadband services.

Public Safety*Includes Fire/EMS, Courts, Law Enforcement, and Prosecution.*

1. Eugene supports increased funding and training for Special Teams to include Urban Search and Rescue (USAR).
2. Eugene supports efforts to maintain fire department input on proposed development projects and to administer all provisions of the Fire Code.
3. Eugene supports afterschool funding for youth that contributes to the prevention and reduction of juvenile crime, including early childhood literacy programs.
4. Eugene supports state and federal funding for local government public safety emergency operations, disaster preparedness, and capital facilities.
5. Eugene supports state and federal funding and policy support for local government community justice style programs, and Teen or Peer Courts that provide early intervention.
6. Eugene supports state-wide efforts that increase police accountability through application of consistent professional standards, implementation of 21st Century Policing-including the reduction of use of force and increased use of de-escalation techniques, and transparency of disciplinary actions.

2026 City of Eugene State and Federal Legislative Policies

7. Eugene supports funding to neighborhoods or areas susceptible to wildland fire, commonly known as the Wildland Urban Interface (WUI), through prevention, education, mitigation efforts such as but not limited to fuels reduction and building codes.
8. The City of Eugene supports statute changes and new programs that reduce time needed to transfer incarcerated defendants who lack fitness to proceed to the Oregon State Hospital but do not negatively impact the law enforcement, the City of Eugene Criminal Justice System or the welfare of the Eugene community.

Transportation

1. Eugene opposes federal or state pre-emption of local permitting and trip fee collection authority of Transportation Network Companies (TNCs) and/or Mobile Service Providers (MSPs).
2. Eugene supports policy that ensures the greatest possible flexibility for the use of funds to meet local needs, and that grant priority funding for projects when a local match is available
3. Eugene supports local option transportation system funding alternatives, including local option fuel taxes and local transportation system maintenance fees.
4. Eugene will continue to seek right of way and construction funding for the Beltline Hwy Project from River Road to Delta Highway.
5. Eugene supports funding opportunities to address safety on local and state roadways.
6. Eugene supports state funding for intercity rail service, and more frequent and more reliable, higher-speed, customer-friendly passenger rail between Eugene and Portland.
7. Eugene supports additional planning and construction funds for local communities to establish railroad quiet zones, improve safety at grade crossings, upgrade rail beds and acquire rights-of-way to facilitate “passing” areas for passenger trains and freight trains.
8. Eugene supports increased federal and state funding for the development of the Eugene Airport Terminal and Apron facilities.
9. Eugene opposes federal or state withholding of aircraft registration information that utilize Eugene Airport, or any legislation that would limit or prohibit the Eugene Airport’s ability to collect landing fees, aircraft parking fees, or aviation fuel flowage fees.
10. Eugene supports additional state funding for grant programs that provide funding for safe routes to school, shared use paths, and making streets safer for all users including people who walk and bike.

Environment and Natural Resources

1. Eugene supports measures that protect or improve surface water and groundwater quality, including potential drinking water sources.
2. Eugene supports funding, programs, and land use planning tools that protect native ecosystems, preserve intact habitats for migratory species, and protect against invasive species.
3. Eugene supports continuation of funding for the implementation of place-based water resources planning projects by the Oregon Water Resources Board and its implementing partners.
4. Eugene supports appropriate limitations on fill and/or removal of wetlands.
5. Eugene supports funding for constructing, maintaining, evaluating and renovating “green” stormwater infrastructure such as bioswales, green roofs and porous pavement.
6. Eugene supports a science-based approach to waterway and wetland protections under the federal Clean Water Act and related state statutes.

2026 City of Eugene State and Federal Legislative Policies

7. Eugene supports practical exclusions from regulation under the federal Clean Water Act and any related state statutes for constructed green infrastructure stormwater management facilities.
8. Eugene supports fair and equitable water quality permit fees and accountability for demonstrating progress toward meeting commitments made by regulatory agencies collecting the fees.
9. Eugene supports initiatives that assist designated management agencies in meeting their TMDL obligations related to temperature, bacteria, turbidity, and mercury.
10. Eugene supports measures that facilitate economical and environmentally sound practices for managing wastewater and stormwater processes and infrastructure, including resource recovery, maintaining minimum flows to protect infrastructure and reduce the risk of corrosive gas formation.
11. Eugene supports funding and programs to implement measures identified in the regional Natural Hazards Mitigation Plan such as street tree planting programs, enhanced fuels reduction programs, restoration of riparian systems and other efforts to reduce the impact of flood, fires, landslides, and extreme storm events.
12. Eugene supports a statewide prescription drug 'take-back' program.
13. Eugene supports the creation of a Battery Extended Producer Responsibility (EPR) legislation where producers of batteries must share in the end-of-life disposal cost of batteries and battery-containing products. Producers must join a Producer Responsibility Organization (PRO), who will carry out plans to collect and recycle batteries.

Climate Recovery

1. Eugene supports state and federal policies that reflect the true cost of carbon emissions, including market- or investment-based mechanisms, to accelerate the transition to a low-carbon economy and promote clean energy development.
2. Eugene supports continued state funding for community-scale renewable energy and resilience projects, including investments that improve energy reliability for vulnerable populations and critical facilities.
3. Eugene supports the establishment and capitalization of state-level green banks or similar clean energy finance mechanisms to expand access to affordable financing for energy efficiency, electrification, and resilience projects.
4. Eugene supports state programs that ensure equitable access to clean energy and building transition opportunities, including contractor training, workforce development, and support for minority- and women-owned businesses.
5. Eugene supports all implementation aspects of Department of Environmental Quality's 2050 Vision for Materials Management.
6. Eugene supports state funding for electric vehicles, small electric vehicles, e-bikes, electric vehicle infrastructure, fleet incentives, and electric vehicle education programs.
7. Eugene supports state funding for walking, biking and transit infrastructure projects.
8. Eugene supports additional funding for public transportation operations and expanding the definition of public transportation to include shared mobility such as bike share.
9. Eugene supports legislation that calls for Extended Producer Responsibility, in an effort to reduce lifecycle greenhouse gas emissions, and "Right to Repair" legislation, which requires manufacturers to share information necessary for repairs.
10. Eugene supports legislation that allows for changes to the Oregon Building Code to allow for greater use of reused materials in building construction and incentives for adaptive reuse of existing buildings.

2026 City of Eugene State and Federal Legislative Policies

11. Eugene supports state funding that improves energy efficiency in housing, reducing the energy burden and overall cost of housing.

Public Health & Wellness

1. Eugene supports Oregon initiatives that connect youth and families to nature, such as Outdoor School and Oregon's Children's Outdoor Bill of Rights.
2. Eugene supports initiatives that promote active, healthy lifestyles through Park and Recreation services.

Equity and Inclusion

1. Eugene supports initiatives that affirm the promotion of rights included in the International Declaration of Human Rights.
2. Eugene supports legislation that condemns all forms of hate, xenophobia, racism, white supremacy, Anti-Semitism, Islamophobia, homophobia, transphobia, ableism, sexism and other forms of bigotry. This includes timely condemnation of actions against certain groups in relation to specific events.
3. Eugene supports legislation that protects refugees, regardless of citizenship status.
4. Eugene supports legislation that affirm the City of Eugene's practices of not collecting or maintaining information about the political, religious or social views, associations or activities of any individual, group, association, organization, corporation, business or partnership unless such information directly relates to an investigation of criminal activities.
5. Eugene supports legislation that recognizes and celebrates the heritage of the Kalapuya people as original caretakers of the land in which Eugene is located.
6. Eugene supports legislation that includes consideration of equity in the distribution of public resources aimed at removing barriers or correcting historic inequities towards marginalized groups.
7. Eugene supports state and federal legislation that expands protections for people based on source of income, familial status, sexual orientation, and gender identity; regardless of citizenship status.



Memorandum

Date: March 9, 2026

To: Mayor Knudson, Eugene City Council, City Manager, and Executive Managers

From: Ethan Nelson, IGR Manager

Subject: 2026 Legislative Priority End of Session Report

Eugene Priorities

- **Protect OHCS Shelter Program Funding.** OHCS Shelter System Funding was kept intact at the 2025 allocated amount. No additional one-time funding was provided in 2026.
- **Protect \$6M for Clear Lake Road Infrastructure.** The 2025 \$6M lottery bond allocation stayed whole and Senator Manning's request for \$5M in 2026 lottery bonds was included in [HB 5204](#) (Section 85 #5).
- **Support increased protections related to threats to public officials.** Sen Manning's [SB 1530](#) passed the Senate and had a public hearing in House Rules Committee, but did not move forward for a work session/vote due to opposition from a key Committee member. *Bill Died in Committee.*
- **Support state and federal financial support for Eugene Airport Expansion.** Speaker Fahey's \$1M request for Airport projects was included within [HB 5204](#) (Section 34 #5).
- **Support increased state investment in behavioral health systems.** [HB 4070](#) passed the Senate and House and is waiting for Governor Kotek to sign. The bill provides Lane County with the clarity and flexibility they sought within ORS 430 related to operations of the planned crisis stabilization center.
- **Support statewide property tax reform.** Eugene will continue to engage Representative Nathanson as she implements the Task Force identified in [HB 2321](#) from 2025 session and with the LOC's Revenue Reform work group outside of the short session.

Priority 1 Bills

- **Voluntary Annexation:** Rep Fragala's [HB 4108](#) allows the City of Eugene, at the request of the land owner, to annex non-contiguous properties within the UGB. *Eugene supported the bill.*
- **Automatic License Plate Reader (ALPR) regulations:** [SB 1516](#) passed the House and Senate, and awaits Governor Kotek's signature. The bill includes new provisions relating to ALPR. *Eugene was neutral on the bill.*



- **Changes to serial communications policies by the Oregon Government Ethics Commission (OGE).** [HB 4177](#) passed the House and Senate and was vetoed by Governor Kotek. The bill changed: how officials may talk outside of public meetings, how OGE oversees and trains on the public meetings law, some duties from a governing body to the public body, and how governing bodies and public bodies may cure public meetings law violations. *Eugene supported the bill.* Additionally, [HB 4161](#) passed the House and Senate and awaits Governor Kotek's signature. The bill provides exceptions to the prohibited use by a public official of official position or office to obtain financial gain or avoid financial detriment that permit a public body to give public officials food, beverages and merchandise.
- **Revision of the Transient Lodging Tax (TLT) revenue usage.** [HB 4148](#) was passed and signed by Speaker Fahey and awaiting signature by President Wagner and Governor Kotek. The Act would change the split of tax uses from at least 70 percent for tourism and no more than 30 percent for local services to at least 50 percent and no more than 50 percent. Allows net local transient lodging tax revenue to be used for resiliency grants for small businesses in the restaurant and lodging industry. *Eugene supported the bill.*
- **Economic Development Package.** [HB 4084](#)-Gov Kotek's 'Oregon Prosperity Roadmap' passed the Senate and House and awaits signatures. It includes state permitting changes and modifications to Enterprise Zones. *Eugene supported the original \$40M request for industrial site readiness*, which was amended out of the bill but provided Business Oregon \$10M into the Industrial Site Readiness fund, \$10M in additional bonding authority for projects, and \$5M cash for current projects in the development queue. An additional \$10M was placed into Biz Oregon's Regional Infrastructure Fund for grants to cities 25,000 or less. Sen Sollman's [SB 1586](#) 'Oregon Jobs Act', died in committee. *Eugene supported the permissive tax incentives within the bill.*
- **Ban Speculative Ticketing.** [HB 4024](#) was signed by Governor Kotek on March 5. The bill prohibits a reseller or person affiliated with a reseller from offering for resale or engaging in a resale of an admission ticket unless the reseller or person affiliated with the reseller has actual or constructive possession of the admission ticket or explicit authorization in a written contract to obtain the admission ticket from an operator, a ticket seller or a person the operator or ticket seller authorized to purchase the admission ticket in an initial sale. *Eugene supported the bill.*
- **Recreational Liability.** [SB 1593](#) relates to elements of recreational liability. *Died in committee.*
- **HB 3115 repeal:** [SB 1514](#) was introduced as a repeal of HB 3115. *The bill died in Committee. Eugene opposed the bill.*
- **Autonomous Vehicle (AV) Regulation.** [HB 4085](#) was from the AV industry and sought to pre-empt a local government's ability to set standards, regulations, or fees on this technology. *The bill died in Committee. Eugene opposed the bill.*



- **Prevailing Wage.** [SB 1566](#) would update Prevailing Wage determinations. *The bill died in Committee. Eugene was neutral on the bill.*

Priority 2 Bills

- **Oregon Battery Extended Producer Responsibility (EPR) Bill.** [HB 4144](#) passed both chambers and awaiting signatures. The bill requires producers of batteries or battery-containing products to join a battery producer responsibility organization and implement a battery producer responsibility program for the collection and recycling of batteries. *Eugene supported the bill.*
- **Micromobility.** [HB 4007](#) passed both chambers and awaiting signatures. The bill modernizes statewide definitions and rules related to electric bicycles. These changes are aligned with Eugene's Vision Zero and TSP. *Eugene supported the bill.*



2026

Legislative Session Report



2026 Legislative Session Summary

The Oregon Legislature closed its 2026 short session on March 6 after a fast, tense five weeks in Salem. Lawmakers walked into the Capitol dealing with a shaky economic outlook, the ripple effects of federal tax changes, and constant debate about how Washington, D.C. policy will affect Oregon's budget. With limited time and little appetite for big fights, leaders narrowed the agenda to a handful of targeted bills and budget adjustments. Still, the final days produced several decisions that will shape the state's policy and economic landscape heading into the next long session.



Budget pressure hung over nearly every conversation in the building. Oregon's financial outlook is tied closely to federal policy, and lawmakers spent much of the session responding to changes in the federal tax code and preparing for possible shifts in Medicaid funding. One bill that moved late in session (SB 1507) partially disconnects Oregon from federal tax cuts created under H.R. 1. The bill raised nearly \$300 million to plug

state funding holes by not allowing new federal tax cuts for vehicle interest, bonus depreciation, or qualified small business stock to be deducted on state returns. Supporters said the move protects state revenue while business groups warned it undercuts investment at a time when Oregon is already struggling to compete for jobs and capital. State Rep. Ed Diehl (R-Salem) who made headlines earlier last year with efforts to refer the transportation tax to the ballot has threatened to also refer this legislation to the ballot.

Prior to the start of the session, budget writers agonized about the potential need to cut \$1 billion out of the current biennium's budget. Passage of the disconnect, combined with a rosier economic forecast and a better understanding of federal requirements under H.R. 1 provided lawmakers the flexibility to cut about a third of that. Most agencies saw reductions in supplies, vacancy savings and some reversions (return of unused previously budgeted funds) as cuts - not serious programmatic changes. In the end, legislators were able to ensure all eligible Oregonians would remain on SNAP benefits, make no cuts to schools and retain most of the investments from the 2025 budget.

One of the most visible policy decisions of the session centered on the future of the Moda Center. Lawmakers approved a financing package (SB 1501) that directs income tax revenue tied to the Portland Trail Blazers and arena events toward a major renovation of the facility. A broad, bipartisan group of legislators saw the deal as a practical step to keep the NBA franchise in Oregon and protect the surrounding downtown economy. The proposal cleared the



Legislature, marking one of the session's few large bipartisan economic development victories.

Several other issues grabbed attention as the session wrapped up. Lawmakers delayed implementation of Measure 114 gun restrictions while the courts continue to sort through legal challenges (HB 4145).

Economic development came up often but produced modest results. Governor Tina Kotek pushed legislation (HB 4084) aimed at improving Oregon's competitiveness through faster permitting and more support for industrial site development. Most of the bill survived the process, but the bill was amended late in the session to add a one year moratorium on data centers being eligible for enterprise zones, a local tax abatement tool that has helped fuel economic growth across Oregon. A separate proposal designed to expand land for semiconductor manufacturing near Hillsboro (SB 1586) failed to advance after a successful lobbying campaign by 1000 Friends of Oregon and other land use advocates. This frustrated business leaders who hoped the session would address Oregon's lagging job growth and slow recovery in several key industries.



The Legislature approved two bills altering how transient lodging taxes are used. HB 4134 increases the statewide lodging tax and redirects the increase away from tourism promotion and toward conservation and wildlife programs, a move that broke with a long-standing agreement with Oregon's hospitality industry. A separate bill, HB 4148, makes changes to how lodging tax revenue can be allocated locally, expanding flexibility for communities to fund housing and other public needs. This policy was part of a careful negotiation between tourism advocates and local governments.

Lawmakers passed several bills to address challenges in Oregon's beleaguered health system this year. The largest of the bills was an omnibus health care package (HB 4040) that included a wide range of tweaks to health care policies, including a major win for hospitals in a small adjustment to Oregon's presumptive charity law that will reduce the amount of free care going to individuals who would not otherwise qualify for the discount. Lawmakers also passed a bill establishing clearer and more transparent rate setting requirements for Oregon's Medicaid coordinated care organizations (HB 4039), aimed at creating a more predictable and data driven system for setting reimbursement levels. Another bill addressed how hospitals respond to immigration enforcement activity on their campuses (SB 1570), clarifying protections for patient information and outlining procedures for law enforcement engagement. Several proposals that the broader health care industry strongly opposed, including a bill requiring mandatory arbitration between providers and insurers and another expanding liability under the Unlawful Trade Practices Act, failed to advance before adjournment.



Transportation was one of the session's biggest unresolved fights. After key fee and tax increases in HB 3991 (2025 special session) were referred to the voters, most of that new revenue was suspended pending a statewide vote, leaving ODOT to manage a \$297 million maintenance and operations shortfall. Lawmakers responded by passing SB 1599, which moved Referendum Petition 2026-302 to the May 19, 2026 primary, and by assembling a short-term budget fix to keep core functions running through the remainder of the biennium.

That fix relied on a combination of fund shifts and spending reductions. SB 1601 redirected \$218 million to ODOT operations and maintenance, including \$42 million from Connect Oregon, \$17 million from Safe Routes to School, \$8 million from Oregon Community Paths, \$20 million from the Transportation Operating Fund, and \$5 million from the Student Driver Training Fund, along with \$126 million from HB 2017 named projects. Separately, HB 5204 reduced ODOT's authorized State Highway Fund spending by \$78.2 million, with the agency absorbing those cuts by holding more than 130 positions vacant and reducing spending on services and supplies.

In practical terms, the Legislature preserved highway maintenance, storm response, and DMV operations for now, but only by delaying or shrinking several grant and multimodal programs. That stabilized the system in the short run, but it did not solve the underlying State Highway Fund problem. The larger transportation funding debate now shifts to the May referendum vote and, more significantly, to the 2027 session, when lawmakers will have to confront the structural gap they deferred this year.



Lawmakers also spent time on workplace policy. One bill (HB 4027) creates a new funding stream for the Bureau of Labor and Industries to support enforcement of wage and workplace laws. Another clarifies criminal penalties tied to wage theft cases (HB 4089). Several more aggressive proposals targeting employers stalled before adjournment after negotiations with business groups and labor organizations.

Legislators also approved a bill (HB 4153) easing state and county restrictions on farm stands, allowing farmers to sell a wider range of products produced off-site, a change supporters say will help small farms diversify revenue and attract more customers. Despite opposition from land use advocates, the bill had overwhelming bipartisan support in both chambers, with Governor Kotek leading the effort. She is expected to sign the bill.

What hung over the building most of all was the federal government. Many proposals introduced this year were written as direct responses to federal immigration policy or federal tax changes. Legislators talked openly about how federal health care decisions could affect Oregon's Medicaid program and state finances in the next few years.



The session ended with a handful of wins for different interests and a long list of unfinished work. Long-term transportation funding, tax policy, and broader economic strategy all remain unresolved. Those debates are waiting for lawmakers when they return in 2027. The next session will run for six months instead of five weeks, and the issues left hanging this year will be sitting at the top of the agenda.

Your CFM team will begin developing comprehensive interim strategies on legislator and stakeholder engagement, issue monitoring and advocacy as we enter the 2026 campaign season and beyond.

Thank you for allowing our team to represent your interests in Salem this year!





SESSION SUMMARY

2026 Legislative Session



April 2026

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Introduction

The 2026 legislative session began on February 9 with a long agenda from legislative leadership. From balancing dramatic deficits forecasted for the state budget to addressing federal action and affordability issues, the Legislature considered 304 measures (bills, resolutions, memorials), proposed 599 amendments, held 299 public hearings and 414 work sessions in 279 committee meetings, and received 33,223 pieces of written testimony. In the end, the Legislature adjourned sine die at 4:17 p.m. on Friday, March 6, ending the 2026 session. In just 33 days, legislators sent 104 bills to Governor Kotek's desk for signature.

The 2026 legislative session was situated between two significant political moments: the successful effort to refer the revenue raising elements of the 2025 transportation package to voters and the upcoming gubernatorial election. As such, the session was marked by partisan, political tension and frequent delays and pauses on debating legislation. Despite the looming tensions, legislators balanced the state's budget, tackled large policy issues, and even adjourned a couple days early.

The LOC is proud to report key victories for cities in this report, highlighted below. The LOC sets biennial legislative priorities ahead of the long session. We [set ambitious goals](#) for ourselves in October 2024 for the 2025 and 2026 legislative sessions and have made great progress, as indicated by the following legislative wins:

- **Revenue:** The LOCAL Act ([HB 4148](#)) passed, providing flexibility for how local governments use their transient lodging revenue;
- **General Government:** The [Oregon Government Ethics Commission package](#) also passed, providing clarity on public meetings and government ethics requirements;
- **Land Use:** [HB 4035](#) and [HB 4082](#) both passed, giving cities more flexibility when looking at options to expand their urban growth boundaries for housing;
- **Infrastructure:** [SB 1585](#) lowers grant matching requirements for cities on a sliding scale. Despite some uncertainty in the waning days of the session, the bill passed!; and
- **Water Workforce:** [HB 4005](#) created a "Water Professionals Appreciation Week" and was signed into law by Governor Kotek on March 5.

This report also includes legislation impacting cities and the work they do across policy areas. Additionally, it includes policies that were considered but did not advance in the session. The report is not a comprehensive list of all legislation introduced; the [Legislative Policy and Research Office has released its comprehensive 2026 Legislative Summary Report](#). New in this year's report is a section for city action, detailing where cities may want or need to review their code.

State Budget

The Oregon Legislature entered the session needing to balance the state's budget. A \$750 million deficit was forecasted due to H.R. 1 and an uncertain economic outlook. Several different factors have helped fill part of the budget gap, resulting in lower cuts than initially expected. This includes:

- Updated figures from agencies on implementing new requirement from H. R. 1 reduced the gap slightly;

- The disconnect package, SB 1507, disconnected Oregon from certain parts of the federal tax code meaning \$311 million of revenue no longer forgone due to the changes in H. R. 1; and
- An improved revenue forecast – a \$650 million increase from the previous forecast.

This resulted in much less dramatic reductions for the state. However, budget authors forecast that additional reductions will have to be addressed in future sessions as state revenues and existing state operations are not fiscally aligned.

In addition to the overall state budget, the Oregon Department of Transportation (ODOT) budget deficit was not addressed by staffing and supply reductions. ODOT faced a \$288 million deficit created by the ballot referral of most portions of the 2025 Transportation Package that raised revenue. More on how the state is addressing that gap is included below.

General Reductions

As a consequence of the reduced budget gap described above, there was not the level of cuts initially expected. Programs were largely left whole, with most cuts coming from agencies holding vacancies and tightening their services and supply budgets. There were decreases in some programs related to declines in specific revenue sources like the Oregon Lottery, criminal fines, marijuana, and corporate activity.

While this biennium's cuts were minimal, we do expect more dramatic cuts in the 2027-2029 biennium related to H.R. 1 and ongoing revenue constraints. The disconnect package will continue to reduce the size of the cuts that are needed to balance the budget, but the 2025-2027 biennium was expected to have the smallest deficit in current service level operations for the state. The LOC expects more reduction conversations for both the 2027-2029 and 2029-2031 biennia.

ODOT Reductions

As of the publishing of this document, the 2025 transportation package is expected to appear on the May 2026 ballot. This creates a gap of approximately \$288 million that legislators addressed in this session. As part of the budget rebalance the following cuts or reductions were made:

- Vacancy savings and service and supply reductions – no layoffs at ODOT, approximately \$78.2 million;
- Flexibility for the ODOT State Highway Fund to support operations and maintenance, \$35 million;
- Redirection of other ODOT funds, \$20 million;
- Redirection of federal funds away from projects, \$85 million;
- Cancellation of a Highway 36 project, \$6 million;
- Pause of the Multimodal Active Transportation Fund and Student Driver Training Fund, \$12 million;
- Reduction of Connect Oregon*, \$42 million; and
- Reduction of Safe Routes to School*, \$17 million.

*For both Connect Oregon and the Safe Routes to Schools program, ODOT expects some

funds to remain. The LOC will communicate with its membership about program availability for the 2027 grant cycle as additional information is provided.

New and Increased Investments

Despite the challenging budget landscape, the Legislature did choose to make some new or continued investments in this biennium. Below are the investments with the highest nexus to cities:

General Fund Investments:

- \$10 million for Regional Infrastructure Fund (pop. Less than 25,000);
- \$10 million for universal representation, immigrant services, refugee assistance;
- \$6 million for 2027 wildfire season;
- \$5 million for Industrial Site Loan Fund; and
- Additional investments were made.

Bond Investments:

- Up to \$367.6 million in bonds or certificates of participation to finance capital improvements at the Moda Center;
- \$100 million for affordable housing development and preservation;
- \$57.9 million for capital projects at public universities;
- \$2.1 million for a state park acquisition;
- \$84.6 million lottery bonds to support 24 projects, including city projects:
 - City of Vale Water, System Improvements, \$3,000,000;
 - City of Gold Hill, Water Lines, \$1,500,000;
 - City of Warrenton, New Wastewater Treatment Plant, \$4,000,000;
 - City of Philomath, N. 19th Street Sewer Infrastructure for Housing Production, \$2,650,000;
 - City of Eugene, Clear Lake Road Economic Development Infrastructure, \$5,000,000;
 - City of Carlton, S.E. Carlton Water Distribution Improvements, \$1,800,000;
 - City of Lebanon, Wastewater Treatment Plant Biosolids Project, \$2,000,000;
 - City of St. Paul, Main Water Line Repair/Replacement, \$2,614,150;
 - City of Lafayette, Canyon View Pump Station Replacement, \$1,400,000;
 - City of Chiloquin, New Regulatory Compliant Wastewater Treatment Facility, \$4,274,549;
 - City of Silverton, New Wastewater Treatment Plant, \$5,000,000; and
 - City of Grants Pass, Spalding Industrial Park Wastewater Infrastructure Upgrade, \$2,000,000.

Bills Impacting Cities

In this year's report, the LOC has noted specific legislation that may require city action. Not all cities will be required to act on each bill listed below, but the LOC encourages city attorneys and/or administrators to review these pieces of legislation closely.

- **HB 4005**: Water Professionals Appreciation Week - Infrastructure and Natural Resources

- [HB 4035](#): SB 1537 (2021) Housing UGB Expansion Updates – Land Use
- [HB 4037](#): House Housing Omnibus Bill – Land Use
- [HB 4076](#): Exempts Certain Energy Projects from State Land-Use Goals – Energy and Environment
- [HB 4082](#): One Time UGB Expansion for Manufactured Home Parks and Senior Housing – Land Use
- [HB 4084](#): Governor’s Economic Development Package - Economic Development
- [HB 4100](#): Bulk Fuels Storage – Energy and Environment
- [HB 4138](#): Masking for Law Enforcement – Public Safety
- [HB 4148](#): Transient Lodging Tax Flexibility - Revenue
- [SB 1516](#): Automated License Plate Reader Regulations – Public Safety
- [SB 1521](#): Inclusionary Housing and Zoning Updates - Housing
- [SB 1561](#): Replacement Dwellings Changes - Housing

2026 LEGISLATION

Economic Development DID PASS:

[HB 4084](#): **Governor’s Economic Development Package.** HB 4084 establishes the Joint Permitting Council in the governor’s office to administer a fast track permitting program. Qualifying projects, capped at 15, must make certain capital investments and advance job creation or growth in gross domestic product through targeted industry clusters. The bill requires certain state agencies to publish a one-time catalog of certain permits issued relating to economic development projects as well as report opportunities to streamline permit processes and provide fee relief. HB 4084 also replaces the standard enterprise zone designation requirements relating to area median income, unemployment rate, and economic hardship with a requirement that the zone sponsor demonstrates need for economic development in area.

These standards expand potentially eligible business firm operations to priority industries identified by sponsor resolution. In addition, the bill expands the additional exemption period available after year three, from up to two additional years to up to 10 additional years, if requested by enterprise zone sponsor. A late amendment to the bill prohibits data center properties from authorization as an eligible business firm in standard term enterprise zones prior to 90 days after the adjournment of the 2027 legislative session. The Legislature dedicated \$15 million to Business Oregon for the Industrial Site Loan Fund for 2025-27 biennium. The bill goes into effect on the 91st day after sine die (June 5).

City Action: Only requires action if your city is an enterprise zone sponsor.

Economic Development DID NOT PASS:

[HB 4104](#): **FISH and CHIPS Act.** This bill would have authorized the Oregon Business Development Department (Business Oregon) to award grants and loans from the Oregon Fostering Innovation Strength at Home (FISH) and Creating Helpful Incentives to Produce Semiconductors (CHIPS) Fund (FISH & CHIPS Fund) to qualifying businesses within targeted industries that have not applied for federal semiconductor assistance.

SB 1586: JOBS Act. SB 1586 would have expanded the research and development income tax credit for semiconductor companies to include “qualified alternative energy production company” and “qualified biotechnology company”. The bill expanded the availability of 25% refundable tax credit and modified certification of tax credit. The bill would have allowed a city or county to create a property tax exemption for new or modernized machinery and equipment used by an advanced manufacturing business, and it would have made school support fee in lieu of property taxes optional for standard enterprise zone exemption and long-term rural enterprise zone exemption. SB 1586 also would have reduced employment requirements to qualify as an eligible employer for the Industrial Site Readiness Program. The bill also would have directed certain state agencies to establish deadlines by which the agency intends to process applications for permits and to publish a catalog of permits issued. Lastly, SB 1586 would have added rural reserves in Washington County to Metro for high-technology and advanced manufacturing purposes. The LOC supported this legislation during public hearings, but the bill did not advance.

Emergency Preparation, Management, and Response DID PASS:

HB 4033: Oregon Volunteers in Disaster Database. HB 4033 transfers all responsibility for the Oregon Volunteers in Disaster database from the Higher Education Coordinating Commission to the Oregon Department of Emergency Management. The bill declares an emergency, effective on its passage. The governor has not signed this bill as of April 2, 2026. Please visit the webpage linked for the most recent information.

HB 4121: Emergency Response Preparedness. HB 4121 creates statewide emergency preparedness offices and authorities to coordinate emergency management. It creates new offices, authorities, and advisory councils, including: the Oregon Statewide Preparedness Authority for Response Training and Intergovernmental Continuity of Imperative Services (SPARTICIS) within the Department of Administrative Services; the Statewide Preparedness Authority for Response Coordination (SPARC) within the Department of Public Safety Standards and Training (DPSST); the All-Hazards Statewide Responder Database Oversight Authority within the DPSST; the Statewide Regional Training Office within the DPSST; and more. The bill also expands Oregon’s resilience hub network and creates new accounts and programs, including two FEMA-like assistance programs (Oregon Public Assistance Grant Program and Oregon Individual Grant Program). HB 4121 requires SPARC to make, in future state biennia, multiple \$20 million grants to entities looking to create emergency facilities in specific regions. The Legislature did not fund those grants. Additional provisions of the bill require counties to submit a biennial report to the Legislature about their emergency preparedness, among other provisions. The bill goes into effect on January 1, 2027.

SB 1551: HOAs and Fire Hardened Materials. SB 1551 invalidates deed restrictions and homeowners association provisions that prohibit the installation of fire-hardened building materials or the removal of non-fire-hardened building materials. The bill goes into effect on the 91st day after sine die (June 5).

Emergency Preparation, Management, and Response DID NOT PASS:

HB 4044: State Emergency Management. HB 4044 would have established the Office of Resilience and Emergency Management within the Oregon Department of Human Services.

This is an existing office that is not currently in statute. The bill would have also amended a provision related to the Oregon Disaster Response Fund and established the Oregon Public Assistance Grant Program and the Oregon Individual Assistance Program. The bill received unanimous support from the policy committee but did not advance out of the budget committee.

HB 4056: Resources for Forest Patrols. HB 4056 would have provided \$9 million to offset potential increases to the landowner forest patrol assessments. The bill received no action during the legislative session.

SB 1540: Insurance. SB 1540 would have established requirements for insurers that use select risk-management methods or models to assign risk to residential properties or communities, requiring insurers to submit those methods or models to the Oregon Department of Consumer and Business Services for review and approval. It would have required insurers that use certain models and methods to consider community-level or property-specific mitigation actions when assessing risk and provide lower insurance rates when such actions reduce risk. The bill also would have required insurers to publish information on risk classifications, mitigation opportunities, discounts, and appeal rights, and establish an appeals process. SB 1540 applied only to fire, casualty, property, and homeowner insurance policies. The bill received public hearings but did not advance to the Senate floor.

Energy and Environment DID PASS:

HB 4025: Residential Utility Rate Increases. HB 4025 permits utility providers, other than electric or gas, to raise rates during certain times of the year. This is a technical fix from 2025 to address seasonal differences based on the type of utility. The bill goes into effect on the 91st day after sine die (June 5).

HB 4031: Expedited Energy Facility Siting. HB 4031 exempts a renewable energy facility from needing a site certificate from the Energy Facility Siting Council if the energy facility produces power from a renewable energy source, qualifies for certain federal renewable energy tax credits, and is placed in service on or before December 31, 2030. The bill goes into effect on the 91st day after sine die (June 5).

HB 4076: Exempts Certain Energy Projects from State Land-Use Goals. Originally introduced as a study bill, HB 4076 was amended to allow exemptions to state land use goals for renewable energy generation projects that meet certain conditions. HB 4076 includes preemption of local government exclusive farm use (EFU) land use planning. The bill goes into effect on the 91st day after sine die (June 5).

City Action: Cities may want to review ordinance to ensure EFU land use exemption is captured for future large scale renewable energy projects.

HB 4077: Public Utility Insurance Securitization. HB 4077 allows a public utility, upon approval by the Oregon Public Utility Commission, to issue bonds and securitize debt for costs and expenses incurred by the public utility associated with a self-insurance or captive insurance program. The bill goes into effect on the 91st day after sine die (June 5).

HB 4100: Bulk Fuels Storage. HB 4100 requires owners or operators of bulk oils or liquid fuels terminals to obtain a certificate of financial responsibility from the Oregon Department of Environmental Quality. The bill declares an emergency, effective on its passage. The governor signed this bill on March 31st.

City Action Required. Preempts local governments from requiring financial assurance that exceeds or is in addition to the requirements of HB 4100.

Energy and Environment DID NOT PASS:

HB 4032: Emergency Fuel Storage Sites. HB 4032 would have directed the Oregon Department of Energy to evaluate and prioritize geographically dispersed emergency fuel storage sites.

HB 4046: Nuclear Energy Study. HB 4046 would have directed the Oregon Department of Energy, subject to the availability of funding, to conduct a study on nuclear energy, including advanced nuclear reactors. Nuclear power generation conversations have picked up in recent years, with Umatilla County seeking a one-time exclusion to the state moratorium against nuclear energy projects.

HB 4129: Low Carbon Fuels. HB 4129 would have capped low carbon fuel standards at a 10% reduction and preempted local governments from banning large fuel tanks.

SB 1526: “FORGE Act” Green Bank for Clean Energy. SB 1526 would have required the Oregon Department of Energy to apply for money and seek grants to establish a fund and independent board to support clean energy and resilience projects.

SB 1541: Establishes the Climate Superfund Cost Recovery Program. SB 1541 would have established a superfund cost recovery program account and created the climate superfund cost recovery program to: assess financial impacts of greenhouse gas emissions emitted between January 1, 1995, and December 31, 2024; and recover costs from responsible entities.

SB 1582: Distributed Power Plant. SB 1582 would have required electric companies to formalize distributed power plant programs that compensate customer-owned distributed energy resources such as batteries, load control devices, and electric vehicles, for providing grid services.

SB 1588: Inclusive Utility Investment Program. SB 1588 would have required each electric company to develop an inclusive utility investment program to provide financing for customers' energy efficiency upgrades or renewable energy projects.

SB 1597: Power Generation Waste Transparency. SB 1597 would have mandated an electric utility provider to disclose to the public the costs of storing nuclear waste when used to generate electric power.

General Government DID PASS:

HB 4159: Local Government Representation on the Oregon Government Ethics

Commission. HB 4159 is part of an ethics reform package and primarily ensures that a member of the Oregon Government Ethics Commission (OGE) will have local government experience. The bill also prevents the OGE from publishing the privileged information they collect through the investigation of an executive session complaint. The bill takes effect on January 1, 2027.

HB 4161: Prohibited Use of Office Exemption for Food, Beverages and Merchandise. HB

4161 is part of a package of ethics reform bills and allows public officials, defined as all employees, volunteers and elected members of a governing body, to accept food, beverages and \$100 in branded or commemorative merchandise from the public body they serve.

Adverse advisory opinions from the Oregon Government Ethics Commission indicated that accepting food at events and meetings provided by the agency for which a public official serves would likely be a prohibited benefit of office. The bill declares an emergency, effective on its passage. The governor has not signed this bill as of April 2, 2026. Please visit the webpage linked for the most recent information.

HB 4177: Serial Meeting Reform. HB 4177 clarifies changes made to open meeting laws made in 2023. The bill changes the definitions of “convening,” “meeting,” and “deliberation” while continuing to prohibit a quorum of a governing body from using a series of any communications, including directly or through intermediaries, to decide or deliberate on any matter or to meet in private. It also adds types of communications that are allowed and not considered public meetings. HB 4177 also requires members of governing bodies with budgets greater than \$1 million to be trained on open meetings law before the end of their first year in office. Additionally, the bill extends the time frame for filing a complaint against a public body from 30 to 90 days.

The legislation was the result of an extensive workgroup process that included the Oregon Government Ethics Commission staff, local government representatives, bi-partisan legislators, and a media representative. Passage of reforms to open meetings law that have been confusing and poorly implemented was an LOC priority for 2026. The bill takes effect on the 91st day following adjournment sine die (June 5) and sunsets on December 31, 2027.

HB 4178: Rounding Policies. HB 4178 allows places of public accommodation that offer goods or services, and public bodies, to adopt a rounding policy for in-person cash or mixed-tender transactions under which the final digit will be rounded to the nearest five-cent increment. The bill requires adopted rounding policies to be applied consistently, and signs to be posted to notify the public of the policies. It exempts retail transactions that occur over the telephone or by mail, or that are internet-based. HB 4178 exempts rounding done consistently with a policy from being considered in violation of laws that prohibit the refusal to accept coins or currency for payment or price misrepresentation. This bill was introduced to address the shortage of pennies as the U.S. Treasury phasing them out. An amendment was adopted to clarify responsibilities for government entities. HB 4178 declares an emergency, effective on its passage. The governor has not signed this bill as of April 2, 2026. Please visit the webpage linked for the most recent information.

SB 1517: Recreation Liability Waivers. SB 1517 is Senator Prozanski's bill, originally focused on providing liability waiver relief to the skiing industry. The LOC opposed the introduced version of SB 1517 as it provided no remedy for cities or the broader recreation industry in Oregon. Through multiple amendments and negotiations, the LOC was able to take a neutral position on the bill. SB 1517 declares an emergency, effective on its passage. The governor has not signed this bill as of April 2, 2026. Please visit the webpage linked for the most recent information.

City Action Required: Review and update internal policies to reflect limited liability waiver framework permitted under SB 1517.

General Government DID NOT PASS:

HB 4098: Unlawful Trade Practices Act. HB 4098 would have expanded Oregon's tort landscape by removing targeted insurance practices from the definition of exemptions under the Unlawful Trade Practices Act and adding private rights of action against insurance companies.

SB 1593: Recreation Liability Waivers. SB 1593 was Senator Meek's recreational liability waiver bill that sought to re-validate recreation liability waivers across recreation industries in Oregon. The LOC originally supported this bill as the preferred option to SB 1517. This bill was ultimately found by Senate Leadership to apply too broadly and died in the Senate Rules Committee.

Infrastructure and Natural Resources DID PASS:

HB 4005: Water Professionals Appreciation Week. HB 4005 designates an annual "Water Professionals Appreciation Week" from the first Saturday in October through the end of the following Sunday to encourage public water and wastewater agencies to host educational outreach events and to promote public awareness of the industry and career opportunities in Oregon. The bill was an LOC priority as it keeps attention on the workforce issues in the field. The bill goes into effect on the 91st day after sine die (June 5).

City Action: Mark calendars and incorporate this into advocacy with your state legislators on water workforce needs.

HB 4020: Changes to state agency permit processes. HB 4020 requires certain state agencies to specify the authority to justify the denial of a permit application and provide the applicant with a guide on how to contest the denial. The impacted agencies are the Oregon Department of Environmental Quality, the Oregon Department of Transportation, the Oregon Department of State Lands, the Oregon Department of Energy, and the Oregon Department of Geology and Mineral Industries. The bill goes into effect on the 91st day after sine die (June 5).

HB 4102: Expedited permit processes. HB 4102 modifies the statute authorizing the Oregon Department of Environmental Quality (DEQ) to enter into an agreement with an applicant, permittee, or regulated entity to expedite or enhance a regulatory process. Known as receipts authority, it allows the DEQ to hire additional staff to help with permitting processes if the applicant pays additional costs. The bill goes into effect on the 91st day after sine die (June 5).

HB 4144: Safe and Responsible Management of Batteries. HB 4144 prohibits covered producers from selling, offering for sale, or distributing batteries or battery-containing products in or into Oregon unless they participate in a battery producer responsibility organization that successfully implements a battery producer responsibility program. The LOC supported the bill. HB 4144 goes into effect on January 1, 2027.

SB 1585: Lower Matching Grants for Cities. SB 1585 caps the maximum matching fund requirements for seven state grant programs to cities with a population of 20,000 or fewer. This was an LOC priority bill, and staff worked closely with bill sponsors to pass it in the 2026 session. SB 1585 goes into effect on the 91st day after sine die (June 5).

City Action Required: If applying for one of seven grants, update information and see if new, and lower, match applies to your project.

Infrastructure and Natural Resources DID NOT PASS:

HB 4006: Water Rights with Points of Diversion on the Columbia River. This geographically specific legislation would have allowed an intergovernmental entity (Northeast Oregon Water Association) to manage water supplies through a more holistic approach, like irrigation districts and other governmental entities that deliver water. The LOC supported the bill.

HB 4019: Changes to State Agency Permit Processes. HB 4019 would have required certain agencies to base approval or denial of an application for a new permit on the rules and standards that are applicable at the time that the agency determines the application is complete. The bill received no action during the session.

HB 4030: Recycling Modernization Act Exemptions. HB 4030 and its proposed amendments would have shifted the burden of managing recycled materials back onto Oregon communities and undermined the goals and principles of the Oregon's Plastic Pollution and Recycling Modernization Act. The LOC opposed the bill.

HB 4049: Harney Basin Water Management. HB 4049 would have authorized the Oregon Water Resources Commission to encourage and approve voluntary agreements between ground water users in the Greater Harney Valley Groundwater Area of Concern to achieve reasonably stable ground water levels.

Land Use DID PASS:

HB 4035: SB 1537 (2021) Housing UGB Expansion Updates. HB 4035 makes changes to the one-time urban growth boundary expansion process originally created in SB 1537 (2024). There are four key changes to the original framework which make the tool more flexible:

- “Severely” is struck for the cost burden and rent burden metrics;
- “Undeveloped” is defined;
- If more than 80% surrounded by resource land, cities may now use this tool if they follow the processes outlined in the bill; and
- The cap for the amount of land cities with a population of 25,000 or greater can bring in is increased to 150 acres.

Additional guidance was read into the record regarding how to interpret the term “developed.” There are additional sections specifically regarding the city of Woodburn. The bill declares an emergency, effective on its passage. The governor signed this bill on March 31st.

City Action: Only if you are interested in using this tool. Reach out to Alexandra Ring (aring@orcities.org) if you have questions about intent or the legislative record.

HB 4037: House Housing Omnibus Bill. This omnibus bill addresses a range of housing-related issues, including clarifying eligibility for city and county housing project funding programs and modifying the long-term affordability enforcement of publicly supported housing projects. HB 4037 expands the category of one- and two-family dwellings eligible for exemption from mandatory plan review by removing the restriction to conventional light frame construction. The bill also modifies local government review procedures for housing development applications subject to the clear and objective standards requirement. It creates new provisions governing residential tenancies affected by a natural disaster. It restructures and expands the priority order for the acquisition of surplus state-owned real property. Additionally, it makes changes related to urban reserves and by right affordable housing. The bill goes into effect on the 91st day after sine die (June 5). Section 17 (Review of Housing Applications) goes into effect July 1.

City Action: Related to Section 16 (Building Plan Review), the bill will affect which developments have to undergo mandatory plan review and may change permitting staff needs and fee costs. Related to Section 17 (Review of Housing Applications), cities will need to update ordinances and codes regarding when notices are sent, and which housing applications will require public hearings.

HB 4082: One Time UGB Expansion for Manufactured Home Parks and Senior Housing. This bill allows cities and Metro to add land to an urban growth boundary specifically for housing for older individuals, manufactured dwellings, prefabricated structures, or manufactured dwelling parks, including existing units or parks within the existing review process by the Oregon Department of Land Conservation and Development created by Senate Bill 1537 (2024). The bill establishes criteria and timelines for review, limits the acreage that may be added, restricts hearings, and requires long-term affordability and use restrictions. HB 4082 goes into effect on the 91st day after sine die (June 5).

City Action: Only if you are interested in using this tool. Reach out to Alexandra Ring (aring@orcities.org) if you have questions about intent or the legislative record.

HB 4108: Non-Contiguous Annexation for the City of Eugene. HB 4108 allows the city of Eugene to annex certain noncontiguous land without holding a public hearing or submitting the annexation to city electors, notwithstanding contrary provisions in the city’s charter or ordinance, only when all owners of the land submit a petition for annexation and the land meets specified criteria. The land must be located within the city’s urban growth boundary, be designated for residential or mixed use under the city’s comprehensive plan (excluding land designated for heavy industrial use), be connected to and receive water and sewer services from the city or a contracted operator or a primary water supplier and be accessible by public

road. The bill permits the city, by resolution or ordinance, to declare the qualifying land annexed and establish the final boundaries of the annexed area by legal description. HB 4108 goes into effect on January 1, 2027.

HB 4153: Farm Store Bill. The bill creates a new designation of “farm store” for land use purposes on land zoned for farm use (Exclusive Farm Use, EFU, zones). This is intended to address existing issues with the farm stand rules and only applies on county land. The bill:

- Defines terms with respect to permitted uses in EFU zones;
- Creates new side boards related to square footage and what may be sold in farm stores;
- Specifies agritourism activities as a permitted use of farm store structures;
- Authorizes a farm store’s farm-to-table meal operation to include onsite kitchen facilities licensed by the Oregon Health Authority and places limits on the food and beverage services those kitchen facilities provide; and
- Authorizes counties with relevant land use jurisdiction to adopt specific siting standards for farm stores.

The bill goes into effect on January 1, 2027.

Land Use DID NOT PASS:

SB 1514: Camping Regulation Repeal. The bill proposed to repeal ORS 195.530 or House Bill 3115 (2021), which established the objectively reasonable standard for city and county laws regulating the use of public property with respect to persons experiencing homelessness, as the basis for a cause of action for injunctive and declaratory relief to challenge such laws and as an affirmative defense in the prosecution of violations of such laws. It was originally scheduled to receive a hearing after the deadline, but advocates in favor of SB 1514 asked for the hearing to be cancelled since the bill missed key deadlines to advance in the 2026 session.

SB 1522: Urban Reserve Updates. SB 1522 was introduced as a placeholder bill. Amendments were considered to change which criteria a city may use when establishing urban reserves. These conversations were led by the city of Bend. While the bill did not pass, the amendments proposed were eventually added to HB 4037.

SB 1564: City of Woodburn One Time UGB Expansion. SB 1564 proposed to add a specific tract of land to Woodburn’s urban growth boundary for the purposes of housing development. While this bill did not pass, provisions were added to HB 4035 to address the city of Woodburn’s needs.

SB 1578: New Rural Residential Development. SB 1578 would have allowed rural counties to zone up to 50 acres for homes and allow more rural accessory dwelling units (ADUs) at a density of less than 30 people per square acre. The bill would have expanded allowable development of ADUs to farmland with certain existing nonfarm dwellings. SB 1578 also would have allowed the development of larger rural ADUs. The bill did not pass due to challenges with infrastructure provisions and concerns about creating further loopholes in the land use system.

SB 1566: Changes to Prevailing Wage for Affordable Housing. SB 1566 would have exempted some affordable housing projects, and certain public works projects related to affordable housing, from Oregon's prevailing wage law. The bill received a public hearing but did not advance out of the policy committee.

HB 4113: Metolius River Conservation Housing Offset. The –1 amendment was a full replacement of the bill. The amendment would have replaced statutory references to a “small-scale recreation community” with a new development concept termed a “conservation-offset housing opportunity” and revised the conditions under which such a development may be approved in connection with a Metolius resort site. It also would have extended the deadline for a Metolius resort site owner to apply to a county for approval of a conservation-offset housing opportunity to January 1, 2037. It required that at least one-half of residential units be subject to long-term affordability restrictions for households with incomes at or below 130% of area median income. The amendment would have established standards governing commercial uses, infrastructure, water and sewer service, water conservation, impervious surface limits, stormwater management, and preservation of natural resource functions. HB 4113 did not pass due to strong opposition.

Housing DID PASS:

HB 4036: Affordable Housing Preservation. This bill establishes the Housing Opportunity, Longevity and Durability (HOLD) fund to support the preservation of affordable housing and authorizes \$25 million in Article XI-Q General Obligation bonds for deposit into the fund. It continuously appropriates HOLD money to the Oregon Housing and Community Services (OHCS) department for acquiring, constructing, remodeling, repairing, equipping, or furnishing affordable housing that is at risk of loss and that is or will be owned or operated by the state. HB 4036 requires OHCS to submit a report to the Legislature by December 1, 2026, evaluating state laws, departmental policies, and practices that negatively affect the efficiency, effectiveness, or cost of operating affordable housing, as well as opportunities to streamline, reduce, or eliminate reporting requirements. The bill declares an emergency, effective on its passage. The governor has not signed this bill as of April 2, 2026. Please visit the webpage linked for the most recent information.

HB 4123: Landlord Tenant Information Privacy. HB 4123 limits the circumstances under which a landlord may disclose confidential tenant information, including specified personal, financial, employment, immigration, medical, disability, and protected-class information, as well as records related to the assertion of certain tenant rights and protections under state and federal law. The bill also authorizes statutory damages for individuals affected by knowing violations. HB 4123 goes into effect on the 91st day after sine die (June 5).

HB 4128: 90 Day Waiting Period for Private Equity to Buy Homes. This bill creates restrictions on the purchase of single-family residences by certain large institutional real estate investors and related entities, requiring that the residence be publicly listed for sale for at least 90 consecutive days immediately preceding the covered entity's offer or acceptance of an offer. HB 4128 authorizes any person, without a showing of harm, to bring a civil action within five years of a sale or acquisition for violations and to seek injunctive relief. It additionally applies to offers to purchase or acquire a single-family residence conveyed by a covered entity

on or after the bill's effective date. The bill goes into effect on January 1, 2027.

SB 1521: Inclusionary Housing and Zoning Updates. These changes to the state's inclusionary housing statute allow local governments in the Portland Metropolitan Statistical Area to require that new multiunit residential developments include a minimum number of affordable units only if they offset the expected loss in marginal value caused by the requirement. The bill allows a local jurisdiction to set the level of affordability for rental housing at a threshold lower than 80% of the area median income and updates the definition of "multiunit housing" to refer to buildings of 10 or more units (instead of three or more units). SB 1521 also updates and adds definitions relating to a local regulation of affordable housing development. The bill goes into effect on January 1, 2027, but operative dates vary.

City Action: None required if the city does not operate an inclusionary housing program. These provisions become operative for new developments containing rental housing on January 1, 2028, and for all new developments on January 1, 2029.

SB 1561: Replacement Dwellings Changes. SB 1561 requires a local government to approve the application for restoring or replacing a damaged dwelling under a process that is not a land use decision, if the application for repair or replacement was filed within three years of the destruction of the original dwelling. The bill requires that the replacement dwelling not exceed 125% of the floor area of the original dwelling, be adequately served by utilities and roads, and be located at least partially within the footprint of the former building (except as needed to comply with local flood regulations or avoid a natural hazard). The replacement dwelling must comply with applicable building codes that were in effect on the date that the original dwelling was damaged or destroyed. Local governments can require an applicant to give notice to certain nonparties and provide these parties with an opportunity to submit written comments. The bill goes into effect on January 1, 2027.

City Action: This will require internal changes in policies and procedures for cities.

SB 1567: Mixed Income Development Fund. SB 1567 creates the Mixed Income Development Fund at Oregon Housing and Community Services (OHCS), allowing OHCS to develop and implement a program to provide below-market, short-term loans for the development of mixed income housing. OHCS must adopt rules to establish program eligibility criteria, the method by which the interest rates and terms are set, the proportion of housing units that must be restricted units, the minimum duration for which restricted units must be affordable (which must be at least the term of the loan); and the means by which a project that receives a loan ensures affordability of restricted units through an affordable housing covenant. The Legislature allocated \$20 million to the fund. The bill goes into effect on the 91st day after sine die (June 5).

SB 1576: Accessible Affordable Housing Act. SB 1576 extends the authority of the director of the Oregon Department of Consumer and Business Services to include adopting more stringent standards for covered multifamily dwellings and other types of dwellings for purposes of compliance with the Fair Housing Act. The bill requires that any subsidized rental development for which Oregon Housing and Community Services (OHCS) provides funding

must comply with Section 504 of the federal Rehabilitation Act of 1973. It updates the definition of “accessible” as it applies to affordable and subsidized housing. SB 1576 allows OHCS and the DCBS director to adopt rules and take any other action before the operative date that may be necessary to enable them to undertake and exercise the duties mandated by the bill. [SB 1567](#) bill goes into effect on the 91st day after sine die (June 5).

Public Contracting DID PASS:

[HB 4012](#): Unlicensed Contractor Enforcement Assessment. HB 4012 as amended requires the Oregon Construction Contractor Board to consult with the Oregon Bureau of Labor and Industries to execute a targeted assessment initiative to investigate the utilization of unlicensed construction labor contractors on job sites. The bill goes into effect on the 91st day after sine die (June 5).

[HB 4016](#): Tax Compliance for State Contracting. HB 4016 seeks to enhance state income tax compliance oversight. The bill requires an Oregon Department of Revenue Tax Compliance Certificate to be provided by a contractor prior to the award of a state contract. The LOC successfully worked with stakeholders to amend the bill to exclude cities from being impacted by this new procurement requirement. The bill goes into effect on the 91st day after sine die (June 5).

[HB 4027](#): BOLI Expense Fund. HB 4027 creates the Oregon Bureau of Labor and Industries (BOLI) Expense Fund and permits the directors of the Oregon Department of Consumer and Business Services and BOLI to set and collect an assessment from employers and employees to deposit in the BOLI Expense Fund and Workers Benefit Fund. The bill specifies the number of positions BOLI can hire through the fund. HB 4027 goes into effect on the 91st day after sine die (June 5).

[HB 4089](#): Wage Theft. HB 4089 increases the penalties for direct contractors who knowingly enter into contracts for services with an unlicensed contractor or subcontractor. The LOC and stakeholders successfully worked on two iterations of amendments to ensure this bill applied to the contracting industry as intended, and not to cities. The bill goes into effect on January 1, 2027.

Public Contracting DID NOT PASS:

[HB 4010](#): Mandatory Change Order Payment. HB 4010 would have required cities that procure public improvement contracts or contracts for public works that require additional work outside the scope set forth in the public improvement contract or contract for public works to issue change orders for the additional work within a specific time or to pay interest for failing to do so.

[HB 4093](#): Regulation of Employment/Hiring Practices. HB 4093 would have mandated that a “support person” accompany an employee when discussing reasonable accommodations with employers and would have prohibited use of physical requirements in job descriptions unless accompanied by related job duties.

HB 4150: Anti-Human Trafficking. HB 4150 would have required prospective contractors, subcontractors and grant recipients to attest that they do not and will not transport individuals detained by federal agencies for the purpose of deportation, except in accordance with judicial orders.

SB 1506: Worker Benefit Fund. SB 1506 would have allowed the Oregon Department of Consumer and Business Services and the Bureau of Labor and Industries to adjust the assessment that funds the state's Worker Benefit Fund. This concept was passed through HB 4027.

Public Safety DID PASS

HB 4099: Task Force on Responding to Veterans in Crisis. HB 4099 creates a new task force with fourteen members, including a seat for an LOC member. The bill requires the task force to develop a proposal to ensure all Oregon counties have a veteran crisis response team with at least two individuals trained in veteran crisis response, and to submit a report to the Legislature's interim committee on emergency management and veterans by September 15, 2026. The Oregon Department of State Police will provide staff support. The bill takes effect on the 91st day following adjournment sine die (June 5) and sunsets on December 31, 2027.

HB 4138: Masking for Law Enforcement. HB 4138 prohibits law enforcement officers from wearing face coverings during the normal course of their duties. However, the bill also allows officers to wear masks when necessary for health and safety purposes and to protect undercover detectives. The legislation further requires police uniforms to display a name tag or other individual identifier and a patch to identify the employing agency. Masking for normal duties is not a practice Oregon agencies engage in. HB 4138 may also apply to federal agencies that do routinely mask during regular duties. The bill declares an emergency, effective on its passage. The governor signed this bill on March 31st.

City Action: Cities should review their policies for officer masking, if applicable.

SB 1516: Automated License Plate Reader Regulations. SB 1516 is known as an "omnibus" bill as it deals with multiple topics of interest to cities in the regulation of automatic license plate readers (ALPR). Police departments will continue to use this technology, which has proved useful in solving serious crimes, but SB 1516 creates limitations. ALPR data may be retained for 30 days, and the bill limits the utilization of the technology to criminal enforcement. SB 1516 also places restrictions on public records requests for this data. The bill declares an emergency, effective on its passage. The governor signed this bill on March 31st.

City Action: Cities should review their policies for ALPR, if applicable.

Revenue and Finance DID PASS:

HB 4052: Tax Credit for New Banks. HB 4052 creates a corporate income tax credit for Oregon-chartered banks that are new to the state in their first three years of operations. It exempts banks formed by mergers or conversions that have filed an Oregon tax return in a previous year. The tax credit is set at the amount of tax due up to \$1 million a year, allowing unused credits to be carried forward for up to three tax years. The Oregon Department of

Consumer and Business Services will provide information to the Department of Revenue about banks eligible for the credit. The tax credit is available to banks that commence business in Oregon in tax years beginning on or after January 1, 2027, and before January 1, 2033. The bill passed both chambers without any opposition. HB 4052 goes into effect on the 91st day after sine die (June 5).

HB 4130: Farm Tax Special Assessments. HB 4130 states that lands under certain farm crop and farm product processing facilities that are currently employed for “farm use” may qualify for the farmland special assessment. It requires an owner of exclusive farm use (EFU) land under such processing facilities to apply for the first year of the special assessment. HB 4130 requires an owner of non-EFU land under such processing facilities to include information in the application demonstrating that the facility meets the definition of “processing facility.” It applies to tax years 2027–2028 and later.

HB 4148: Transient Lodging Tax Flexibility. HB 4148 creates additional flexibility for the use of revenue from transient lodging taxes (TLT) imposed after 2003 on public services. Current law requires 70% of those taxes to be spent on tourism promotion and only allows 30% to be spent for city needs. The bill changes that split to 50% for each purpose and expands the use of the tourism component to include resiliency grants for small businesses in the restaurant and lodging industry. Lastly, HB 4145 requires cities to provide information to the Legislature regarding a city’s TLT, including the tax rate, revenue collected, use of funds, and more. This bill has been a long-term LOC priority as existing law left local residents paying for tourism-related costs. The bill takes effect on the 91st day following adjournment sine die (June 5) and the flexibility for TLT revenue is effective January 1, 2027.

City Action: For cities with a TLT or potentially creating one, consider this flexibility when crafting a budget. Prepare to meet new reporting requirements. The LOC can collect required reporting information and report on behalf of cities with a TLT.

SB 1507: Federal Tax Code Limited Disconnect. SB 1507 selectively disconnects Oregon from the federal tax code related to [H.R. 1](#) changes. The Legislature contemplated broader disconnect but only disconnected from three elements:

1. Vehicle loan interest deduction – requires qualified passenger vehicle loan interest deducted by a taxpayer on their federal tax return to be added to income reported on their Oregon income tax return;
2. Qualified small business stock – requires gain from the exchange or sale of qualified small business stock that is excluded from a taxpayer’s federal income tax return to be added to income reported on their Oregon personal income tax return; and
3. Bonus depreciation – disallows bonus depreciation for property placed in service in tax years 2026;

SB 1507 connects Oregon to the rest of the federal tax code, including the new provisions excluding overtime and tips as income. The bill also creates a new tax credit for taxpayers creating jobs (\$1,000 per new net job) and increases resources for the Oregon Earned Income Tax Credit. The bill goes into effect on the 91st day after sine die (June 5).

SB 1510: Omnibus Revenue Bill. SB 1510 includes multiple provisions updating Oregon's tax laws. It updates corporate income tax references to align with federal changes. It also clarifies the sunset for the Oregon Earned Income Tax Credit. SB 1510 expands the use of the Oregon Production Investment Fund and extends the sunset of the cargo container property tax exemption by six years. The bill clarifies fuel license tax exemptions for Indian tribes. It also extends the applicability of pass-through business alternative income tax and related personal income tax credit by two years (tax years 2026 and 2027). Lastly, SB 1510 changes requirements for 'enrolled agents' as overseen by the Oregon State Board of Tax Practitioners. The bill goes into effect on the 91st day after sine die (June 5).

HJM 201: Wildfire Survivor Tax Break. This House Joint Memorial urges the U.S. Congress to pass legislation to permanently extend federal tax cuts for wildfire victims.

Revenue and Finance DID NOT PASS:

HB 4014: International Income Task Force. HB 4014 would have created a Task Force on Taxation of International Income, consisting of eleven members, including four Representatives, two Senators, and one member each from Oregon based labor unions, Oregon based businesses, and international corporations based in Oregon, plus an Oregon based expert on international income tax policy and a nationally recognized expert on international income tax policy. The task force would have investigated whether changes to Oregon's tax code could improve or simplify the state's tax treatment of international income as well as explore other statutory changes. The task force would have submitted a report by December 1, 2026. The bill passed the House on a 32-26-2 vote but received no action in the Senate.

HB 4015: Federal Tax Code Connection. HB 4015 would have reconnected Oregon to the federal tax code as amended by the federal government in 2025. Oregon has a history of connecting and disconnecting from the federal tax code. SB 1507 (2026) passed and created a selective disconnect from the federal tax code. The bill received no action during the legislative session.

HB 4064: HOA Assessments. HB 4064 would have required homeowner association (HOA) assessments for properties deeded to a county. The bill permitted HOAs to record a lien on impacted priorities. HOAs would be required to provide notice to the county on the assessment. Lastly, the bill would have appropriated \$4 million to a specific HOA to pay back a loan used to pay a Department of Environmental Quality fee. HB 4064 received no action during the legislative session.

HB 4078: Tax Subtractions Related to Wildfire Resolution. HB 4078 would have expected awards and legal fees paid from corporate excise and income taxes as part of wildfire lawsuits. Taxpayers would have been permitted to amend a return to claim a refund for the earliest tax year in which a subtraction is allowed (2018). The bill received no action during the legislative session.

HB 4125: Revenue Forecast Methodology. HB 4125 would have changed the method used to produce the quarterly economic and revenue forecast. The bill would have required the use

of estimates in the lower range for budgeting purposes but still produce a high end of the revenue forecast. A "Close-of-Session" forecast would have incorporated the greatest positive difference between forecasted and actual revenues over the previous five biennia. By November 15 of each odd-numbered year, the Oregon Department of Revenue would have been required to estimate the prior biennium the amount equal to the difference between the personal kicker estimate as the difference between the Close-of-Session forecast, creating the One-Time Emergencies and Finance Fund. These resources would have been used for: reduction of the unfunded liability of PERS; capital projects, debt service, or emergency expenses. The bill received no public hearing but did not advance out of the policy committee.

HB 4136: Mortgage Interest Tax Deduction Changes. HB 4136 would have reformed mortgage interest tax deductions (MIDs). The bill would have limited MIDs to primary residents only, unless a taxpayer lived in their home during the tax year or three months before. It would have also required the Oregon Department of Revenue to transfer revenue collected from the MID changes to the Homeownership Opportunity Account for the purpose of providing down payment assistance payments that are administered through home ownership programs or nonprofit organizations. The bill received no public hearing but did not advance out of the policy committee.

SJR 201: Kicker for Schools and Wildfires. This Senate Joint Resolution proposed an amendment to the Oregon Constitution to change how surplus revenue (i.e., the 'kicker') is distributed. If the amount of the surplus is greater than \$300 million, one half would be returned to personal income taxpayers and one half deposited into reserve accounts. Funds in the reserve accounts would be used in equal amounts for public education (K-12 and community colleges), and wildfire prevention and suppression. SJR 201 also would have adjusted the \$300 million threshold for inflation at the close of each biennium. It would have referred the proposed amendment to the voters for their approval or rejection at the next regular general election. The bill received no public hearing but did not advance out of the policy committee.

SB 1511: Estate Tax Updates. SB 1511 would have converted the existing \$1 million estate tax exemption threshold to a deduction from estate value before calculation of tax. The bill included a new tax table with increased tax rates. SB 1511 would have phased in estate tax liability, as calculated from the tax tables, beginning at 0% for the \$2.5 million subject threshold and increasing to 100% for estate value exceeding the threshold by \$500,000. Starting in 2027, estates with gross value below \$2.5 million would not have had to file a tax return starting in 2027. The \$2.5 million subject threshold would be adjusted for inflation beginning in 2028. The bill passed with broad, bipartisan support in the Senate but did not advance out of the House Committee on Revenue.

Telecommunications, Cybersecurity, and AI DID PASS:

HB 4140: Telecom Scrap Metal Definition. HB 4140 modifies the definition of "commercial metal property" to include telecommunications equipment for the sake of criminal penalties and requires scrap metal businesses to check ownership of certain types of commercial metal property before purchasing or receiving the property. The bill goes into effect on January 1, 2027.

SB 1546: Artificial Intelligence Transparency. SB 1546 defines new requirements for AI companion platforms operators. It defines “AI companion platform,” “National 9-8-8 suicide and crisis lifeline,” and among other definitions, “youthline.” SB 1546 also establishes a private right of action for users harmed in violation of the requirements. The bill goes into effect on January 1, 2027.

Telecommunications, Cybersecurity, and AI DID NOT PASS:

HB 4055: Cyber Security Incident Notification. HB 4055 would have required local governments to notify the Oregon State Chief Information Officer upon the realization of a cyber security incident. The LOC registered concerns with the structure of the bill and has committed to working with stakeholders on a cyber security breach notification bill for 2027.

HB 4103: Establishes Aaron Woods Commission on Artificial Intelligence. HB 4103 would have established a commission on AI (named after late Oregon Senator Aaron Woods) to look at the state's use of AI. The bill also involved the Oregon Department of Administrative Services hiring a person to create a privacy, data protection and AI plan for the state.

Transportation DID PASS:

HB 4007: Micromobility Devices and Milk Trucks. HB 4007 defines “powered micromobility devices,” sets age requirements and other requirements for them, establishes new violations and penalties and allows local governments to regulate use on their facilities. The bill also directs the Oregon Department of Transportation to establish a new five-year pilot program for overweight milk trucks, limited to state highways. Lastly, HB 4007 delays a report on the Highway Cost Allocation Study. The bill passed with broad, bipartisan support. Most provisions are effective on the 91st day after sine die (June 5), but some are effective on January 1, 2027.

City Action Optional: HB 4007 maintains cities’ ability to regulate these newly defined devices through time, place, manner regulations or outright prohibition.

SB 1544: Dismantlers and Transit Funding. SB 1544 was introduced as a placeholder bill. Amendments were adopted at a Monday evening committee meeting after being introduced over the weekend. The bill, as amended, directs cities or counties to approve supplemental dismantler certificates under the same circumstances as standard dismantler certificates, and removes renewals from these requirements. SB 1544 removes the requirement that dismantler and supplemental certificate holders receive local government approval to renew their certificates. In addition, the bill allows intergovernmental entities that provide public transportation services on behalf of counties or Tribes to designate a public transportation service provider as the designated qualified entity for distributing funds from the Statewide Transportation Improvement Fund. SB 1544 passed with broad, bipartisan support and goes into effect on the 91st day after sine die (June 5).

City Action May be Required: Cities are encouraged to review their codes or policies related to dismantlers to ensure compliance with the modified approval authority.

SB 1599: Moving the Date of the Transportation Referendum. SB 1599 reschedules the date for the portions of [HB 3991 \(2025 special session\)](#) that were referred to voters via [Referendum Petition 2026-302](#) to the primary election held on May 19, 2026, rather than the general election in November. The bill requires the referendum to use the latest ballot title certified by the attorney general on the ballot and voters' pamphlet if the Oregon Supreme Court review process has not been completed by March 12, 2026. It also establishes alternative processes and timelines for the referendum, including having a joint legislative committee prepare the explanatory statement and financial estimate for printing in the voters' pamphlet. SB 1599 was passed narrowly in both chambers and was signed by the governor on March 2, 2026. The bill was effective upon passage.

Transportation DID NOT PASS:

HB 4008: Transit Funding Task Force. HB 4008 would have created a task force to examine transit funding needs in the state. The group would have been made up of representatives from across the state in different sectors to determine the level of funding needed to maintain adequate transit service statewide and a funding mechanism for transit. A report would have been due to the Legislature on December 1, 2026. The bill received a public hearing and passed with a 5-2 vote to the Ways and Means Committee. HB 4008 received no action in the budget policy committee.

HB 4009: Per-Mile Road Fee. HB 4009 would have required electric vehicles to pay per mile driven, rather than pay fuel taxes, or to opt for a flat fee instead. The bill would have directed the Oregon Department of Transportation to calculate the rate needed each year for upkeep of the road system if every car paid the per mile driven tax. HB 4009 would have also narrowed electric vehicle rebates to lower-income households and limited rebates to one per household until demand for the rebate met supply of money for the rebate. The bill received a public hearing but did not advance out of the policy committee.

HB 4023: Limits Mass Transit Funding. HB 4023 would have prevented mass transit districts from raising revenue for their operations without putting the issue before voters. The bill received no action during the 2026 session.

HB 4063: Kei Trucks. HB 4063 would have permitted a new motor vehicle on Oregon roads. Kei trucks are manufactured in Japan or South Korea and are smaller and lighter than vehicles currently on the road. The bill would have exempted Kei trucks from statutes where racing vehicles are exempt. HB 4063 received no action during the 2026 session.

HB 4081: Photo Radar on Highway Work Zones. HB 4081 would have modified how photographic speed enforcement may be used in highway work zones, allowing for the operation of photo radar in work zones without the Oregon State Police or law enforcement from a jurisdiction present. The bill received a public hearing and passed with a 6-1 vote to the Ways and Means Committee. HB 4081 bill received no action in that budget policy committee.

HB 4085: Autonomous Vehicles. HB 4085 would have established a statewide framework for the deployment of autonomous vehicles (AVs). The Oregon Department of Transportation (ODOT) would have issued permits to companies to enable operation of AVs without an on-

board driver, defining “driver” as the company that owns the AV and exempting them from some driver duties. While permits would be valid in perpetuity, ODOT could remove a permit for safety reasons. The bill also would have preempted local governments from regulating AVs and assessing fees or taxes on AVs. The LOC opposed the bill and testified in opposition during the public hearing. The bill sponsor, Representative Susan McLain, pulled the bill from consideration to work collaboratively with local governments and other stakeholders ahead of the 2027 legislative session.

HB 4090: Lower Car Registration Fees for Certain Communities. HB 4090 would have permitted counties with a population of greater than 700,000 to create a zone (or zones) where the median household income was less than a certain threshold (left blank in the introduced bill) and the county could eliminate or charge lower car registration fees within that zone. The county would be required to create a regional plan to address revenue impacts and report to affected cities. The state would also adopt rules to address revenue impacts. The bill received no action during the 2026 session.

HB 4126: Per Mile Road User Charge Study. HB 4126 would have required the Oregon Department of Transportation (ODOT) to submit a biennial report to the Legislature recommending a rate for the per-mile road usage charge that would sustainably raise the revenue necessary to maintain Oregon public highways, including county roads and city streets. ODOT would have submitted the first report in January 2027. The bill received a public hearing and was advanced from the policy committee on a 5-2 vote but received no action in the budget committee.

SB 1542: Measure What You Drive. SB 1542 would have directed the Oregon Transportation Commission (OTC) to develop and maintain a 10-year capital investment plan that included a scoring methodology to rank projects in the Statewide Transportation Improvement Program by priority and region of the state. The bill would have specified certain criteria and target goals that must be used, required cost-benefit analyses for projects, and would have directed the OTC to post this work on its website. SB 1542 received a public hearing but failed to advance out of the policy committee.

SB 1543: Guardrails for Good Governance. SB 1543 would have modified the make-up and duties of the Oregon Transportation Commission (OTC). It would have increased the size of the OTC to include two nonvoting state legislators, required geographic and travel mode representation among voting members, and added term limits. The bill would have directed the OTC to develop a debt financing management policy with specified criteria, given the OTC review authority for debt finance requests from the Oregon Department of Transportation, and increased reporting and public notice requirements for transportation projects. SB 1543 received a public hearing but failed to advance out of the policy committee.

SB 1591: Creation of a Port Study. SB 1591 would have required Business Oregon to study the creation of an inland port. The port would have been located in the counties of Deschutes, Jefferson or Crook, and known as the Port of Central Oregon. The bill received no action during the 2026 session.

Conclusion

The LOC relies on the engagement of its member cities to make an impact at the Legislature. We thank the cities that submitted testimony, testified via Teams or in person, reached out to their legislators, and helped us pass all 2026 LOC priority legislation this session. We also invite all member cities to continue engaging with the LOC and in the legislative process. Just as it's important for the LOC to hear from you, we encourage member cities to engage with their legislators. The LOC has produced an online "Lobbying 101" training to support cities in that engagement. Please watch for opportunities to learn more and contact the LOC Intergovernmental Relations Team with any questions.

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In addition, LOC [policy committees](#) are meeting this spring and summer to create the 2027-28 priorities and advise on updates to the [Oregon Municipal Policy](#). All members are invited to engage in this process and share feedback with LOC leads for further discussion. In addition, the LOC will release a survey in 2026 to inform updates to the Oregon Municipal Policy, the foundational document that guides our policy development efforts. We hope to hear from you!

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Memorandum

Date: May 27, 2026
To: Mayor Knudson and City Council
From: Ethan Nelson, IGR Manager
Subject: **2026 United Front Booklet and Delegation Notes**

This memo provides a summary of the 2026 United Front Delegation and serves as a cover letter for the [2026 United Front Booklet](#).

The 2026 United Front (UF) delegation visited Washington DC from April 20-24, with Mayor Kaarin Knudson, Chief of Staff Brooke Freed, and IGR Manager Ethan Nelson representing Eugene. The UF partners include, City of Eugene, City of Springfield, Lane County, Springfield School District, Willamalane Parks and Rec District, and Lane Transit District with support from Smith Garson, our federal contract lobbyist

Eugene's top priority focused on sharing information on the \$3M Congressionally Directed Spending request for Eugene Airport Expansion. Discussions incorporated this priority within a larger focus on Economic Development, including information on the Clear Lake Road Infrastructure for Economic Development investments, the Crow Road Housing Infrastructure investments, and leadership within the Southern Willamette Valley Innovation Corridor initiative. Additional meetings related to transportation, housing, and economic development policy and projects occurred.

Included with this memo is the annual UF Federal Book, copies of the Eugene specific topics, and a summary of meetings which Eugene representatives attended during the trip.

Please let me know if you have any questions.

THE SOUTHERN WILLAMETTE VALLEY INNOVATION CORRIDOR

**A Unified
Vision for
Prosperity**

The Southern Willamette Valley Innovation Corridor (SWVIC) initiative links the University of Oregon, Oregon State University, Oregon businesses, and local and state governments in a long-term strategy that connects academic innovation with industry momentum, land readiness, and quality of place. ***Its vision is to lead the state in innovation-driven economic growth***—powered by world-class research, strengthened through public-private collaboration, and guided by a commitment to sustainability and shared prosperity.



THE ECONOMIC ENGINE: TWO UNIVERSITIES, ONE REGION

By bridging the gap between Corvallis and Eugene, we are harnessing the intellectual power of our flagship research institutions to build a resilient, multi-generational economy. The united front approach to partnership ensures that ideas from university labs don't just start here—they can scale here, creating high-paying jobs and a thriving regional ecosystem.



FOUNDATIONAL PRIORITIES FOR GROWTH

Eugene's strategic investments are foundational to the SWVIC vision. By aligning infrastructure and land-use policy, we are preparing the region to compete on a national stage:

- Industrial Readiness:** Eugene is investing in "shovel-ready" sites in the Clear Lake Road area to provide growing industries the space they need. We thank the Eugene Area delegation, specifically **Speaker Julie Fahey and Senate President Pro-Tem James Manning**, for the \$11M in 2025 and 2026 Lottery Bonds that makes this possible.
- Global Connectivity:** The Eugene Airport's expansion is modernizing our region's gateway. Local and federal funding for the Concourse C Apron and terminal construction ensures we have the capacity to support a globalized workforce.
- Urban Vitality:** By expanding essential public infrastructure in the Crow Road area and leveraging potential Opportunity Zones and local incentives in our Downtown and Riverfront districts, we're accelerating the growth of housing and commercial hubs that make our community thrive.



Together, we are transforming the Southern Willamette Valley into a national leader in innovation, ensuring future generations can thrive close to home.

Explore SWVIC at swv-innovation.org



CLEAR LAKE INDUSTRIAL AREA

**Industrial Land Readiness For
Economic Development**

CREATING INFRASTRUCTURE TO DRIVE INNOVATION

Western Oregon's shortage of large, industrial-zoned sites has limited the opportunity to bring high-wage manufacturing sectors that pay above the state average. To change this trajectory, the City of Eugene expanded its urban growth boundary in 2018 to include the 650-acre Clear Lake Industrial Area — an emerging hub with significant potential but no infrastructure yet in place.

Bringing the Clear Lake Industrial area to “shovel-ready” status will require major investments in wastewater capacity, stormwater systems, and expanded electrical and water infrastructure to support largescale industrial development.



Strong support from Speaker of the House Julie Fahey, Senate President Pro Tem James Manning, and the Eugene-area legislative delegation secured \$11M in Oregon Capitol Construction Funds, paired with \$3M in local funding, to launch Phase One of the project.



ECONOMIC POTENTIAL

The Eugene–Springfield region is a diverse manufacturing hub, but growth is constrained by a shortage of large, development-ready sites. Strategic public investment in basic infrastructure at the Clear Lake Industrial Area will strengthen the region's competitiveness, attract companies seeking industrial sites and support the Southern Willamette Valley Innovation Corridor initiative.

The Clear Lake Industrial Area includes **11 sites across roughly 650 acres**.

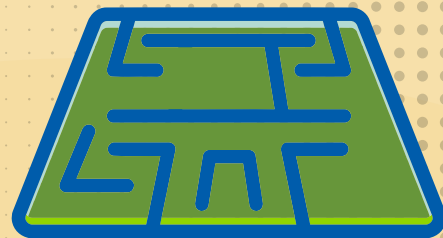
Estimates show the expansion area alone has capacity for **3,000 new jobs**; providing infrastructure to this area would benefit a larger area and create even more job capacity — **totaling 6,000 new jobs**.

The undeveloped land has characteristics that are necessary to attract desired firms including:

- Large, vacant sites
- Access to a state highway
- Proximity to the airport
- Flat topography



11 different sites



650 acres



6,000 total new jobs

PHASE ONE: BUILDING OPPORTUNITY

Phase One, projected to cost \$14M and scheduled for 2027-2029 construction, will construct a new water distribution network, wastewater system and pump station to prepare the 11 sites for development.

The City will continue to seek investment in this important development site for future phases of infrastructure.



EUGENE AIRPORT EXPANSION

**Preparing for the Future of
Regional Commercial Air Service**

The Eugene Airport (EUG) is advancing a critical phase of its terminal expansion. By constructing the Terminal Apron and foundational Concourse C infrastructure, we are securing the regional connectivity essential for the economic future of Lane County and the Southern Willamette Valley.

THE PROJECT: A FOUNDATION FOR EXPANSION

Currently in the design and environmental review phase, this \$39 million project delivers the high-strength pavement, grading, drainage, and lighting required for a future eight-gate Concourse C.

- **Immediate Capacity:** Increases “remain-overnight” aircraft positions, directly improving morning departure reliability.
- **Future-Proofing:** Provides the structural footprint necessary to scale operations and reduce terminal congestion for our fast-growing region.

THE MOMENTUM: MEETING SURGING DEMAND

EUG is a vital economic engine, serving as the primary gateway for business travel, tourism, and workforce mobility:

- **Rapid Growth:** Passenger traffic has surged over 40% since 2019.
- **Market Recapture:** 14% of local travelers who formerly drove to Portland (PDX) now choose EUG, keeping economic activity within our region.
- **Strategic Link:** This is essential infrastructure for the Southern Willamette Valley Innovation Corridor (SWVIC).



THE INVESTMENT: A UNIFIED FUNDING STRATEGY

To complete this phase, the City of Eugene is seeking \$3 million in FY27 Congressionally Directed Spending. This request is part of a diversified funding model including:

- **Federal:** FAA Airport Improvement Program and IIJA Grants.
- **State:** Connect Oregon and the Oregon Department of Aviation.
- **Local:** Airport revenues and future Passenger Facility Charge-backed bonds.



This blended approach ensures responsible stewardship of public resources while investing in infrastructure that fuels long-term regional prosperity. By modernizing EUG, we are ensuring our gateway matches our ambition—connecting Oregon to the world.



CROW ROAD INFRASTRUCTURE EXTENSION

DRIVING EUGENE'S ECONOMIC GROWTH AND FUTURE HOUSING SUPPLY

The City of Eugene is supporting long-term economic development and working to fill Eugene's housing gap by advancing the Crow Road Infrastructure Extension. With \$6 million in state funding secured in 2024—plus an additional \$11.2 million in City investment—the project removes key infrastructure barriers that have limited development in this strategically important west Eugene area.

By extending water and wastewater service, the City is creating conditions for at least an estimated **1,236 potential new housing units** and over **850 jobs** across adjacent commercial and industrial properties. This work supports the City's broader innovation economy strategy: ensuring workers can find homes in Eugene and build strong, connected communities.



*estimated 1,236 potential
new housing units*



over 850 jobs



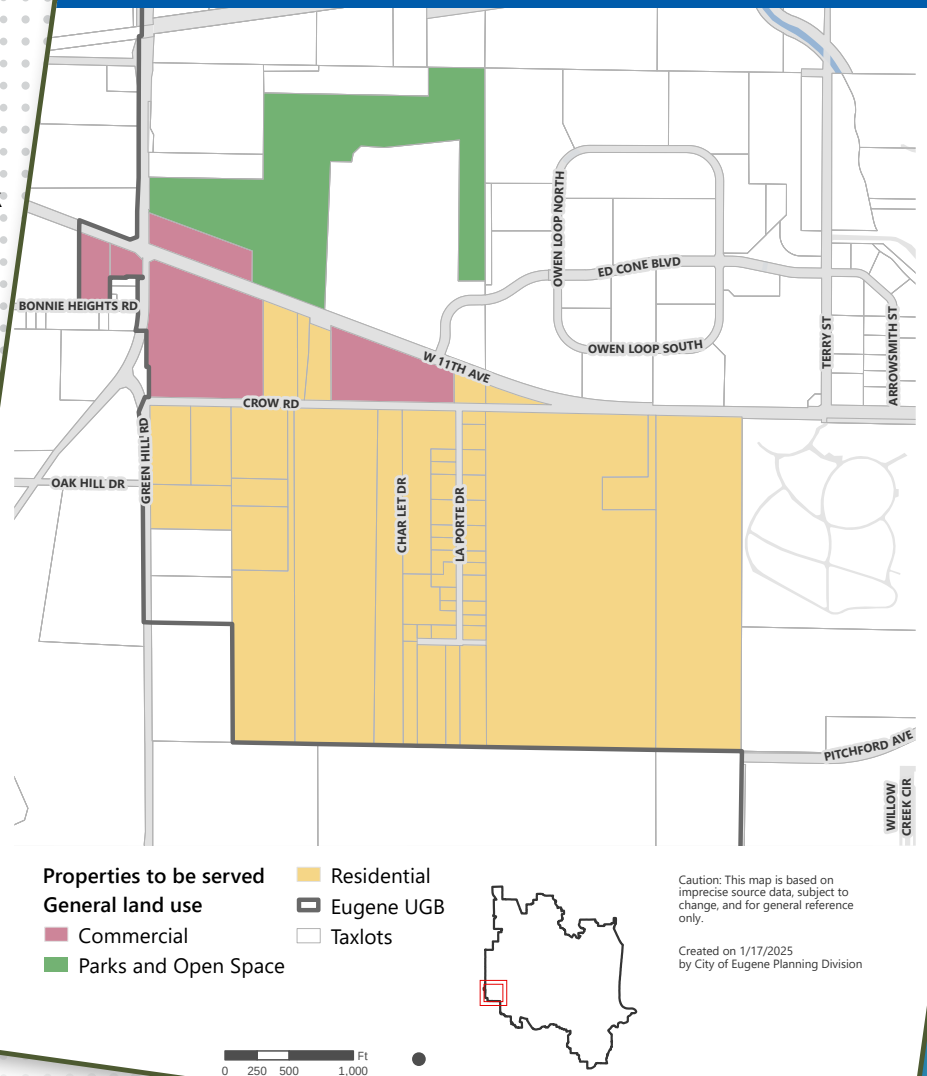
PROJECT PROGRESS AND TIMELINE

City staff moved quickly to prepare the project for construction, which will break ground in 2026 and proceed in phases over two years.

Planned Improvements Include:

- Extension of water and wastewater service
- Widening Crow Road to add pedestrian and bicycle shoulders
- Safety upgrades to the W 11th Avenue/Crow Road intersection
- Culvert improvements to support fish passage and healthier waterways

PROJECT AREA



These enhancements make the area more development ready, improving both market attractiveness and long-term livability.

POSITIONING THE AREA FOR FUTURE GROWTH

To support expedited, cost effective development, the City annexed the right of way along Crow Road, W 11th Avenue and portions of other adjacent streets, giving nearby property owners a clear path to connect to services and advance future development. Many private property owners opted into the annexation effort, demonstrating strong local momentum for growth.

For more information contact:

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TRAINSONG PARK SOIL REMEDIATION

2026 PROJECT UPDATE

Trainsong Park is a five-acre neighborhood park serving the Trainsong Neighborhood located in northwest Eugene in an area that is home to some of the poorest residents in the city or state. Historically this neighborhood has suffered significant impacts of environmental pollution from surrounding industrial properties including the now shuttered Baxter wood preserving plant.

In January of 2022 the City of Eugene closed Trainsong Park to the surrounding neighborhood following the discovery of high levels of dioxin contaminated soils in the park. After consultation with the Oregon DEQ, the City was able to re-open some areas of the park, however significant portions of the site remain fenced off to the public.



In June 2023 the City received additional site information from the Oregon DEQ and immediately hired an environmental engineer to assist with next steps. With consultant assistance, and no source information about the contamination, the City received a \$1.56 million federal EPA Region 10 Brownfields Grant to remediate the site in June of 2024. The City is also enrolled in the Oregon DEQ's Voluntary Cleanup program to allow for DEQ oversight throughout the project.

Since the award of the project, the City completed a project work plan, hired an environmental consultant, completed an archeological survey, and embarked upon wetland delineation and fill permits. Additional soil depth testing was completed in January of this year to inform the final remedial design. Remediation construction is expected to be completed this summer with the removal and replacement of contaminated soil with clean soil.

Community engagement on the project will commence this spring and include the opportunity for neighbors to weigh in on Bond-funded park renovations scheduled for 2027.

For more information, please visit the Trainsong Park Soil Cleanup project website by scanning the QR code or visit engage.eugene-or.gov/trainsong-park. You can also contact Emily Proudfoot, Principal Landscape Architect at the City of Eugene by email at eproudfoot@eugene-or.gov.



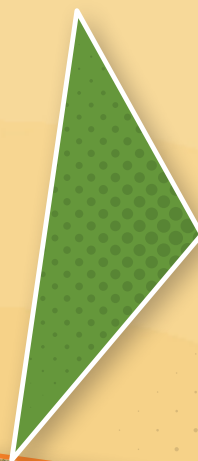
Scan to visit
project page



HAZARDOUS FUEL REDUCTIONS

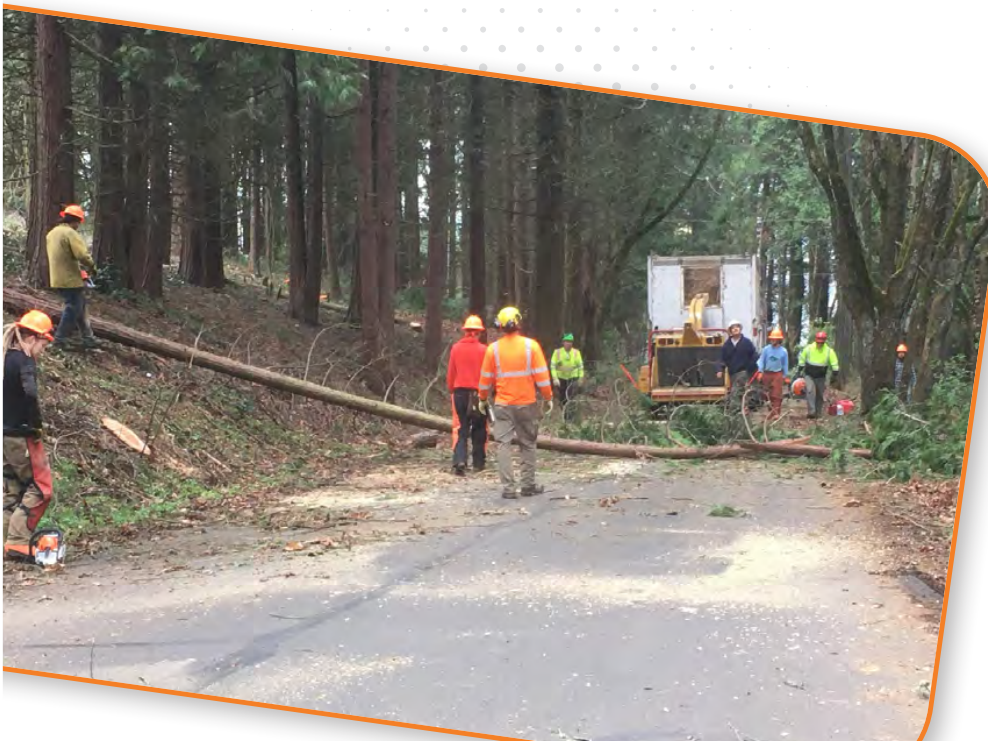
PARKS AND OPEN SPACE WORKING TO IMPROVE RESILIENCY TO WILDFIRE IN NATURAL AREAS

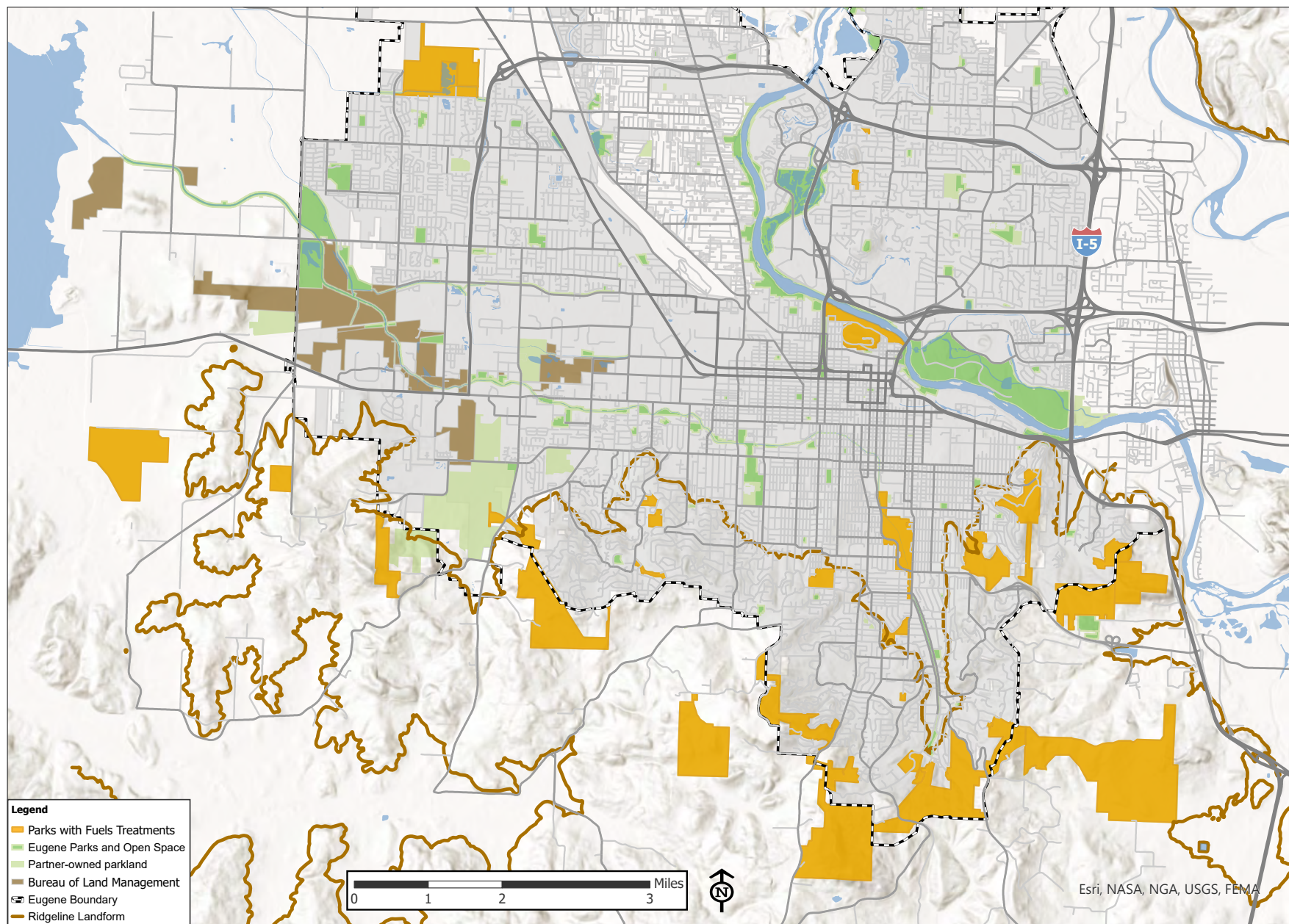
The Eugene Parks and Open Space Division has been actively working since October 2023 to remove vegetation from natural areas to reduce fuel loads on parkland in the wildland-urban interface. Eugene's natural area parklands encircle the City and connect to other protected lands, acting as buffers to more developed areas in our community. The landscape position of Eugene's Ridgeline Park System, some Neighborhood Natural Area parks, and the West Eugene Wetlands makes them an important link in achieving community-level wildfire risk reduction goals and improving wildfire resiliency.



Projects underway during this round of fuels reduction work focus on removing ladder fuels, maintaining fuel breaks, and improving safe access into natural areas for wildfire responders. Ladder fuels are vegetation in the form of shrubs and small trees that create continuity between the ground layer and the tree canopy. Vegetation creating fuel ladders has been removed by either clearing heavily overgrown areas with a small machine that shreds the unwanted plants, or skilled forestry crews using chainsaws and brush blenders to install 50-foot shaded fuel breaks along boundaries between parks and neighboring residential areas. Fuel breaks in our largest grassland parks are being maintained by mowing along park edges and in some cases mowing entire prairies to remove dense thatch and small woody vegetation, and Parks staff mow fuel breaks in many natural area parks annually. Access for first responders has been improved through clearing overgrown vegetation and storm debris from road systems that could be used by fire crews or brush engines in the event of a wildfire. Staff ecologists help plan the projects and nearly all of this wildfire resiliency work also helps improve habitat quality by removing of invasive species, releasing native trees from competition, and removing dense vegetation that is displacing more delicate native wildflowers and grasses.

Parks' current fuels reduction efforts are funded with \$320,000 from the U.S. Bureau of Land Management's Community Wildfire Assistance Program and \$26,000 from the Oregon Department of Forestry. Projects underway build on similar work funded by BLM from 2015-2023. To date over 1,300 acres of natural area at 25 natural area parks have received at least one round of fuels reduction actions, with some receiving multiple rounds of work.





Eugene Parks with Fuels Reduction Treatments 2007-2026
29 Natural Area Parks and 1,350 Footprint Acres Treated





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**UNITED FRONT
WASHINGTON, DC FLY-IN NOTES
APRIL 20–23, 2026**

Monday, April 20

State of Oregon Federal Affairs

Staff: Annie McColaugh, Director

- Mayor Knudson discussed the Southern Willamette Innovation District (SWID), expansion of Eugene airport, Clear Lake Industrial site.
- Housing remains a top priority, and Eugene is excited to have a development that will bring over 1200 new homes.
- Lane County is focused on housing, wastewater treatment, pipelines, and septic systems. Interested in driving timber growth and would like the timber numbers out of the federal government to grow. Still hurting from losing out on the \$19.5 M Community Change funding that would have brought resiliency projects to the region. They are targeting a \$1.5 M Brownfields grant.
- Everyone was supportive of the Southern Willamette Innovation Corridor.
- Springfield's top priority is the 42nd St. levee - continues to erode, and the CAP funding has been paused by the USACE. Significant predevelopment/land acquisition work on the Meckenzie River has been done in the Glenwood area.
- LTD discussed the success of their apprenticeship program. Bus operators get teamed up with students. It is an 18-month program. LTD signed the agreement for the \$5.2 M ATTAIN grant where they will partner with the Bethel school district.
- Invited Annie out to the bus rodeo.
- Willamalane discussed the upgrades to the respite center and the AG memo that could make terms and conditions of federal grants impossible to agree to as an organization.

Tuesday, April 21

Senator Jeff Merkley

Staff: Meredith Booker, Hanna Sweet, Ausan Al-Eryani

- Commissioner Loveall opened with a broad overview of regional priorities and emphasized coordination across United Front partners and jurisdictions. He mentioned SRS, issues with disaster declarations, and mental health challenges within the County. Aging water infrastructure including wastewater line requests. Increased timber revenue is helpful.
- Mayor Knudson emphasized infrastructure (Southern Willamette Valley Innovation Corridor, Eugene airport expansion (\$317 million project critically needed), Clear Lake Road development, housing supply (1200 new homes), and economic development needs across Lane County, highlighting the importance of sustained federal partnership.
- Kiersten highlighted ongoing challenges with federal funding alignment, including timing and coordination across programs, and emphasized the need for continued federal support for economic development initiatives. The big push by Willamalane is the respite center which received funding from Rep. Hoyle under CPF.
- Susan discussed transit priorities, including funding needs, system sustainability, and workforce challenges impacting operations. LTD mentioned the importance of



funding in the next surface bill for bus and bus facilities (\$2.2 B). Signed the ATTAIN grant after DOT review. Apprenticeship program is important to LTD as is bikeshare growth.

- Allie raised Springfield-specific priorities and connected local public safety needs with infrastructure and community investment. The radio project was critical. Big concerns with levy funding being paused and asking help from political leaders. Springfield feels good about the Glenwood economic development area that has been 20 years in the making.
- Strong emphasis placed on the importance of continued federal support for infrastructure investment and regional economic development efforts.

U.S. Environmental Protection Agency

Staff: Arnita Hannon Christmon; Paul Angelini; Addison Chow (Water Finance); Emily Eisenhower; Amy Storm (Brownfields); Margaretta Olson (Region 10); Debra Sherman (Region 10)

- Commissioner Loveall highlighted wastewater infrastructure needs in County and noted surrounding septic systems are saturated, creating pressure for expanded sewer and water infrastructure. New housing prohibited as infrastructure cannot support.
- Mayor Knudson emphasized the success of brownfield redevelopment projects to date and highlighted opportunities along the riverfront and in downtown areas for continued revitalization.
- Allie discussed the Glenwood redevelopment site (~21 acres), noting that prior brownfield funding has helped move the project forward, but additional infrastructure investment is still needed.
- EPA staff outlined that brownfield grants are available annually for both site assessment and cleanup activities.
- Job training NOFO expected in June, with an additional round of brownfield funding anticipated in the Fall cycle.
- Technical assistance available through land revitalization programs and community support tools was highlighted as an important resource.
- “Recovering America’s Land” program discussed as a tool to support redevelopment tied to renewable energy reuse.
- Wastewater infrastructure identified as a primary constraint on continued growth and redevelopment.
- Brownfield funding seen as highly effective but currently oversubscribed relative to demand.

Representative Val Hoyle

Staff: Karmen Fore, Sean Higgins, Olivia Wilhite, David Martinez, Edward Do, Valeria Metzgen, Chidiebere Nwankpa

- Mayor Knudson led with regional priorities, emphasizing economic development needs, and highlighting the importance of the Eugene Airport expansion.
- Commissioner Loveall reinforced the need for infrastructure investment and workforce development to support long-term growth. He also mentioned the



importance of more timber harvest. Steve also mentioned the issues with the PROTECT grant.

- Allie raised priorities, including Glenwood redevelopment and related infrastructure needs. Allie emphasized the concerns with the pausing of Army Corps money for the 42nd Street Levy project.
- Kiersten highlighted ongoing challenges coordinating federal funding streams and aligning timelines across programs. She was very thankful that the Congresswoman put forward the respite center as a key priority.
- Susan discussed transit priorities, including workforce and system sustainability issues.
- Office expressed strong support for regional priorities and emphasized willingness to continue coordination and engagement.
- Key projects discussed included the Eugene Airport expansion, Clear Lake industrial site (~650 acres), and housing development (~1,200 units near the airport).
- LTD suggested Rep. Hoyle trip to Florence.
- Discussed putting federal lands into trusts so they are not managed by lawsuits. Some conversation around tribal co-management bills.
- The Southern Willamette Innovation Corridor was discussed as a unifying priority.
- Rep. Hoyle commented on health care in the region following Peace Health/PE Apollo Group issue. Concern health care will be worse.
- Mention of housing as a big ask for FY28 CPF process.

Economic Development Administration (EDA)

Staff: Rob McLeod, Director of Intergovernmental Affairs, Daria Daniels, Congressional Affairs Specialist

Meeting began with EDA discussing Investing in Manufacturing Communities Partnership/Oregon-Washington Manufacturing Partnership (PNCP), a regional program focused on Advanced Wood Manufacturing and Biotech Development.

- Ethan noted the tie in with the Southern Willamette Valley Innovation Corridor and participants, noting the opportunity to grow a new economic base including research and technology.
- Ethan discussed Clear Lake Road – the City brought 650 acres into the Urban Growth Boundary. The current need is infrastructure funding to build out the site. Once infrastructure is complete the site will attract large businesses and create thousands of jobs.
- Also tied in the proximity of the site with Eugene Airport and the need for expansion. Noted Representative Hoyle's Community Project Funding request, yet significant additional funding is needed. Making an investment in airport expansion would create \$3 billion in economic development. Noted that the success of the Port of Coos Bay project depends on improved and expanded infrastructure, with the airport being a vital link.
- Ethan discussed Crow Road housing development, which is creating over 1000 mixed-income workforce housing, the first of its kind in downtown Eugene. It is critical to



address Eugene's housing shortage. Developing mixed-income housing will ensure that workforce and jobs remain in the city.

- Ethan explained the need for disaster assistance funding to be flexible, not only addressing disasters but also funding resiliency.
 - Daria noted EDA can help with capacity building and technical assistance.
- Chelsea discussed the Glenwood development project: Franklin Boulevard portion is near completion. To unlock full potential of recreation and economic development significant infrastructure improvements at the site are needed. Return on investment is high, and need is critical. Without development, number of jobs could decrease.
 - Daria suggested the City reach out to Idaho/Oregon/Washington Economic Development Representative (based in Portland): jcochran@eda.gov

White House Intergovernmental Affairs

Staff: Jared Bord, Deputy Director & Special Assistant to the President; Katherine Kaye, Associate Director

- Commissioner Loveall led with a summary of regional economic development priorities and ongoing federal engagement. Big focus on timber harvest and managing wildfires. FEMA Pre-Implementation Compliance Measures Resources have not moved since the government shutdown last year. Brought up the PROTECT program being stuck at DOT.
 - White House offered to help.
- Mayor Knudson highlighted infrastructure investment needs, housing supply challenges, and job creation opportunities across the region. Expanding the airport is a critical project for Eugene. Mentioned the Crow Road area.
- Allie raised Springfield redevelopment efforts and emphasized local impacts of federal programs. Discussed the USACE levy funding issue. WH said they would investigate it if we sent them more info. Allie also talked about economic development around wood products (X bean, Rosboro) and discussed Glenwood development.
- Kiersten discussed challenges with federal funding coordination and alignment across agencies. Mentioned the earmark for the respite center.
- White House staff focused on aligning federal programs with local needs and ensuring coordination across agencies. They also talked about CEQ and permitting reform.
- Discussion included infrastructure investment, housing supply, wildfire mitigation, and economic development outside of the Portland metro area.
- Strong emphasis placed on improving federal-local coordination and ensuring regional projects are well-positioned for support.

Wednesday, April 22

U.S. Forest Service

Staff: John Crockett – Deputy Chief of State, Private and Tribal Forestry
Jackie Buchanan – Region 6 Regional Forester (virtual)

- Commissioner Loveall began the meeting thanking John and asked about the recently announced USFS reorganization.
- John noted the reorganization is tough but needed.



- USFS directed to reduced footprint in DC, move headquarters to Salt Lake. There will still be a DC presence for federal/congressional affairs.
- Phasing out all USFS regions to reduce redundancy and will move to state-based and operations model. Oregon state director will be located in Salem. USFS will have operations services centers throughout the country: <https://www.fs.usda.gov/sites/default/files/organizational-realignment-factsheet.pdf>
- USFS will consolidate, not terminate USFS research and development. Noted a \$3 billion operations & management facility maintenance backlog at the 120 locations. Forest Products Lab, Fire Science lab, and experimental forests will be retained.
- Federal employee impacts: there are 30,000 USFS employees. 6,000 will receive “notification letters.” John did not elaborate but assume those are termination notifications. Five hundred employees have the opportunity to move to Ft. Collins. Forest Supervisors and District Rangers will remain in their locations.
- State director model: State directors will have staff of eight and have ability to structure staff based on state needs. For example, a state with strong Tribal presence could have employee that focuses solely on Tribal issues.
- Operations Service Centers will be stood up around the Country. Centers will be responsible for shared administrative and technical roles.
- Mayor Knudson shared examples of Eugene work – hazards fuels reduction in parks and open spaces since 2023, removing fuels from natural areas and WUI. 2020 Holiday Farm fire proved risk of wildfire in WUI. Mitigating risk and protecting community is a priority. Work has been funded by BLM and OR Dept of forestry. 1300 acres treated to date.
- Mayor explained the SWIC and how it is central to connecting to wood products industry & advanced manufacturing innovation.
 - Research institutions, businesses, cities, formed SWIC modeled on NC Research Triangle. It will strengthen the region’s capacity and leverage it to become an economic center in SW Willamette valley. Life sciences, wood products, and advanced manufacturing are central components.
- Allie touched on Springfield’s long-term, strong timber economy. Wood polymer manufacturing, cross-laminated timber (CLT), briquet production, etc., align with USFS active forest management priorities and provide jobs.
- Noted Rosboro’s investment in CLT facility to provide the X beam. Rosboro is the nation’s top producer of CLT.
- Mentioned Timberlab which makes CLT panels – another business which helps the region’s timber economy.
- Kiersten discussed Willamalane’s hazard mitigation work. Willamalane manages 1300 acres and wants to proactively perform hazard mitigation/fuel reduction system wide. Currently performing work at specific sites and would like to do work more holistically, to protect the whole community.
 - Also noted the Thurston Hills natural areas and the goal to provide more recreation and reduce fuel load and increase harvest.



- Steve discussed stewardship agreements and using the Wyden Amendment to keep funds within watersheds to assist the County's fire mitigation work. County has been following advice. Noted the region expects a bad fire season as snowpack is 5%.
- John discussed State, Private, and Tribal grants opportunities. Wood Innovation Grant application closes today. Expect a NOFO for Community Wildfire Defense Grants in the fall.
- Jackie relayed timber harvest targets:
 - Oregon/Region 6 has been recognized for its increased pace and scale of fuel reduction and timber harvest; R6 is working closely with timber industry to make harvest targets. R6 is leading USFS timber harvests region. To date, 54% of timber harvest goal made, and only halfway through the year. The goal is to increase harvest each year. Last year R6 produced 563mmmbf, 602 predicted this year. 2028 goal is 900mmmbf. R6 produces approximately one-third to one-quarter of USFS nationwide harvest target.
 - Willamette National Forest has been tasked to increase harvest by 25% and has exceeded goal.
- John said NEPA efficiency rule recently became final. Any Environmental Assessments (EA) must be completed within a year, Environmental Impact Statement (EIS) within two. Can take advantage of new categorical exclusions (CE). USFS can now use USDA CEs – previously had their own which were more limited.
- Steve asked about the NW Forest Plan revision. John noted it continues. Expects EIS will be completed by late 2027. USFS engages tribes & industry monthly.
- Kiersten inquired about grant opportunities. John noted any NOFO must be approved by USFS, Interior, White House & OMB. This was occurring before reorganization.
- Mayor Knudson asked how USFS sees State Director structure affecting mid-size metro areas. Noted that Portland gets a lot of attention/resources.
 - John: State Director will build out and integrate USFS functions – unclear what structure Oregon will take.
 - Cities like Eugene will still have relationships with Forest Supervisors and District Rangers and should communicate with them first. Bump up to state director if needed.
 - Jackie agreed; it will take time to complete reorganization. Remain committed to collaborating with communities on active management and fire response.

Bureau of Land Management

Staff: Acting Director William "Bill" Groffy

- Commissioner Loveall began the meeting, noted timber production is an economic driver for the County.
 - Appreciated the recent increase in the O&C timber receipts formula and noted that SRS receipts fluctuate. Director noted BLM would prefer to use timber receipts vs. SRS.
 - Good Neighbor Authority (GNA): Director noted BLM would like expanded GNA. USFS can use 10-yr GNA agreements, BLM is working towards that.
 - Noted that the One Big Beautiful bill (OBBB) changed long-term GNA contract receipts go to the Treasury vs. to the counties as they did before.



- Discussed the Holiday Farm fire, and how timber management is one of the County's highest priorities. Director noted that significant number of trees cannot be salvaged because they were burned, and that BLM has proposed a new categorial exclusions to salvage up to 5000 acres and to expand thinning. <https://eplanning.blm.gov/Project-Home/?id=228df480-512f-f111-8341-001dd8029ed0>
- Allie discussed the Rosboro expansion and the company being the national leader in advanced wood products.
 - Director noted housing affordability is a White House priority, and domestic wood manufacturing is a way to drive down housing costs.
- Allie highlighted the new Timberlab facility that will produce cross-laminated timber which can replace steel and better fire resistance, etc.
 - Director noted steel tariffs and the benefit of using CLT in its place.
- Allie noted the facility is welcome to host tours.
- Kiersten discussed the Pedal Power project.
- Michael provided background on the project. Asked about a land swap to allow the project to move forward.
 - Director asked of Willamalane would own.
 - Micheal noted Willamalane would partner with BLM.
 - Director noted BLM is reviewing property inventory close to populations and committed to talk with BLM Oregon.
 - Kiersten asked about inventory closer to population centers.
 - Director noted BLM is reviewing – “agency is good at multiple use, but not good at bike trails” and might be better to dispose of those types of properties.
- Ethan discussed the City's hazardous fuel reduction efforts and thanked BLM for their partnership working in the WUI and with Parks & Open Space team, and highlighted jobs training working on fire mitigation Youth Corps
- Ethan noted the Emerald Ash Borer has made its way to Oregon. Ash is native and prolific throughout region and will need increased fuel reduction on dead and dying trees.
 - Director – doing a lot of activities to reduce fuel loads, meet with contracting team weekly fuel treatments are the easiest ones to approve.
 - Director also highlighted youth jobs. Wants to expand the number of organizations BLM contracts with.
- Kiersten inquired about new grant opportunities.
 - Director noted no new programs.
- Commissioner inquired about O&C harvest levels.
 - Director noted current Resource Management Plan (RMP) is not being utilized to maximum effect. Could be up to 500mmbf, currently harvesting 270mmbf. Looking to revise the RMP so it sustains legal challenges, and a company/community can rely on a sustained base load.

Department of Transportation, Office of the Secretary for Policy

Staff: Michael Giordano, Senior Advisor



- Discussed the expansion of the Eugene Airport. New terminal C. Michael asked about a control tower because of funding for control towers.
- Mike said support for BUILD should come in ASAP.
- Discussed the issues around an old RAISE program with local match.
- LTD discussed the operations center and work done with front line employees.
- Mike mentioned that many FTA NOFOs will be released soon. Said it was important to be family friendly in projects. LTD thanked Mike for his time and discussed the ATTAIN grant.
- Brought up the PROTECT grant.
- Springfield noted manufacturing and Glenwood redevelopment.
- Mike asked for one email to discuss issues around PROTECT and RAISE funding/projects.

Federal Highway Administration

Staff: Zan Guendert and Parker Edwards

- Mayor Knudson discussed the Southern Willamette Valley Innovation Corridor that would bring in HWY 126 and Franklin Boulevard. Mentioned the issues with the RAISE project and the local match and asked if there was an appeal process for the local match issue.
- Commissioner Loveall discussed the 30th Avenue growth BUILD project and the paused funds for the PROTECT grant.
- LTD noted the ATTAIN was reviewed and approved.
- Chelsea discussed OR 225/ Lane County South and the progress that has been made in Glenwood.
- SS4A is currently open and worth examining as an opportunity. Eugene is looking at a first/last mile safety project under SS4A.
- Zan and Parker mentioned that the Oregon FHWA Division does a good job. The group agreed.

U.S. Department of Justice – COPS Office

Staff: Shannon Long, Assistant Director

- Allie led with public safety priorities and outlined key community needs and challenges.
- Vanessa and Brooke raised local implementation challenges, particularly related to staffing and program delivery.
- DOJ staff discussed COPS hiring programs and grant opportunities available to support local law enforcement agencies.
- Mental health co-response models highlighted as a growing focus area, along with officer wellness and support programs.
- Technology needs discussed, including body cameras, long-term storage, and broader data system requirements.
- Local challenges include officer shortages, increased demand for mental health response, and rising technology-related costs.



- Mental health integration identified as a central component of modern public safety strategies.

Senator Ron Wyden

Staff: Geneva Wolfe (housing & community development), Naod Analem (health, labor), others

- Mayor Knudson led with regional priorities, emphasizing infrastructure and economic development. She mentioned Innovation Corridor, airport expansion, Clear Lake Road area and housing.
- Steve highlighted infrastructure and forestry-related issues impacting the region. Steve also went into the mobile crisis innovation work in the county. The stabilization center is under construction. Discussed wastewater priorities.
- Allie raised Springfield priorities and local project needs: 42nd Street levee, Glenwood development.
- Kiersten discussed challenges with federal funding coordination and program alignment. She emphasized how important the respite center funding is to the park and rec district as this was funded out of an EPA grant, but that money was clawed back. Rep. Hoyle requested it as one of her CPF requests.
- Susan highlighted transit priorities and system needs. Talked about the ATTAIN grant.
- Discussion included infrastructure investment, housing supply, transit funding, and public safety considerations.
- Strong engagement from Senate office, with broad alignment on regional priorities and needs.
- Sen. Wyden specifically talked about SRS, work being done on mental health in the region, and the CAHOOTS program.

Thursday, April 23

U.S. Department of Health and Human Services (HHS)

Staff: Lee Stevens; Ryan Kimmell; Betsy Wicand

- Mayor Knudson led with healthcare access challenges and broader regional needs.
- Steve highlighted primary care access issues, particularly in underserved areas.
- Allie discussed behavioral health challenges and impacts on local communities.
- HHS staff discussed behavioral health programs and broader funding opportunities.
- Ambulance reimbursement rates identified as insufficient, with approximately 80% of patients covered by Medicare/Medicaid.
- Workforce shortages continue to impact healthcare delivery, particularly in behavioral health services.
- SAMHSA best practices and the Springfield Smart Court program highlighted as examples of effective approaches.
- Rural healthcare systems identified as under strain, with behavioral health emerging as a top regional priority.