

SB 6 -3 STAFF MEASURE SUMMARY

Senate Committee On Housing and Development

Prepared By: Kaia Maclaren, LPRO Analyst

Meeting Dates: 3/17, 4/7

WHAT THE MEASURE DOES:

The measure requires that any agency or official responsible for administering and enforcing the state building code make a decision to approve or deny any application for a building permit within 45 days of receipt of a complete application.

Detailed Summary:

Requires that the issuing authority—the Department of Consumer and Business Services, a municipality, a building official or any other agency or official responsible for administering and enforcing the state building code—make a decision to approve or deny any application for a building permit within 45 days of receipt of a complete application. Provides that if a decision on a building application is not reached within 45 days, the application will be considered approved, and the issuing authority shall issue the building permit promptly. Makes the issuing authority liable to the applicant for the sum of the application fee and the documented expenses incurred in preparing the application if the issuing authority does not promptly issue the building permit after failing to reach a decision on the application within 45 days. Applies to completed applications for building permits submitted after the effective date of the measure.

Fiscal impact: May have fiscal impact, but no statement yet issued.

Revenue impact: May have revenue impact, but no statement yet issued.

ISSUES DISCUSSED:

- Oregon Housing Production Accountability Office (HAPO) goals
- Recommendations of the Governor's Housing Production Advisory Board
- Current building permit issuing timeline, and variations across locations
- State-required application steps

EFFECT OF AMENDMENT:

-3 Limits the requirements of the bill to building permit applications for middle housing and single-family residences in a residential subdivision of more than six lots.

Requires the issuing authority to publish on their publicly-available website associated with building permit applications, and make available in the office where one would apply for a building permit, the criteria with which the authority determines if an application is complete.

Requires that, if another agency or jurisdiction must review an application before the issuing authority deems it complete, that other agency or jurisdiction must complete the review within 10 business days of receiving the application for review. States that, if the review is not completed within 10 business days of receipt, the portion of the application under review is deemed approved.

Removes the liability of the issuing authority to the applicant the sum of the application fee and the documented expenses incurred in preparing the application if the issuing authority does not promptly issue the building permit after failing to reach a decision on the application within 45 days; instead, states that if the issuing authority does not promptly issue a building permit after failing to act within the prescribed 45-business-day period, the

application may obtain from the appropriate circuit court:

- an injunction to direct the issuing authority to issue the building permit; and
- the sum the applicant paid for the application and the actual documented expenses the applicant incurred in preparing the application.

Allows the circuit court to award attorney fees and costs to an applicant that prevails in such an action.

BACKGROUND:

Oregon law requires developers to obtain building permits from local building departments for a range of installations, alterations, and construction performed on residential structures to ensure that the work meets minimum standards for safe construction. Permits are required for all new construction as well as for specific alterations to existing homes, which include structural, plumbing, mechanical and electrical changes. The person performing the work, whether it is a homeowner or contractor, is responsible for obtaining all necessary permits. Oregon Law does not currently define a limit on the length of time an agency or official may consider a building permit before issuing a decision. Statute ([ORS 455.050, 2023](#)) states minimum information that must be present on an application, including name and address of the owner and address or tax lot on which the work will be performed, and the rest is determined by Department of Consumer and Business Services [Building Codes Division](#) rules and local (city or county) building departments.

[“Middle housing”](#) is a housing type that includes duplexes, triplexes, quadplexes, cottage clusters, and townhouses, but not large apartment complexes. In 2019, the Legislative Assembly enacted [House Bill 2001](#), which sought to increase the availability of housing by encouraging middle housing, and defined it in Oregon law ([ORS 197A.420, 2023](#)). A residential subdivision, as defined by [ORS 455.175 \(2023\)](#), is a development that requires a developer or landowner to subdivide land in order to build and sell residential dwelling-units.