



## 2026 Short Session Legislative Report

### A Successful Legislative Session

## OHBA Goes 4 for 4

Four priority bills passed · One bill successfully amended · Several bad bills killed ·

4

Priority bills passed

1

Successfully amended

35

Day session

### From the Board President

*"The results of this session are a testament to the dedication and talent of our staff, our Government Affairs Committee, and every member who has invested in this association. Because of their hard work, Oregon is genuinely closer to solving its housing crisis. I am proud of what we accomplished together, and I look forward to what the future holds for housing in this state."*

Mike Riddle, Board President — Oregon Home Builders Association

## Letter from the Government Affairs Chair

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**Kelly Ritz, Government Affairs Chair — March 2026**

Dear OHBA Members,

I have been involved in advocacy for this industry for a long time, and I can say without hesitation that the 2026 short session was one of the most productive legislative moments I have witnessed. Every bill we identified as a priority passed. That is not a common outcome in any legislative session, let alone a compressed 35-day sprint, and it did not happen by accident.

It happened because of the people behind this work. Our OHBA staff showed up every single day with preparation, professionalism, and genuine commitment to this industry. They built the relationships, crafted the arguments, and navigated a complex political environment with skill and persistence. I am deeply grateful for everything they brought to this session.

I also want to recognize our Government Affairs Committee. Their engagement, guidance, and dedication to the cause of creating housing for Oregonians gave this effort its foundation. Advocacy of this quality requires people who are willing to show up consistently, provide real-world perspective, and stay the course even when progress is slow. Our GA Committee does exactly that, and the outcomes of this session reflect their hard work directly.

The changes we secured from fixing the UGB expansion tool to protecting contractors from procedural delays to clearing the path for disaster rebuilds will have real, lasting impacts on Oregon families and on the businesses that build homes for them. We moved the needle on a land use system that has been treated as untouchable for 50 years. That is something to be proud of.

This is not a moment to slow down. The window we have worked so hard to open will not stay open indefinitely. Let's make the most of it together.

With gratitude and optimism,

**Kelly Ritz, Government Affairs Chair, Oregon Home Builders Association**

## Session Overview

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The 2026 short session arrived under a cloud of fiscal uncertainty, with Oregon facing a projected budget shortfall of nearly \$1 billion. The picture shifted when a stronger than expected March revenue forecast added \$252 million in available resources. Combined with savings generated through Senate Bill 1507 a measure that passed, though not without controversy the Legislature moved from survival mode to opportunity mode.

## Session context at a glance

**\$252M**

Added by the March revenue forecast

**\$300M**

Saved through SB 1507 (passed amid controversy)

**~50 yrs**

Age of Oregon's land use system, openly questioned this session for the first time

**4 yrs**

Estimated window before housing urgency fades

## The Shift Nobody Expected

For decades, Oregon's land use planning system has been treated as essentially untouchable. This session, legislators openly questioned whether a 50-year-old framework still serves today's housing needs. Groups that have historically opposed housing legislation moved to a neutral position on three of OHBA's priority bills. It is a window, not a permanent victory and it is the direct result of years of sustained, strategic advocacy by this association and its members.

*"Every single bill we prioritized this session passed. That is not normal. That is the result of years of groundwork, strong coalition building, and a changing political environment."*

Jodi Hack, CEO — Oregon Home Builders Association

## Legislative Wins — All Four Priority Bills Passed

### PRIORITY BILLS

#### **HB 4035 — Fixing the UGB Expansion Tool**

PASSED

In 2024, the Legislature passed a one-time Urban Growth Boundary expansion tool. In theory it was a breakthrough. In practice, almost no city could actually use it, the qualifying triggers were too restrictive, the acreage limits too small.

HB 4035 fixes that. The bill expands the eligible acreage from 100 to 150 buildable acres, broadens the land definition beyond residential-only, and removes unrealistic qualification triggers like “severely rent burdened” status. The 30% affordability requirement remains intact.

The practical outcome: cities can now actually build complete neighborhoods with housing, parks, childcare, and small-scale retail instead of being hamstrung by a tool designed more for optics than function. A late session amendment also created an expedited UGB expansion pathway specifically for the City of Woodburn to develop farmworker housing.

<https://olis.oregonlegislature.gov/liz/2026R1/Downloads/MeasureDocument/HB4035>

## **HB 4037 — The Anti-NIMBY Omnibus Bill**

PASSED

This is the session's headline legislation for builders. At its core, HB 4037 protects the right to build housing where it is already planned - what OHBA has been calling a "Right to Housing" framework.

Key provisions include:

- Limiting required neighbor notice to 100 feet (500 feet for larger developments)
- Eliminating required public hearings for housing subject to clear and objective criteria
- Restricting who can appeal - only the applicant and limiting appeals to LUBA
- Preventing "citizen involvement" processes from being weaponized as delay tactics

For contractors, this bill means fewer project delays driven by procedural abuse. It means that when land is zoned for housing and a project meets code, the process moves forward rather than being buried in appeals.

<https://olis.oregonlegislature.gov/liz/2026R1/Downloads/MeasureDocument/HB4037>

## **SB 1561 — Disaster Rebuild Pathway**

PASSED

When families lose their homes to wildfire, flood, or other natural disasters, the last thing they should face is a land use gauntlet. SB 1561 creates a clear, expedited approval pathway for rebuilding homes lost to disasters, removing unnecessary regulatory barriers so families can get back into homes faster. For builders and contractors who respond to disaster recovery work, this bill means a more workable regulatory environment at the moments when families need action most.

<https://olis.oregonlegislature.gov/liz/2026R1/Downloads/MeasureDocument/SB1561>

## **HB 4082 — Attainable Housing UGB Expansion**

PASSED

This bill takes a practical, no-nonsense approach to UGB expansion by removing complicated "needs trigger" requirements. Cities and Metro can add up to 100 buildable acres to their urban growth boundaries specifically for manufactured housing, prefabricated structures, or 55-plus communities affordable to households at or below 120% of area median income. For the 55-plus option 80% must be for 55-plus at 120% AMI and 20% can be whatever the market drives.

The focus here is speed, flexibility, and realistic housing types that the market can deliver at scale. For manufactured housing installers, prefab builders, and contractors serving the growing 55-plus housing segment, this bill opens meaningful new opportunities.

<https://olis.oregonlegislature.gov/liz/2026R1/Downloads/MeasureDocument/HB4082>

## BONUS WIN

### Governor's PLA Executive Order — Blocked

#### WIN

A court ruled the Governor's Project Labor Agreement executive order unconstitutional. This protects every HBA member who competes for public projects and is a direct result of OHBA's sustained legal and advocacy efforts on behalf of its members. No OHBA member should be shut out of public work because of a politically driven mandate — and now they won't be.

## Successfully Amended

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### HB 4089 — Wage Theft Legislation - AMENDED

HB 4089 began the session as a serious threat to licensed contractors. The original version included Class C felony exposure that could have ensnared legitimate contractors for the actions of unlicensed labor brokers they didn't knowingly hire.

OHBA fought for critical amendments and won. The final version reduces the top charge to a Class A misdemeanor, requires that a contractor must knowingly hire an unlicensed labor broker to face liability, and explicitly clarifies that all CCB-licensed contractors are not labor brokers under the statute. Equally important: criminal penalties cannot flow up the chain from a subcontractor's actions to a general contractor or property owner.

<https://olis.oregonlegislature.gov/liz/2026R1/Downloads/MeasureDocument/HB4089>

## Unfinished Business

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### SB 1586 — The JOBS Act (Did Not Pass)

#### NOT PASSED

Derailed by misinformation around data centers, SB 1586 did not advance this session. Oregon's industrial land shortage remains unresolved, and the underlying need has not gone away. OHBA will continue to press for solutions in future sessions. This is unfinished work, not abandoned work.

## Why Your Membership Makes This Possible

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None of what is documented in this report happens without members at the table. The wins - four priority bills passed, one bill successfully amended, several others killed, an executive order blocked by the courts all of which are the return on your investment in this

association. The dues, the time, the willingness to show up and make the case for housing. Advocacy is how policy gets made, and OHBA's track record this session is proof that when this industry speaks with one voice and backs it with sustained effort, it moves the needle.

OHBA leadership estimates roughly four years before the urgency of the housing crisis fades from the political foreground. The time to press the advantage is now - more advocacy, more engagement, more builders and contractors at the table.

Because if we don't build the homes, nothing else we passed matters.

Thank you from the entire team for the faith and trust you place in us to advocate for you!

Jodi Hack

Samantha Bayer

Scott Barrie

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