



State Representative **Mitch Greenlick**

The MitchMessage

May 7, 2017

This is the time of the session when bills begin to see the end of the road, for better or for worse. While several of our bills died in committee, some are moving along. Others are on life-support in the House Rules and House Revenue Committees. The first of my bills (HB 2123) has passed both chambers and is on its way to the Governor's desk. This bill is a technical fix for a minor issue that came up through my service on the State Hospital Advisory Board. Two other bills have passed out of the House and out of Senate committees and will be considered by the full senate during the next couple of weeks. These are my bills to reduce opioid prescribing and expanding who can officiate at weddings. My bill to expand the use of residential solar panels is out of the House and waiting to be heard in a Senate committee.

It was an interesting week for my bill to reform the Coordinated Care Organizations (CCOs) that provide care to one million Oregon Health Plan members. The bill went to the House floor out of my Health Care Committee and from there was referred to the House Committee on Rules for an amendment. The bill had a contentious hearing on Thursday as described in the May 5 edition of the Lund Report, a health care journal.

He may have left his fedora at home, but like Indiana Jones, Rep. Mitch Greenlick, D-Portland, and his sidekick House Speaker Tina Kotek, D-Portland, descended into a snake pit of a hearing room in the bowels of the Capitol on Thursday to defend his Medicaid reform legislation against a roomful of lobbyists opposed to House Bill 2122

The Indiana Jones allusion aside, the bill was excoriated by Mike McLane, the House Republican Leader. He asserted the bill was a blatant attack on capitalism because it would require all future CCOs to be either non-profit organizations or B-corporations, private organizations with a community focus. It was a somewhat ferocious debate, which I enjoyed immensely. But I believe that attack was a smokescreen. The lobby group, PacWest, coordinating the attack against the bill, is not really concerned about that component of the bill, because I have grandfathered all current CCOs, both profit and non-profit, for the future. I have amended every component of the bill with language suggested by the CCOs, except one point. And that point has them going hysterical.

The bill requires all meetings of the governing board of a CCO to be held according to the public meeting laws of Oregon. They much prefer being able to meet behind closed doors while they decide how to spend taxpayers' money. That is \$5 billion a year of taxpayers' money. It is the

one element of the bill that I am willing to fall on my sword for. These CCOs are creatures of the state and are fully funded by taxpayer money. They must do their business in public. I also am taking note of the fact that these organizations, at least those that are not organized as charitable organizations, are able to gain political power using the proceeds of taxpayer funded activity to make significant political contributions. I think that should be stopped and I am considering the best way to get that under control.

Balancing the budget remains a critical issue for the remainder of the legislative session. There are three critical sets of activity moving us in that direction. The co-chairs of the Joint Committee on Ways and Means, in recognition of the fact that moving toward a balanced budget requires both program cuts and increased revenue, announced a framework for budget cuts. They are targeting several hundred million dollars of cuts, including a target for reduction in PERS expenditures. Details are yet to come, but the commitment is there.

A big hole in the budget relates to keeping our health care system together, while we await craziness from the Feds. The stakeholders in the system are working hard with a group of us to craft health care assessments on hospitals and insurance companies, much of which will come back to them in the form of increased payments. The assessment funds are used to match with federal funds to balance the health care part of the budget. We expect to fill a gap of more than \$600 million. We should have an announcement in this area in the next couple of weeks.

The third leg of the budget-balancing stool is seeking new revenue sources, especially money to fund our education system. Legislative leadership created a joint revenue committee to develop new revenue sources. At one of their meetings last week House Speaker Kotek introduced the "Oregon Education Investment Initiative." The proposal would scrap Oregon's corporate income tax system and would replace it with a new commercial activities tax of 0.95% on a business's Oregon sales. The proposal would have businesses with less than \$5 million in annual sales pay \$250 and includes provisions to offset possible adverse effects on low- and middle-income families. The tax would raise about \$1 billion per year and at least 75% of the proceeds would be dedicated to education. I am looking forward to the response of the business community to this proposal, since the leadership of the business community promised to seek an appropriate new tax on business in the state.

I get a lot of comment from constituents as to whether I sound too partisan in my messages. I feel I work across the aisle a great deal, especially in trying to pass health bills proposed by my Republican colleagues. I was intrigued to note an analysis of bills that passed out of the House at the halfway mark. As I have mentioned before some bills are sponsored by individual members and some are sponsored by committees. Overall 43% of the bills that passed were introduced by committees, 17% of the bills were chief sponsored by Democrats, 33% were chief sponsored by Republicans and 7% were co-chief sponsored. A truly bipartisan picture emerges when the vote count is analyzed. Of the 270 bills that have passed out of the House so far, 70% have been on a unanimous vote, 28% have had a bipartisan vote and only 2% passed on a strait party-line vote. That 2% got most of the attention and most of the political theatre.

There is a lot of work to be done. Next week I expect to move SB 754 out of my health care committee to the House. This bill, a key effort of Senator Elizabeth Steiner Hayward, would

prohibit sale of tobacco products to anybody younger than 21 years of age. It is a bipartisan bill, with eight Republican co-sponsors, and is getting some heavy lobbying from many health and health care groups. As we know tobacco is a highly addicting product. But what is also known is that if a person does not get hooked before the age of 21, it is extremely unlikely that person will ever get addicted to tobacco.

Stay tuned.

Mitch