



OREGON STATE REPRESENTATIVE

2015 LEGISLATIVE REVIEW

Dear Friends,

On July 6th we saw Oregon's 78th Legislative Session come to an end. This session was marked by the resignation of Governor John Kitzhaber and the swearing-in of Secretary of State Kate Brown. Whereas this was a historic change mid-session, I can say it did not hamper the focus or achievements of the session which proved to be productive and successful.

This session I was appointed Chair of the House Committee on Business and Labor. We had several key pieces of legislation introduced, debated and solidified in my committee including: Paid Sick Leave, Workers Comp Attorney Fees, Wage Transparency, and Retirement Security. While forming these policies I always strive to be a strong advocate for working families, to provide a level playing field allowing Oregon's local businesses and economies to thrive, and to protect and preserve our natural environment. Together with other members of the Legislature, I have also been working hard to protect current critical services, invest in education and infrastructure, and to empower Oregonians with the skills and training they need to earn a living wage. I also serve on the State Workforce Investment Board and am excited about the ongoing work aligning state goals and industry sector strategies with our local workforce investment boards to better serve businesses and workers in our local communities.

Below are brief descriptions of some of these important bills and their significance as well as highlights of our new budget. If you would like further information or bill text, click on the link/bill number to be redirected to the [Oregon Legislative Information Site \(OLIS\)](#) where all materials, hearings and iterations of the bill can be accessed.

Finally thank you to everyone who called, emailed, or visited me in the Capitol this last session – I can't tell you how important it is to hear what you think. Please do not hesitate to contact my office at (503) 986-1408 or rep.paulholvey@state.or.us

It is an honor and privilege to serve the people of House District 8.

Respectfully,

Paul Holvey
Oregon State Representative
District 8

Umpqua Tragedy - My thoughts and deepest condolences go out to all those affected by last week's senseless act of violence at Umpqua Community College. It's horrifying to see a tragedy such as this so close to home.

The Greater Douglas United Way and Umpqua Bank are working together to establish a relief fund to assist those impacted by the shooting. Donations can be made at any Umpqua Bank branch, or online at www.gduway.org/UCCgive.

I hope we can continue to act on progress made during the last legislative session to require background checks on firearm sales, including internet sales (SB 941). I supported and voted for this legislation which also allows judges to rule whether someone receiving outpatient mental health treatment should be prohibited from gun ownership while under court-ordered treatment. I think we should continue to define a mental competency requirement to own and use guns. In addition I support prohibiting guns in certain public government buildings including schools except for authorized persons. It is also critical that we invest in mental health services to help curb individuals driven to gun violence. Though none of these measures by themselves will stop gun violence, I believe they will help prevent these type of future tragedies.

Paid Sick Leave SB 454 – One of the principal issues this session was paid sick leave: a requirement that employers provide time off to their employees. Workers often have to decide if they should lose a days' pay or come to work sick. SB 454 has become a nationally recognized legislative measure and I was proud to help craft a policy that will benefit the majority of workers in Oregon.



During the session hundreds of citizens came to the Capitol to express their opinion on the issue. We heard from employees, parents, business owners, as well as representatives from cities that have already passed paid sick leave ordinances (Eugene and Portland). Oregonians overwhelmingly told us how important it is that they have paid sick leave so that they can stay home and recover quickly when they are ill, so that they can care for their sick children, and so that even when they fall ill they are still able pay their bills at the end of the month.

The final bill requires most businesses with 10 or more employees to provide 40 hours per year of paid sick leave to employees. Employers will be able to use their own paid time off policies if they offer equivalent benefits. After spending most of the session working out the details of how to design a paid sick leave policy that took into account the needs of Oregon's workers and employers, I was honored to have the opportunity to craft this policy and carry this important bill on the House floor and champion its' passage. It's time we took a very small step to address income inequality by providing a small measure of job security.

Class Action Lawsuits HB 2700 - In Oregon if a group of people win a class action lawsuit, the company at fault is required to put the money into a fund to pay the individual claims. Under the previous law, the company at fault would keep any money that remains after all claims have been made. For example, if only half the people who were eligible for the settlement made a claim, the remaining half of the money would revert back to the company.

House Bill 2700 requires that any money remaining after all claims have been made be used to fund legal aid services for low income Oregonians and, if ordered by a judge, money may be given to a charitable organization that works on issues similar to the one the lawsuit addressed.

Workers Comp Attorney Fees HB 2764 – The purpose of this legislation is to increase the access to representation and benefits for injured workers. It updated attorney fee schedules in areas where these fees have not been previously paid or were inadequate to compensate for the time and work required for attorneys to obtain a successful result for workers. This bill will help level the playing field for workers facing the challenge of getting the benefits that are paid for and they deserve.

Minimum Wage – This session there were 10 bills in the Legislature to raise Oregon's minimum wage. (SB130, SB327, SB332, SB597, SB610, SB682, HB2004, HB2008, HB2009, HB2012)

I support Oregonians' ability to earn a living wage and be self-sufficient. Unfortunately none of these proposal had enough support to reach the floor for a vote. We had very informative discussions on these proposals in the Business and Labor Committee. I have been continuing discussions around

the merits and impacts of raising wages in an interim work group. It appears likely there will be a ballot measure in the November 2016 election; and the legislature must take that into account when considering any proposals it may take action on in the February 2016 Legislative Session.

Important Budget Allocations:

As our state rebuilds following the Great Recession, our economic growth has allowed for substantial and important investments in education, human services and public safety. Overall, the state budget for 2015-17 is \$68.983 billion in total funds, a 4.4% increase totaling \$2.9 billion over the 2013-15 K-12 budget. Oregon's ability to fully invest in education and other vital needs, as well as to build necessary reserve funds, continues to be hampered by the Kicker law, which has been triggered once again due to our state's economic growth, at a cost of over \$400 million.

Here are a few of the highlights from Education, Bonding and Lottery – click on the link below for a more complete view of the budget.



Investing in a Strong Education System

The 2015-17 budget includes \$7.376 billion total funds (\$6.96 billion General Fund and \$408.2 million Lottery Funds) for the State School Fund (SSF) which makes up the state portion of the amount distributed to School Districts and Education Service Districts (ESDs) through the school funding formula. The 2015-17 budget represents a \$723 million (or 10.9%) increase in General Fund and Lottery Funds for the school fund over the amount available in 2013-15. This investment in public schools will provide a stable budget for school districts while also funding full-day kindergarten for children throughout Oregon for the first time.

We boosted funding to Oregon's 7 public universities to \$700 million along with increasing the budget for our 17 community colleges to \$550 million. This is the largest reinvestment into Oregon's public colleges and universities in the last 20 years.

There were also significant increases for early learning programs including \$24 million General Fund for Healthy Families Oregon (a home visitation program), additional funding for Early Learning Hubs bringing total funding to \$15 million, \$9.1 million for Kindergarten Readiness grants, and new funding for preschool programs including an additional \$8.8 million for Oregon Pre-Kindergarten.

House Bill 5005 included \$125 million in bonds to provide matching grants for school districts and \$175 million to provide seismic upgrades and retrofits to K-12, community college, and university buildings.

\$35 million investment in Career and Technical Education and Science, Technology, Engineering, and Math education (CTE/STEM) will help increase high school graduation rates and better prepare Oregon students for high-wage jobs.

Bonding – (Lane County) \$7 million for safety improvements to Highway 126 between Eugene and Florence. \$10 million in lottery-backed bonds for improvements to the Coos Bay rail line from Eugene to Coquille, and \$37 million toward renovations of three academic buildings at the University of Oregon. Additionally we authorized the use of general fund-backed bonds for road work — including \$15 million for improvements on the same stretch of Highway 126.

- \$145.8 million in additional bonds for projects at Public Universities and Community Colleges
- \$200 million in bonds for the Knight Cancer Institute at OHSU

Lottery Bonds – (\$201.8 million total) will be provided to fund 33 identified projects including:

- \$45 million to Department of Transportation for Connect Oregon transportation projects
- \$20 million for affordable housing for persons with mental illness, plus \$2.5 million to preserve affordable housing units
- \$21 million to the Water Resources Department for water resource development projects and planning
- \$12 million combined with earlier bond sales to Regional Solutions capital projects supporting job creation

Other funds devoted to Local Economies

- \$90 million investment in Oregon's transportation infrastructure will provide much-needed upgrades, including \$35 million to improve the safety of some of the most deadly intersections and dangerous stretches of highway in communities across the state.
- Strategic investments will create jobs and spur economic development across the state, including: investments in multi-modal transportation through the Connect Oregon program; pivotal resources for community-based initiatives through the Regional Solutions program; and support for converting unusable brownfields such as abandoned gas stations into development-ready lots.
- Rural economic investments include \$50 million in grants and loans to help meet water storage and conservation needs, resources to improve sage grouse habitats and maintain grazing lands, and funds to manage and build a market for Western Juniper.

[Click here for a more complete look at the budget](#)



Environment and Public Health Legislation

Energy Storage HB 2193 –An important part of integrating renewables like solar and wind to the grid is figuring out a way to smooth out the spikes in renewable energy generation and eventually storing daily production for peak hours when demand is highest. This legislation will allow the Public Utilities Commission to establish guidelines for energy storage procurement and then work with electric companies to implement and procure 5 megawatt energy storage projects.

Energy storage comes in many forms: electric batteries, pump hydro, flywheels, compressed air, and thermal. This bill is purposely technology neutral, giving broad flexibility to explore any type. Energy storage will increase our capacity to utilize cleaner alternative energy sources. I was really excited to sponsor and pass HB 2193 in 2015.

Clean Fuels SB 324 - I supported the Clean Fuels Program (also known as the Low Carbon Fuel Standard), and I opposed any attempts this session to repeal or roll it back. It is important for Oregon to reduce greenhouse gas emissions and for us to take a step forward in addressing climate change.

The Clean Fuels Program complements other transportation-related strategies to reduce greenhouse gas emissions such as clean car standards, renewable fuels blending mandates, mass transit and commitments to reduce the amount that Oregonians drive. In addition to reducing greenhouse gases, the program has many co-benefits including reductions in other air pollutants, improvements to public health, increased energy security, and encouraging investments in a clean energy economy.

The low-carbon standard applies to oil distributors equally, requiring them to progressively lower the amount of carbon their oil and gas products could emit. This “carbon intensity scale” includes all emissions created while extracting, refining, transporting and ultimately burning oil products. Approximately one-third of Oregon's greenhouse gases come from transportation sources. Providing cleaner fuels such as lower carbon ethanol and biodiesel, electricity, natural gas, biogas and propane will help reduce these emissions.



(To view my speech about Clean Fuels on the House Floor click on this picture)

Carbon Pollution Cap and Trade HB 3470 – I firmly support the Climate Stability and Justice Act and voted for it in the House Energy and Environment Committee. HB 3470 lays the groundwork for Oregon to join California in a cap and trade system with a carbon pricing mechanism. Passage of HB 3470 would position Oregon to take dramatic action against climate change. As we have witnessed in California, British Columbia, and Quebec, carbon pricing helps drive investments in new clean energy industries and is a win for our environment and economy. Unfortunately, that bill was stuck in subsequent committees and did not come to the floor for a vote. I will continue to work for its passage in the next session.

Kids Toxics SB 478 - Research has shown that dangerous toxins such as arsenic, mercury, formaldehyde, and BPA are present in products Oregon consumers buy for themselves and their children. These chemicals have been linked to cancer, asthma, learning disabilities, and other lifelong and sometimes fatal diseases.

By establishing a list of chemicals that pose the biggest threat to children's health, and requiring them to be phased out within six years, we can reduce the prevalence of chronic diseases and improve the well being of all Oregonians. I have been advocating for the removal of toxic chemicals from consumer products in the legislature since 2007. I am extremely happy to have helped SB 478 become law.

Forest Fire Protection and Rural Communities HB 2588 – Climate changes and loss of insurance coverage to fund forest fire suppression puts Oregon General Fund Revenues at substantial risk. In

addition, diminishing resources and a reduction of federal payments to counties has resulted in inadequate levels of funding for county critical services, like public safety, infrastructure and public health.

HB 2588 is a step forward in addressing these current and future needs. If this issue remains unaddressed, the legislature will be faced with further disinvestment in education and public safety and watching our forests burn.

This proposal would create the Forestland and County Reserve Fund, raising \$10 per 1000 board feet measure to the timber harvest tax for funding fire suppression statewide and county budgets proportionate to their timber harvest levels. This proposal would be about \$45 per truckload of logs with about the first 5 truckloads exempt for each taxpayer. As Oregon continues to have record fire seasons we must continue to search for new sources of funding to fight forest fires and ask industry to pay their fair share to protect Oregon's forests.

Neonicotinoids HB 2589 - The use of neonicotinoid-based pesticides have adverse impacts on Oregon's bees and pollinating insects, as well as affecting the health of other native species including Salmon, aquatic invertebrates, and birds, Neonicotinoids are present in many of Oregon's waterways and ecosystems, and the strong scientific correlations of these negative impacts are clear; yet industry and government agencies refuse to take meaningful measures to protect the environment from the use of these pesticides.

Neonicotinoids are systemic and persistent in plants for years after direct application or prophylactic seed treatment. It has taken decades to figure out the mechanisms through which neonics affect the integrity of ecosystems. There is a strong case for stricter regulation.

I think its reasonable that the State of Oregon put a moratorium on neonics until their use can be proven safe for our ecosystem. I introduced a bill to ban the use of neonics to move the discussion in this direction. Unfortunately HB 2589 did not pass as it did not have enough support from the legislature, state agencies and the agricultural industry.



(Here's a great video that helps to explain the problems associated with neonics and colony collapse)

Aerial Pesticide Spray - Recent incidents in which Oregonians were sprayed during aerial pesticide applications inspired me to introduce/sponsor two bills this session to limit or ban aerial pesticide spray. I am frustrated that we were not able to make progress on these bills because I am deeply concerned about this issue. One piece of legislation that did pass effecting aerial spray (HB 3549) established a 60-foot buffer zones for aerial pesticide applications, set up standard operating procedures for complaints and increased penalties. I believe this does not go far enough to protect people and would like to see Oregon implement reporting of all sprays to entities better suited to look at health and environmental quality. I will continue to work to protect Oregonians and our environment from these dangerous chemicals.

- HB 3123 – Prohibits application of pesticide by aircraft except under terms and conditions of pest emergency declaration issued by State Department of Agriculture or State Forestry Department until we can be certain that our current aerial spray practices are safe.

- SB 613 - Requires filing notice with State Forestry Department of proposed aerial application of pesticide or proposed use of fire as planned forest management activity on privately owned forestland.

Information Technology Consolidation HB 3099 - Transfers certain duties, functions, and powers related to enterprise information technology and telecommunications from the Department of Administrative Services (DAS) to the State Chief Information Officer who is the primary advisor to the Governor on information technology and telecommunications. DAS oversees state agency implementation of the policy and financial decisions made by the Governor and the Oregon Legislature and supports other state agencies by providing a variety of centralized and shared services. This legislation will help to consolidate and streamline these essential functions making our state government more efficient and successful with our IT projects. It will also will help ensure better oversight and accountability of all the states' IT systems and contracts.

Retirement Security HB 2960 – The final issue I want to discuss is retirement security. HB 2960 sets up the Oregon Retirement Savings Board. The Board will develop a defined contribution retirement plan available to all Oregonians who do not currently have access to a retirement account through their employer. Because access to and information about retirement accounts is one of the primary barriers to retirement savings HB 2960 will enable many more Oregonians to save for retirement.



Together we can build a stronger future for Oregon.



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