

Substantive Bills Enacted into Law with a Budget Effect

In addition to appropriations bills, the Legislature approved a number of substantive bills that had a budgetary or fiscal impact. The following is a summary, by program area, of noteworthy substantive bills reported out of the Joint Committee on Ways and Means which either became law or were referred to voters.¹⁰ Several bills which would otherwise be included in this section are included elsewhere in the document, including SB 1049, which makes significant changes to the Public Employees Retirement System; HB 3427, the Student Success Act and its corresponding budget bill; HB 5047; and HB 2005, the Paid Family Medical Leave Act.

Referrals to the Joint Committee on Ways and Means

Of the 2,768 measures introduced during the 2019 session, 502 (18%) were referred to Ways and Means.¹¹ Of the referred bills, 110 (22%) were budget bills referred directly to Ways and Means. The remaining 392 (78%) bills were substantive or non-budget bills. Of the substantive bills in Ways and Means, 123 (31%) received a public hearing and 121 (31%) were reported out.

EDUCATION

HB 2024 (Chapter 573, Oregon Laws 2019) directs the Early Learning Division of the Department of Education (ODE) to administer a “Baby Promise” pilot program to improve access to high quality infant and toddler care for families that are eligible for the Employment Related Day Care program and whose incomes are at or below 200% of federal poverty guidelines. The pilot will be funded with \$8.3 million from the federal Child Care Development Fund which was included in the agency’s budget bill.

HB 2025 (Chapter 646, Oregon Laws 2019) establishes in statute the existing Preschool Promise Program within the Early Learning Division in the Department of Education (ODE). The bill: expands the eligibility requirements for Oregon pre-kindergarten; specifies teaching and funding requirements to participate in the program; establishes a scholarship and grant program to develop early childhood care and education professionals; and sets forth criteria preschool providers must meet to participate in the program. The budget bill for ODE includes General Fund for the Preschool Promise program (\$37.1 million), the OR Prekindergarten program (\$156.4 million) and the Early Head Start program (\$1.7 million). The budget bill for the Student Success Act, HB 5047, includes an additional \$30.8 million for the Preschool Promise program, \$44.4 million for OR Prekindergarten, and \$22.3 million for Early Head Start beginning the second year of the biennium.

HB 2579 (Chapter 590, Oregon Laws 2019) expands the types of entities that may receive grants from the Farm-to-School Grant Program to include Oregon food producers such as farmers, ranchers, and seafood harvesters, and eligibility for centers-based programs for children in the Child and Adult Care Food Program and entities that provide Summer Food Service. The bill directs the Department of

¹⁰ Additional information can be found in a measure’s budget report, an agency budget report, the budget reconciliation bill (i.e., HB 5050), or a fiscal impact statement. This information is available on the Oregon Legislative Information System (OLIS) website. Other information posted on the Legislature’s website includes summaries of major legislation produced by the Legislative Revenue Office and Legislative Policy and Research Office.

¹¹ The average number of measures referred to the Joint Committee on Ways and Means during odd-numbered years since the 2003 biennium is 14% of introduced measures.

Education (ODE) to evaluate the effectiveness of the programs and to ensure that technical assistance and resources are provided to certain entities. An additional \$7.4 million is made available for agricultural product purchases, \$500,000 is available as a transfer to the Department of Agriculture (ODA) for funding for infrastructure and equipment, and the remainder of the \$10.35 million total General Fund appropriation is for education, training, technical assistance, and program administration.

HB 2910 (Chapter 596, Oregon Laws 2019) extends the eligibility for the Oregon Promise Program to individuals under the supervision of the Department of Corrections and the Oregon Youth Authority. The bill appropriates \$200,000 General Fund to the Higher Education Coordinating Commission to cover the additional grants, which are separate and distinct from the Oregon Promise program and will be administered separately.

SB 155 (Chapter 618, Oregon Laws 2019) requires all investigations involving suspected sexual conduct by school employees or other individuals interacting with children in school-related settings to be conducted by either the Teacher Standards and Practices Commission (TSPC) or the Department of Education (ODE). The Department of Human Services (DHS) is required to investigate reports of child abuse tied to school-related settings. In addition, regardless of setting, the bill makes DHS responsible for investigating all third-party reports of child abuse that are not investigated by a law enforcement agency. The bill appropriates \$1.3 million General Fund for 6 positions (4.22 FTE) in ODE, \$1.1 million General Fund and an increase of \$1.2 million Federal Fund limitation in DHS for 13 positions (9.75 FTE), and increases the Other Funds limitation for TSPC by \$525,000 to fund 3 positions (2.25 FTE).

SB 490 (Chapter 679, Oregon Laws 2019) permanently prohibits individuals who are required to report as sex offenders, and individuals who have been the subject of a substantiated report of child abuse in which victim suffered serious harm or death, from providing child care. The bill also expands the list of individuals who are required to be enrolled in the Central Background Registry before providing license-exempt care. The Office of Child Care anticipates an increase in workload related to performing suitability determinations in enrollment and monitoring. If, after the bill is operational, the Office identifies a quantifiable and unmanageable workload directly related to the bill, the agency may seek a budget adjustment.

HUMAN SERVICES

HB 2010 (Chapter 2, Oregon Laws 2019) extends the sunset dates for hospital assessments, insurance premium assessments, and the Oregon Reinsurance Program. The bill increases insurance premium assessments from 1.5% to 2% and expands the assessment to include stop-loss insurance. The bill also specifies that the 2% assessment on premiums received by the Public Employees' Benefit Board is excluded from determining the Board's 3.4% annual increase in per-member expenditures. For the 2019-21 biennium, the bill results in anticipated revenue of \$152.5 million collected by the Department of Consumer and Business Services and \$182 million collected by the Oregon Health Authority related to the changes to insurance premium assessments. This estimated revenue, along with related federal matching funds, will help support the Oregon Health Plan, as well as payments from the Oregon Reinsurance Program to help stabilize health insurance rates and premiums. The bill increases the minimum reimbursement received by the Oregon Health and Science University for providing Medicaid services from 84% to 87% of the university's cost of providing these services. The bill authorizes this increase for the period of July 1, 2019 to July 1, 2025.

HB 2032 (Chapter 202, Oregon Laws 2019) establishes three pilot programs assisting families receiving Temporary Assistance for Needy Families (TANF) services: (1) for the TANF Housing Pilot Program, \$10.5 million in TANF funds will allow the Housing and Community Services Department to provide grants to local housing service providers for longer-term rental assistance and services for families at risk of homelessness; (2) for the Mental and Behavioral Health Pilot Program, \$1.5 million General Fund will pay for Oregon Health Authority grants to coordinated care organizations; and (3) for the Education and Training Pilot Program, \$3.5 million in federal TANF funds will be used by the Department of Human Services (DHS) to administer a pilot program to provide educational opportunities and vocational training. Spending authority for the pilot programs is included in the DHS budget bill, HB 5026, and in HB 5050, the budget reconciliation bill.

HB 2257 (Chapter 583, Oregon Laws 2019) declares substance use disorder (SUD) as a chronic illness, enhances access to SUD medication-assisted treatment, and requires a study on the treatment of people with SUD in the corrections system. The measure also establishes a framework for the adoption of SUD accreditation standards and requires the Oregon Health Authority (OHA) to establish a pilot project in up to four counties to treat pregnant women with SUD. This pilot project is based on the Project Nurture program and allows for the use of peer mentors, doulas, and any SUD treatment necessary during the first year after an infant's birth. The estimated cost of the pilot project in 2019-21 is \$2.5 million General Fund, which is included in OHA's budget bill.

HB 2267 (Chapter 529, Oregon Laws 2019) authorizes the Oregon Health Authority (OHA) to establish a reinsurance program to make payments to coordinated care organizations (CCOs) that face particularly high costs in caring for members who require new, exceptionally costly drugs or treatments. OHA estimates the cost of administering the reinsurance program to be \$1,211,309 total funds and 4 positions (2.42 FTE) for the 2019-21 biennium. These costs will be offset by savings from reduced CCO administrative costs under the current reinsurance program, which has averaged more than \$3 million of savings per year in recent years.

HB 2508 (Chapter 589, Oregon Laws 2019) appropriates \$2 million General Fund, on a one-time basis, to the Department of Human Services (DHS) for grant awards to eligible refugee resettlement agencies providing services to refugees who reside in Oregon. The bill directs DHS to send \$200,000 from the appropriation to an employment services provider that is an established culturally responsive organization providing employment and workforce development services to refugees.

HB 2600 (Chapter 592, Oregon Laws 2019) requires long term care facilities, conversion facilities, and residential care facilities providing care to six or more residents to adopt protocols and procedures for preventing and reporting communicable disease outbreaks. The bill requires the Department of Human Services to conduct annual onsite inspections of facilities' kitchens and food preparation areas; the agency is also authorized to charge a fee for inspections conducted outside of a legally required facility survey. The budget bill for DHS, HB 5026, included \$270,759 total funds (\$135,591 Other Funds and \$135,168 Federal Funds) and 3 positions (1.14 FTE) to implement this bill.

HB 2849 (Chapter 594, Oregon Laws 2019) limits the circumstances under which a child may be placed into protective custody by the Department of Human Services (DHS), or others, without a protective custody order from the court. While this will result in consistent, statewide application of the updated (tighter) standards for removal, the bill is not expected to drive a significant increase in requests for protective custody orders. DHS will monitor the impact of this bill on the child welfare division and

collect data on protective custody order requests. The bill's fiscal impact is indeterminate; DHS may incur additional costs if there are more requests for Department of Justice (DOJ) assistance, but also may see cost savings from fewer removals. Any fiscal impacts on DOJ, as counsel to DHS, or on the Judicial Department, are contingent on DHS actions in response to this bill.

HB 3165 (Chapter 601, Oregon Laws 2019) directs the Oregon Health Authority (OHA), in consultation with the Department of Education, to select 10 school districts or education service districts to receive planning grants and technical assistance in evaluating the need and developing a plan for school-based health services, which must include an alternative model to the school-based health center model. The alternative approach should focus on services for a specific community need; must involve a partnership with a coordinated care organization, a federally qualified health center, a local public health authority, or another major medical sponsor; and must identify a process for billing insurance, medical assistance, or another third-party payer, or identify other funding for the cost for services. The bill appropriates \$950,000 General Fund to the OHA Public Health Division for the 2019-21 biennium to fund 10 planning grants at \$95,000 each.

HB 3183 (Chapter 602, Oregon Laws 2019) modifies statutes related to the Temporary Assistance for Needy Families (TANF) program at the Department of Human Services. This includes the clean-up of TANF redesign statute changes made in 2007 that have been suspended each biennium since then due to funding, caseload, and other changing program dynamics. The bill's fiscal impact results in cost avoidance of \$12.2 million General Fund due to the removal of the 2007 requirements, which is assumed in the agency's budget bill, HB 5026.

HB 3413 (Chapter 504, Oregon Laws 2019) allows the Long Term Care Ombudsman to hire up to 10 deputy ombudsmen; the additional program capacity is expected to support enough volunteers to cover 100% of long term care facilities. The bill appropriates \$575,670 General Fund to cover the cost of adding 3 more deputies to the 7 already authorized in the budget.

SB 1 (Chapter 616, Oregon Laws 2019) establishes the 25-member System of Care Advisory Council to improve the effectiveness of state and local systems of care and develop a data dashboard for youth served by state agencies. The bill also provides the framework for establishing interdisciplinary assessment teams to provide evaluation and stabilization services to youth who need specialized treatment but are placed in hotels, out-of-state facilities, emergency departments, and other settings away from their homes or communities. The total funds impact in 2019-21 is \$8.6 million, which includes \$6.7 million General Fund. Of the General Fund amount, \$1 million is appropriated to the Oregon Health Authority to support the Advisory Council and \$5.7 million is included as a special purpose appropriation for distribution by the Emergency Board for interdisciplinary assessment teams.

SB 22 (Chapter 536, Oregon Laws 2019) amends statutes relating to the Patient-Centered Primary Care Home program to include behavioral health homes, requiring the Oregon Health Authority (OHA) to establish a program to identify, monitor, and regulate behavioral health homes. The budget bill for OHA includes \$560,500 total funds (\$325,054 General Fund and \$235,446 Federal Funds) and 2 positions (1.76 FTE) for this program.

SB 23 (Chapter 537, Oregon Laws 2019) authorizes the Oregon Health Authority (OHA) to obtain discharge records from hospitals, ambulatory surgical centers, and extended stay centers. The measure permits OHA to charge fees to ambulatory surgical centers to defray the costs of compiling and

abstracting these records. The measure also allows OHA to contract with a third party to receive and process these records. The budget bill for OHA includes \$150,000 General Fund to contract with an outside vendor to compile, process, and abstract discharge data from required entities.

SB 27 (Chapter 509, Oregon Laws 2019) restructures the schedule of fees paid by water suppliers to support the regulation of public drinking water systems by the Oregon Health Authority (OHA). The change in fee structure is expected to increase fee revenue by \$1.9 million in the 2019-21 biennium. OHA will use the increased revenue to support five additional positions to improve its ability to adequately monitor the safety of Oregon's drinking water and respond to detection of contaminants. The additional revenue will also allow OHA to increase support for local public health authorities performing drinking water safety inspections.

SB 28 (Chapter 510, Oregon Laws 2019) increases statutorily-defined licensing and inspection fees related to tourist facilities, public spas and pools, bed and breakfasts, restaurants and vending machines, and for plan reviews for restaurant construction or remodeling. The Public Health Division of the Oregon Health Authority (OHA) delegates most of the related licensing and inspection work to local public health authorities (LPHAs), which collect the fees to support their program costs. The Public Health Division directly performs the work when LPHAs transfer their public health authority status to OHA. The impact of the fee increases on the OHA budget is expected to be \$64,450 in 2019-21.

SB 138 (Chapter 544, Oregon Laws 2019) re-establishes the Mental Health Clinical Advisory Group within the Oregon Health Authority (OHA) and expands the group from 15 to 18 members. The group is responsible for creating algorithms for mental health treatments to help standardize treatment decisions and improve access to effective therapies. The OHA budget bill includes an increase in total funds of \$718,544, of which \$396,907 is General Fund, to implement this bill.

SB 171 (Chapter 619, Oregon Laws 2019) creates a statutory framework for the Department of Human Services (DHS) to operate child welfare programs consistent with the federal Family First Prevention Services Act, which reforms federal financing streams to pay for services to families that are at risk of entering the child welfare system. The Act limits federal funding for children who are placed in a setting that is not a foster family home unless the setting is a qualified residential treatment program (QRTP). The measure primarily affects DHS but also involves courts and the Oregon Youth Authority (OYA), which uses many of the same residential service providers. The bill has an indeterminate, but likely minimal, fiscal impact specifically related to reporting and agencies' work around developing potential impacts of the QRTP model. Changes that residential providers will need to make to meet QRTP requirements may drive future rate increases or require financial assistance for accreditation, and time limits around certain placements may mean an additional cost to cover temporary lodging for some children; these costs cannot currently be quantified.

SB 491 (Chapter 551, Oregon Laws 2019) transfers funds in the Fairview Trust, from the Department of Human Services (DHS) to the Oregon Community Foundation on January 1, 2020; the transfer amount is projected to be approximately \$6.3 million. The bill also establishes foundation reporting requirements regarding use of funds; expenditures are authorized to help meet housing needs of people experiencing intellectual and developmental disabilities. An expenditure advisory group will consult on the management of funds. This bill permanently removes a potential revenue source from the DHS budget.

SB 526 (Chapter 552, Oregon Laws 2019) requires the Oregon Health Authority (OHA) to establish a voluntary universal nurse home visiting program to support child development and strengthen families. The home visiting services are available to all families in Oregon with newborns and offer at least one visit during the newborn's first three months. The bill requires health benefit plans to reimburse the cost of these services without cost-sharing for families who choose to receive them. The OHA budget bill includes \$1.6 million total funds, of which \$1.4 million is General Fund, to establish the program.

SB 669 (Chapter 680, Oregon Laws 2019) makes changes to the licensing, inspection, and regulation of in-home care agencies, which provide services to assist individuals with daily needs. The bill directs the Oregon Health Authority (OHA) to establish training requirements for the workers who provide these services and authorizes OHA to deny or revoke the license of an in-home care agency for failure to comply with the training requirements or employment and wage laws. The measure also accelerates OHA's on-site inspection cycle of in-home care agencies from once every three years to once every two years. Additionally, the measure requires the Department of Human Services to develop recommendations for methods to assess and monitor services provided by home care workers. The OHA budget bill includes \$524,587 General Fund and Federal Funds expenditure limitation of \$125,000 Federal Funds for 4 positions (1.64 FTE).

SB 889 (Chapter 560, Oregon Laws 2019) creates the Health Care Cost Growth Benchmark program to ensure statewide health care costs grow at a sustainable level. To achieve this, the program is responsible for establishing a benchmark for the annual rate of growth of health care expenditures across all payers and providers in Oregon. The bill also creates an implementation committee to design the benchmark program and make recommendations to the Legislature. The bill includes a General Fund appropriation of \$993,797 in OHA to support the costs of the program.

SB 994 (Chapter 631, Oregon Laws 2019) requires the person who receives a child into protective custody to request a criminal records check from the Department of Human Services (DHS) on the noncustodial parent and all adults in the home prior to releasing the child to the noncustodial parent. The bill has an indeterminate fiscal impact; if, after the bill is operational, the agency identifies unmanageable workload and/or cost changes directly related to this bill, DHS will notify the Legislature.

PUBLIC SAFETY AND JUDICIAL BRANCH

HB 2328 (Chapter 530, Oregon Laws 2019) modifies the mental state necessary to prove the crime of Unlawful Use of a Vehicle, allowing conviction upon proof that the defendant was aware of and consciously disregarded a substantial and unjustifiable risk that the owner did not consent to use the vehicle. Passengers may also be convicted if it is proved they knew that the owner of the vehicle did not consent to its use. A special purpose appropriation of \$1 million was included for distribution by the Emergency Board for costs that may be incurred by the Public Defense Services Commission or the Department of Corrections related to prosecutions or convictions pursuant to this bill.

HB 2515 (Chapter 489, Oregon Laws 2019) requires correctional facilities to provide a range of sanitary products to adults in custody at no cost, and to keep a sufficient supply of such products on hand. The bill appropriates \$102,108 General Fund to the Department of Corrections to cover the cost of supplies.

HB 2631 (Chapter 481, Oregon Laws 2019) directs the Department of Corrections and the Criminal Justice Commission to establish a pilot program at the Coffee Creek Correctional Facility to provide legal

services to women in custody addressing employment, housing, benefits, and other issues related to their re-entry into the community. The measure appropriates \$800,000 General Fund to the Criminal Justice Commission for a grant to the Oregon Justice Resource Center to hire three attorneys for the pilot program, and it instructs both agencies to evaluate the efficacy of the pilot program and report results to the Legislature.

HB 3064 (Chapter 598, Oregon Laws 2019) makes changes to the Justice Reinvestment Grant Program administered by the Criminal Justice Commission (CJC) to improve the equity in allocation of Justice Reinvestment grant funds. The bill appropriates \$110,000 General Fund to CJC on a one-time basis to conduct a required assessment of county use of state prison capacity.

SB 488 (Chapter 550, Oregon Laws 2019) directs the Department of Corrections (DOC) to offer each adult in custody an appointment to receive a free flu vaccination during the medically accepted standard timing for immunization against the flu virus. The adult in custody may decline the offer. The bill appropriates \$114,181 General Fund to DOC to purchase a sufficient supply of flu vaccinations.

SB 577 (Chapter 553, Oregon Laws 2019) makes changes to the crime of intimidation, including renaming it “bias crime,” and defining a “bias incident”; requires that data collected on bias crimes and bias incidents by the Department of State Police, district attorneys and the Department of Justice be reported to and analyzed by the Criminal Justice Commission; and creates a Hate Crimes Response Coordinator in the Department of Justice to receive and respond to calls regarding bias crimes. The bill appropriates \$46,453 General Fund and provides limitation of \$201,380 Federal Funds to hire an Operations and Policy Analyst 3 at the Department of Justice and appropriates \$235,476 General Fund to the Criminal Justice Commission for a Research Analyst 4. The costs to the Department of State Police and local district attorney offices are anticipated to be minimal.

SB 643 (Chapter 516, Oregon Laws 2019) removes a statutory cap on the total amount of money that can be disbursed through the Fuel Storage Facility Compatibility Grant program administered by the Office of Emergency Management. This grant program provides grants to cardlock facilities to install generator connectors to their fuel storage tanks, to provide access to fuel in emergencies. The bill removes a cap on the size of the grants, and clarifies that funds provided for the program by the Emergency Board in 2018 be deposited into the Fuel Storage Facility Compatibility Fund for the program’s use.

SB 973 (Chapter 563, Oregon Laws 2019) establishes the Improving People’s Access to Community-based Treatment, Supports and Services program within the Criminal Justice Commission. The grant program will provide funding to counties, tribal nations, and regional consortiums to strengthen local and regional supports and services for people with serious mental illnesses and substance addictions with the goal of reducing arrests, jail bookings, emergency department visits, and state hospital admissions. The bill provides \$10 million for grants, which includes \$300,000 for research and analysis of the grant program’s outcomes. The Grant Review Committee established by the bill will also explore policy options for consideration by the Legislature in 2020.

ECONOMIC AND COMMUNITY DEVELOPMENT

HB 2001 (Chapter 639, Oregon Laws 2019) requires most local governments to accommodate “middle housing” (e.g. duplexes, triplexes, quadplexes, cottage clusters, and townhouses). Cities and counties of

a certain size are directed to update their land use regulations or amend comprehensive plans to allow for middle housing. The Department of Consumer and Business Services is directed to establish standards for a municipality to allow alternate approval of construction that converts a single-family dwelling into four or fewer residential dwelling units. The bill appropriates \$3.5 million General Fund to the Department of Land Conservation and Development to provide technical assistance to local governments to assist with the adoption of regulations or amendments to comprehensive plans.

HB 2003 (Chapter 640, Oregon Laws 2019) appropriates \$1 million General Fund to the Department of Land Conservation and Development for the purpose of providing technical assistance grants to local governments for housing production strategies. The bill also appropriates \$655,274 General Fund to the Housing and Community Services Department to develop a methodology for calculating and conducting a detailed regional housing needs analysis.

HB 2006 (Chapter 641, Oregon Laws 2019) appropriates \$3 million General Fund to the Housing and Community Services Department for grants to support or develop programs that provide tenant education service for low-income tenants; fair housing training for tenants and landlords; technological solutions, such as phone applications, for finding and locating available housing; and other education or services for low-income tenants, prospective tenants, and landlords who serve them. An additional \$3 million General Fund is appropriated to the Department of Justice for housing assistance for victims of domestic violence and sexual assault.

HB 2201 (Chapter 527, Oregon Laws 2019) establishes the Veteran Educational Bridge Grant Program at the Department of Veterans' Affairs. Grants of up to \$5,000 may be awarded to veterans who are pursuing and enrolled in an approved course of study, eligible to receive federal financial assistance based on prior service in the U.S. Armed Forces, and unable to complete a degree program within the expected completion period due to course availability. The bill provides \$300,000 Lottery Funds expenditure limitation for program grants and an additional \$147,719 for the establishment of a Program Analyst 1 position to conduct outreach and administer the program.

HB 2202 (Chapter 528, Oregon Laws 2019) directs the Bureau of Labor and Industries to develop and administer a program to conduct outreach to residents of Oregon who served in the Oregon National Guard or a reserve component of the armed forces to inform them about trade careers and connect interested individuals with available apprenticeship opportunities. An allocation of \$250,000 Lottery Funds from the Veteran's Service Fund (Ballot Measure 96) is provided to the Bureau of Labor and Industries to carry out the provisions of the measure.

HB 2173 (Chapter 648, Oregon Laws 2019) repeals the sunset date on the Oregon Broadband Advisory Council and creates the Oregon Broadband Office within the Oregon Business Development Department (OBDD). The Office is charged with supporting broadband infrastructure deployment, including awarding and managing funds allocated to OBDD for use by the office to support broadband projects. The bill increases Lottery Funds expenditure limitation by \$178,180 and Other Funds expenditure limitation by \$764,939 and adds four permanent positions (3.25 FTE) to establish the Broadband Office. Lottery Funds allocated from the Administrative Services Economic Development Fund will support the first six months of the Broadband Office costs. Other Funds that would have been available from transfers to the Broadband Fund, established in HB 2184 (2019), were anticipated to support costs for the remainder of the biennium; however, HB 2184 was not passed by the Legislature during the 2019 session, resulting in

a lack of funding for broadband project awards and costs to support the Broadband Office for the remaining 18 months of the 2019-21 biennium.

HB 2896 (Chapter 595, Oregon Laws 2019) creates a loan program at the Housing and Community Services Department for non-profit corporations to support manufactured dwelling park preservation and affordability for tenants. The bill establishes a loan program to assist manufactured home owners with replacing older less efficient homes and creates a grant program for decommissioning and disposing of dwellings. An advisory committee on manufactured housing is created, and an infrastructure grant for a dwelling park in Springfield, Oregon is also funded. The bill appropriates \$15 million General Fund to the Housing and Community Services Department toward these efforts: (1) \$9.5 million to seed the preservation and affordability loans; (2) \$2.5 million for manufactured dwelling replacement, decommissioning, and for advisory committee expenses; and (3) \$3 million for infrastructure development at a manufactured dwelling park in Springfield Oregon. Other Funds in the amount of \$5.5 million is transferred to the Manufactured Home Preservation Fund for the replacement, decommissioning, and infrastructure efforts outlined in the bill.

SB 586 (Chapter 625, Oregon Laws 2019) changes manufactured dwelling park statutes and adds marinas and floating homes to Housing and Community Services Department oversight. The Department is directed to establish a Manufactured and Marina Communities Dispute Resolution Advisory Committee to advise the Department on mediation and grantmaking. This measure increases the Housing and Community Services Department's Other Funds limitation by \$193,314. Funds will be used to hire a Program Analyst 2 to perform outreach to parks and marinas, and to increase payments to community dispute resolution centers for mandatory mediation.

CONSUMER AND BUSINESS SERVICES

HB 2706 (Chapter 593, Oregon Laws 2019) directs the Department of Consumer and Business Services (DCBS) to contract with a vendor to: (1) evaluate the feasibility of administering a program to provide oral health care to low-income citizens of Pacific Islands in Compact of Free Association (COFA) who reside in Oregon and lack access to affordable dental coverage by conducting a study to determine the needs of low-income COFA citizens residing in Oregon; (2) issue a request for information to prepaid managed care health services organizations and coordinated care organizations operating in Oregon to gauge the interest of dental care organizations in providing oral health care to COFA citizens; and (3) obtain estimates of the cost to contract with dental care organizations to provide oral health care to COFA citizens. DCBS must report to the Legislature the findings from the study and an estimate of the cost for administering this program by April 15, 2020. The bill includes a onetime appropriation of \$99,319 General Fund for DCBS for one half-time limited duration position (0.25) FTE for 12 months and a contract with a vendor to conduct the demographic study.

SB 883 (Chapter 557, Oregon Laws 2019) removes cities and counties as the enforcing entity for animal rescue facilities and transitions the responsibilities to the State Veterinarian, within the Department of Agriculture. ODA is permitted to charge a fee and issue annual licenses to support the agency's inspection and enforcement costs for rescue facilities. The bill has a fiscal impact of 2 positions (1.50 FTE) and \$316,133 General Fund and \$114,168 Other Funds in the 2019-21 biennium.

NATURAL RESOURCES

HB 2084 (Chapter 482, Oregon Laws 2019) extends the sunset date for the Water Resources Department grant program for place-based integrated water resources strategies. Funding for the program is included in the budget bill for the Water Resources Department.

HB 2209 (Chapter 581, Oregon Laws 2019) requires railroads that own or operate a high hazard train route to have an oil spill prevention and emergency response plan approved by the Department of Environmental Quality (DEQ). Railroads required to submit these plans must pay a fee, capped in statute at five hundredths of one percent of gross operating revenues derived from within Oregon. The owner of the oil must pay the Department of Revenue a fee, capped at \$20 per rail car loaded with oil, for transport through Oregon. The fee revenue will be used to fund additional positions at DEQ and the Office of the State Fire Marshal. The costs to DEQ are anticipated to be \$461,394 Other Funds and 2 positions (1.25 FTE), which are included in the Department's budget bill (HB 5017). Due to uncertainty on the timing of anticipated revenue, the State Fire Marshal may return to the Legislature to request limitation and position authority.

HB 2436 (Chapter 652, Oregon Laws 2019) increases Other Funds expenditure limitation for the Department of State Lands (DSL) by \$355,776 and adds two limited duration positions (1.50 FTE) to develop a legislative proposal for partial assumption of the authority to administer permits for the discharge of dredge or fill materials under section 404 of the Federal Water Pollution Control Act.

HB 2437 (Chapter 699, Oregon Laws 2019) provides exceptions to permitting by the Department of State Lands for removal or fill activities for conducting maintenance of a traditionally maintained channel. The measure requires a person to file notice with the Department of Agriculture who will then notify the Department of Fish and Wildlife. Both agencies are authorized to conduct site visits and make recommendations. The measure provides \$251,043 General Fund and 1 position (0.88 FTE) to the Department of Agriculture and \$202,433 General Fund and 1 position (0.88 FTE) to the Department of Fish and Wildlife to oversee the notification review process and conduct site visits.

HB 2444 (Chapter 588, Oregon Laws 2019) directs the Oregon Department of Education (ODE) and the Oregon Future Farmers of America (FFA) Association to coordinate to increase student achievement and improve graduation rates, college preparation, and career placement for students enrolled in secondary agricultural courses. The bill appropriates \$1.43 million General Fund to be expended for the Oregon FFA Association for a variety of activities including: (1) assist in enrolling students in grades 9 through 12 in a school agricultural education program for a minimum of one course per school year of an approved agriculture, science, and technology program of study as a member of the National FFA Organization; (2) provide support for leadership development and training; (3) coordinate at least 24 state-level competitive events; and (4) provide general and financial activities of the FFA programs. Another \$600,000 General Fund is appropriated for grants to school districts for extended duty contracts allowing personnel to manage approved agricultural sciences and technology programs during summer months between school years.

HB 2574 (Chapter 654, Oregon Laws 2019) includes three separate but related provisions regarding shellfish resources in Oregon. First, the bill appropriates \$200,000 General Fund to the Department of Land Conservation and Development to receive, consolidate, and organize public records of federal, state, or local governments concerning shellfish mariculture in Oregon, to arrange those materials into a

suitable format for stakeholder access, and to make that information publicly accessible. Second, the bill requires prospective applicants for the cultivation of oysters, clams, or mussels to participate in a preapplication conference with the Department of Agriculture and other appropriate local, state, and federal agencies at least 30 days prior to the filing of an application and appropriates \$200,000 from the General Fund to the Department for work related to the preapplication conferences. Third, the bill requires the Department of Fish and Wildlife (ODFW) to establish and administer a program for community outreach and education regarding opportunities for the recreational harvest of shellfish and requires ODFW to cooperate with Indian Tribes and the Department of State Police in an effort to enhance enforcement of commercial and recreational shellfish catch limits. The measure appropriates \$160,000 from the General Fund to ODFW for administration and enforcement of the program.

HB 2618 (Chapter 655, Oregon Laws 2019) directs the Department of Energy (DOE) to administer a program to provide rebates for the purchase, construction, or installation of a solar electric system. The rebates can be claimed by a contractor that installs an eligible system for a residential customer or a low-income service provider. The contractor must use the full cost of the rebate to reduce the net cost to the customer. A one-time General Fund appropriation of \$2 million is included in HB 5050 for the rebate program. Of that \$2 million, \$1.5 million will be for rebates and \$500,000 for administration. DOE anticipates hiring three limited duration positions to assist with program establishment, implementation, and oversight.

HB 2829 (Chapter 531, Oregon Laws 2019) establishes the Oregon Conservation and Recreation Fund within the Department of Fish and Wildlife for carrying out activities that serve to protect, maintain, or enhance fish and wildlife resources in Oregon. The measure also establishes the Oregon Conservation and Recreation Advisory Committee to make recommendations on the use of the money in the fund. The bill establishes a \$1 million General Fund special purpose appropriation to the Emergency Board. This money is set aside for the 2019-21 biennium and can be released to the Department of Fish and Wildlife if \$1 million of private funds from non-state or federal sources are received as match. If matching funds are received, the Department may return to the Legislature for any necessary limitation or position authority. If matching funds are not received, the money in the special purpose appropriation is returned to the General Fund at the end of the 2019-21 biennium.

HB 3273 (Chapter 659, Oregon Laws 2019) requires certain specified manufacturers to use program operators to participate in a drug take-back program. Covered manufacturers must pay all costs associated with participating in a drug take-back program. A program operator of a drug take-back program must be organized as an entity that is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code. The Department of Environmental Quality (DEQ) and the Oregon Board of Pharmacy are responsible for ensuring compliance with the drug take-back program, with DEQ authorized to assess fees to pay for the costs of administering the program. The DEQ budget includes Other Funds expenditure limitation of \$258,202 and 2 positions (0.94 FTE) to cover administrative costs related to this program.

SB 40 (Chapter 457, Oregon Laws 2019) increases the annual license fees for businesses and individuals engaged in heating oil tank services and modifies the certification fee for corrective actions into a tiered system based on the complexity of the necessary action. The revenue from the annual license fees fund the Department of Environmental Quality's Underground Storage Tank Program and have not been changed since the program was established in 1999. The certification fees were last raised in 2007. Current revenue is not sufficient to support the four existing positions within the program. The increases

are expected to generate \$383,959 Other Funds in the 2019-21 biennium, which will allow the Department to fully fund the current program.

SB 41 (Chapter 540, Oregon Laws 2019) establishes two new fees and increases existing oil spill prevention fees charged by the Department of Environmental Quality (DEQ) to offshore and onshore petroleum facilities, vessels, and pipelines. Fee revenue is used to fund DEQ's Oil Spill Prevention and Contingency Planning Program. This measure will increase Other Funds revenue by \$1.1 million in 2019-21. The DEQ budget includes 1 position, an Information Systems Specialist 5, at an estimated cost of \$224,097 Other Funds, funded by the fee revenue from this bill.

SB 98 (Chapter 541, Oregon Laws 2019) requires the Public Utility Commission (PUC) adopt rules to encourage natural gas utilities to invest in renewable natural gas infrastructure. The PUC will establish renewable natural gas reporting requirements and processes for recovery of prudently-incurred infrastructure investments for large and small natural gas utilities. The bill allows the PUC to use an automatic adjustment clause for recovery of qualified investments by large natural gas utilities.

SB 884 (Chapter 558, Oregon Laws 2019) expands qualified uses of the Clean Water State Revolving Fund, which is administered by the Department of Environmental Quality. The fund currently provides below-market rate loans for water pollution control activities. This bill would expand the eligible use of monies in the Fund to allow certified community development financial institutions to receive monies from the fund in order to finance projects to repair or replace failing on-site septic systems. In the past, demand for onsite septic loans has far exceeded available funding. By expanding the eligible use of the Clean Water State Revolving Fund, there should be a larger pool of available funding for onsite septic loans to better meet demand.

TRANSPORTATION

HB 2007 (Chapter 645, Oregon Laws 2019) extends the authorized uses of monies from the Volkswagen Environmental Mitigation Trust Agreement and authorizes the Department of Environmental Quality (DEQ) to adopt rules for certification of approved retrofit technologies to diesel engines as part of the registration and titling requirements. The measure also allows DEQ to adopt rules for a voluntary emissions control label program. The bill appropriates \$407,718 General Fund to DEQ for two permanent full-time positions (1.66 FTE) to lead rulemaking and development of the certification program and the voluntary label program. Additional positions may be required to fully implement these programs as the rulemaking process progresses.

HB 2015 (Chapter 701, Oregon Laws 2019) requires the Department of Transportation, Driver and Motor Vehicle Division (DMV), to issue regular (non-Real ID) driver licenses, instruction permits, or identification cards to applicants without requiring proof of lawful status in the United States. Applicants will pay the regular fee required for the document they are seeking and must present proof of age, identity, and Oregon residency. The bill provides \$4,264,589 for 68 limited duration positions (25.92 FTE) and development of an outreach program to inform eligible applicants.

HB 2352 (Chapter 651, Oregon Laws 2019) establishes a Towed Watersports Program within the Oregon State Marine Board for the Newberg Pool Congested Zone. The Marine Board is authorized to collect a fee, estimated at \$124, for the issuance and renewal of a two-year towed watersports endorsement decal. Fees collected must support the costs of administering and implementing the program and to

assist with paying the costs of law enforcement activities related to towed watersports. The bill provides \$124,001 Other Funds expenditure limitation to the Marine Board for a Program Analyst 2 (0.50 FTE) to develop the towed watersport education program and administer the endorsements.

SB 47 (Chapter 507, Oregon Laws 2019) establishes new fees on nonmotorized boats over ten feet, dedicating the revenues to the Waterway Access Fund within the Oregon State Marine Board for the purpose of awarding grants to fund land acquisition for construction and maintenance of boating facilities that serve non-motorized boaters; grants to public bodies, tribal governments, and non-profit boater safety education courses; and for purchasing equipment to use for projects that reduce barriers to under-served communities. The bill establishes a new one-week waterway access permit which would dedicate \$1 of every permit sale to the Aquatic Invasive Species Prevention Fund. The bill establishes a two-year fee of \$30 per boat, a one-year fee of \$17 per boat, and a weekly fee of \$5 per boat. The bill will generate an estimated \$1.4 million Other Funds per biennium. The Marine Board must also submit two reports regarding the implementation of this legislation to the Legislative Assembly no later than September 15, 2020; and the second no later than September 15, 2021.

SB 792 (Chapter 630, Oregon Laws 2019) makes several changes to the current Department of Transportation auto dismantler program, including reducing the certification period from three years to one, lowering the fee from \$800 to \$500, requiring a fire response plan approved by ODOT, and proof of any applicable permits required by the Department of Environmental Quality. In addition, local governments are required to notify all property owners that are or will be adjacent to a dismantling business before the business moves, expands, or opens an additional location prior to issuing the supplemental certificate. ODOT received an increase in Other Funds expenditure limitation of \$160,183 in its budget bill and 0.75 FTE to support the changes in this measure.

SB 1051 (Chapter 687, Oregon Laws 2019) establishes a tax credit program to mitigate the carbon price indirectly paid through the purchase of fuel used to operate passenger vehicles. Individuals will be able to apply for this credit on their personal tax return. It also creates a refund program – administered by the Department of Transportation – for fuels used for the production, management, and transportation of agricultural and forestry products.

ADMINISTRATION

HB 2998 (Chapter 597, Oregon Laws 2019) requires the Secretary of State to make business filing forms available in five of the most commonly spoken languages in Oregon. The bill increases the Secretary of State's Other Funds limitation by \$50,000 to cover translation costs for 70 business filing forms.

HB 3136 (Chapter 600, Oregon Laws 2019) creates a pilot program under which the Department of Revenue (DOR) will collect local lodging taxes for participating governments. DOR's startup costs are funded by diverting to DOR, on a one-time basis, a collection discount retained by transient lodging intermediaries for administering lodging taxes. The measure also directs DOR to contract with a private vendor to collect online data for a small pilot program to enhance local and, possibly, state transient lodging tax compliance. The measure provides \$574,533 Other Funds expenditure limitation and one limited duration position to implement the measure.

SB 116 (Chapter 674, Oregon Laws 2019) outlines requirements in the event that a measure passed by the Legislature this session is referred to voters by referendum petition. Specifically, the measure provides that if HB 3427 is referred, then a special election is to be held on January 21, 2020. For special elections, the Secretary of State incurs administrative costs and reimburses counties for the costs of the election. Based on previous special elections, the Secretary of State estimates costs of about \$3.5 million General Fund for a special election in January 2020.

SB 454 (Chapter 678, Oregon Laws 2019) transfers administration of the Uniform Disposition of Unclaimed Property Act, unclaimed estates, and escheated property and funds from the Department of State Lands to the State Treasurer with an operative date of July 1, 2021.

SB 861 (Chapter 638, Oregon Laws 2019) requires the state to pay postage costs for ballots returned by mail for all elections in Oregon. Voters will also have the option to continue to return their ballot to ballot drop sites, at no additional cost to the state. The cost to the state of prepaid postage for ballots will vary. Factors influencing costs could include voter turnout, how many voters return ballots by mail, and the size of the ballot. The measure includes a General Fund appropriation of \$1.7 million to the Secretary of State for implementation. A special purpose appropriation of \$1.1 million is included in HB 5050 (2019) for distribution by the Emergency Board to the Secretary of State in the event the costs of prepaid postage for ballots exceed budgeted election expenditures.

LEGISLATIVE BRANCH

HB 3377 (Chapter 604, Oregon Laws 2019) creates the Joint Committee on Conduct as a standing legislative committee and the Legislative Equity Office as an independent, nonpartisan office of the Legislative Assembly. The measure specifies the duties of the Committee, including adoption of respectful workplace policies and the provision of policy direction and oversight of the Legislative Equity Office. Responsibilities of the Equity Office are specified, including provision of confidential process counseling, respectful workplace training, and contracting with an independent investigator to receive complaints and conduct investigations. The bill includes an appropriation of \$1,393,318 General Fund for the costs of the new legislative office.

OTHER

Bills Establishing Task Forces, Work Groups, Advisory Councils

Of the 392 referred substantive or non-budget bills, 25 (6%) established a task force or advisory work group. Of these 25 bills, 4 (16%) received a public hearing and 2 (8%) were reported out by the Joint Committee on Ways and Means.

HB 2346 (Chapter 586, Oregon Laws 2019) establishes the 17-member Task Force on Access to Quality Affordable Child Care to: (1) study why eligible families are not using child care subsidies and make recommendations on how to increase eligible families' use of child care subsidies; and (2) study and make recommendations on how to expand access to high-quality, subsidized child care for families that currently are not eligible for subsidized child care and cannot otherwise afford or access child care. The bill appropriates \$235,857 of General Fund to the Early Learning Division within ODE to partner with the Oregon Child Care Research Partnership (OCCRP) at Oregon State University to conduct studies and prepare reports to support the task force.

SB 770 (Chapter 629, Oregon Laws 2019) establishes a 20-member Task Force on Universal Health Care, charged with recommending the design of the Health Care for All Oregon Plan. The program will be administered by the Health Care for All Oregon Board. This plan would be publicly funded, equitable, affordable, comprehensive, and provide high-quality care to all Oregon residents. The task force must submit to the 2021 Legislative Assembly a report of its findings and recommendations for the design of the Health Care for All Oregon Plan and the Health Care for All Oregon Board. The bill will sunset on January 2, 2022. The bill also directs the Oregon Health Authority (OHA) to develop a plan for a Medicaid Buy-In program or public option to provide an affordable health care option to all Oregon residents. The bill appropriates \$1,174,816 General Fund to the OHA for the 2019-21 biennium to support the Task Force on Universal Health Care, as well as to develop a plan for a Medicaid Buy-In program to provide an affordable health care option to all Oregon residents.