## **2019 SUMMARY OF LEGISLATION**



# **GOVERNMENT**

OREGON LEGISLATIVE POLICY AND RESEARCH OFFICE | 80<sup>TH</sup> LEGISLATIVE ASSEMBLY



# GOVERNMENT MEASURES

Public Employee Benefits	Enacted Not Enacted	SB 166, HB 2266, HB 2506 SB 75, SB 198, SB 705-A, HB 3123-A
Revenues, Budgeting, and Economic Development	Enacted Not Enacted	HB 2488 SB 346, SB 614, SB 616, SB 621, SB 803-A, HB 2320-A, HB 2613, HB 2212-A, HB 3110-A
Efficiency and Technology	Enacted  Not Enacted	SB 252, SB 393, SB 394, HB 2093, HB 2325, HB 2488, HB 3061 SB 240-A, HB 2487
Taxation	Enacted Not Enacted	HB 2699 SB 114, SB 758, SB 901-A, HB 2383-A
Public Contracting	Enacted Not Enacted	SB 471, HB 2094, HB 2769 -none-
Miscellaneous	Enacted  Not Enacted	SB 226, SB 294, SB 320, SB 454, SB 933, SJM 6, HB 2001, HB 2506, HB 2595  SB 704, SB 750, SB 751, SB 755-A, SB 856-A, SB 897, HB 2097, HB 2277, HB 2284, HB 2297, HB 2824, HB 2973, HB 3034, HB 3099, HB 3242, HB 3390

Picture: Executive Building, Marion County – <u>Gary Halvorson, Oregon State Archives</u>

## TASK FORCES AND REPORTING REQUIREMENTS

The following bills created task forces and reporting requirements. Additional information is provided in the bill summaries.

Bill Number	Description	Deadline
HB 2001	Directs Department of Consumer and Business Services to report on low-rise residential dwellings to the legislature.	January 1, 2020
HB 2266	Directs Oregon Health Authority to report to Legislative Assembly on actions and strategies employed by the Public Employee's Benefit Board, challenges identified by the board, steps taken to maximize the state's purchasing power and reduce the total cost of delivering care, and an overview of renewal rates.	December 31, 2019

Senate Bill 75 Not Enacted

#### **PERS Employer Incentive Fund**

At the request of: Governor Kate Brown for Public Employees Retirement System

Committees: Senate Workforce, Joint Ways and Means

**Background and Current Law:** In 2018, the Oregon Legislative Assembly passed Senate Bill 1566 creating the Employer Incentive Fund (EIF) to encourage public employers to make extra one-time contributions to the Public Employee Retirement System (PERS). To qualify for EIF an employer must make an extra payment by July 1, 2023. For the first six months of the program, only employers whose unfunded actuarial liability is more than 200 percent of the employer's payroll may apply for EIF funds with any remaining funds available to all other employers thereafter.

**Bill Summary:** Senate Bill 75 would have allowed PERS to require employers to make an extra payment no later than September 30, 2021 and to shorten the one-time open application period from six months to ninety days. Parts of Senate Bill 75 were incorporated into Senate Bill 1049.

#### Senate Bill 166 Effective Date: June 27, 2019

State Retirement Board Contracts

At the request of: State Treasurer Tobias Read

Committees: Senate Business and General Government, Joint Ways and Means

Background and Current Law: House Bill 2960 (2015) created the seven-member Oregon Retirement Savings Board, chaired by the State Treasurer, and directed the Board to develop a defined contribution retirement plan for people employed in Oregon. The OregonSaves pilot program launched July 1, 2017 and was rolled out statewide on October 15, 2017. Employers with 20 or more employees are currently required to automatically enroll their employees in OregonSaves if the employer does not offer a qualified retirement plan. Employees enrolled in OregonSaves make post-tax contributions to a Roth IRA administered by the Oregon State Treasury. Employers do not contribute to OregonSaves accounts. The Oregon State Treasury contracts with two providers to operate OregonSaves, both of which offer volume discounts.

**Bill Summary:** Senate Bill 166 allows the Board to enter into agreements to offer retirement savings plan services to states administering a plan similar to OregonSaves.

Effective Date: July 15, 2019

#### **Municipal Disincorporations**

At the request of: Secretary of State Dennis Richardson

Committees: Senate Rules, House Rules

**Background and Current Law:** The status of the City of Damascus has been the subject of multiple elections and several court cases. Current law requires disincorporation of a city to be approved by an "absolute majority," defined as a majority of eligible voters. A 2013 referral received a simple majority but failed to receive an absolute majority. In 2015, the Legislative Assembly referred a disincorporation measure to the voters of Damascus that expressly required only a simple majority of votes to become law. The measure received a simple majority, but the Oregon Court of Appeals found that because the provision requiring only a simple majority was contained in the referral itself, it did not have the effect of eliminating the statutory requirement for an absolute majority.

**Bill Summary:** Senate Bill 226 ratifies disincorporation elections that meet specified criteria. The bill allows for expedited review in the Oregon Supreme Court if a petition is filed within 30 days of the election.

Oregon Laws 2019: Chapter 545

## Senate Bill 240-A Not Enacted

#### **Government Electronic Records and Signatures**

Chief Sponsors: Sen. Manning; Rep. G Smith

Committees: Senate Business and General Government, Joint Ways and Means

**Background and Current Law:** In 2001, the Legislative Assembly enacted the Uniform Electronic Transactions Act. The Act states that a record or signature may not be denied effect or enforceability because it is in electronic form and paved the way for widespread use of electronic records and signatures. The Act also requires each governmental agency to determine if it will accept electronic records and signatures and allows each agency to determine the manner and format in which electronic records and signatures must be created, communicated, and stored.

**Bill Summary:** Senate Bill 240-A would have required all governmental agencies in the state to use electronic records and signatures by July 1, 2020. The measure also would have required all governmental agencies to ensure websites are accessible on mobile devices and to persons with disabilities by July 1, 2021.

#### Effective Date: January 1, 2020

#### **Reducing Costs at the Military Department**

At the request of: Governor Kate Brown for Oregon Military Department

Committees: Senate Veterans and Emergency Preparedness, House Veterans and Emergency Preparedness

**Background and Current Law:** The Oregon Military Department (OMD) often expends state funds and then seeks reimbursement from federal funds. When there are delays in reimbursement, OMD may rely on lines of credit. Using lines of credit as a means to account for delays between spending state funds and receiving federal reimbursement can significantly increase OMD's costs, particularly when large-scale construction projects are involved.

**Bill Summary:** Senate Bill 252 streamlines OMD's accounting to enable more efficient receipt and expenditure of funds to avoid interest charges associated with using lines of credit. It authorizes OMD to enter into cooperative agreements with the National Guard Bureau (NGB) and to choose an advance payment method for expenditures of federal funds (rather than a reimbursement method after using state funds). The measure also requires sufficient unencumbered funds in the State Treasury to cover expenditures before OMD may incur a funding obligation that is reimbursable from federal moneys pursuant to a cooperative agreement.

Oregon Laws 2019: Chapter 367

#### **Senate Bill 288**

**Effective Date: January 1, 2020** 

#### **Special District Meetings in Indian Country**

Chief Sponsors: Sen. Roblan

Committees: Senate Business and General Government, House Rules

**Background and Current Law:** Public bodies of a state, county, or city entity are allowed to hold public meetings on Indian Country in Oregon. Special districts are units of local government that provide specified services including water supply, cemetery maintenance, mass transit, and sanitation.

**Bill Summary:** Senate Bill 288 adds special districts to the units of government that can hold public meetings on Indian Country.

Effective Date: January 1, 2020

Effective Date: January 1, 2020

#### **Pioneer Cemetery Maintenance District**

Chief Sponsors: Sen. Hansell

Committees: Senate Business and General Government, House Business and Labor

**Background and Current Law:** Current statute allows for the formation of cemetery maintenance districts, which are special districts authorized to own, hold, and operate land for cemetery purposes.

**Bill Summary:** Senate Bill 294 establishes the pioneer cemetery maintenance district as a cemetery maintenance district located in a county with a population less than 20,000 which operates a cemetery outside of any city's urban growth boundary. The measure allows pioneer cemetery maintenance districts to annex land at the request of the owner and with the endorsement of the pioneer cemetery maintenance district board.

Oregon Laws 2019: Chapter 246

#### Senate Bill 320

(see Senate Joint Memorial 6)

#### **Permanent Daylight Saving Time**

Chief Sponsors: Sen. Thatcher; Reps. Post, Lively

Committees: Senate Business and General Government, House Rules

**Background and Current Law:** Daylight saving time is the practice of setting the clock one hour forward for 34 weeks of the year, allowing for more daylight in the evening hours. Measures introduced in California and Washington would end the twice-yearly time change and permanently maintain daylight saving time. Congressional action is required for a state to maintain itself on permanent daylight savings time.

**Bill Summary:** Senate Bill 320 ceases the one-hour time change and places Oregon permanently on daylight saving time. The measure exempts the portion of the state in the Mountain Time Zone and becomes operative with congressional authorization after California and Washington also adopt permanent daylight saving time.

**Not Enacted** Senate Bill 346

#### **Zero-Based Budgeting**

Chief Sponsors: Sen. Linthicum

**Committees:** Senate Business and General Government, Joint Ways and Means

Background and Current Law: Executive agencies operate with a budget approved by the Legislative Assembly. Each agency submits a biennial request budget to the Department of Administrative Services (DAS) before September 1 of each even-numbered year. DAS and the Legislative Fiscal Officer prepare a tentative biennial budget with estimated revenues and projected costs for continuing currently authorized programs.

Bill Summary: Senate Bill 346 would have declared a state policy to use zero-based budgeting, which begins with the assumption that the funding amount for each component of the budget is zero, and each expense must be justified. The measure would have required biennial agency request budgets to contain information justifying each agency activity, a quantitative analysis of the adverse impact if the activity ceased, expenditures required to maintain the current activity, quantity and quality of service for each activity, and a ranking of activities based on their contribution to the overall goals of the agency.

#### Senate Bill 393

## **Effective Date: January 1, 2020**

#### **Translator District Annexation**

Chief Sponsors: Sen. Bentz

At the request of: Blue Mountain Translator District

Committees: Senate Business and General Government, Senate Finance and Revenue, House Revenue

Background and Current Law: Current statute allows for the creation of a translator district to ensure the transmission and reception of television broadcast signals in remote areas of the state where regular transmission of television programming is not otherwise available to the public. Boundaries for a translator district are subject to same standards as special districts.

Bill Summary: Senate Bill 393 allows a translator district to annex a city which is entirely surrounded by a translator district where a cable television corporation operates or has ceased to operate and city electors approve the annexation.

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#### Senate Bill 394

Effective Date: January 1, 2020

#### **Translator District Technology**

Chief Sponsors: Sen. Bentz

At the request of: Blue Mountain Translator District

Committees: Senate Business and General Government, House Veterans and Emergency Preparedness

**Background and Current Law:** Current statute allows for the creation of a translator district to ensure the transmission and reception of television broadcast signals in remote areas of the state where regular transmission of television programming is not otherwise available to the public.

**Bill Summary:** Senate Bill 394 allows translator districts to aggregate and distribute emergency alerts and use a range of technologies. The measure also gives districts greater discretion to delete commercial matter in the district's transmissions and to generate revenue.

Oregon Laws 2019: Chapter 261

#### Senate Bill 454

Effective Date: September 29, 2019

#### **Administration of Unclaimed Property**

At the request of: Treasurer Tobias Read for State Land Board

Committees: Senate Business and General Government, Joint Ways and Means

**Background and Current Law:** The Department of State Lands (DSL) has administered unclaimed property since 1957. DSL currently holds millions of dollars in unclaimed assets including savings bonds, stock dividends, and uncashed checks. Approximately \$50 million is remitted to DSL each year, roughly half of which is returned to the rightful owners. Unclaimed funds are held in the Common School Fund until claimed, and interest from those funds is sent to K-12 schools twice each year.

**Bill Summary:** Senate Bill 454 transfers administration of unclaimed property from DSL to the Oregon State Treasurer.

Effective Date: September 29, 2019

#### **Conflict Minerals in Public Contracts**

Chief Sponsors: Sens. Boquist, Dembrow; Rep. McLain

At the request of: Never Again Coalition

Committees: Senate Business and General Government, House Rules

**Background and Current Law:** Armed groups in Central and Southern Africa have profited by illegally extracting and selling tin, tantalum, tungsten, and gold, all of which are used in the production of consumer products. The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 requires all publicly traded companies to report and disclose if these "conflict minerals" from the Democratic Republic of the Congo can be found anywhere in their supply chain. The City of Portland adopted public contracting standards in August of 2018 that give preference to bidders that source conflict-free minerals.

**Bill Summary:** Senate Bill 471 requires contracting agencies to obtain bids that detail what conflict minerals might be used in a project and the contractor's due diligence standards used to ensure the use of conflict-free minerals.

Oregon Laws 2019: Chapter 294

Senate Bill 614 Not Enacted

#### **Maximum General Fund-Support Debt**

Chief Sponsors: Sen. Girod

Committees: Senate Business and General Government, Joint Ways and Means

Background and Current Law: The General Fund is composed primarily of personal and corporate income tax and is the most discretionary source of funds available to the Legislative Assembly and Governor when adopting the biennial budget. The State Debt Policy Advisory Commission; composed of the State Treasurer, a Representative and a Senator from the Legislative Assembly, the Director of the Department of Administrative Services, and a public member; advises the Governor and Legislative Assembly regarding policies that enhance and preserve the state's credit rating and maintain the future availability of low-cost capital financing. The Commission makes a recommendation related to General Fund debt capacity annually based on its target debt capacity of five percent debt service to General Fund revenues.

**Bill Summary:** Senate Bill 614 would have codified the Commission's target debt capacity, capping the maximum amount of outstanding General Fund-supported debt at five percent.

Senate Bill 616 Not Enacted

#### **Maximum Lottery Bond Debt**

Chief Sponsors: Sen. Girod

Committees: Senate Business and General Government, Joint Ways and Means

**Background and Current Law:** The Lottery Fund consists of revenue from the sale of lottery games after prizes and expenses. A portion of the Lottery Fund is constitutionally dedicated to specific programs and the remainder is distributed at the discretion of the Legislative Assembly and the Governor in the biennial budget. The State Debt Policy Advisory Commission is required to advise the Governor and Legislative Assembly regarding policies that enhance and preserve the state's credit rating and maintain the future availability of low-cost capital financing. The Commission reports its recommendation related to Lottery Fund debt capacity annually based on the Commission's lottery revenue bond capacity policy that lottery debt service should not exceed 25 percent of net unobligated lottery revenues.

**Bill Summary:** Senate Bill 616 would have prohibited the State Treasurer from recommending a prudent maximum amount of lottery bonds causing total lottery debt service to exceed 25 percent of net unobligated lottery revenues.

Senate Bill 621 Not Enacted

#### **Vacation Rental Regulation**

Chief Sponsors: Sen. Girod

**Committees:** Senate Business and General Government

**Background and Current Law:** "Vacation occupancy" is defined as occupancy of a dwelling unit for up to 45 days for vacation purposes only, not as a principal residence. The state has seen a rise in the number of privately owned properties offered for use as vacation occupancies. Local governments have sought to regulate vacation rentals in various ways, including registration, taxation, and a cap on the total number of short-term vacation rentals available in a jurisdiction.

**Bill Summary:** Senate Bill 621 would have prohibited local governments from enforcing any ordinance prohibiting the use of a residential dwelling for vacation occupancy. The measure would have preserved the ability of local governments to require registration and collect transient lodging taxes.

Senate Bill 704 Not Enacted

#### **Capitol Seismic Upgrade Fund**

Chief Sponsors: Sens. Roblan, Beyer, Hansell

Committees: Senate Rules, Joint Ways and Means

**Background and Current Law:** On March 25, 1993, the Scotts Mills earthquake cracked the rotunda in the State Capitol and required extensive repairs. Engineers recommended a comprehensive seismic renovation of the Capitol. Steps were taken to repair the rotunda, but the remaining phases of seismic improvements were never undertaken. Since that time, the Legislative Assembly has convened several groups to develop and review a Capitol Master Plan that recommends seismic repairs and life safety improvements. In 2016, the Legislative Assembly approved the Capitol Accessibility, Maintenance and Safety (CAMS) project to address Americans with Disabilities Act deficiencies, at-risk mechanical, electrical, and plumbing systems, and security and life safety issues in the Oregon State Capitol building.

**Bill Summary:** Senate Bill 704 would have authorized the State Treasurer to issue general obligation bonds to raise capital for seismic repairs and life safety improvements to the Oregon State Capitol Building.

Senate Bill 705-A Not Enacted

**PERS Port of Portland Side Account** 

Chief Sponsors: Sen. Knopp

At the request of: Port of Portland

Committees: Senate Workforce, Joint Ways and Means

**Background and Current Law:** The Public Employees Retirement System (PERS) pension benefits are funded by a combination of participating employer contributions and earnings on invested funds. Participating employers can make advance lump sum contributions into a side account to offset future expenses. In 2018, the Legislative Assembly enacted Senate Bill 1566 creating the Employer Incentive Fund (EIF), which matches portions of an employer's side account not to exceed twenty-five percent of a qualifying lump sum payment. In addition, employers depositing advance lump sums of \$10 million or more in a side account can choose an amortization period of six, ten, sixteen, or twenty years.

**Bill Summary:** Senate Bill 705-A would have allowed an employer depositing \$10 million or more in a side account (currently only applicable to the Port of Portland) to choose the date on which its amortization period begins, until January 1, 2024.

Senate Bill 750 Not Enacted

#### **Private-Public Enforcement Actions**

Chief Sponsors: Reps. Williamson, Salinas

Committees: Senate Workforce, Joint Ways and Means

**Background and Current Law:** Currently, only the Bureau of Labor and Industries (BOLI) or the Department of Justice (DOJ) may bring legal actions to enforce a variety of labor and public accommodations laws.

**Bill Summary:** Senate Bill 750 would have authorized a "relator"--an aggrieved person, a whistleblower, or a representative organization that brings a public enforcement action--to enforce certain laws, including workers' compensation, sick leave, occupational safety and health, wage and hour, and civil rights in employment, public accommodations, and real property transactions on behalf of the state.

Senate Bill 751 Not Enacted

#### **Planned Community Investments**

Chief Sponsors: Sen. Knopp; Rep. Zika

**Committees:** Senate Business and General Government

**Background and Current Law:** A Class I planned community is a community with at least 13 lots that assesses a homeowners association fee exceeding \$10,000 for all lots or \$100 per lot. Homeowners associations are required to deposit assessments and other associations' funds in a federally insured account at a financial institution.

**Bill Summary:** Senate Bill 751 would have allowed homeowners associations of Class I planned communities to deposit funds in the Short Term Fund or other commingled investment pools managed by the State Treasurer.

Senate Bill 755-A Not Enacted

#### Citizens' Initiative Review Commission Endowment Fund

Chief Sponsors: Sen. Roblan

Committees: Senate Rules, Joint Ways and Means

**Background and Current Law:** The Citizens' Initiative Review Commission is a semi-independent state agency tasked with convening citizen panels to review selected ballot measures and prepare voters' pamphlet statements. The Commission is authorized to accept contributions from any source other than a political committee or for-profit corporation or union, as well as any source the Commission determines might be used to transfer money from one of these entities. If a person contributes more than \$100 to the Commission in a calendar year, the Commission is required to disclose the amount, name, and address of the person or entity making the contribution on the Internet within 14 days.

**Bill Summary:** Senate Bill 755-A would have created the Citizens' Initiative Review Commission Endowment Fund, with funds appropriated to the Department of Administrative Services for distribution to the Commission.

Senate Bill 758 Not Enacted

## **Oregon Earned Income Tax Credit**

Chief Sponsors: Sens. Knopp, Gelser

**Committees:** Senate Workforce, Joint Finance and Revenue

**Background and Current Law:** The federal earned income tax credit was enacted in 1975 as a temporary refundable credit to offset increased costs on lower-income workers and to provide a work incentive for parents with little or no earned income. The Oregon earned income tax credit was created in 1997 at a rate of five percent of the federal credit, increased to six percent in 2008, and to eight percent in 2013. In 2016, the percentage was increased to eleven percent for taxpayers with a dependent under the age of three.

**Bill Summary:** Senate Bill 758 would have increased the Oregon earned income tax credit from eight percent of the federal credit to twelve percent. For taxpayers with a dependent under the age of three, Senate Bill 758 would have increased the credit from eleven percent to fifteen percent.

Senate Bill 803-A Not Enacted

#### **Licensed Use of State Seal**

Chief Sponsors: Sen. Hansell; Rep. Barreto

Committees: Senate Business and General Government, Joint Ways and Means

**Background and Current Law:** Reproduction of the Oregon state seal is prohibited if it falsely implies official endorsement or sponsorship by the State or any agency, or subjects the seal to ridicule, debasement, or infamy. The state seal currently appears on a wide range of consumer products including neck ties, coasters, and key chains.

**Bill Summary:** Senate Bill 803-A would have allowed the Secretary of State (SOS) to license use of the state seal on goods, wares, and merchandise, and would have prohibited use without a license. The measure also would have allowed SOS to adopt royalty fees calculated as a percentage of total sales on the licensed goods for deposit into the General Fund.

Senate Bill 856-A Not Enacted

## Oregon Office of New Americans

Chief Sponsors: Sen. Dembrow; Rep. Piluso

Committees: Senate Business and General Government, Joint Ways and Means

**Background and Current Law:** According to the Migration Policy Institute, immigrants accounted for 13.5 percent of the total population of the United States in 2016. Immigrants and their U.S.-born children are now 27 percent of the overall U.S. population and made up 17 percent of the civilian labor force in 2016. In Oregon, immigrants make up roughly 10 percent of the state's total population.

**Bill Summary:** Senate Bill 856-A would have established the Oregon Office of New Americans to connect immigrants to their communities, essential services, and education and career opportunities. The measure would have also required the Oregon Advocacy Commission Office to coordinate businesses, institutions of higher education, licensing agencies, and resettlement agencies to plan joint efforts to streamline recredentialing and entry into the job market.

Senate Bill 897 Not Enacted

#### **Oregon State Fair Deferred Maintenance**

Chief Sponsors: Sens. Roblan, Courtney, Hansell; Rep. G Smith

Committees: Senate Business and General Government, Joint Ways and Means

**Background and Current Law:** The Oregon State Fair began in 1858 as an agricultural exhibition and expanded in 1977 to include an exposition center. The Fair has historically struggled to generate sufficient revenue to meet both operating and maintenance costs. According to the State Fair Council, the Fair realized a net gain from 2015 through 2018, but avoided historical deficits "largely due to a very frugal bare-bones spending strategy...and a relatively minimal investment compared to the millions of dollars of decades-old deferred maintenance and needed upgrades to facilities and equipment." The Council estimates Fair facilities require \$33 million in deferred maintenance, improvements, and enhancements to maximize revenues and maintain future relevance.

**Bill Summary:** Senate Bill 897 would have appropriated \$5,625,000 to the State Fair Council for the assessment, deferred maintenance, improvement, and enhancement of fairground facilities. Provisions of the measure were incorporated in House Bill 5050.

Senate Bill 901-A Not Enacted

#### Ochato Bill Co i /t

Chief Sponsors: Sen. Bentz

Translator District Taxes

At the request of: Blue Mountain Translator District

Committees: Senate Business and General Government, Senate Finance and Revenue

**Background and Current Law:** Current statute allows for the creation of a translator district to ensure the transmission and reception of television broadcast signals in remote areas of the state. Special districts with taxing authority can ask voters to choose a permanent rate limit for the district; once established, a permanent rate limit cannot be changed by any action of the district or its patrons. Taxing districts can also ask voters for temporary taxing authority above the permanent rate limitation in a local option tax, which is limited to five years for operation and ten years for capital construction purposes.

**Bill Summary:** Senate Bill 901-A would have allowed a translator district to establish a property tax permanent rate limit and annually impose, assess, and collect operating taxes following approval in an election held in a presidential election year.

Effective Date: January 1, 2020

#### Select Multiple Races or Ethnicities

Chief Sponsors: Sens. Fagan, Frederick

At the request of: Amy C. Vaught

Committees: Senate Business and General Government, House Rules

**Background and Current Law:** Ethnicity indicates a population group with a common national or cultural tradition. Race refers to physical characteristics which typically result from genetic ancestry. The U.S. Census Bureau defines race as a person's self-identification with one or more social groups and uses ethnicity to determine whether a person is of Hispanic origin or not. The U.S. Census Bureau first allowed respondents to choose more than one racial category in 2000.

**Bill Summary:** Senate Bill 933 requires a form or document issued by a public body asking a person to identify the person's race or ethnicity to allow respondents to select multiple races or ethnicities.

Oregon Laws 2019: Chapter 352

Senate Bill 1047 Not Enacted

#### **Municipal Building Inspection Programs**

Chief Sponsors: Sens. Roblan, Heard; Reps. DB Smith, Gomberg

At the request of: Association of Oregon Counties and League of Oregon Cities

Committees: Senate Rules

**Background and Current Law:** In 1973, the legislature established a statewide building code to govern the construction, reconstruction, alteration, and repair of buildings and other structures. Administration and enforcement of the state building code can be delegated to qualifying municipalities for four years at a time. A qualifying municipality must appoint a building official to administer and enforce the building inspection program. Recent legal opinions issued by the Office of Legislative Counsel and the Department of Justice have questioned the ability of a local government to outsource administration of a building inspection program.

**Bill Summary:** Senate Bill 1047 would have authorized the use of independent contractors as building officials and established standards for oversight, local appeals, and disposition of funds. The measure also would have clarified conflict of interest standards for certified building inspection staff.

#### **Senate Concurrent Resolution 31**

#### Filed with Secretary of State

#### Tribal Recognition, Self-Determination, and Economic Independence

Chief Sponsors: Sens. Roblan, Hansell; Rep. McKeown

Committees: Senate Rules, House Rules

**Background and Current Law:** The State of Oregon has well-established relationships with nine federally recognized tribal governments located within the state's borders. On August 13, 1953, the Western Oregon Indian Termination Act and the Klamath Termination Act became law, terminating federal recognition of more than 60 tribes and bands of indigenous peoples. Termination resulted in Native American deprivation, cultural losses, poverty, health problems, and the removal of many people from their ancestral communities.

**Bill Summary:** Senate Concurrent Resolution 31 honors and acknowledges the bravery and courage of tribal members who advocated for recognition of their terminated tribes, and supports tribal recognition, self-determination, and economic independence.

#### **Senate Joint Memorial 6**

Filed with Secretary of State

(see Senate Bill 320)

#### **Urges Congress to Allow Permanent Daylight Saving Time**

Chief Sponsors: Sen. Thatcher; Reps. Post, Lively

Committees: Senate Business and General Government, House Rules

**Background and Current Law:** Daylight saving time is the practice of setting the clock one hour forward for 34 weeks of the year, allowing for more daylight in the evening hours. Measures introduced in California and Washington would end the twice-yearly time change and permanently maintain daylight saving time. Congressional action is required for a state to maintain itself on permanent daylight savings time.

**Bill Summary:** Senate Joint Memorial 6 urges Congress to allow states to permanently maintain themselves on daylight saving time.

**Effective Date: August 8, 2019** 

#### Requiring higher density residential development

Chief Sponsors: Rep. Kotek

Committees: House Human Services and Housing, Joint Ways and Means

**Background and Current Law:** Local jurisdictions in Oregon are required to prepare comprehensive land use plans that are consistent with implementation of a set of statewide planning goals, overseen by the Land Conservation and Development Commission (LCDC) which governs the Department of Land Conservation Development (DLCD). The goals establish state policies on urban and rural land uses, resource conservation, economic development, affordable housing, urban growth, coastal protection, natural hazards, and citizen involvement. Zoning and regulation at the local level must be consistent with the relevant comprehensive plan, and is used to encourage and discourage types of development. Typical local zoning can create industrial, business, and residential areas, and exclusive residential zones that allow only detached, single family homes.

The current lack of available, affordable housing inspired a number of approaches to increase the supply of housing of all kinds, particularly for households of modest means, including "middle housing." Middle housing refers to housing that can accommodate more occupants than a single-family home, but less than a large multifamily complex, such as duplexes, row houses, cottage clusters, stacked flats, and accessory dwelling units.

**Bill Summary:** House Bill 2001 requires certain local jurisdictions to allow the development of middle housing, as defined by the measure, in areas currently zoned for single-family dwellings within their urban growth boundaries. The measure also addresses the conversion of existing single-family dwellings into middle housing.

Cities with populations of 10,000 or more are required to allow duplexes on lots or parcels zoned for single family homes. Cities and counties within a metropolitan service district and cities with populations of 25,000 or more, must allow middle housing in areas zoned for single-family dwellings, and must allow duplexes on individual lots or parcels zoned for single-family homes. Cities within a metropolitan service district that have populations less than 1,000 are excluded, as are unincorporated lands and lands that lack sufficient access to urban services. Local jurisdictions are required to conform their comprehensive plans and land use regulations within a certain timeframe, or adopt model ordinances prepared by DLCD in consultation with the Department of Consumer and Business Services (DCBS). The measure also makes a number of adjustments related to how local jurisdictions currently calculate and report on housing development and future housing needs. DLCD is required to provide technical assistance and is appropriated \$3,500,000.

To address the division of existing single-family homes, the measure requires DCBS to establish uniform standards for cities that provide for such division, into no more than four dwelling units each. Cities are required to approve or deny applications for such conversions within 15 business days, and must provide an administrative process for applicants to appeal denials within 30 days.

Finally, the measure voids provisions in any recorded instruments affecting real property that are executed after its effective date, that allow the development of a single-family dwelling while prohibiting middle housing or an accessory dwelling unit.

Effective Date: September 29, 2019

#### **Electric Vehicle Charging Stations**

At the request of: Governor Kate Brown for Oregon Department of Administrative Services

Committees: House Rules, Senate Business and General Government

**Background and Current Law:** In 2013, the legislature authorized state agencies to locate electric vehicle charging stations on agency property. Agencies are required to set the price for use of these devices not to exceed 110 percent of the average market price for use in the county in which the device is located, while also recovering costs of operation. In addition, each state agency is required to set a uniform price for all devices located on its property.

**Bill Summary:** House Bill 2093 authorizes the Department of Administrative Services (DAS) to participate in permissive and interstate cooperative procurement agreements to acquire, install, maintain, or operate charging devices; requires that agencies endeavor to set the price for use within a specified range; eliminates the obligation of each agency to set a uniform price across all agency properties; and excludes these cooperative procurement agreements from DAS' legislative reporting obligations.

Oregon Laws 2019: Chapter 104

#### House Bill 2094

**Effective Date: September 29, 2019** 

#### Considering Bidders' Debts to the State

At the request of: Governor Kate Brown for Oregon Department of Administrative Services

Committees: House Rules, Senate Business and General Government

**Background and Current Law:** In the course of awarding public contracts, contracting agencies are required to determine whether a bidder is "responsible." The bidder must demonstrate that they have the appropriate resources and skills to complete the contract, have a satisfactory record of integrity, and have complied with state tax requirements.

**Bill Summary:** House Bill 2094 authorizes contracting agencies to consider whether a bidder or proposer owes a liquidated or delinquent debt to the state.

**Not Enacted** House Bill 2097

#### **Lobbying Laws Advice**

At the request of: Governor Kate Brown for Oregon Government Ethics Commission

Committees: House Rules

Background and Current Law: Lobbyists are required to register with and report expenditures to the Oregon Government Ethics Commission (OGEC). The OGEC is authorized to issue certain advisory opinions and ethics interpretations concerning lobbying activities.

Bill Summary: House Bill 2097 would have established three tiers of ethics advice: written OGEC advisory opinions, written staff advisory opinions, and written or oral staff advice. Three corresponding levels of protection would also have been created for persons who relied on this advice, in good faith. The measure would also have established timelines applicable to written advisory opinions and would have required OGEC to provide a written explanation when a request for an opinion was denied.

**Not Enacted** House Bill 2212-A

#### **Employees with Disabilities**

At the request of: House Interim Committee on Higher Education and Workforce Development

**Committees:** House Business and Labor, Joint Ways and Means

Background and Current Law: Certain members of the House Interim Committee on Higher Education and Workforce Development participated in a work group to evaluate Oregon programs supporting employment opportunities for people with disabilities. The work group included staff from various state agencies and nonprofit organizations as well as representatives of the National Conference of State Legislatures and the Council of State Governments. House Bill 2212-A is a product of that work group.

Bill Summary: House Bill 2212-A would have appropriated General Fund moneys to the Department of Administrative Services for a grant program to defray costs of executive branch agencies providing workplace accommodations to people with disabilities.

Effective Date: January 1, 2020

#### **Public Library Services**

Chief Sponsors: Rep. Gomberg

Committees: House Economic Development, Senate Business and General Government

Background and Current Law: The legislature has determined that: an informed citizenry is indispensable to the proper function of a democratic society; libraries constitute a cultural, informational, and educational resource essential to Oregonians; and library services should be widely available throughout the state to bring Oregonians convenient opportunities for reading, study, and free inquiry. To achieve the goal of convenient library access, the Oregon State Library is required to promote the establishment, development, and support of local library services, including library services for children and youth and Oregonians who are print-disabled. The Oregon State Library Board develops strategic plans and policies for the State Library and adopts rules to carry out its purposes.

**Bill Summary:** House Bill 2243 modifies the definition of "public library" so that they are public agencies that provide to all residents of a local jurisdiction free and equal access to library and information services that are suitable for persons of all ages. The State Library Board is directed to establish minimum conditions for public libraries, with reasonable exemptions for libraries with service populations of 2,000 or fewer residents, that include financial support from public funds and regular hours of operation.

Oregon Laws 2019: Chapter 158

#### **House Bill 2266**

Effective Date: June 25, 2019

#### **Health Plans for Dependents of Public Employees**

At the request of: Governor Kate Brown for Oregon Health Authority

**Committees:** House Health Care, House Rules, Senate Rules

**Background and Current Law:** The legislature enacted Senate Bill 1067 in 2017 after a legislative work group convened to examine potential cost reduction in future state budgets. Several of its provisions affected the Public Employees' Benefit Board (PEBB) and Oregon Educators Benefit Board (OEBB), including policies designed to limit growth in premium or per-member health plan costs.

**Bill Summary:** House Bill 2266 requires PEBB and OEBB to impose a surcharge on any eligible employee who arrange other coverage for a spouse or dependent who had access to a plan offered by PEBB or OEBB. It directs PEBB and OEBB to audit dependent eligibility and excludes out-of-state hospitals from specified alternative payment arrangements.

House Bill 2277 Not Enacted

#### **Lobbyist Reporting**

At the request of: Governor Kate Brown for Oregon Government Ethics Commission

Committees: House Rules

**Background and Current Law:** Lobbyists must register and file quarterly expenditure reports with the Oregon Government Ethics Commission.

**Bill Summary:** House Bill 2277 would have exempted several persons from lobbyist registration obligations. The measure would have required all compensated lobbyists, including public officials with a written job description that includes lobbying, to register and report, regardless of the amount of time or moneys spent lobbying.

House Bill 2284 Not Enacted

## Governance for Port of Newport

Chief Sponsors: Rep. G Smith

At the request of: International Longshore and Warehouse Union

**Committees:** Joint Transportation

**Background and Current Law:** The Port of Newport district was formed in 1910. From the 1950s until 1982, private companies operated the Port; at that point, the Port issued General Obligation bonds to purchase the terminal, eventually managing the terminal in 1995. The Port of Newport supports commercial fishing fleets, cargo ship operations, research, and tourism activities, and includes a marina, RV park, public boat ramp, and hosts annual civic events. The Port is overseen by a five-member board responsible for setting policies and strategic direction.

**Bill Summary:** House Bill 2284 would have renamed the Port of Newport as the Oregon International Port of Newport. The governing board would have consisted of five commissioners, appointed by the Governor, representing one of five constituencies: the fishing industry; longshore workers; the agriculture industry; the local chamber of commerce or other small business interest; and local community interests.

House Bill 2297 Not Enacted

#### **Daylight Savings Time**

Chief Sponsors: Reps. Post, Lively

Committees: House Rules

**Background and Current Law:** Daylight savings time is the practice of setting the clock one hour forward for 34 weeks of the year, allowing for more daylight in the evening hours during the summer months. The United States used daylight savings time during World War I and II, with some state and local governments persisting in the practice. The Uniform Time Act of 1966 standardized the practice nationwide, and allowed states to exempt themselves. Hawaii and Arizona, with the exception of the Navajo Nation, do not observe daylight savings time. Measures introduced in Congress, California, and Washington state would end the twice-yearly time change and permanently maintain daylight savings time.

**Bill Summary:** House Bill 2297 would have placed Oregon permanently on daylight savings time. The measure would have referred the question to voters at the next regular general election.

#### House Bill 2320-A

**Not Enacted** 

#### **Lottery Revenue for County Economic Development**

Chief Sponsors: Reps. Lively, G Smith; Sens. Thomsen, Hansell

Committees: House Economic Development, Joint Ways and Means

**Background and Current Law:** The Oregon Lottery collects revenues from traditional and video lottery gaming, pays player prizes and its operating expenses out of these revenues, and then transfers the balance (net profits) to the Administrative Services Economic Development Fund (EDF) for distribution by the Department of Administrative Services (DAS). ORS 461.547 requires that 2.5 percent of net proceeds of video lottery gaming must be distributed to counties for economic development projects. The Legislative Assembly approved a fixed dollar amount for county economic development during the 2017-2019 biennium, rather than use the required percentage.

**Bill Summary:** House Bill 2320-A would have directed DAS to transfer a fixed percentage of forecasted lottery revenues to counties for economic development and would have adjusted distributions to counties from video lottery revenues to compensate for the differences between actual and forecasted revenues.

Effective Date: September 29, 2019

#### **Business Filings**

Chief Sponsors: Reps. McKeown, Sanchez, Sprenger; Sens. Roblan, Hansell

Committees: House Rules, Senate Business and General Government

Background and Current Law: The Secretary of State (SOS) currently sends notices for certain business

filings only by mail.

Bill Summary: House Bill 2325 permits the SOS to specify the method used to send notices for certain business filings by rule allowing for electronic notifications instead of, or in addition to, a written notice for several types of business filings. The measure also decreases fees for certain business filings made by federally recognized Indian tribes within Oregon's borders or by an entity authorized by one of the tribes to conduct business.

Oregon Laws 2019: Chapter 62

#### House Bill 2383-A

Not Enacted

#### County Property Assessment Pilot Program

Chief Sponsors: Rep. DB Smith

**Committees:** House Economic Development, Joint Ways and Means

Background and Current Law: The property tax system is one of the most important sources of revenue for more than 1,200 local taxing districts in Oregon. Property taxes rely on county assessment and taxation offices to value properties, calculate and collect taxes, and distribute money to taxing districts. In 1989, the Legislative Assembly established the County Assessment Function Funding Assistance (CAFFA) annual grant program to help cover assessment and taxation costs for counties, reverse the disintegration of the property tax system, and recognize a shared responsibility for statewide uniformity and accuracy in assessment and taxation. Funding for CAFFA has declined.

Bill Summary: House Bill 2383-A would have appropriated funds to Curry County for a pilot program, matched by funding from other taxing districts, to achieve an assessment rotation of seven years for taxable property located in the county.

House Bill 2420-A Not Enacted

#### **Municipal Building Inspection Programs**

At the request of: House Interim Committee on Business and Labor

Committees: House Rules, Senate Rules

**Background and Current Law:** In 1973, the legislature established a statewide building code to govern the construction, reconstruction, alteration, and repair of buildings and other structures. Administration and enforcement of the state building code can be delegated to qualifying municipalities for four years at a time. A qualifying municipality must appoint a building official to administer and enforce the building inspection program. Recent legal opinions issued by the Office of Legislative Counsel and the Department of Justice have questioned the ability of a local government to outsource administration of a building inspection program.

**Bill Summary:** House Bill 2420-A would have required a building official to be a government employee and authorized the use of independent contractors for specified building inspection services. The bill would have established minimum qualifications for building officials, clarified how multiple municipalities may jointly employ building officials and inspectors, and subjected building inspection program staff to government ethics standards.

House Bill 2487 Not Enacted

#### **Blockchain Technology Study**

Chief Sponsors: Rep. Holvey

**Committees:** House Rules, Joint Ways and Means

**Background and Current Law:** Blockchain is a secured online ledger that records transactions chronologically, permanently, and unalterably. It is primarily associated with cryptocurrencies but both private and public sector entities are exploring its use in other settings. For example, banks may soon be using blockchain to bring greater efficiency to their work, while other industries are assessing its use to help manage supply chains. According to IBM, certain governments are becoming early adopters. Dubai, for example, has begun using blockchain to digitize the process of issuing business licenses and to track food safety and nutritional information.

**Bill Summary:** House Bill 2487 would have directed the Oregon Department of Administrative Services to conduct a study and make recommendations regarding the use of blockchain technologies to administer public services.

**Effective Date: January 1, 2020** 

#### Cryptocurrency Payments

Chief Sponsors: Rep. Holvey

Committees: House Rules, Senate Campaign Finance

**Background and Current Law:** Cryptocurrency is virtual or digital currency that is decentralized and relies on blockchain technology's electronic records of transactions to track and control anonymous peer-to-peer transactions. In Oregon, the Secretary of State has recently amended the Campaign Finance Manual to authorize campaign contributions, while prohibiting campaign expenditures in cryptocurrency. The manual classifies cryptocurrency in the same manner as shares of stock, providing that the contribution is to be recorded based on the market value of the cryptocurrency on the day it is received. Similarly, any subsequent change in value that is realized through the sale of cryptocurrency is classified as an investment gain or loss.

**Bill Summary:** House Bill 2488 prohibits state government from accepting payments in cryptocurrency unless authorized by the State Treasurer, and prohibits political contributions using cryptocurrency.

Oregon Laws 2019: Chapter 50

#### House Bill 2506

Effective Date: April 2, 2019

#### **Mass Transit District Investments**

Chief Sponsors: Rep. Smith Warner

At the request of: TriMet

Committees: House Business and Labor, Senate Workforce

**Background and Current Law:** Public moneys held in an account established by law may not be invested other than in the Oregon Short Term Fund unless the law that established the account allows for alternative investment. The Tri-County Metropolitan Transportation District of Oregon (TriMet) has a liability of approximately \$768 million for nonpension, post-employment benefits. TriMet would like to fund a trust and pursue investment strategies outside of the Oregon Short Term Fund.

**Bill Summary:** House Bill 2506 allows TriMet to invest nonpension, post-employment benefit trust funds according to statutory standards of judgment and care. TriMet anticipates earning an additional \$30 million or more over the next decade if allowed to invest the nonpension trust funds in the same manner it currently invests its pension trust funds.

Effective Date: January 1, 2020

#### Former Legislators' Lobbying Activities

Chief Sponsors: Reps. Fahey, Doherty

Committees: House Rules, Senate Rules

**Background and Current Law:** In 2007, former members were prohibited from receiving compensation for lobbying for at least one full regular session. Given the existence of alternating short and long regular sessions, the length of the prohibition varies and can range from approximately one month to approximately 16 months.

**Bill Summary:** House Bill 2595 creates a fixed one-year prohibition on former members lobbying for compensation after they leave the Legislative Assembly.

Oregon Laws 2019: Chapter 52

House Bill 2613 Not Enacted

#### **County Fairground Master Plan**

Chief Sponsors: Rep. G Smith

**Committees:** House Economic Development, Joint Ways and Means

**Background and Current Law:** The Oregon Business Development Department (OBDD) is the state's economic development agency. It operates infrastructure financing programs that are available to local municipalities for water systems, wastewater systems, port development, roads, and other infrastructure needs related to business growth and community development.

**Bill Summary:** House Bill 2613 would have required OBDD to retain a consultant to develop a master plan for county fairground capital construction and to report on the plan to the Legislative Assembly during the 2020 regular session.

Effective Date: September 29, 2019

#### **Brownfield Property Tax Incentive**

Chief Sponsors: Rep. Nosse, McKeown; Sens. Bentz, Frederick

Committees: House Economic Development, House Revenue, Senate Finance and Revenue

**Background and Current Law:** A brownfield is a property where expansion or redevelopment is complicated by actual or perceived environmental contamination. The Legislative Assembly enacted House Bill 4084 in 2016, authorizing certain local governments to adopt an ordinance or resolution to provide property tax incentives for any land constituting a brownfield located within its jurisdiction. Certain properties are not eligible for the program, including property granted any other special assessment, exemption, or partial exemption.

**Bill Summary:** House Bill 2699 specifies that a brownfield property receiving property tax benefits may also receive any other special assessment, exemption, or partial exemption for which it is eligible. The measure prohibits the total amount of all special assessments, exemptions, and partial exemptions granted to a property from reducing the property tax liability to below zero. The measure also requires a city, county, or port to specify in ordinance or resolution how the multiple property tax benefits will be applied and to notify the county assessor of the intended application.

Oregon Laws 2019: Chapter 492

#### House Bill 2769

Effective Date: September 29, 2019

#### Consultant Selection Process for Public Contracts

Chief Sponsors: Rep. McLain; Sens. Dembrow, Manning Jr, Hansell

Committees: House Business and Labor, Senate Business and General Government

**Background and Current Law:** State and local governments use Qualifications-Based Selection (QBS) to procure architectural, engineering, land surveying, photogrammetric mapping, or transportation planning services for any services estimated to exceed \$100,000. QBS requires contracting agencies to select a contractor based solely on qualifications; the agency may only ask for pricing after a contractor is selected. If price negotiations fail, the contracting agency may then select the next most qualified consultant and the price negotiation begins again.

**Bill Summary:** House Bill 2769 allows local government contracting agencies to consider pricing proposals of three top-ranked consultants when soliciting architectural, engineering, land surveying, photogrammetric mapping, or transportation planning services.

**Not Enacted** House Bill 2824

#### Oregon Youth Advisory Council

Chief Sponsors: Reps. Sollman, Helm, Doherty, Evans; Sen. Riley

Committees: House Rules

Background and Current Law: The Oregon Advocacy Commissions Office provides support for four advocacy commissions: the Commission on Asian and Pacific Islander Affairs, the Commission on Black Affairs, the Commission on Hispanic Affairs, and the Commission for Women. Each commission has nine community members, appointed by the Governor and confirmed by the Senate, and two legislators appointed by the Presiding Officers. The commissions provide policy advice, grow leadership, and strive to build success for their constituents.

Bill Summary: House Bill 2824 would have established the Oregon Youth Council to advise the Governor on youth-related issues. The council would have been supported by the Oregon Advocacy Commissions Office.

#### House Bill 2973

## Effective Date: January 1, 2020

#### **Advocacy Commission Member Terms**

Chief Sponsors: Rep. Alonso-Leon

Committees: House Rules, Senate Business and General Government

Background and Current Law: Five advocacy commissions have been established in the State of Oregon: the Commission on Asian and Pacific Islander Affairs, the Commission on Black Affairs, the Commission on Hispanic Affairs, the Commission for Women, and the Oregon Disabilities Commission. The commissions provide policy advice, grow leadership, and strive to build success for their constituents. Four of the commissions have nine community members, appointed by the Governor and confirmed by the Senate, and two legislators appointed by the Presiding Officers. The fifth, the Oregon Disabilities Commission, is housed within the Department of Human Services and consists of 15 members appointed by the Governor.

Bill Summary: House Bill 2973 increases the terms of office for nonlegislative commissioners from three years to four years, while retaining two-year terms for legislative members.

House Bill 3034 Not Enacted

#### **Legislative Assembly Paid Internships Program**

Chief Sponsors: Reps. Alonso-Leon, Hernandez

Committees: House Rules

**Background and Current Law:** Each legislative session, the Legislative Assembly benefits from student interns who work on behalf of lawmakers and nonpartisan offices. Current law does not expressly authorize the provision of stipends to student interns working for the Legislative Assembly.

**Bill Summary:** House Bill 3034 would have established the Legislative Assembly Paid Internships Program for the purpose of providing stipends to students participating in an internship with the offices of the Legislative Assembly.

House Bill 3046 Not Enacted

#### **Tribal Boundaries on Legislative District Maps**

Chief Sponsors: Rep. Bonham; Sen. Hansell

**Committees:** House Rules

**Background and Current Law:** Oregon is home to nine, federally recognized tribes: the Burns Paiute Tribe; the Confederated Tribes of the Coos, Lower Umpqua and Siuslaw Indians; the Confederated Tribes of the Grand Ronde; the Confederated Tribes of Siletz; the Confederated Tribes of the Umatilla; the Confederated Tribes of Warm Springs; the Cow Creek Band of Umpqua Indians; the Coquille Indian Tribe; and the Klamath Tribes. Currently, the content of legislative district maps produced by the Department of Administrative Services (DAS) is not regulated.

**Bill Summary:** House Bill 3046 would have required maps of legislative districts to include tribal boundaries as identified by treaty and the U.S. Bureau of Indian Affairs.

Effective Date: May 13, 2019

#### **Local Government Conveyance of Property for Broadband Service**

Chief Sponsors: Rep. Reschke

Committees: House Economic Development, Senate Business and General Government

**Background and Current Law:** The term "political subdivision" refers to any unit of government authorized to levy and collect taxes. Political subdivisions may transfer real property, with certain restrictions, to any of the following: a governmental body; a qualifying nonprofit or municipal corporation for low-income housing, social services, or child care services; or a nonprofit or municipal corporation for the creation of open space, parks, or natural areas.

**Bill Summary:** House Bill 3061 adds providing broadband service to the list of purposes for which a political subdivision may convey real property to a nonprofit, municipal, or private corporation. The measure specifies that the conveyance instrument must restrict the use to providing broadband services and requires the property to revert to the political subdivision if not used consistent with this purpose. The measure also allows a political subdivision to waive or relinquish its reversionary interest in transferred property before 20 years if it is determined to be in the public interest.

Oregon Laws 2019: Chapter 112

#### House Bill 3099-A

**Not Enacted** 

#### **Process for City Withdrawal from County Service District**

Chief Sponsors: Reps. Bynum, Drazan

Committees: House Agriculture and Land Use, Senate Business and General Government

**Background and Current Law:** An individual who owns property within a territory annexed into a special district, or electors of an area within a special district, may petition the county board to withdraw the property from the district. The county board is required to approve the petition if it has not been, is not, or would not be, feasible for the territory to receive service from the district. Similarly, the county board must deny a petition if it is, or would be, feasible for the territory to receive service from the district.

**Bill Summary:** House Bill 3099-A would have authorized a city that was annexed into a county service district to petition the county board to withdraw from the district and would have required the city to call a city-only election on the question of withdrawal, provided that the city was annexed into the district upon a city-only election. The measure would also have required the governing bodies of the city and county service district to negotiate and finalize an agreement for the equitable division and disposal of district assets within 90 days following the effective date of withdrawal.

House Bill 3110-A Not Enacted

#### **Rural Capacity Fund**

Chief Sponsors: Reps. Bonham, Reschke

Committees: House Economic Development, Joint Ways and Means

**Background and Current Law:** Oregon has 12 Economic Development Districts (EDDs) covering all 36 counties, including one statewide tribal EDD and 11 regional EDDs. The EDDs often originate, package, and administer loans funded by state and federal programs, including the U.S. Department of Commerce Economic Development Administration, U.S. Small Business Administration, and U.S. Department of Agriculture. The EDD loan programs support economic development and business capital needs within the requirements of their funding sources. The EDDs also provide other business services and regional planning functions.

**Bill Summary:** House Bill 3110 would have established and allocated funding to the Oregon Rural Capacity Fund (Fund) to provide resources to Oregon's EDDs to assist rural jurisdictions to learn about, apply for, and manage grants and other funding opportunities to support workforce, infrastructure, economic development, and community development.

#### House Bill 3123-A

**Not Enacted** 

## **Pension Obligation Bond Assessment**

Chief Sponsors: Rep. Nathanson; Sen. Johnson

Committees: House Rules, Joint Ways and Means

**Background and Current Law:** Public bodies are authorized to issue revenue bonds for the purpose of obtaining funds to pay pension liabilities, without regard to state or local limits on indebtedness.

**Bill Summary:** House Bill 3123-A would have required public bodies, before issuing pension obligation bonds, to obtain an independent assessment of the likelihood that investment returns will exceed the interest costs of the bonds and report on that assessment to the State Treasurer.

#### **GOVERNMENT**

House Bill 3242 Not Enacted

#### Sale of State Land

Chief Sponsors: Rep. Helt

Committees: House Rules

**Background and Current Law:** The state is required to offer certain lands for sale if the lands are not being used for a public purpose and will not be needed for public use for more than five years. Sales are not required to be completed within any specified time period. The Department of Administrative Services must approve the sale of state lands for less than fair market value.

**Bill Summary:** House Bill 3242 would have required that certain lands be sold if they were identified as either surplus or idle or otherwise not used for a public purpose. In the event the lands were not sold within six months, the measure would have required them to be auctioned.

House Bill 3390 Not Enacted

#### Impact of Distributed Funds

Chief Sponsors: Reps. Reardon, Gorsek, Piluso

Committees: House Rules

**Background and Current Law:** State agencies administer programs established by the legislature under the direction of the Governor. Some agencies are directed to distribute funds to local governments for the administration of specified programs.

**Bill Summary:** House Bill 3390 would have required state agencies responsible for distributing specified funds to counties to report to the Legislative Assembly on the amount of moneys distributed and the number of persons served by the distribution in each county.