### **Oregon News**

### **POLITICS**

With 2025 legislative session days away, Oregon lawmakers set out their priorities for the year KGW-TV Portland | By Blair Best, Jamie Parfitt

In anticipation of a new legislative session starting Tuesday of next week, leading Oregon lawmakers and <u>Gov. Tina Kotek</u> laid out their goals for the months ahead, with common topics including housing and homelessness, as well as funding for transportation and education.

This year, Democrats hold a supermajority in both chambers of the legislature. While their numbers aren't enough to neutralize any potential Republican walkouts, they're theoretically enough to pass new taxes — which requires a supermajority — without any Republican support. That said, Democrats have not necessarily signaled that they have plans to do so.

This week, The Story team sat down with the new House majority leader, Democratic Rep. Ben Bowman, and the Senate minority leader, Republican Sen. Daniel Bonham, to hear what their priorities are heading into the session next week — and whether the two sides will be able to work well together this year.

"I think the Republicans' vision for this session is 'do no harm,'" said Bonham. "Can this government come together during this legislative session, review policies that we've put forward, find out whether or not the things we've told agencies to do had a positive impact."

When Kotek first took office in 2023, she set the ambitious statewide goal of building 36,000 new housing units each year. While Oregon has been successful in hitting some of Kotek's other goals for homeless shelter beds and keeping people housed, it's far from reaching that goal for housing development — it hasn't come close.

"We've got to actually get into some concrete land use considerations, we've got to get into something that incentivizes people to build when times are tough," said Bonham. "Cost of money's high, cost of products are high, cost of labor is high, labor is also scarce, we need to do some concrete things to actually move the needle in that subject matter."

The Democrats want to invest more funding in schools and curriculum. Republicans think there's enough money to go around already, it's just a matter of allocating it effectively.

"The money is there," Bonham said. "\$137 billion is a massive state budget, we have more resources than we know what to do with. We don't have a revenue problem, we have a spending problem — and getting that money to the classroom is something that we do share in common with the majority party. I think we want to see teachers well paid, I think we want to see schools well-funded."

Last year was the costliest wildfire season in Oregon history, and the largest in terms of acres burned. The Oregon Department of Forestry ran out of money, exhausting even the legislature's emergency funds and requiring a special session to figure out how to pay the state's firefighting bills.

"Something should be done to put money aside directly pre-planned for that event, as opposed to getting end of session and saying, 'How are we going to pay for this,' which is where we are now," Bonham said.

For the leadership of both parties, the issue at least has them considering how to heal urban-rural division.

"I think Greater Idaho results in lesser Oregon," Bonham said. "I mean that's what I think — I think that Oregon should value our rural districts, and in that value we should respect them. And so talking with somebody that lives in Harney County or Grant County that's got cows, we should go out and try and talk with them about what it takes to sustain that operation and whether or not our latest environmental deal (that) was harvested by some attorney out of a high-rise building in Portland is the right thing to do."

"The urban-rural divide is a real thing, but it's not necessarily a partisan thing," said Bowman. "We have Democrats representing rural areas on the Oregon coast, in southern Oregon and across the state, and we need to do a better job of hearing each other and understanding the experiences of people who live in a different place than us."

When The Story asked Bonham about the likelihood of a transportation package this session, he seemed surprised that Democrats might be planning one.

"So, I'm eager to engage," Bonham said. "We're trying to make sure that our ideas are considered, but right now it's a fight — it's a fight just to get time, to have an audience, to be heard, to be considered." "My constituents do remember the 2017 package, believe it or not," Bonham continued. "People are like, 'Hey, you just told us you solved this problem seven years ago, you added a 10-cent fuel charge, you added an employment tax that was going to a statewide transit fund, so what were the things you promised me last time and did I get them? Is the Rose Quarter fixed, is the Abernethy Bridge resolved? I'm still getting stuck in Wilsonville, the roundabout coming out of Crooked River Ranch into Terrebonne never got' ... like, people are saying, 'I thought I already paid for this stuff and now you're coming back asking for a 50% increase for a state agency budget? That's insane.'"

Democrats, despite holding a supermajority, do not control two-thirds of either chamber. Republicans could theoretically still walk out and put the legislature on hold, although they'd have to do it with the knowledge that they'd suffer the consequences of Measure 113.

"I don't think we can commit to removing any tool from what's available to us in the constitution," Bonham acknowledged. "We fully recognize there's a consequence now if we choose to utilize that mechanism for accountability, but we certainly wouldn't cross it off the list of things that were available to us."

### An election about who should oversee Oregon elections | Opinion

Oregon Capital Insider | By Dick Hughes

Kotek stuck to her governmental priorities of homelessness and housing, behavioral health and education, adding in climate change and wildfires but bypassing financial solutions for Oregon Department of Transportation.

"I think the governor gave more time to her high school track career than she did to talking about a transportation package," Senate Republican Leader Daniel Bonham said Thursday when legislative leaders and Kotek met separately with journalists.

I followed up with Kotek on Thursday. She said funding likely would come from traditional transportation taxes and fees, not the state's general fund. She also favors phasing in a road-based user fee.

The Legislature's Republican leaders — Rep. Christine Drazan and Bonham — didn't have that public forum, instead releasing a video afterward criticizing Kotek's address.

"The one thing we can promise you is Republicans are coming to Salem to fight," Bonham said. Speaking earlier Monday to the Senate, Wagner had noted that the Oregon's Legislature is unusual among the states. Most of its work happens within committees, which are almost exclusively led by Democrats.

"If you are a chair, you hold a gavel and you have the authority to set an agenda. However, I ask this session that we consider giving all opinions fair notice and respecting the professionalism of our fellow senators by allowing enough time to bring counter viewpoints forward," Wagner said.

"In addition, honest exchange of ideas requires a certain decorum that we can model for all Oregonians. Before we stand up and blast away at a bill, let us take the time to have a warm conversation with the bill sponsor about the motivation behind the idea."

Meet Oregon's 19 new state legislators

Oregon Capital Chronicle | By Julia Shumway

The 11 new representatives and eight new senators include several former legislators who are returning to Salem and family members of two Republican senators who were disqualified from running for reelection because they missed six weeks of floor sessions during a 2023 quorum-denying walkout. Linthicum is new to elected office, but not to the Capitol — she was chief of staff for her husband, former Sen. Dennis Linthicum, before he was disqualified from running for reelection in the 28th Senate District. Like her husband, who lost his race for secretary of state in November, Linthicum regularly fails to respond to interview requests and ran on her opposition to abortion, vaccinations, gun control and mail voting. She'll be the vice chair of the Senate Human Services committee and a member of the Health Care and Early Childhood and Behavioral Health committees.

McLane is an attorney and former House Republican leader who left the Legislature in 2019 to serve as a circuit court judge. He replaced Sen. Lynn Findley, R-Vale, in the 30th Senate District, which covers a vast swath of southeastern Oregon. McLane told the Capital Chronicle during his campaign that he hoped to use his experience to work on budget issues. He'll serve on the budget-setting Joint Ways and Means Committee and its capital construction subcommittee, as well as on the Joint Tax Expenditures Committee, the Senate Judiciary Committee and as vice-chair of the Senate Finance and Revenue Committee.

Nash, a cattle rancher and former Wallowa county commissioner, is the state's first senator from the remote northeastern county. He replaced longtime legislator Bill Hansell, R-Athena, who announced his retirement before he was barred from running for reelection for participating in the 2023 walkout. Nash ran on supporting natural resource industries and is the vice chair of the Senate Natural Resources and Wildfire Committee. He's also a member of the Senate Human Services and Housing and Development committees.

Like Linthicum, Robinson isn't new to the Capitol. He was chief of staff for his father, former Sen. Art Robinson, before the elder Robinson's disqualification over the walkout. Robinson has indicated he'll carry on his father's tradition of voting "no" on just about everything, including being the only senator to vote against approving the appointment of the Senate secretary — despite calling the secretary "excellent" a few minutes later. Robinson is a member of the Senate Education and Energy and Environment committees and the Joint Information Management and Technology Committee.

Starr served in the Legislature from 1999 to 2015 and narrowly lost his 2014 reelection bid. He's returning after a decade away because former Sen. Brian Boquist, R-Dallas, was unable to run for reelection due to the 2023 GOP walkout. Starr, who worked closely on a bipartisan 2009 transportation package, will be the co-vice chair of the Joint Transportation Committee and serve on the Senate Finance and Revenue Committee and joint committees or subcommittees on the Interstate 5 bridge, tax expenditures and transportation and economic development.

### Oregon's lawmakers get to work next week. Here are their stated priorities

Oregon Live | By Sami Edge

Oregon's legislative leaders will <u>kick off their 2025 session</u> with a shared focus on improving affordability for Oregonians and making sure the government is held accountable for <u>delivering quality services</u>, they said during a preview Thursday.

"What I'm not interested in is the D.C.-style, 'gotcha,' partisan oversight that you see regardless of who is in power," Bowman said. "I hope that our oversight and accountability will be focused on solutions." House Republicans will urge Democrats to "cut government where it is inefficient or ineffective or not meeting the needs and goals that Oregonians themselves expect," she said.

House Speaker Julie Fahey said the state should do more to demand accountability from Oregon schools that fail students. It's not acceptable for the state's lowest performing schools to be <u>allowed to opt</u> <u>out</u> of accepting government help, she said Thursday.

"The pivot point shouldn't be from small government to big government," she said. "The pivot point should and could be from the school to the family and the student."

Senate leaders echoed affordability concerns. Senate Republican Leader Daniel Bonham of The Dalles said housing costs are at the top of mind for his constituents, who he said ask him whether they need to remodel their homes so their kids and grandkids can move in with them. Senate Democratic leader Kayse Jama of Portland said housing is also a priority for his caucus, which will focus on how to expand access to shelter beds, ratchet up production of affordable housing and expand homeownership opportunities.

An expected point of contention will be the multibillion-dollar <u>transportation package</u> lawmakers are crafting to pay for deferred maintenance on Oregon's crumbling bridges and roads. Democrats are discussing plans to pay for that, which could include imposing fees on road users, changing Oregon's gas tax and increasing a payroll tax to better fund public transit. Bonham, the Senate Republican leader, said Thursday that Oregon should consider using the state's general fund to help pay instead of using a new tax. Oregon's state budget has roughly doubled in the last 10 years, he and Drazan noted. "'People at their doors are saying 'Please …don't tax me," Bonham said. "'I can barely afford what my

### Oregon lawmakers look to balance calls for increased affordability with big budget asks

cost of living is today, new taxes, increased taxes are going to cause me to go backwards."

KATU | By Christina Giardinelli

The 2025 Oregon legislative session starts Tuesday and lawmakers are poised to tackle major budget issues including an estimated nearly \$2 billion transportation deficit along with large budget asks for housing and homelessness from the governor.

These major budget demands come as both party leaders in the House and Senate said, during a legislative kickoff press event Thursday, that the biggest message from their constituents is a call for improving living affordability

"The concerns that Oregonians are facing right now around affordability are extraordinary. Oregonians themselves are calling on us to do more with less and not ask them to write that blank check," Drazan said. "What we (Republicans) will continue to apply pressure on is that not just that we resist the tendency within this building to constantly ratchet up costs on Oregonians but also that we take that next step and that we ensure that these dollars are being wisely spent."

"When Gov. Kotek took office, she declared a state of emergency on homelessness and we in the Legislature stepped up to fund that state of emergency, but I think the clear difference between how we approach those resources versus resources in prior years is that they came with the expectation of achieving specific outcomes," Fahey said referencing Kotek's specific goals set in her emergency order. "We met those goals that were set up two years ago, and I'm proud of the progress we have made on each of those three pieces, and I really, I strongly believe that that's a model that we can use to inform other spending in the areas of state government."

Drazan pushed back on that front arguing that Point in Time counts showing increased homeless numbers are a testament to Kotek's plan not yielding the results she's touted.

"That (2024's Point in Time results) is not something to celebrate with the billions of dollars and the two going on three years of a state of emergency around homelessness. Where's the results? Where is it that we can look at that and say that that money has actually achieved a net of an impact given the scope and scale of how much we've invested," she said. "We've invested billions, and we have succeeded in housing a few thousand."

Both Drazan and Senate Minority Leader Daniel Bonham, R-The Dalles, both suggested they would favor cutting some of Kotek's budget requests in favor of allocating more state general fund dollars to make up for the enormous transportation budget deficit rather than exploring the potential for road taxes as a source of transportation funding.

Senate President Rob Wagner, D-Lake Oswego, said he traveled across the state and visited Republican lawmakers' districts to build comradery and work past ideological differences.

Bonham praised Wagner's efforts and pointed out that Wagner spent time having dinner with Bonham and his family.

### Oregon lawmakers gear up for first legislative session of 2025

KOIN | By Elise Haas

Republicans also have their eye on ending the homeless crisis.

"We have got to stop enabling this idea that it's okay for someone to live outside," echoed House Minority Leader Christine Drazan. "We should reverse our law that allows people to camp in public spaces and instead we should help people get into shelter."

Republicans are also laser-focused on affordability, with Drazan stating Republicans will fight to lower taxes across the state, including cutting income tax and not taxing tips.

"We know how hard it is right now for people to make ends meet," she said. "And I'd encourage Democrats and my colleagues across the aisle to join Republicans in doing things that we can control to lower the cost of living here."

According to Drazan, any attempt to raise costs of living or taxes for Oregonians should be dead on arrival. This could be a big point of contention with some Democratic-backed bills that are about to be introduced next week.

### Supreme Court upholds potential TikTok ban, ramping up pressure to sell or shut down

Associated Press

The Supreme Court on Friday unanimously upheld the federal law banning TikTok beginning Sunday unless it's sold by its China-based parent company, holding that the risk to national security posed by its ties to China overcomes concerns about limiting speech by the app or its 170 million users in the United

A sale does not appear imminent and, although experts have said the app will not disappear from existing users' phones once the law takes effect on Jan. 19, new users won't be able to download it and updates won't be available. That will eventually render the app unworkable, the Justice Department has said in court filings.

Trump, mindful of TikTok's popularity, and his own 14.7 million followers on the app, finds himself on the opposite side of the argument from prominent Senate Republicans who fault TikTok's Chinese owner for not finding a buyer before now.

It's unclear what options are open to Trump once he is sworn in as president on Monday. The law allowed for a 90-day pause in the restrictions on the app if there had been progress toward a sale before it took effect.

The dispute over TikTok's ties to China has come to embody the geopolitical competition between Washington and Beijing.

The U.S. has said it's concerned about TikTok collecting vast swaths of user data, including sensitive information on viewing habits, that could fall into the hands of the Chinese government through coercion. Officials have also warned the algorithm that fuels what users see on the app is vulnerable to manipulation by Chinese authorities, who can use it to shape content on the platform in a way that's difficult to detect.

TikTok points out the U.S. has not presented evidence that China has attempted to manipulate content on its U.S. platform or gather American user data through TikTok.

Oregon SNAP recipients impacted by new federal rule involving replacement benefits

KOIN6 | By Jashayla Pettigrew

Oregon families have been impacted by federal leaders' decision to nix a policy that refunds some low-income victims of theft.

According to the <u>U.S. Department of Agriculture</u>, Supplemental Nutrition Assistance Program recipients whose food benefits are stolen were no longer eligible for replacements as of Dec. 21, 2024.

The organization claimed that only a "small percentage" of SNAP recipients statewide have experienced card skimming, but the new policy will disproportionately impact low-income households.

## Oregon's new attorney general joins over a dozen other states to defend two federal gun safety measures

KTVZ | By Barney Lerten

The first action defends the Biden Administration's work to crack down on certain kinds of machine gun conversion devices, which can be made with a 3D printer and turn a handgun into a fully automatic weapon with the firepower of a military machine gun. The second action defends another Biden Administration rule that requires anyone who sells guns to run federal background checks — a process that would cut down on what's been commonly known as the "gun show loophole."

Machine gun Conversion Devices (MCDs) pose a serious threat to public safety and law enforcement because they convert semiautomatic rifles and pistols into fully automatic weapons that fire at rates comparable to military machine guns – up to 20 bullets in one second. The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) has noted a significant rise in the use of MCDs, leading to increasing incidents of machine gun fire – up 1,400% from 2019 through 2021.

Forced Reset Triggers (FRTs) are a type of MCD that replace the standard trigger on a semiautomatic firearm to allow the shooter to maintain continuous fire with one trigger pull, like the operation of fully automatic weapons. In 2021, ATF built upon actions stemming back to the 1970s and classified FRT-equipped guns as machine guns, which are illegal with very narrow exceptions.

Today's filing by Oregon and 15 other states will help protect communities from these military-style machine guns if the Trump Administration stops defending the policy.

### Immigrants in Oregon could be significantly impacted by Trump's second term. Here's how

OPB | By Conrad Wilson, Tiffany Camhi, Kyra Buckley, Natalie Pate

The state is home to about 120,000 undocumented immigrants, according to 2022 estimates from the Pew Research Center. There are also tens of thousands more people living in Oregon under other designations, including those fleeing violence and persecution, workers who are here on the H-1B visa, or international students enrolled in Oregon universities. The state also has one of the broadest sanctuary laws in the U.S.

A recent poll found that many Americans consider immigration a higher priority than they did last year, and Trump has promised aggressive immigration enforcement and mass deportations. In Oregon, 18% of voters polled listed immigration as their top issue, according to exit poll data from the Associated Press. Of those who listed it as their top issue in Oregon, 90% voted for Trump.

For decades, Oregon has upheld strong legal protections for immigrants. Since 1987, Oregon's sanctuary law has prevented police and sheriffs responsible for enforcing criminal laws from carrying out federal immigration law.

For example: under the law, state and local police aren't allowed to ask someone about their immigration status. It also keeps local and state resources from being used for immigration enforcement. While the law has been strengthened since Trump's first term, Oregon's sanctuary law could face scrutiny both locally and nationally.

Republicans in the Oregon Legislature have pushed efforts to repeal the sanctuary law, including several bills introduced this month. They're also pushing for changes to the law that would require Oregon law enforcement to ask about a person's citizenship if they're arrested for delivery of a controlled substance

or arrested with a firearm. In those cases where people are not citizens, the proposed legislation would require the officer to notify federal immigration authorities.

Oregon public schools are legally obligated to educate every child between the ages of 5 through 18 who has not completed the 12th grade — regardless of the child's immigration status or their parents'. State law also protects students' education records from being used for immigration action.

The H-1B visa program allows a U.S. employer to hire temporary workers from other countries for hard-to-fill jobs in fields that require highly specialized knowledge and education.

During his first term, Trump enacted stricter rules for H-1B visas, which more than doubled the rejection rate compared to the Obama administration. But that won't necessarily be repeated. Leading up to Trump's second term, Tesla CEO and advisor to the president Elon Musk – who previously held the visa himself – has publicly supported the program, citing its need to help fill positions in crucial U.S. industries like technology.

A small number of people in Oregon's workforce – around 1,500 out of <u>more than 2 million</u> workers – are H-1B visa holders, according to <u>U.S. Citizenship and Immigration Services data</u>. Around 300 companies and universities in the state employed people with H-1B visas, including some of the most well known businesses and institutions.

As of September, federal numbers show Nike had the most H-1B visa holders in Oregon at more than 240.

#### **ENVIRONMENT**

### Oregon's temperature to rise 7.6 degrees by the year 2100 according to OSU experts

KEZI | By Aaron Arellano

"Oregon takes reduction of emissions quite seriously, as do a number of the other West Coast states," Fleishman said. "But it's obviously not enough just because it's a global phenomenon."

According to the assessment, without considerable reductions in greenhouse gas emissions, the annual temperature in Oregon is projected to increase by 5 degrees Fahrenheit by the year 2074, followed by total 7.6 degree increase by the year 2100.

Fleishman said there is also a local risk factor for more ice storms in certain parts of the state over the coming decades, especially near the upper parts of the Willamette Valley near the Columbia River Gorge. "So if you look at sort of the statewide average, no part of the state will lose less than 50% of its snowpack by the end of the century. That's the projection."

To prepare for increased risk of wildfires, Fleishman suggested retrofitting homes to reduce the risk of embers blowing into structures and igniting structures. Consider installing metal roofs and removing flammable materials from immediately around the home.

To prepare for the increased risk of heat waves, Fleishman suggested considering where cooling shelters are placed in populated areas to help reduce health risks that come along with exposure to high heat -- especially for vulnerable demographics like elderly people.

# <u>Hydroelectric Dams on Oregon's Willamette River Kill Salmon. Congress Says It's Time to Consider Shutting Them Down.</u>

OPB | By Tony Schick

The U.S. Army Corps of Engineers said it could make hydroelectric dams on Oregon's Willamette River safe for endangered salmon by building gigantic mechanical traps and hauling baby fish downstream in tanker trucks. The Corps started pressing forward over objections from fish advocates and power users who said the plan was costly and untested.

That was until this month, when President Joe Biden signed legislation ordering the Corps to put its plans on hold and consider a simpler solution: Stop using the dams for electricity.

The new law, finalized on Jan. 4, follows reporting from Oregon Public Broadcasting and ProPublica in 2023 that underscored risks and costs associated with the Corps' plan. The agency is projected to lose \$700 million over 30 years generating hydropower, and a scientific review found that the type of fixes the Corps is proposing would not stop the extinction of threatened salmon.

The mandate says the Corps needs to shelve designs for its fish collectors — essentially massive floating vacuums expected to cost \$170 million to \$450 million each — until it finishes studying what the river system would look like without hydropower. The Corps must then include that scenario in its long-term designs for the river.

The new direction from Congress has the potential to transform the river that sustains Oregon's famously lush Willamette Valley. It is a step toward draining the reservoirs behind the dams and bringing water levels closer to those of an undammed river.

The 13 dams on the Willamette and its tributaries were built for the main purpose of holding back floodwaters in Oregon's most heavily populated valley, which includes the city of Portland. With high concrete walls, they have no dedicated pathways for migrating salmon.

Emptying the reservoirs to the river channel would let salmon pass much as they did before the dams. It would leave less water for recreational boating and irrigation during periods of normal rain and snow, but it would open up more capacity to hold back water when a large flood comes. And the power industry says that running hydropower turbines on the Willamette dams, unlike the moneymaking hydroelectric dams on the larger Columbia and Snake rivers in the Northwest, doesn't make financial sense.

## Fire crews from Oregon tackle hotspots and improve defensible space in Southern California CBS2 News

The Oregon State Fire Marshal shared an update and photos from the Oregon teams in Southern California.

According to a Facebook post, the teams completed a 24-hour shift Wednesday morning and are getting some rest. The Oregon firefighters continued tactical patrols, identifying and extinguishing hotspots during their last shift. One task has been gridding the hillsides to locate and eliminate these hotspots. The teams are also building hose lays and improving defensible space.

### **BUSINESS**

### Oregon CEO's sex abuse conviction and fresh allegations spotlight issues in corporate accountability

The Oregonian/Oregon Live | By Noelle Crombie, Mike Rogoway

Allegations of sex assault by former employees against the CEO of one of Oregon's largest privately held companies highlight unresolved issues around sexual harassment in the workplace, years after the MeToo movement triggered a broad national reckoning.

"We've had 50 years of anti-harassment law and yet harassment is still rampant," said Keith Cunningham-Parmeter, ethics professor at Lewis & Clark Law School in Portland. "There just aren't enough legal incentives for employers to truly rein in this abusive behavior."

The Oregonian/OregonLive reported last week that Doug Pitassi, CEO of Pacific Office Automation, had <u>paid nearly \$2 million in hush money</u> to a former employee, Colin McCarthy, who accused him of sexual assault.

The office equipment company and Pitassi also reached secret settlement agreements with two other former employees. And two more men sued him and Pacific Office Automation last year, alleging sexual assault in the workplace over many years.

Last week's Oregonian/OregonLive article also included the accounts of two former Centennial High School students, whom Pitassi admitted in court records to fondling and exposing himself to in the late 1980s.

<u>Pitassi took an indefinite leave of absence Wednesday</u>. Pacific Office Automation did not respond to questions about his future with the business.

Pacific Office Automation sells and leases printers, copiers and other office equipment to businesses and government agencies across the West.

Pitassi and the company "have denied all wrongdoing or liability" in the three cases, according to the records.

The Oregon Legislature and Congress passed laws in recent years that bar some kinds of nondisclosure agreements in sexual harassment cases. But Cunningham-Parmeter, the Lewis & Clark professor, said both laws have loopholes that allow such agreements to persist.

Employers often seek legal protection by establishing programs for reporting abuse and training around workplace behavior that do not actually do much good in reducing harassment, according to Cunningham-Parmeter.

"One of the lessons of MeToo is the law does a pretty lousy job of protecting workers from sexual harassment," he said.

### Oregon's semiconductor industry is facing a series of setbacks

Axios | By Meira Gebel

on technology manufacturing.

Following a series of setbacks — <u>manufacturing layoffs</u>, disappointing sales and missed opportunities for federal investment — Oregon's semiconductor industry finds itself in a period of uncertainty.

Why it matters: The semiconductor industry is a <u>major economic driver</u> for Oregon, and although the state has 1% of the country's population, it had <u>15%</u> of its semiconductor workforce as of 2022. Last week, the Biden administration <u>chose Arizona</u> for its third and final advanced packaging research and development site, funded by the <u>CHIPS and Science Act</u> — the nation's bid to compete with China

- Oregon officials, including Gov. Tina Kotek and former Intel CEO Pat Gelsinger, made <u>several</u> <u>petitions</u> to the <u>administration</u> to bring a research hub here.
- Kotek even proposed to shift urban growth boundaries to accommodate a new facility a move she walked back last month when hopes started to fade.

It's not all bad news. Just this week, HP finalized a \$53 million deal with the U.S. Commerce Department to invest in its Corvallis facilities.

- The new cash injection aims to create 150 temporary construction jobs and 100 full-time engineering roles.
- **Plus:** State initiatives, like 2023's Senate Bill 4, included over \$240 million in incentives and awards for semiconductor projects in Oregon, some of which will see fruition this year.

### Major legal brawl may decide what types of cars Americans can buy

Oregon Capital Chronicle | By Alex Brown

Transportation, like this traffic in Washington D.C., is the nation's leading source of greenhouse gas emissions. (Photo by Drew Angerer/Getty Images)

Blue states are bracing for a battle with the Trump administration over their authority to limit tailpipe emissions, a showdown that will have major repercussions on the types of cars and trucks sold to American drivers.

Many states' efforts to fight climate change hinge on a federal process that allows them to adopt stringent regulations for transportation, the country's largest source of greenhouse gas emissions. This long-standing waiver authority allows California — and the dozen or so states that follow its lead — to apply rules that go beyond federal limits and cover everything from specific pollutants to sales of certain vehicles. The states following the stricter California standards make up a significant portion of the U.S. auto market and exert major leverage over the cars that are offered to American consumers.

California is urging the U.S. Environmental Protection Agency to finalize several pending waivers before Trump returns to the White House. Officials in blue states are preparing to defend their authority in court should Trump seek to revoke the waivers. And attorneys general in some red states are pushing to end the waivers altogether — mounting a legal challenge to California's power to set its own rules. In the waning days of the Biden administration, California leaders have urged the EPA to finalize an assortment of pending waivers that cover issues including electric car sales, heavy-duty fleets, yard equipment and refrigerated trucks. The agency approved several of those waivers in December and January, including a landmark rule that will ban the sale of gas-powered cars by 2035.

Truckers in New York — which has adopted the California standard — already are struggling to buy the equipment they need, said Kendra Hems, president of the Trucking Association of New York. She noted that the state lacks charging infrastructure to support a transition to electric trucks, and that current models have a limited range that would force drivers to stop frequently along their routes.

"We're not opposed to it, we're simply not ready," Hems said. "They're asking an industry to comply with something that there's simply not supporting infrastructure for."

Automakers have made a similar argument about California's electric vehicle sales mandate, saying in a statement that it will "take a miracle" to phase out new gas-powered cars by 2035.

### **EDUCATION**

### Salem-Keizer schools try to reduce chronic absenteeism

Statesman Journal | By Alexander Banks

Brush College Elementary School Principal Jeannine Piscoran, teachers and other staff greet all 254 students when they walk through the doors in the morning, and Piscoran sometimes has lunch with students in her office or the lunchroom.

These are some ways the school is working to boost attendance rates. Piscoran describes the effort as a "layered cake" of cultivating a sense of belonging, connecting and building relationships with students, recognizing and rewarding good behavior and communicating the impact of attendance to families. The initiative resulted in a 15 percentage point jump — 64% to 79% — in regular attendance rates at the West Salem school from the 2022-2023 school year to 2023-2024.

The Salem-Keizer School District in October 2024 launched the Attendance Matters campaign, and other school initiatives, to combat chronic absenteeism and improve test performance as a byproduct. The district ranks No. 1 in chronic absenteeism — defined as students absent more than 18 days during the school year, or two days each month — compared to the 10 largest districts in the state.

According to Oregon Department of Education data, Salem-Keizer schools, Oregon's second-largest district, saw chronic absenteeism rates increase from 26% in 2019 to 48% in 2023.

"Oregon's chronic absenteeism rate consistently ranks within the bottom 20% of states," <u>according to</u> the Oregon Department of Education.

Barriers, negative school experiences, lack of engagement and misconceptions contribute to chronic absenteeism.

Salem-Keizer school board members discussed students' testing scores from the Oregon Statewide Assessment System during an October 2024 school board work session and how they compare to the district's annual targets:

- Third graders haven't met their annual target in English language arts since the 2021-2022 school year.
- Based on <u>Oregon Statewide Assessment System data</u>, 24% of third graders met or exceeded proficiency level, down from 25% the year before. Third graders were 3% below the district's annual goal.
- Fourteen of 65 schools met or exceeded the district's performance targets.

• Some third-grade students who met or exceeded proficient-level reading received a score of partial or minimal understanding in writing.

"Our data shows that regular attenders are more likely to be proficient readers by the end of third grade, more likely to be proficient at math in middle school, and are also more likely to graduate," Harada said.

### **HOUSING**

### Oregon recovers dimes on the dollar in auction of 'defective' modular homes

Oregon Live | By Hillary Borrud

Oregon's effort to recoup some of the millions of dollars wasted on what state officials say turned out to be defective modular housing for survivors of the 2020 Labor Day wildfires has so far yielded a small fraction of what the state spent.

The state paid an average of \$170,700 per unit to purchase the two-bed, one-bath homes in 2021. In recent months, some of those homes sold at auction for an average of \$37,200, or about 22 cents on the dollar, state records show.

The modular units originally planned for southern Oregon had been a flagship project in the state's plan to quickly rebuild in the wake of the destructive 2020 wildfires. But The Oregonian/OregonLive later <u>found</u> that the state was slow to replace housing and had not completed any permanent units three years after the disaster, which was particularly devasting to affordable housing in southern Oregon. Modular homes are built offsite, then transported to the project location and assembled. This can result in faster construction times than for traditional stick-built homes.

Problems with the modular housing units purchased through Pacific Housing Partners <u>surfaced</u> behind the scenes in April 2022. The Jackson County Housing Authority, which was involved in the work to rebuild Royal Oaks, told the state that housing delivered to the project site had "significant material defects" inside and outside of units and asked the state to halt further deliveries. Soon after, the state documented deficiencies with the structures including weatherproofing problems and signs of interior water damage, records show.

When Oregon Housing and Community Services contracted with Pacific Housing Partners in 2021, the agency skipped its usual public bidding process by relying on its emergency procurement authority, agency spokesperson Delia Hernández wrote in an email. But it appears the agency did not document the need for the emergency procurement nor the method used to select Pacific Housing Partners, as is generally required under state law.

So far, the state has auctioned off 68 of the modular homes for a total of \$2.5 million; the remaining 72 units could be sold in the future. Marsh, the state lawmaker, said she made sure the state disclosed the condition of the structures to would-be buyers.

In its <u>lawsuit</u> filed Nov. 20 in Marion County Circuit Court, Oregon Housing and Community Services alleges manufacturer Nashua Homes of Idaho, Inc. and broker Pacific Housing Partners delivered modular housing riddled with defects including missing and improperly installed flashing, incorrectly installed windows and doors and roofs that were improperly sloped and sealed. There was moisture damage around windows and doors in some of the homes, attorneys for the state wrote in the complaint, which described the homes as "uninhabitable." Fixing the defects would cost \$7.7 million, the state alleges.

The state also alleges that Pacific Housing Partners failed to "obtain proper insurance" for its work, despite agreeing in its state contract to purchase insurance coverage, including a \$5 million umbrella insurance policy. Attorneys for the state wrote that the company also failed to name Oregon Housing and Community Services as an additional insured party, which was required under its contract.