

CITY OF PORTLAND
STATE LEGISLATIVE REPORT



2012
SESSION

CITY OF PORTLAND COUNCIL:

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CITY OF PORTLAND

2012 SESSION STATE LEGISLATIVE REPORT

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INTRODUCTION

2012 State Legislative Session

SESSION OVERVIEW

On Wednesday, February 1st, the 76th Legislative Assembly convened for its first regular even-year legislative session. The session – which is constitutionally limited to 35 days – adjourned on Monday, March 5th, one day shy of the deadline.

Prior to the start of the session, legislative leaders set strict limits on the number of bills that could be introduced by members and committees, and deadlines for moving bills through the legislative process. Over the course of the month-long session, 302 bills were introduced, with 125 of them becoming law.

The balance of power in both chambers remained the same as it had for the 2011 session with Democrats holding a slim 16-14 majority in the Senate and the House split 30-30 between Democrats and Republicans. Representatives Bruce Hanna (R-Roseburg) and Arnie Roblan (D-Coos Bay) continued to serve as Co-Speakers of the House. Representative Kevin Cameron (R-Salem) served as House Republican Leader and Representative Tina Kotek (D-Portland) succeeded Representative Dave Hunt (D-Gladstone) as the House Democratic Leader. Senate Leadership remained unchanged from the 2011 session, with Senator Peter Courtney (D-Salem) serving as Senate President, Senator Diane Rosenbaum (D-Portland) serving as Senate Majority Leader, and Senator Ted Ferrioli (R- John Day) serving as Senate Minority Leader.

NOTABLE ISSUES

Legislators faced a \$341.1 million shortfall in projected General Fund Revenue for the 2011-2013 biennium as they entered the 2012 session, requiring a rebalance of the state budget. The City advocated that legislators maintain education funding and minimize cuts to state agencies and programs that impact City services. The budget plan that the Legislature ultimately adopted included 3.5 percent reductions to most state agencies and a \$28 million budget reduction achieved through cuts to middle-management positions and operational reforms. Funds received from a national settlement with Philip Morris were also used to help fill the budget gap. The rebalanced biennial budget managed to keep education funding intact, avoiding any reduction to the State School Fund, and minimizing cuts to the

Temporary Assistance to Needy Families (TANF) program, as well as other social services.

Legislators passed notable policy bills, including priorities of Governor Kitzhaber that: created education achievement compacts, provide greater authority to the Early Learning Council to recommend changes to early childhood education, put Medicaid clients under Coordinated Care Organizations, and established a health insurance exchange.

CITY OF PORTLAND LEGISLATIVE AGENDA

In preparation for the 2012 session, the City's Office of Government Relations worked with the Mayor, Commissioners, and bureaus to develop a legislative agenda. Development of the agenda was also informed by a community engagement forum. The result was a consensus legislative agenda approved by Council on January 11th, 2012. The Office of Government Relations' advocacy to implement the City's legislative agenda is summarized in the table below.

In addition to carrying out the City's legislative agenda, the Office of Government Relations tracked and advocated the City's interest on many other issues during the session, including:

- Passage of transportation funding bills (SB 1543 & SB 1591);
- Defeat of proposed restrictions on city authority for urban service provision and annexation (SB 4090);
- Passage of new consumer protections in the foreclosure process (SB 1552);
- Passage of streamlined payment of tax revenue to 9-1-1 jurisdictions (SB 1559); and
- Passage of a requirement to expunge juvenile records of human trafficking victims (HB 4146).

The work of the City's Office of Government Relations over the course of the session would not have been possible without the support of the Mayor, Council members, Council staff, Bureau Directors, Legislative Liaisons, and many other City staff.

City of Portland Priorities		
Issue	Summary	Status
Oregon Sustainability Center	Legislation did not include reauthorization of \$37 million in Oregon University System bonds for construction of the Oregon Sustainability Center.	
Education Funding	The 2011-13 budget rebalance maintained education funding levels.	√
State Shared Revenues	Cities maintained share of state revenues (liquor and tobacco taxes and 9-1-1 telephone tax for emergency communications).	√
Public Safety at Liquor Serving Establishments	Cities maintained ability to address crime and public safety concerns at establishments that serve alcoholic beverages.	√
Senior and Disabled Property Tax Deferral	Legislation passed that makes individuals with a reverse mortgage eligible for the program for an additional two years (HB 4039, pg. 20)	√
Preemptions of Local Government Authority	The City maintained authority to raise revenues and manage its bureaus and functions.	√
State Agency Budgets	The rebalance of the 2011-13 budget minimized cuts to state agency budgets and programs that impact City services.	√

Economic Development

HB 4028 – Economic Development and Transportation Bonds

HB 4028 proposed issuing state lottery bonds for the following: (1) \$10 million to finance additional grants and loans for transportation projects under ConnectOregon IV; (2) \$10 million to finance water and sewer infrastructure projects; and (3) \$10 million to finance community college capital construction. The bill was amended by the House Transportation and Economic Development Committee and then forwarded to the Joint Ways and Means Committee, where it remained upon adjournment. Community college capital construction bonding was included in companion capital construction bills, SB 5201 and SB 5202.

HB 4038 – Technical Changes to Tax Credits

During the 2011 session, legislators approved HB 3672, an omnibus tax credit bill. The bill made changes to a number of programs including the Business Energy Tax Credit (BETC), Renewable Energy Generation Tax Credit, Film and Video Production tax credit, and the Electronic Commerce Tax Credit. HB 4038 would have made technical changes to the tax credits included in HB 3672 and extended the Farmworker Housing Tax Credit beyond the current sunset of January 1, 2014. The bill was amended by the House Energy, Environment and Water Committee and moved with a “do pass” recommendation to the House Rules Committee, where it remained upon adjournment. Another bill, HB 4079, made technical changes to the same tax credit programs.

HB 4040 – Oregon Investment Act

HB 4040, otherwise known as the Oregon Investment Act, was a priority of State Treasurer Wheeler and Governor Kitzhaber. The bill establishes the Oregon Growth Fund (OGF) and the Oregon Growth Board, which is responsible for overseeing coordinated economic development investments made through the OGF. The bill was supported by the Portland Development Commission and passed the House by a vote of 59-1 and the Senate by a vote of 23-4.

Effective: April 6, 2012
Chapter 90

HB 4055 – Non-Monetary Government Assistance to Businesses

This bill would have required state and local government agencies responsible for the issuance of registrations, permits or certifications necessary to do business in Oregon, to provide non-monetary assistance to qualified businesses that commit to hire a certain number of Oregonians. The bill clarified non-monetary assistance as the expedition and prioritization of application processing, technical assistance, and coordination with other jurisdictions. HB 4055 received a public hearing in the House Business and Labor Committee, where it remained upon adjournment of the legislative session.

HB 4079 – Energy Tax Credits

In 2011, the legislature passed an omnibus tax credit bill, HB 3672, which replaced the Business Energy Tax Credit with a series of new tax credits: an energy conservation credit, a renewable energy generation credit, a transportation credit, and a renewable energy technology manufacturing credit. HB 4079 makes a host of technical clarifications to the new tax credit programs, including specifying that credits are non-revocable once sold, clarifying the definition of “transportation project,” and limiting project jobs data required of applicants to only jobs directly connected to the state incentive. HB 4079 passed both chambers with unanimous support.

Effective: June 4, 2012
Chapter 45

HB 4093 – Enterprise Zone Expansion

The State’s Enterprise Zone program allows for property tax exemptions for three to five years for standard enterprise zones, and seven to 15 years for qualifying long-term rural enterprise zones. HB 4093 increases the maximum number of rural enterprise zones in Oregon from seventeen to twenty, and the number of urban or rural enterprise zones from fifteen to twenty. HB 4093 also allows the sponsor of a terminated enterprise zone to apply for a new enterprise zone ten years after the termination and increases the maximum size of a rural enterprise zone to 15 square miles (from 12 square miles). The bill passed both chambers by comfortable margins.

Effective: June 4, 2012
Chapter 71

HB 4150 – Credit Enhancement Fund

Administered by the Oregon Business Development Department, the Credit Enhancement Fund (CEF) is a loan insurance program available to lenders to assist businesses in obtaining access to capital. Only traded sector businesses have been eligible for loan guarantees from the CEF since the program was established in 1993. HB 4150 expands eligibility for CEF loan guarantees to non-traded sector businesses such as retail and service businesses. The bill passed both chambers with unanimous support.

Effective: March 27, 2012
Chapter 73

HB 5201 & HB 5202 – Oregon Sustainability Center/Capital Construction Bonding

The City, Portland State University, Oregon University System (OUS), and private sector partners advocated for legislative reauthorization of \$37 million in OUS Article XI-F bonds to support the Oregon Sustainability Center (OSC). Though the OUS bonds would have provided economic benefits throughout the state, leveraged \$25.5 million in funding from other sources, and had bipartisan support, financing for the OSC was ultimately not included in end-of-session capital construction legislation. Two bills, HB 5201 and HB 5202, did authorize \$81.9 million in OUS Article XI-F bonds for three capital construction projects at Oregon State University and one at Western Oregon University, as well as \$9.6 million in Lottery-backed bonds for projects at 17 community colleges.

Effective: March 27, 2012
Chapter 78 & 79

SB 1558 – Economic Development Revenue Bonds

The Oregon Business Development Department has had the authority to use bond proceeds to provide financing for economic development projects. SB 1558 expands the scope of projects that can be financed to include: (1) research and development conducted in Oregon or related to products that will be produced in Oregon; (2) estimated initial operating expenses associated with a capital asset located in Oregon; and (3) refinancing of an existing loan when doing so facilitates the financing or operation of a capital asset located in Oregon. SB 1558 passed both chambers with unanimous support.

Effective: March 16, 2012
Chapter 59

SB 1586 – Oregon Investment Act

This bill, which was identical to HB 4040, would have established the Oregon Growth Fund and the Oregon Growth Board. SB 1586 received a hearing in the Senate Finance and Revenue Committee, where it remained for the duration of the session. HB 4040 advanced through the full legislative process.

For other bills relating to Economic Development, please see:

- HB 4066 – Central Assessment
- HB 4067 – Central Assessment in Enterprise Zones
- SB 1532 – Assessment of Data Centers in Enterprise Zones

Education

HB 4165 – Early Childhood Education

The Early Learning Council (ELC) was created by the passage of SB 909 during the 2011 legislative session. The ELC is charged with formulating recommendations to the Oregon Education Investment Board regarding merging, redesigning, and improving the coordination of early childhood services and aligning them with child-centered outcomes. Notable provisions in HB 4165 include:

- Removal of the sunset on the ELC;
- Expansion of ELC's oversight to include a unified system of early learning services;

- Abolishing and transferring authority from the State Commission on Children and Family Services to the ELC; and
- Transferring functions of the Youth Development Council to ELC.

Effective: March 6, 2012
Chapter 37

SB 1581 – Education Achievement Compacts

During the 2011 session, the Legislature passed SB 909 which created the Oregon Education Investment Board (OEIB) and the office of the Chief Education Officer. SB 1581 outlines additional statutory authority for the implementation of the OEIB and requires education entities to enter into achievement compacts with the OEIB. The bill passed the Senate by a vote of 23-6 and the House by a vote of 52-8.

Effective: March 6, 2012
Chapter 36

For other bills relating to Education, please see:

- SB 1585 – Education Funding

Emergency Communications

HB 4051 – Distribution of 9-1-1 Tax Revenues

This bill proposed changing the way that 9-1-1 jurisdictions received 9-1-1 tax revenues, allowing them to receive funds directly from the state as opposed to having to collect revenues from municipalities. HB 4051 was referred to the House General Government and Consumer Protection Committee, where it did not receive a hearing and remained upon adjournment. An identical bill, SB 1559 (see below), did pass both chambers and has been signed into law.

SB 1559 – Direct Pay to 9-1-1 Jurisdictions

As originally drafted, SB 1559 sought to establish requirements for multiline telephone systems. Currently, a 9-1-1 call is not traceable to a specific line in a large building. This bill attempted to solve that problem by requiring multiline telephone operators to transmit to 9-1-1 service providers, information alerting first responders to the origin of 9-1-1 calls.

The Senate Committee on Veterans affairs held a hearing and work session on the bill, adopting amendments that removed the original provisions with language from HB 4051 (see above). As amended, SB 1559 requires that 9-1-1 telephone tax revenue be sent by the state directly to 9-1-1 jurisdictions instead of to municipalities. Prior to the passage of this bill, the state distributed a share of 9-1-1 telephone tax revenue to municipalities, which would then forward their share of 9-1-1 revenue to the 9-1-1 jurisdiction where the municipality is located. For example, the City of Portland, which is also a 9-1-1 jurisdiction for communities throughout Multnomah County, had to collect payment from municipalities such as Troutdale and Fairview. SB 1559 streamlines the administrative process for 9-1-1 jurisdictions. The City testified in support of SB 1559, which passed both chambers unanimously.

Effective: June 4, 2012
Chapter 60

SB 1560 – Funding for Emergency Communications

SB 1560 would have required that funds in the Emergency Communications Account and the Enhanced 9-1-1 Subaccount be used only for 9-1-1 communications, unless a statutory exception were provided during a state of fiscal emergency. SB 1560 received a hearing in the Senate Veteran's and Military Affairs Committee, but did not advance prior to adjournment.

Environment

HB 4004 – Wetlands Regulations

HB 4004 sought to prohibit the Department of State Lands (DSL) from adopting administrative rules or imposing conditions on removal or fill permits and wetland conservation plans that exceed standards set forth in federal law. The bill also would have prevented DSL from rejecting a wetland delineation report prepared by two or more certified soil scientists. In addition, HB 4004 would have established a Commission on Soil Research to review the economic impact and burden of compliance with administrative rules adopted by DSL. HB 4004 was referred to the House Energy, Environment and Water Committee, where it did not receive a hearing and remained upon adjournment.

HB 4006 – Threatened and Endangered Species

The State Fish and Wildlife Commission is required by law to consult with federal agencies, relevant state agencies, other states, and interested parties and organizations during the process of determining whether a species is threatened or endangered. HB 4006 requires the Commission to also consult with affected cities, counties, private landowners, and local service districts, and work with those entities to mitigate any adverse impact on local economies that results from a new threatened or endangered species listing. HB 4006 passed the House by a vote of 56-1 and passed the Senate with unanimous support.

Effective: March 16, 2012
Chapter 40

HB 4018 – Renewable Portfolio Standard

Oregon's renewable portfolio standard (RPS), enacted by passage of SB 838 in 2007, directs the state's utilities to meet a certain percentage, depending on the size of the utility, of their retail electricity needs with qualified renewable sources. HB 4018 would have excluded electricity sales to a single large consumer from the calculation that determines whether a utility is subject to more stringent RPS standards for large utilities. HB 4018 was referred to the House Energy, Environment and Water Committee, where it remained upon adjournment.

HB 4073 – Hydroelectric Power

Identical to two bills introduced during the 2011 session (HB 2992 and HB 3083), HB 4073 would have removed all restrictions on the use of hydroelectric power as a qualifying source for the state's renewable energy portfolio standard. The bill was referred to the House Energy, Environment and Water Committee and did not receive a hearing or work session.

HB 4081 – Conversion of Plastic to Oil

HB 4081 would have provided that waste plastic which cannot otherwise be economically recycled, when converted into oil, is considered recycling for the purposes of Oregon's recycling laws. After adopting amendments, the House Energy, Environment and Water Committee forwarded HB 4081 to the Joint Ways and Means

Committee with a “do pass” recommendation. The bill remained in committee upon adjournment.

HB 4123 – Chemicals of Concern in Children’s Products

This bill would have directed the Oregon Health Authority (OHA) to maintain and post on its website a list of high priority chemicals that are used in children’s products, and which present a concern for children’s’ health. HB 4123 also would have required manufacturers of certain children’s products to provide notice regarding chemicals represented on this list. The bill received a hearing in the House Health Care Committee, where it remained upon adjournment.

HB 4126 – Ecosystem Services

HB 4126 sought to expand state policy in support of ecosystem services. The bill was referred to the House Energy, Environment and Water Committee, where it did not receive a hearing. The legislature considered an identical bill, SB 1511, which also did not become law.

HB 4166 – Energy Efficiency Tax Credits

In order to qualify for state energy conservation tax credits, new building construction or total building retrofit projects must achieve certain energy efficiency certification. HB 4166 would have allowed the Oregon Department of Energy (ODOE) to require applicants for new building construction or total building retrofit energy conservation tax credits to demonstrate whether the efficiency standards chosen by the project are eligible for certification under specified forest product certification programs. The House Energy, Environment and Water Committee moved HB 4166 with a favorable recommendation to the House Revenue Committee, where it remained upon adjournment.

SB 1511 – Ecosystem Services

This bill would have expanded state policy in support of ecosystem services, specifically directing the Institute for Natural Resources to provide information to local governments and other entities to assist in the development of integrated ecosystem services methodologies. The Senate Environment and Natural Resources Committee sent SB 1511 with a “do pass” recommendation to the Senate Rules Committee, where it remained for the duration of the session. An identical bill, HB 4126, also failed to advance prior to adjournment.

SB 1512 – Lighting Containing Mercury

SB 1512 prohibits the sale of lighting containing mercury in excess of specified limits. The bill passed the Senate by a vote of 21-8 and the House by a vote of 57-3.

Effective: January 1, 2013
Chapter 52

SB 1513 – Split Season In-stream Water Right Leases

State statute allows for a “split season” water right lease where a water right is used for both the existing authorized purpose and for in-stream use during the same year. SB 1513 would have removed the January 2, 2014 sunset on the statutory authority for split season water right leases. The Senate Environment and Natural Resources Committee approved the bill with a “do pass” recommendation, but the full Senate re-referred SB 1513 to the Senate Rules Committee, where it remained for the duration of the session.

SB 1533 – Green Energy Technology in Public Buildings

In 2007, the Legislature enacted HB 2620, requiring that at least 1.5% of the total contract price for construction or renovation of public buildings using state funds be spent on solar energy technology. SB 1533 modifies this requirement, requiring that at least 1.5% of the contract price for such projects be spent on geothermal energy, electricity generation, or solar energy technology. The bill received unanimous support in the Senate and passed the House 58-2.

Effective: January 1, 2013
Chapter 83

SB 1546 – Oregon Department of Transportation Tree Removal

SB 1546 permits the Oregon Department of Transportation (ODOT) to remove trees in the state highway right-of-way without first obtaining a local permit. The bill also allows ODOT to remove trees encroaching on the state highway right-of-way that pose an immediate safety hazard. In response to municipal concerns, ODOT submitted testimony stating its intent to only remove trees that pose an immediate hazard and to comply with replanting and other requirements of local tree ordinances. SB 1546 passed the Senate 22-7 and the House by a vote of 51-9.

Effective: January 1, 2013
Chapter 56

SB 1582 – Wetland Delineation Determinations

SB 1582 authorizes landowners to request the appointment of an independent panel to review wetland delineation determinations made by the Department of State Lands (DSL). The bill establishes that a wetland determination expires after five years, but allows for a five-year extension of the determination under certain conditions. SB 1582 passed the Senate unanimously and the House by a vote of 58-1.

Effective: January 1, 2013
Chapter 108

For other bills relating to Environment, please see:

- HB 4079 – Energy Tax Credits,

General Government

HB 4025 – Court Fines

HB 4025 would have modified provisions of HB 2712 (passed by the Legislature in 2011), which established new limits on the maximum and minimum fines associated with different categories of violations, and how the proceeds from the fines are to be allocated between the state General Fund and local governments. HB 2712 required that in any criminal action where a fine is imposed, the state General Fund receives the first \$60 or the amount of the fine, if the amount collected is less than \$60.

A provision in the bill would have reduced the state's share of a traffic fine from \$60 to \$45. Additionally, HB 4025 would have clarified that the state does not receive monies from bicycle helmet law violations and would have clarified that a county or city portion of a fine imposed in a justice of the peace or municipal court is of equal priority to the portion of the fine owed to the state. HB 4025 was referred with a "do pass" recommendation by the House Judiciary Committee to the Joint Ways and Means Committee, where it remained upon adjournment.

HB 4026 – Court of Appeals Judges

The Oregon State Court of Appeals currently consists of ten judges. HB 4026 increases the number of judges on the Court of Appeals to 13 in response to the Court's growing workload. The bill passed the House 50-10 and the Senate by 19-8.

Effective: January 1, 2013
Chapter 87

HB 4111 – Sale of Foreclosed Property for Unpaid Liens

HB 4111 specifies that when a local government sells real property to collect unpaid liens for final assessments for local improvements, the property must be sold for an amount equal to or exceeding either: (1) the amount of the unpaid final assessment plus interest, penalties, and cost of the sale; or (2) seventy-five percent of the total assessed value determined by the county assessor plus interest, penalties, and cost of the sale. The bill also specifies how proceeds of the sale must be applied. Oregon statute had previously specified that in such cases, local government must sell real property for an amount equal to but not exceeding the unpaid lien or final assessment for the local improvement, even if the property value exceeds that amount. HB 4111 passed both chambers unanimously.

Effective: March 16, 2012
Chapter 47

HB 4167 – Court Fines

HB 4167 makes technical corrections to legislation passed during the 2011 session (HB 2712) that modified the fee structure for the collection of fines on various criminal offenses and violations. The bill clarifies that parking violations collected through a court are not subject to the \$60 state fee that was prescribed in HB 2712. It also allows TriMet to receive a portion of fines collected from fare violation citations, authority that had been removed by HB 2712. HB 4167 passed both chambers by comfortable margins.

Effective: March 27, 2012
Chapter 89

HB 4176 – Rural County Payments

In 2007, Governor Kulongoski established the Governor's Task Force on Federal Forest Payments and County Services via Executive Order. The task force made a number of recommendations to the Legislature, resulting in the passage of SB 77 in 2009. That bill established a process for the Governor to declare a public safety services emergency and created a Financial Control Board (FCB). HB 4176 changes the name of the FCB to the Fiscal Assistance Board and the scope of the declaration of emergency from being solely focused on public safety, to broader fiscal emergencies. The bill passed the House by a vote of 59-1 and the Senate with unanimous support.

Effective: March 27, 2012
Chapter 76

SB 1571 – Agency Administrative Rules

This bill would have prohibited agencies from adopting any rule that would become effective on or after the effective date of the act and before July 1, 2013. Additionally, SB 1571 would have established the Joint Legislative Committee on Rule Review responsible for reviewing all the rules adopted by state agencies. SB 1571 was referred to the Senate Rules Committee, where it remained for the duration of the legislative session without receiving a hearing.

SB 1590 – Sunset of State Agencies

SB 1590 sought to establish the Sunset Advisory Committee and prescribe a sunset on the existence of state agencies beginning in 2015. The bill would have directed the Committee to conduct performance evaluations of agencies based on specific criteria and make recommendations to the Legislature and the Governor regarding the abolition of the agencies. SB 1590 was referred to the Senate General Government, Consumer and Small Business Protection Committee where it did not receive a hearing and remained upon adjournment.

For other bills relating to General Government, please see:

- HB 4016 – Child Abuse Mandatory Reporters

Health Care

HB 4012 – Health Care Transformation

HB 4012 would have approved the Oregon Health Authority's proposal for Coordinated Care Organizations. Though HB 4012 did not move out of committee, an identical bill, SB 1580 (see below), passed both chambers.

HB 4164 – Oregon Health Insurance Exchange

During the 2011 session, the Legislature passed SB 99. The bill established the public corporation responsible for administering the Oregon Health Insurance Exchange and required the corporation to submit a formal business plan to the Legislature for approval. HB 4164 acknowledges approval of the Oregon Health Insurance Exchange business plan and includes technical and conforming changes to provide the corporation with the financial infrastructure to operate as an independent entity. In the final days of the session, the bill passed the House by a vote of 55-5 and the Senate by 26-4.

Effective: March 8, 2012
Chapter 38

SB 1536 – Oregon Tort Claims Act

This bill would have established Coordinated Care Organizations as local public bodies under the Oregon Tort Claims Act for the purposes of tort claims arising out of health services that are paid for by the Oregon Health Authority. The bill remained in the Senate Judiciary Committee upon adjournment without receiving a public hearing.

SB 1568 – Health Coverage of Autism Spectrum Disorders

SB 1568 would have established requirements for the coverage of autism spectrum disorders by the health insurance plans offered by public sector employers. The bill received a public hearing in the Senate Health Care, Human Services and Rural Health Policy Committee, where it remained upon adjournment.

SB 1580 – Coordinated Care Organizations

In 2011, the Legislature established the Oregon Integrated and Coordinated Health Care System with the passage of HB 3650. Under the new system, Coordinated Care Organizations (CCO) replace managed care organizations, mental health organizations, and dental care organizations for the Medicaid and Oregon Health Plan populations. SB 1580 makes technical changes to HB 3650 and provides approval of the Oregon Health Authority's proposal for CCOs. The bill passed the Senate by a vote of 18-12 and the House by 53-7.

Effective: March 2, 2012

Chapter 8

For other bills relating to Health Care, please see:

- HB 4099 – Pre-Payment of Post-Employment Benefits

Housing

HB 4039 – Senior and Disabled Property Tax Deferral

In 2011, the Legislature made changes to income eligibility requirements for the Senior and Disabled Property Tax Deferral program with the passage of HB 2543. As a result, individuals with reverse mortgages became ineligible for the program. HB 4039 re-qualifies individuals with a reverse mortgage for the program for an additional two years. The bill also abates interest accrued on unpaid taxes during the time of disqualification and orders a refund of any taxes and interest paid. The City submitted testimony in support of HB 4039, which passed both chambers unanimously.

Effective: June 4, 2012

Chapter 13

HB 4138 – Neglected Foreclosed Properties

This legislation would have prohibited the owner of a foreclosed residential property from neglecting the property when it is vacant. Additionally, HB 4138 would have permitted local governments to assess a civil penalty for each day that the owner failed to remedy nuisance conditions on the vacant property. The City supported HB 4138, which did not receive a hearing in the House General Government and Consumer Protection Committee.

SB 1552 – Foreclosure Mitigation

SB 1552 requires banks to enter into mediation with homeowners for the purpose of renegotiating the terms of a homeowner's mortgage in order to avoid foreclosure. The bill also prohibits the "dual track" practice whereby lenders negotiate with homeowners to restructure a mortgage while simultaneously preparing to foreclose. The City submitted testimony in support of SB 1552, which passed the Senate 26-4 and the House 59-1.

Effective: April 11, 2012
Chapter 112

SB 1564 – Dual Track Foreclosure Process

HB 1564 would have prohibited the "dual track" foreclosure process. The bill stalled in the House after passing the Senate by a vote of 20-10. In the final days of the session the provisions of the bill were amended into SB 1552, which was approved by both chambers.

Land Use

HB 4031 – Outdoor Advertising Signs

This bill would have prohibited the owner of an outdoor advertising sign from removing the sign from the site without first permitting the landowner to purchase the sign. Additionally, the bill would have enabled the sign owner to receive a relocation credit for each sign sold to a landowner. HB 4031 received two public hearings in the House Transportation and Economic Development Committee but did not advance prior to adjournment.

HB 4032 – Standing for Land Use Appeals

This bill would have established that a person seeking to appeal a land use decision or limited land use decision to the Land Use Board of Appeals must be adversely affected by the decision, and must own or have an ownership interest in property within a certain distance of the property subject to the land use decision. The bill did not receive a hearing and remained in the House Judiciary Committee upon adjournment.

HB 4049 – Requirements for Appealing Land Use Decisions

HB 4049 would have established that a person seeking to appeal a land use decision or limited land use decision to the Land Use Board of Appeals must own or have an ownership interest in property within a certain distance of the property subject to the land use decision. The bill was referred to the House Judiciary Committee, where it did not receive a public hearing or work session.

HB 4090 – Urban Services to Unincorporated Areas and City Authority to Dissolve Portions of Service Districts

This bill would have allowed owners of unincorporated property within the Metro Urban Growth Boundary to force a provider of sewer or water service, such as the City of Portland, to extend service to the property, if the owner agreed to pay the cost of the extension. HB 4090 also would have prevented a city from dissolving a portion of a service district within its boundaries, if the city would not have become the subsequent direct provider of the service to the area. The bill narrowly passed the House but subsequently failed to advance in the Senate Environment and Natural Resources Committee.

SB 1583 – Land Use Appeals

SB 1583 would have required the Land Use Board of Appeals to join in a single proceeding of all separate appeals of quasi-judicial land use decisions and limited land use decisions that are directly related to and made in response to a land use application. The bill did not receive a hearing and remained in the Senate Environment and Natural Resources Committee upon adjournment.

For other bills relating to Land Use, please see:

- SB 1543 – Transportation Project Funding
- SB 1544 – Transportation Planning Rule
- SB 1546 – Oregon Department of Transportation Tree Removal

Public Employees Retirement System

HB 4033 – Public Employee Retirement System Records

HB 4033 would have exempted from public records disclosure the names of employees and retirees maintained in the records of the Public Employees Retirement System (PERS). The bill would have also

required that PERS provide notice on its website at least 14 days in advance of disclosing any information concerning an employee or retiree. HB 4033 was referred to the House Business and Labor Committee, where it did not receive a hearing and remained upon adjournment.

HB 4099 – Pre-Payment of Post-Employment Benefits

HB 4099 would have required a public body that agrees to pay or provide benefits to retired employees, other than the payments required by statutes, to create a separate account for funding those benefits. The bill also would have required the public body to make annual contributions to the account in amounts necessary to amortize liability for benefits in 25 years or less. HB 4099 was referred to the House Business and Labor Committee, where it did not receive a public hearing or work session.

HB 4155 –Public Employees Retirement System Information

This bill would have required that information be posted on the Public Employee Retirement System (PERS) website regarding unfunded liabilities and employer contribution rates of the state, cities, counties, school districts, and local service districts. HB 4155 also required that lists of all local governments that have either agreed to pay PERS employee contributions or that have made a lump sum payment to PERS be posted to the PERS website. Upon introduction, HB 4155 was referred to the House Business and Labor Committee, where it did not receive a hearing or work session.

Public Contracting

HB 4034 – Prompt Payment To Subcontractors

HB 4034 requires prompt payment from primary contractors to subcontractors in public contracting work. The bill also requires all public improvement contracts to include clauses requiring contractors to provide first-tier subcontractors with either a standard form that can be used as an application for payment or as another method to claim payment from the contractor. HB 4034 passed both chambers unanimously.

Effective: February 27, 2012

Chapter 4

HB 4115 – Audits of Public Contracts

This bill proposed that one-tenth of one percent of the amount of each public contract be paid to the Secretary of State to conduct performance and financial audits on public contracts. The City opposed HB 4115, which received a hearing in the House General Government and Consumer Protection Committee, but did not advance prior to adjournment.

HB 4130 – Employees of Public Contracting Agencies

This bill would have prohibited employees of public contracting agencies from seeking employment with a contractor who received contracts from the contracting agency. The prohibition on employment would last for a period of one year. HB 4130 received a hearing in the House General Government and Consumer Protection Committee, where it remained upon adjournment.

HB 4144 – Lowest Bids for Procurement

HB 4144 proposed requiring a contracting agency to make certain calculations in determining the lowest bid for procurement. Specifically, the bill would have required additions or deductions based on: (1) the health and retirement benefits paid for workers that are Oregon residents; (2) fuel consumption and carbon generation; and (3) personal income taxes paid by employing workers that are state residents. The bill received a hearing in the House Business and Labor Committee, but did not advance before the end of the legislative session.

SB 1589 – Price Agreements

SB 1589 sought to loosen requirements on contractors who are awarded price agreements from contracting agencies. The bill received a hearing in the Senate General Government, Consumer and Small Business protection committee, where it remained upon adjournment.

Public Records

HB 4045 – Disclosure of Concealed Handgun Permits

Oregon case law holds that records maintained by sheriff's offices regarding applications for, and the issuance of, concealed handgun licenses are public records subject to disclosure. HB 4045 prohibits the disclosure of identifying information about applicants for concealed handgun licenses. Exemptions are made, for instances, when disclosure is made to another public body necessary for criminal justice purposes or pursuant to a court order, or with an applicant's consent. The bill passed the House 44-14 and the Senate 24-5.

Effective: April 11, 2012
Chapter 93

SB 1526 – Deliberations of a Public Body

SB 1526 would have excluded email communication from the meaning of "deliberations" for the purposes of state public meetings law. The bill received a public hearing in the Senate Judiciary Committee but did not advance prior to adjournment.

For other bills relating to Public Records, please see:

- HB 4033 – Public Employee Retirement System Records

Public Safety

HB 4016 – Child Abuse Mandatory Reporters

HB 4016 adds employees of higher education institutions and public or private organizations providing child-related services or activities to youth to the list of mandatory reporters who must make reports if they have reasonable cause to suspect child abuse or neglect. The bill passed both chambers unanimously.

Effective: January 1, 2013
Chapter 92

HB 4077 – Teen Dating Violence

This bill directs each school district to adopt a teen dating violence policy. Each district's policy must: (1) state that teen dating violence is unacceptable and prohibited; (2) incorporate age appropriate education for students in grades seven through 12 as well as certain employees; (3) establish response procedures for school employees; (4) identify by job title, school officials who are responsible for receiving reports; and (5) notify students and parents of teen dating policy. In addition, HB 4077 expands the use of the state Domestic and Sexual Violence Services Fund to include programs related to teen dating violence. The bill passed the House 59-1 and the Senate 23-6.

Effective: January 1, 2013
Chapter 69

HB 4092 – Special Events Distillery License

Currently, the Oregon Liquor Control Commission is permitted by statute to issue a special events distillery license to a distillery licensee. HB 4092 expands the privileges of a special events distillery license to include sales by the drink of distilled liquor manufactured by the distillery. In certain circumstances, the distillery licensee can also sell factory-sealed containers of their own liquor products for consumption off the event's licensed premises. HB 4092 passed both chambers unanimously.

Effective: March 5, 2012
Chapter 20

HB 4108 – Cash for Gold

This bill establishes statewide record keeping requirements for business transactions that involve precious metals. The requirements include a seven-day hold-time before precious metals can be re-sold or disposed of, and a requirement that dealers make items and records available to law enforcement. HB 4108 is the result of a work group over the interim in which the City participated. The bill also allows local jurisdictions to impose requirements on the sale of precious metals that are substantially similar or more stringent than those in the bill. HB 4108 passed both chambers unanimously.

Effective: January 1, 2013
Chapter 99

HB 4146 – Criminal Record Expungement: Human Trafficking

HB 4146 allows for the expungement of criminal records related to prostitution if the criminal charges were incurred as a juvenile. The legislation aims to facilitate the rehabilitation of juvenile human sex trafficking victims by removing the barrier that a criminal record can pose to securing employment and housing. The City submitted testimony in support of HB 4146 which passed both chambers with unanimous support.

Effective: March 5, 2012
Chapter 23

HB 1524 – Private Security Certification for Staff at Bars and Clubs

HB 1524 allows servers at bars to occasionally check IDs at the door without being certified by the Department of Public Safety Standards and Training, while continuing to require that private security staff responsible for regulating entrance to bars and clubs obtain such certification. The City participated in a work group to ensure that the bill maintained certification requirements for private security staff. The bill passed both chambers unanimously.

Effective: March 5, 2012
Chapter 28

HB 1574 – Concealed Handgun Permits

This bill proposed allowing individuals, who are licensed to carry concealed handguns in certain other states, to carry legally in Oregon without obtaining an Oregon license. HB 1574 received a hearing in the Senate Judiciary Committee, at which the City testified in opposition. The bill remained in committee upon adjournment.

SB 1575 – Disorderly Conduct at Funeral Services

SB 1575 increases the penalty for disorderly conduct from a Class B misdemeanor to a Class A misdemeanor in cases where a person commits disorderly conduct within 200 feet of property where the person knows a funeral service is being conducted. The bill passed the Senate unanimously and the House by a vote of 59-1.

Effective: March 5, 2012
Chapter 35

For other bills relating to Public Safety, please see:

- HB 4045 – Disclosure of Concealed Handgun Permits

Taxation and Finance

HB 4066 – Central Assessment

This bill sought to limit the definition of “communication” for the purpose of central assessment of property. Specifically, HB 4066 would have excluded from the definition of “communication” data, transmission services provided through a contractual agreement with a person that transmits data through tangible property owned or controlled by that person. HB 4066 received a public hearing in the House Revenue Committee, but did not advance out of committee prior to adjournment.

HB 4067 – Central Assessment in an Enterprise Zone

HB 4067 would have excluded a company that owns or leases a data center that is located in an enterprise zone from central assessment during a period of enterprise zone tax exemption. Additionally, if the company continued to comply with certain provisions of the enterprise zone agreement, exemption from central assessment would have continued beyond expiration of the enterprise zone tax exemption. The bill received a hearing in the House Revenue Committee, where it remained upon adjournment.

SB 1519 – Transient Lodging Taxes

This bill proposed changing the definition of “transient lodging tax collector” to include a transient lodging intermediary. The effect of this change would be to require online travel booking sites to remit revenue to state and local jurisdictions based on the retail value of a hotel room, rather than the current practice of remitting only the wholesale value. SB 1519 received a hearing in the Senate Finance and Revenue Committee, where it remained upon adjournment.

SB 1532 – Assessment of Data Centers in Enterprise Zones

This bill specifies that a company is not subject to central assessment if the company has invested in a data center as part of an enterprise zone agreement and the investment represents more than 95 percent of total property owned by the company in the state. SB 1532 passed both chambers with unanimous support.

Effective: June 4, 2012
Chapter 103

SB 1585 – Education Funding

SB 1585 proposed a requirement that, for the biennium, public education funding account for no less than 50 percent of the total amount of General Fund appropriations, lottery fund allocations, and appropriations from the Oregon Rainy Day Fund and the Education Stability Fund. The bill received a hearing in the Senate Education and Workforce Development Committee, where it remained upon adjournment.

SJR 202 – Kicker Reform

SJR 202 proposed an amendment to the Oregon constitution, establishing an Emergency Reserve Fund and requiring the deposit of excess revenues into the Emergency Reserve Fund. A three-fifths majority vote would be necessary in order for the Legislature to appropriate the monies in the fund. SJR 202 received a hearing in the Senate Finance and Revenue Committee, however, did not advance prior to adjournment.

Transportation

HB 4029 – Transportation Project Funding Reallocation

HB 4029 would have directed the Oregon Transportation Commission to report annually to the Legislature on any funding available for reallocation due to transportation projects being completed for less money than had been allocated in HB 2001, the 2009 Jobs and Transportation Act (JTA). After passing the House unanimously, HB 4029 did not move out of the Senate Business, Transportation and Economic Development Committee. Another bill dealing with reallocation of excess JTA project funds, SB 1543 (see below), was approved by both chambers.

HB 4129 – Private Maintenance of State Highways

This bill would have repealed a pilot project that requires the Oregon Department of Transportation to enter into a contract for private maintenance of a segment of state highway. HB 4129 received a hearing in the House Transportation and Economic Development Committee, where it remained upon adjournment.

HB 4148 – Studded Snow Tires

HB 4148 proposed a fee on the retail sale and installation of studded snow tires. The bill did not receive a public hearing and remained in the House Transportation and Economic Development Committee upon adjournment.

SB 1543 – Transportation Project Funding

SB 1543 allocates \$5 million to the Sellwood Bridge/Highway 43 interchange project and \$9.5 million to freight improvements on Cornelius Pass Road. Funding for the projects will be provided by an increased convenience fee on DMV records requests. The bill also reallocates excess funds from two projects that were part of HB 2001, the 2009 Jobs and Transportation Act (JTA), to the I-84/257th Avenue interchange and the Highway 26/Shute Road interchange projects. In addition, SB 1543 directs the Oregon Department of Transportation to report to the legislature annually on transportation funding available for reallocation due to JTA projects being completed for less money than had been allocated. SB 1543 received unanimous support in both chambers. The bill as introduced also would have allowed a local government to approve certain quasi-judicial zone changes without complying with the Transportation Planning Rule; the provision was not included in the final bill, however.

Effective: March 16, 2012
Chapter 55

SB 1544 – Transportation Planning Rule

SB 1544 allows the City of Redmond to rezone a 465 acre parcel of land for industrial use without complying with the Transportation Planning Rule (TPR) requirement to determine whether the comprehensive plan and zone map change will have a significant effect on existing or planned transportation facilities. SB 1544 as introduced also would have allowed a similar exemption from TPR requirements for sites of statewide economic development significance, but the bill was amended to be specific to the Redmond site. SB 1544 passed both chambers with unanimous support.

Effective: April 11, 2012
Chapter 105

SB 1591 – Rest Area and Local Government Transportation Funding

SB 1591 will make \$227,000 of additional annual transportation revenue available to the City beginning in 2013. The additional City revenue results from a provision in SB 1591 that will end a \$3 million annual allocation of 2009 Jobs and Transportation Act (HB 2001) revenue for rest area management, thereby making \$3 million annually subject to state-local government revenue sharing. SB 1591 expands management of highway rest areas by the Travel Information Council through an allocation of funds anticipated from an increased convenience fee on DMV records requests.

For other bills relating to Transportation, please see:

- HB 4028 – Economic Development and Transportation Bonds
- HB 4079 – Energy Tax Credits,
- SB 1546 – Oregon Department of Transportation Tree Removal