

CITY OF PORTLAND
LEGISLATIVE REPORT



2009
SESSION

CITY OF PORTLAND COUNCIL:

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CITY OF PORTLAND

2009 LEGISLATIVE REPORT

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TABLE OF CONTENTS

TABLE OF CONTENTS	i
INTRODUCTION	I
BUILDING CODES	
HB 2080 – Gray Water Reuse and Disposal Systems .	1
HB 2457 – Residential Fire Sprinkler Systems..	1
SB 79 – Energy Code for Buildings.....	1
SB 915 – Municipal Building Inspections	2
COLLECTIVE BARGAINING	
HB 2545 – Public Sector Collective Bargaining.	3
HB 2546 – Replacement of Striking Public Employees	3
HB 2633 – Supervisory Employees in Collective Bargaining .	3
HB 2831 – Temporary Employees in Collective Bargaining Units...	3
SB 821 – Health Care Expense Agreements	4
EDUCATION	
HB 2800 – Farm to School Programs	5
HB 2830 – Oregon Prekindergarten Program ...	5
HB 5017 – Department of Higher Education Budget....	5
HB 5032 – Oregon Health Sciences University Budget	5
SB 364 – Half-day Kindergarten....	6
SB 5506 – State Agency Capitol Construction..	6
SB 5511 – Community Colleges and Workforce Development Budget.....	7
SB 5519 – Department of Education Budget.....	7
SB 5520 – K-12 Education Budget.....	8
ENERGY	
HB 2180 – Business Energy Tax Credit Study..	9
HB 2181 – Energy Efficiency Local Improvement Districts	9
HB 2182 – Small Scale Local Energy Projects..	9
HB 2472 – Business Energy Tax Credit.	10
HB 2626 – Energy Efficiency and Sustainable Technology Loan Program	10
HB 2940 – Renewable Portfolio Standards.....	11
HB 3039 – Feed-in Tariffs .	11
HB 3497 – Motor vehicle Fuel (Ethanol)	12
HB 3411 – Business Energy Tax Credits	12
HB 3463 – Biodiesel.....	12

ENVIRONMENT

HB 2020 – Invasive Species 14
HB 2184 – Beverage Container Recovery 14
HB 2213 – Invasive Species Council 14
HB 2220 – Aquatic Invasive Species 14
HB 2671 – Solid Waste Disposal Fees 15
HB 2714 – Shipping Transport of Aquatic Invasive Species
Task Force 15
HB 2822 – Way of Necessity for Shared Sewer Connections 15
HB 2918 – Prescription Drug Take-Back Program..... 16
HB 3037 – Paint Stewardship Program.. 16
HB 3060 – Product Stewardship 16
HB 3477 – Distribution of Telephone Directories 16
SB 320 – Recycling of Rechargeable Batteries. 17
SB 513 – Ecosystem Services 17
SB 598 – Prescription Drug Take-Back Program 17
SB 637 – Integrated Pest Management Plan 18
SB 742 – Product Stewardship of Compact Fluorescent
Light Bulbs 18

ETHICS

HB 2518 – Government Ethics Gift Exemptions 19
SB 30 – Ethics..... 19
SB 773 – Legal Expense Trust Funds.... 20

GENERAL GOVERNMENT

HB 2386 – Electronic Voter Registration 21
HB 2726 – Menu Labeling. 21
HB 2753 – Pawnbrokers ... 21
HB 2865 – System Development Charges..... 22
HB 2920 – Effective and Cost-Efficient Services..... 22
HB 3033 – Referral of City Measures..... 22
HB 3201 – Liquor License Issuance and Renewal..... 22
HB 3240 – Election Costs 23
SB 227 – Furnishing Alcoholic Beverages to a Minor .. 23
SB 266 – Commencement of Actions 24
SB 302 – Oregon Tort Claims Act: Contracts Among Public
Agencies 24
SB 305 – Oregon Tort Claims Act: Right to Waive
Indemnification 24
SB 311 – Oregon Tort Claims Act 24
SB 497 – Local Government System Development
Charges..... 25
SB 794 – Attorney’s Fees in Condemnation Cases 25
SB 813 – Oregon Convention Center Headquarters Hotel..... 25

HEALTH CARE

HB 2009 – Oregon Health Authority 27
HB 2116 – Health Care for All Oregon Children Program 27

HOUSING

HB 2382 – Assistance for Mobile Home Purchases..... 29
HB 2430 – Prevailing Wage in Mixed-Use Affordable Housing 29
HB 2436 – Housing Opportunity Bill: Document Recording Fee ... 29
HB 2472 – Real Estate Transfer Tax 30
HB 3027 – Discrimination in Real Property Transactions..... 30
HB 5019 – Department of Housing and Community Services
Budget..... 30
SB 199 – Affordable Housing Tax Credits..... 30
SB 200 – Statewide Policy to End Homelessness 31
SB 510 – Regulation of Manufactured Dwelling Parks. 31
SB 628 – Mandatory Mediation in Foreclosures 31
SB 929 – Billing of Utilities in Mobile Home Parks 32
SB 952 – Tenants of Properties in Foreclosure. 32

HUMAN RESOURCES

HB 2192 – Oregon Medical Insurance Pool Assessments 33
HB 2194 – Oregon Medical Insurance Pool 33
HB 2298 – Donated Leave for Military Personnel 33
HB 2420 – Cancer Presumption for Firefighters 34
HB 2503 – Medical Marijuana: Discrimination in Employment 34
HB 2510 – Lifetime Veterans Preference..... 34
HB 2577 – Blood Borne Disease Presumption for Public Safety
Officers..... 34
HB 2744 – Leave for Military Families..... 35
HB 2839 – Domestic Partnerships 35
HB 3162 – “Whistleblower” Protections for Employees 35
HB 3507 – Employee Protections Regarding Political and Religious
Matters 35
SB 24 – Insurance Coverage for Telemedicine Services 36
SB 462 – Unemployment Insurance Eligibility... 36
SB 519 – Definition of “Political” and “Religious” Matters..... 37
SB 786 – Oregon Workplace Religious Freedom Act 37
SB 874 – Individuals With Disabilities 37
SB 966 – Family Leave Benefits Insurance Program... 37

HUMAN SERVICES

HB 2066 – Earned Income Tax Credit 39
SB 5529 – Department of Human Services Budget 39

LAND USE

HB 2003 – Recreational Immunity 40

LAND USE (cont.)

HB 2229 – Oregon Task Force on Land Use Planning 40
HB 2230 – Coordination of Land Use Decision Making 40
HB 2388 – Informed Growth Act 41
HB 3043 – Urban Growth Boundary Changes 41
HB 3058 – Removal-Fill Permitting Program..... 41
HB 3153 – Utility Facilities. 41
HB 3225 – Measure 49 Claims Processing..... 42
HB 3298 – Metolius River Protection 42
HB 3368 – Urban Reserves 43
SB 482 – Drinking Water Overlay Zones 43
SB 607 – Outdoor Advertising Signs..... 43
SB 907 – Discretionary Design Review.. 43

PARKS

HB 2596 – Designation of Forest Park as an Area of Critical State
Concern..... 44
HB 5033 – Budget for Oregon Parks and Recreation Department 44

PUBLIC EMPLOYEE RETIREMENT SYSTEM

HB 2593 – Retiree Contributions to Labor Organizations 45
HB 2704 – Disability Payments 45
SB 112 – PERS Retirees 45
SB 399 – PERS Rollover Contributions 46
SB 897 – PERS Verification of Benefits and Board Membership.. 46

PUBLIC CONTRACTING

HB 2037 – Disclosure of Public Contracts..... 47
HB 2699 – Application of Prevailing Wage Rates in Enterprise
Zones 47
HB 2731 – Prequalification Hearings 47
HB 2763 – Public Contracting for Agricultural Products 48
HB 2867 – Public Contracting Assessments..... 48
HB 3420 – Software procurement by Public Agencies. 48
SB 51 – Prevailing Wage Education and Enforcement Account ... 49
SB 479 – Opportunities for Disabled Veterans.. 49
SB 711 – Emergency Procurement Procedures 49
SB 872 – Public Contracting Preferences for Oregon Residents .. 49
SB 884 – Procurements Made With Federal Stimulus Funds 50
SB 895 – Construction Workforce Diversity 50

PUBLIC SAFETY

HB 2052 – Siting of Secure Group Homes..... 51
HB 2365 – Novelty Lighters..... 51
HB 2400 – Off-Duty Use of Uniforms 51
HB 2401 – Assault With a Dangerous Substance 52

PUBLIC SAFETY (cont.)

HB 2403 – Forfeiture 52
HB 2422 – Sales of Catalytic Converters 52
HB 2463 – Reciprocal Handgun Permits 52
HB 2484 – Metal Theft 53
HB 2539 – Fireworks..... 53
HB 2645 – Destruction of Firearm Records..... 53
HB 2701 – Photo Red Light..... 53
HB 2713 – Investigation of Public Safety Officers 53
HB 2727 – Concealed Handgun Records 54
HB 2790 – Department of Public Safety Standards and Training
Board 54
HB 2991 – Background Check Exemption for Firearms..... 54
HB 3026 – Drive-By Shootings..... 55
HB 5041 – Department of Public Safety Standards and Training
Budget..... 55
SB 93 – Interception of Federal Tax Refunds ... 55
SB 280 – Animal Fighting.. 56
SB 309 – Custodial Interviews 56
SB 310 – DNA Evidence ... 56
SB 405 – Metal Theft: Scram Metal Dealers 56
SB 570 – Metal Theft 57
SB 665 – Use of Polygraph Tests in Law Enforcement Hiring
Processes ... 57
SB 708 – Law Enforcement hiring Processes ... 57
SB 971 – Reimbursement of Training Costs 57

TAXATION AND FINANCE

HB 2074 – Tax Supervising and Conservation Commission.. 59
HB 2429 – Qualifications for Enterprise Zone Tax Exemptions..... 59
HB 2461 – Malt Beverage Tax 59
HB 2531 – Sequestration of Professional Soccer Income Taxes.. 60
HB 2616 – Local Government Tobacco Taxes.. 60
HB 2649 – Personal Income Tax Increase..... 60
HB 3049 – Corporate Minimum Tax..... 60
HB 3056 – Urban Renewal 61
HB 3405 – Corporate Minimum Tax Increase ... 61
HB 3408 – Real Estate Transfer Tax Preemption 61
SB 192 – Historic Properties 62
SB 217 – Historic Preservation Revolving Loan Fund.. 62
SB 396 – Real Estate Transfer Tax Preemption 62
SB 440 – Transient Lodging Tax.. 62
SB 495 – Pacific Northwest AC Intertie.. 63
SB 768 – Local Malt Beverage Recovery Fees. 63

TELECOMMUNICATIONS

HB 2405 – Voice-over Internet Protocol	64
HB 3036 – Telecommunication Service providers Deregulation ...	64
HB 3158 – Oregon Broadband Advisory Council	64
HJR 6 – Statewide Broadband Policy	65
SB 269 – Utility Relocation	65

TRANSPORTATION

HB 2001 – Oregon Jobs and Transportation Act.....	66
HB 2040 – Roadside Assistance ..	66
HB 2043 – County Vehicle Registration Fees ...	67
HB 2377 – Cell Phone Use While Driving	67
HB 2417 – Railroad-Highway Grade Crossings	67
HB 2543 – Medium-Speed Electric Vehicles.....	68
HB 2562 – Maximum Vehicle Length	68
HB 2578 – Patrol Towing ..	68
HB 2618 – Designated Speed Limits	69
HB 2650 – Local Control of Speed Limits	69
HB 2685 – Disabled Parking Placards ...	69
HB 2690 – Idaho Rolling Stops	69
HB 2770 – Disabled Parking License Plates	69
HB 2902 – Financing for Non-Motorizes Transportation Projects .	70
HB 2971 – Financing for Bicycle Transportation Projects	70
HB 3008 – Bicycle Registration.....	70
HB 3028 – Low-Speed Vehicles... ..	70
HB 3047 – Mass Transit Safety.....	70
HB 3113 – City Vehicle Registration Fees	71
HB 3248 – Railroad Grade Crossings	71
HB 3253 – Plug-in Electric Vehicles.....	71
HB 3379 – Streetcar Funding and Transportation Planning Rule..	71
SB 34 – Transit Payroll Tax.....	72
SB 36 – Tolling of Willamette Bridges	72
SB 292 – Financing for Bicycle and Pedestrian Transportation Projects	73
SB 420 – Electric Assisted Bicycles	73
SB 580 – Tolling Columbia River Bridges	73
SB 937 – Disabled Parking Permits	73
SB 961 – Pacific Wonderland License Plates ...	74
SB 5054 – General Fund Appropriations: Elderly and Disabled Transit	74
SB 5548 – Oregon Department of Transportation Budget	74

WATER

HB 2185 – Water Quality Fees.....	76
HB 2232 – Geotechnical Hole Fee.....	76
HB 2406 – Columbia River Water Appropriation	76

WATER (cont.)

HB 2859 – Exempt Wells ..	76
HB 2980 – Water Conservation Tax Credit	77
HB 3156 – Fluoride	77
HB 3369 – Integrated Water Resources Strategy	77
HB 3442 – Reduction of Municipal Water Use ..	78
HB 3454 – Storm Water Discharge Into Irrigation Canals and Drainage Ditches	78
SB 193 – Integrated State Water Resources Strategy .	78
SB 787 – Conservation Requirements for State Funding of Water Projects	79
SB 788 – Water Fees and Peak Ecological Flows	79
SB 888 – Delinquent Utility Bills ...	79
SB 930 – Backflow Assembly Service Licensing.....	80
SB 5505 – General Obligation Bonds	80
SB 5535 – Lottery Bonds for Water Projects.....	80
SB 5551 – Oregon Water Resources Department Budget.....	81

INTRODUCTION

The 2009 Legislative Session

Long before the 75th legislative assembly commenced on January 12, 2009, the tone and focus had been set as the nation's worsening economy was hitting Oregon particularly hard; state revenues fell precipitously at the same time as unemployment and foreclosure rates were rising. The economy and the havoc that these conditions would play on the state's budget led many observers and veterans of the legislative process to deem the 2009 session one of the most challenging in recent memory.

As in the 2007 legislative session, Democrats continued to hold all statewide elected offices as well as majorities in both legislative chambers. In the Senate, Democrats maintained their 18-12 majority with the addition of Senator Jackie Dingfelder (D – NE Portland) who replaced Senator Avel Gordly; Senator Diane Rosenbaum (D – SE Portland) replacing Senator Kate Brown; and Senator Chris Telfer (R – Bend) Senator Ben Westlund's successor. Senate leadership remained largely unchanged with Senator Peter Courtney (D – Salem), and Senator Ted Ferrioli (R – John Day) continuing to serve as Senate President and Senate Minority Leader, respectively. Senator Richard Devlin (D – Tualatin) replaced former Senator Kate Brown as Senate Majority Leader.

In the House, Democrats picked up five seats, which expanded their majority to 36 members – the necessary three-fifths majority needed to pass revenue raising measures. Just as in the 2007 session, the House once again saw a large freshman class of legislators, several of whom represent parts of Portland. House Leadership saw significant changes: Rep. Dave Hunt (D – Milwaukie) served as Speaker of the House, Rep. Mary Nolan (D – SW Portland) as House Majority Leader, and Rep. Bruce Hanna (R-Roseburg) as House Minority Leader.

The session began with the adoption of rules and strict deadlines for completing work on each bill. The deadlines, which required that committees complete their work on bills and move them to the other chamber, ensured a consistently fast pace.

Going into the session, the priorities of legislative leaders were largely shaped by the economic challenges facing the state with legislators keenly aware of the changing landscape of Oregon's economy and the importance of being flexible to respond to these economic shifts. These priorities included expanding health coverage to uninsured Oregonians, crafting a transportation package that would address transportation infrastructure needs, minimizing budget cuts to education and social services, and making investments in job creation and workforce development. However, before tackling these priorities, the Legislature first had to shore up a \$855 million gap in the 2007-09 budget. This was accomplished through a combination of agency budget cuts and funds from the federal American Recovery and Reinvestment Act (ARRA).

As the session wore on, state revenue forecasts became increasingly grim. By May, the official General Fund shortfall was \$3.6 billion. This budget gap was ultimately bridged through \$2 billion in agency budget cuts, a combination of state reserves, federal ARRA funds, and a revenue package that is estimated to raise roughly \$775 million through a tax increase on upper-income Oregonians and an increase in the corporate minimum tax. In anticipation of the revenue increases being referred, the Legislature established that any election on these measures would be in January 2010. This would allow the Legislature to address a budget shortfall in the February 2010 special session if voters rejected the tax increases.

In addition to the tax increases passed by the legislature to help fill the General Fund shortfall, a number of new taxes were established in an effort to expand services and programs. Health care reform and expansion of health care coverage was a priority of both legislative leadership and the Governor, and was accomplished with the passage of HB 2009 and HB 2116. HB 2009 overhauls the state healthcare system by establishing the Oregon Health Authority (OHA). The OHA will oversee all healthcare related programs administered by the state. HB 2116 provides health care coverage to 80,000 uninsured children and 65,000 uninsured adults. The program is financed through a combination of increased hospital taxes and the establishment of a gross receipts tax on health insurance premiums that, in turn, enable the state to leverage significant federal dollars.

Along with expanding health care coverage, legislators established a new and sustainable revenue source for affordable housing through HB 2436 (the Housing Opportunity Bill). The bill increases the document recording fee for real estate transactions by \$15, with the income generated dedicated to affordable housing programs. This bill was a priority of the City and passed early in the session due to the hard work of a large and diverse coalition.

Another priority for legislators was the creation of a statewide transportation package that would provide much needed new revenues for the upkeep and maintenance of existing infrastructure. The Oregon Jobs and Transportation Act (HB 2001) was the result of negotiations among stakeholders throughout the course of the session. Through a combination of fee and gas tax increases, the bill will raise about \$300 million, with the City of Portland slated to receive about \$20 million.

While legislators managed to pass a number of revenue raising bills, the shortfall in state revenues nonetheless meant significant cuts to the budgets of many state agencies. The K-12 education budget, with an allocation of \$6 billion, saw significant cuts of nearly \$500 million, which could have been worse were it not for the use of state reserves. Even agencies that received a significant infusion of federal funds, such as the Department of Human Services, sustained painful cuts. Furthermore, the state revenue shortfall meant that there was significantly

fewer dollars for programmatic changes. Thus, throughout the session, many bills failed to advance due to costs associated with them.

On June 29th, 2009, one day before the targeted adjournment date, the Legislature brought to a close what many observers consider to be a historic session. Despite the significant challenges, the City of Portland fared well. This is in part due to the fact that many of the City's priorities – expansion of health care, transportation package, affordable housing, public safety and addressing climate change - mirrored those of legislative leaders and the Governor. Additionally, a number of the City's initiatives including those relating to disabled parking, condemnation, shared sewer connections, and prequalification hearings were passed by the legislative body.

The Office of Government Relations is grateful to the Mayor, members of the City Council, Council staff, Bureau Directors, Legislative Liaisons, and many other bureau staff for their tireless support and technical expertise through the duration of the 2009 legislative session. Thank you very much for your efforts. We are proud to represent the City of Portland.

BILL SUMMARIES

BUILDING CODES

HB 2080 – Gray Water Reuse and Disposal Systems

This bill permits the reuse of gray water for outdoor irrigation uses through the inclusion of gray water disposal systems for residential use in state building codes. The bill defines gray water as waste water from baths, showers, kitchen and bathroom sinks, and laundry facilities and requires the Department of Environmental Quality (DEQ) to convene and consult with an advisory group to develop permit requirements to construct, install, and operate a gray water reuse system. The bill also requires that the permit requirements ensure the protection of public health, safety and welfare, and public water supplies.

Effective: June 12, 2009
Chapter 248

HB 2457 – Residential Fire Sprinkler Systems

HB 2457 would have allowed a journeyman plumber licensee to design the plumbing portion of a fire sprinkler system for installation in a residential structure subject to the Low-Rise Residential Dwelling Code. After the House approved the bill unanimously, it was referred to the Senate Business and Transportation Committee, where it remained upon adjournment.

SB 79 – Energy Code for Buildings

Following the passage of legislation in 2007 that established goals for the reduction of greenhouse gas emissions (10 percent below 1990 levels by 2020 and 75 percent below 1990 levels by 2050), the Governor established the Energy Efficiency Working Group and directed it to develop recommendations relating to energy use in the built environment. SB 79 was one of the bills recommended by the Energy Efficiency Working Group.

Specifically, this bill creates a Task Force on Energy Performance Scores comprised of 13 members with expertise in specific fields relating to energy efficiency. The task force is directed to study and evaluate energy use in new and existing commercial and residential buildings with the goal of developing recommendations regarding a voluntary energy performance scoring system. The recommendations must be submitted in time for the Oregon Department of Energy (ODOE) to adopt the recommendations by rule no later than July 1, 2010. Additionally, the task force is directed to develop recommendations regarding a

statewide mandatory energy performance scoring system for submission to an interim energy legislative committee prior to the 2011 Legislative Assembly.

Effective: July 22, 2009
Chapter 750

SB 915 – Municipal Building Inspections

Currently, the state Building Codes Division (BCD) requires that all building code enforcement jurisdictions use a standard, statewide-approved citation form and filing procedures when issuing citations for building code violations. SB 915 clarifies this procedure as it relates to the assessment of penalties. Specifically, the bill requires penalties to be assessed as civil penalties and requires that notice be provided to the civil penalty recipient. Furthermore, SB 915 limits the amount of the municipal civil penalty to no more than the authorized amount in the state building code. The City initially expressed concerns that this bill would interfere with an already well-established City process and that the state rate schedule might be insufficient to pay for penalties that were assessed to violators over a long period of time. Amendments made a number of clarifications that eased these concerns and included a provision making it clear that the bill does not preempt local government from charging violators increased permit or investigative fees, seeking injunctive relief, or taking any enforcement action that does not include a monetary penalty.

Effective: January 1, 2010
Chapter 476

For other bills regarding Building Codes, please see:

- HB 2865 – System Development Charges (pg. 22)

COLLECTIVE BARGAINING

HB 2545 – Public Sector Collective Bargaining

HB 2545 would have included temporary employees in the definition of “appropriate bargaining unit” for purposes of collective bargaining between public employers and public employees. Many local governments expressed concerns about this bill due to the breadth of the employees that it would include and the fact that it would require employees with no “community of interest” to pay union dues. The bill received a public hearing in the House Business and Labor Committee, where it remained upon adjournment. The provisions of this bill were included in HB 2831 (see below).

HB 2546 – Replacement of Striking Public Employees

This bill would have prohibited public employers from hiring permanent replacements for employees lawfully engaged in a strike. The bill would have still permitted public employers to hire temporary replacements for striking employees. The bill received a hearing in the House Business and Labor Subcommittee on Workforce Development and in the full Business and Labor Committee, where it remained upon adjournment of the legislative body.

HB 2633 – Supervisory Employees in Collective Bargaining

HB 2633 would have modified the definition of “supervisory employee” in public employee collective bargaining law. The bill declared that employees that assign, transfer, or direct the work of others, but do not have the authority to impose economic discipline, are not supervisory employees. After passing the House, the bill was referred to the Senate Commerce and Workforce Development Committee and ultimately ended up in the Senate Rules Committee, where it remained upon adjournment. The provisions of this bill were included in HB 2831 (see below).

HB 2831 – Temporary Employees in Collective Bargaining Units

HB 2831 would have permitted the inclusion of certain types of seasonal or temporary employees in the definition of “appropriate bargaining unit” for the purposes of collective bargaining agreements between public employers and public employees. Additionally, the bill created a new class of employees, “casual employees,” not to be included in the definition of “appropriate bargaining unit.” Finally, HB 2831 also included a provision from HB 2633 (see above) that alters the definition of supervisory employee. After passing the House, the

Senate Commerce and Workforce Development Committee approved the bill.
The bill failed on the Senate floor.

SB 821 – Health Care Expense Agreements

SB 821 permits collective bargaining units and public employers to establish a retiree medical trust, voluntary employees' beneficiary association, health reimbursement agreement, or other health care agreement. A provision included in the bill exempts school districts subject to coverage under the Oregon Educators Benefit Board.

Effective: June 23, 2009
Chapter 467

EDUCATION

HB 2800 – Farm to School Programs

HB 2800 would have directed the Oregon Department of Education to reimburse school districts that serve Oregon food products as part of the National School Lunch program or School Breakfast Program. Additionally, the bill would have further directed the department to award grants for the development of food, garden and agriculture based education programs. After moving out of the House Agriculture, Natural Resources and Rural Communities Committee, HB 2800 was sent to the Joint Ways and Means Committee where it remained upon the legislature's adjournment.

HB 2830 – Oregon Prekindergarten Program

This bill would have appropriated an unspecified sum of money from the General Fund to the Department of Education for the purpose of funding the Oregon pre-kindergarten program. Upon introduction, HB 2830 was referred to the House Education Committee where it did not receive a hearing and remained upon adjournment.

HB 5017 – Department of Higher Education Budget

HB 5017 appropriates money and establishes spending levels for the Department of Higher Education and state universities. Portland State University (PSU) sustained a 13 percent cut from the funding level of the 2007-09 biennium, receiving a total of \$807.5 million. The bill allows tuition for in-state undergraduate students to be increased by six percent per year, and nine percent per year for out-of-state students and graduate students. Of the \$175 million "Go Oregon" state stimulus package that passed at the beginning of the session, PSU received \$29 million for capital projects that were either planned or are underway. Additionally, the State Agency Capitol Construction bill (SB 5506) included several PSU projects (for a full list please see pg. 6).

Effective: July 7, 2009
Chapter 670

HB 5032 – Oregon Health Sciences University Budget

HB 5032 is the budget bill for Oregon Health Sciences University (OHSU). The bill allocates \$79 million in General Fund dollars to OHSU for the 2009-11 biennium; this represents an eight percent cut in funding from the budget for the

2007-09 biennium. Out of the \$79 million allocation, the bulk of the funds (\$67.5 million) are directed to Education and General Services, which includes the School of Medicine, School of Nursing, School of Dentistry, and Area Health Education Centers/Office of Rural Health. \$9.3 million is allocated to the Child Development and Rehabilitation Center with the remaining \$2.6 million targeted to help fund University hospitals and clinics. The City of Portland supported OHSU's budget request.

Effective: July 7, 2009
Chapter 679

SB 364 – Half-day Kindergarten

SB 364 would require school districts to offer half-day kindergarten and allow school districts and charter schools to offer supplemental kindergarten. Additionally, for the purposes of State School Fund distributions, the bill would change the basis of the calculation for aggregate days membership for kindergarten pupils. Beyond a hearing in the Senate Education and General Government Committee, the bill saw no movement.

SB 5506 – State Agency Capitol Construction

This bill provides \$1.3 billion in bonding authorization for state agency capital projects, a 55 percent increase from the previous biennium. The revenue to pay the debt service on the bonds comes from a variety of funding sources including the General Fund, Lottery, and revenue from rents and grants.

Projects located in Portland that were included in the bill are:

- Oregon Center for Sustainability – \$80 million bonding authority was allocated for the construction of the Oregon Center for Sustainability. The debt service on the Title XI-F bonds will be paid with tenant rent revenue eliminating any cost to the state.
- South Waterfront Life Sciences Center – \$110 million in bonds were allocated in this bill. Of this amount, \$60 million in Title XI-F bonds were authorized, and will not be paid back with state dollars, but with revenues from student tuition, rents paid by research and retail occupants, charges for service, parking, and general university operating funds. The remaining \$50 million are Title XI-G bonds, which require a 50 percent match.
- Placeholders that allow PSU to request funding from the Emergency Board for the university's purchase of the Market Center (Market and 4th) and City Tower buildings.

- Bonding in the amount of \$8 million for PSU to purchase six land parcels from TriMet to construct a mixed-use development for student housing classrooms and other PSU facilities.
- Eight million for a new facility for Portland Community College (PCC) at the Cascade Campus on North Killingsworth.

Effective: August 4, 2009
Chapter 904

SB 5511 – Community Colleges and Workforce Development Budget

SB 5511 appropriates money from the General Fund to the Department of Community Colleges and Workforce Development for certain biennial expenses. The bill allocates \$464 million to the department, of which \$450 million is directed to community colleges. While falling short of the Essential Budget Level (EBL), the amount needed to keep the same level of service in the upcoming biennium as in the current biennium, the department's budget fared better than earlier proposals from the Governor and the Ways and Means Co-Chairs, which called for even greater cuts. The final budget represents a ten percent across-the-board cut to community college services from the 2007-09 biennium budget.

Effective: July 16, 2009
Chapter 727

SB 5519 – Department of Education Budget

SB 5519 appropriates money from the General Fund to the Department of Education (DOE) for a range of programs including Head Start, school breakfast and lunch, long-term and hospital treatment, and SMART (Start Making a Reader Today). The bill funds Head Start at \$110 million, the amount needed to serve the current number of children in the program. Early intervention/special education programs were funded at \$140 million, \$5.5 million less than the Essential Budget Level (EBL), which is defined as the amount needed to keep the same level of service in the upcoming biennium as in the current biennium.

Effective: July 16, 2009
Chapter 729

SB 5520 – K-12 Education Budget

The K-12 education budget passed by the legislature allocates \$6.0 billion, an amount legislators reached through the use of federal stimulus funds and state reserve funds. The Governor vetoed the K-12 budget due to a disagreement in the use of state reserve funds; the legislature overrode the Governor's veto. While the budget plan passed by legislators kept \$200 million in reserves, a plan supported by the Governor would have required additional cuts and kept \$400 million in reserves to hedge against future revenue shortfalls.

While the budget is \$500 million short of the Essential Budget Level (EBL) – an amount determined by the Legislative Fiscal Office that is needed to keep the same level of service in the upcoming biennium as in the current biennium – it is far better than K-12 budget scenarios presented earlier in the session.

Effective: July 1, 2009
Chapter 635

ENERGY

HB 2180 – Business Energy Tax Credit Study

With recent growth of the state's Business Energy Tax Credit (BETC), there was significant interest among the legislative body in gaining a more detailed assessment of investments in renewable energy projects. HB 2180 requires the Oregon Department of Energy (ODOE), working with the Public Utility Commission (PUC) and the Oregon Economic and Community Development Department (OECDD) to prepare a report on the BETC program. The bill specifies that the report is to address the financial aspects of wind energy and conservation projects and is to include analysis of capital investments, federal and state tax incentives, revenues, costs, and return on investment. The goal of the report is to determine the extent that facilities are dependent upon state incentives for initial and continued operation. ODOE must present its report to the 2011 Legislative Assembly.

Effective: January 1, 2010
Chapter 912

HB 2181 – Energy Efficiency Local Improvement Districts

HB 2181 would have allowed local governments to establish local improvement districts for the purpose of financing energy efficiency and renewable energy improvements for homes and some commercial buildings. The bill authorized the Oregon Department of Energy (ODOE) to establish rules in conjunction with the Housing and Community Services Department to define the types of eligible projects. Under the bill, ODOE is authorized to provide loan funds to a local government or directly to property owners. Once in the Joint Ways and Means Committee, the provisions of this bill were amended into HB 2626, a bill which establishes the Energy Efficiency and Sustainable Technology loan program (see pg. 10). HB 2626 passed on the floor of both chambers with bipartisan support.

HB 2182 – Small Scale Local Energy Projects

The Oregon Department of Energy's Small Scale Energy Loan Program (SELP) was established in 1979. The program offers low-interest, fixed rate, long-term loans for any qualified project that invests in energy conservation, renewable energy, alternative fuels, or creating products from recycled material. Currently,

vehicle fleets and fueling facilities are eligible for SELP funds. HB 2182 expands eligibility to other equipment fueled by alternative energy sources.

Effective: January 1, 2010
Chapter 760

HB 2472 – Business Energy Tax Credit

Facing increasing demand for the state’s Business Energy Tax Credit (BETC), the Legislature wanted to address the rising costs . HB 2472 would have scaled back the credit for renewable energy projects. Recognizing the importance of the program to Oregon’s green technology sector, legislators proposed numerous different approaches and amendments in the Revenue Committees of both chambers. The House and the Senate did not reach agreement until late in the session on a bill that would have scaled back the BETC credit for renewable energy. The bill included a reduction of the project cap for renewable energy facilities over 10 megawatts from \$20 million to \$10 million, and reduced the tax credit from 50 percent to 35 percent (representing a return to the same levels of credit available before being increased during the 2008 special session.) For all other renewable projects, the cost cap remains at \$20 million and the credit percentage is 50 percent. Following adjournment of the legislative assembly, the Governor vetoed HB 2472.

Effective: Governor veto issued on August 7, 2009

HB 2626 – Energy Efficiency and Sustainable Technology Loan Program

HB 2626 establishes the Energy Efficiency and Sustainable Technology Loan Program (EEAST) within the Oregon Department of Energy (ODOE). The EEAST program will provide financing, promotion, and technical support to encourage investments in energy efficiency, renewable energy, and energy conservation. The long-term loans available to residential and commercial property owners to fund energy efficiency upgrades may be paid back through the property owner’s utility bill. The Public Utility Commission (PUC) and ODOE will facilitate the implementation of the program through pilot projects and report back to the legislature prior to the 2011 legislative session. While in the Joint Ways and Means Committee, the provisions of HB 2181 (see pg. 9) were amended into the bill. The City worked closely to help shape the legislation based on experience with the its Clean Energy Works program – an energy efficiency pilot project. After moving out of the Joint Ways and Means Committee, the bill passed both chambers with widespread bipartisan support.

Effective: July 22, 2009
Chapter 753

HB 2940 – Renewable Portfolio Standards

In 2007, the Legislature passed SB 838, establishing a Renewable Portfolio Standard (RPS). The RPS requires all utilities and electricity suppliers serving Oregon to have a percentage of their power portfolio sold to retail customers generated from a qualifying renewable energy source. HB 2940 expands the types of facilities that would qualify under the state's RPS as a renewable energy source. Specifically, the bill would allow biomass electricity generating facilities operational before 1995, municipal solid waste facilities, and hydropower facilities that qualify as "low impact" to comply with Oregon's RPS. The bill received nearly unanimous support in both chambers and was passed in the final days of the session. On August 7, 2009, Governor Kulongoski vetoed the bill. The Governor noted that Oregon's RPS has served as an important economic engine and that including additional sources of generation diminishes its value.

Effective: Governor's veto letter issued August 7, 2009

HB 3039 – Feed-In Tariffs

HB 3039 was introduced to help the state achieve the goals set forth in the Renewable Portfolio Standard adopted during the 2007 legislative assembly (SB 838). The bill directs the Public Utility Commission (PUC) to develop a pilot program of incentives for the production of small- and large-scale solar projects. For small solar projects, HB 3039 authorizes feed-in tariffs, which allow homeowners and small businesses to be paid for electricity they feed into the grid from their own solar power generating equipment. The bill also establishes two-for-one credits for qualifying solar generating systems that are operational prior to January 1, 2016 and meet the purpose of complying with the renewable portfolio standard. The total size of the pilot program is capped at 25 megawatts and sets a goal that 75 percent be generated by small-scale systems and eligibility for the two-for-one credits are limited to projects less than 500 kilowatts.

Additionally, HB 3039 encourages state agencies to use fuel cell power equipment, and directs the Oregon Department of Energy (ODOE) to develop criteria for agencies to use in comparing fuel cell systems with other power generating systems.

Effective: July 22, 2009
Chapter 748

HB 3497 – Motor Vehicle Fuel (Ethanol)

The 2007 legislative session passed HB 2210, which established a statewide Renewable Fuel Standard (RFS) for biodiesel and ethanol fuels. Following the implementation of the RFS, the legislature passed SB 1079 in the 2008 special session, which authorized the sale of gasoline not blended with ethanol for certain uses including aviation and watercraft. HB 3497 authorizes the sale of gasoline not blended with ethanol, if the gasoline has an octane rating of 91 or above. While other bills were introduced during the session that addressed this issue and accomplished a nearly identical outcome, HB 3497 was the only bill to pass and received nearly unanimous support in both chambers.

Effective: January 1, 2010
Chapter 786

HB 3411 – Business Energy Tax Credits

HB 3411 is one of several bills that legislators considered that would have changed the operation of the state's Business Energy Tax Credit (BETC). This bill would have established additional mandatory criteria for projects with costs greater than \$5 million. Specifically, the bill would have required that projects: (1) comply with all state and local requirements for licenses and permits; (2) not be arrear in taxes owed to state and local governments; and (3) be in continuous operation for at least five years following the completion of the project. Additionally, the bill granted the Oregon Department of Energy (ODOE) the ability to decline issuance of preliminary certification to any project based on criteria such as: (1) the number of jobs the project would create; (2) the project's economic benefits; (3) the environmental impact of constructing and operating the facility; (4) the revenue impact of granting preliminary certification; and (5) whether construction of the facility is dependent upon preliminary certification. While the bill did not pass out of the House Revenue Committee, it did receive a number of hearings.

HB 3463 – Biodiesel

During the 2007 session, legislation was passed that established a Renewable Fuel Standard (RFS) for biodiesel and ethanol based on in-state production (HB 2210). The bill provided for a trigger, at which time both of the respective standards would go into effect. The trigger for the biodiesel RFS was based on the production of five million gallons, calculated on an annualized basis, for three consecutive months from qualifying feedstock. This trigger, which differs from that of ethanol, has resulted in a situation where, unlike the ethanol standard, the biodiesel standard has not gone into effect. HB 3463 resolves this conflict, changing the trigger in order to implement the biodiesel portion of the state's RFS

that requires two percent of all diesel sold in the State of Oregon to contain biodiesel.

Effective: July 22, 2009
Chapter 752

For other bills relating to Energy, please see:

- SB 79 – Energy Code for Buildings (Pg. 1)

ENVIRONMENT

HB 2020 – Invasive Species

Introduced by the House Rules Committee, HB 2020 establishes an Invasive Species Control Account to fund efforts to eradicate or control new infestations and infections. The bill authorizes the State Treasurer to issue lottery bonds at the Invasive Species Council's request and limits the Council's expenditures to \$5 million.

Effective: July 28, 2009
Chapter 825

HB 2184 – Beverage Container Recovery

Filed by the Governor's office, HB 2184 would have established a goal of an 80 percent return rate on beverage containers by 2015. Included in the bill is a provision that if by 2016 the Department of Environmental Quality (DEQ) determined the return rate to be less than 80%, the refund value will increase to no less than 10 cents per beverage container. Additionally, the bill would have added deposits to sports drinks, coffee, tea, juice, and other non-carbonated beverage containers beginning January 1, 2013. After moving to the full House from the Environment and Water Committee, the bill was referred back to the House Revenue Committee, where it remained upon adjournment.

HB 2213 – Invasive Species Council

HB 2213 places the Oregon Invasive Species Council within the Oregon Department of Agriculture (ODA). The bill adds two seats to the Council, one a representative from the Department of Environmental Quality (DEQ), and one additional at-large member. Furthermore, the ODA is directed to act as the fiscal agent for the Council and removes the requirement that the appointment of a coordinator must be by written order.

Effective: May 21, 2009
Chapter 100

HB 2220 – Aquatic Invasive Species

HB 2220 authorizes the Oregon Department of Agriculture (ODA), the State Marine Board, and the Oregon Department of Fish and Wildlife (ODFW) to operate check stations for the purpose of inspecting watercraft for aquatic

invasive species. The bill further authorizes the agencies to decontaminate or recommend decontamination of the inspected watercraft. Additionally, the bill establishes that those persons that knowingly transport aquatic invasive species on or in a boat are subject to a civil penalty.

Effective: July 22, 2009
Chapter 764

HB 2671 – Solid Waste Disposal Fees

HB 2671 clarifies that a Metropolitan Service District can use money collected by the district as service or user fees for activities of regional concern related to solid waste generation or disposal. Introduced by Metro, this bill will enable the agency to use solid waste fees to fund efforts to reduce greenhouse gas emissions related to the collection of solid waste, such as diesel retrofits of garbage collection trucks.

Effective: June 17, 2009
Chapter 309

HB 2714 – Shipping Transport of Aquatic Invasive Species Task Force

HB 2714 creates a Shipping Transport of Aquatic Invasive Species Task Force. The bill directs the task force to submit a report to the interim legislative committee related to natural resources by June 1, 2010. Additionally, the bill allows rulemaking by the Department of Environmental Quality with regard to ballast water. HB 2714 received unanimous support in both chambers.

Effective: May 26, 2009
Chapter 148

HB 2822 – Way of Necessity for Shared Sewer Connections

Currently, more than 3,000 properties in Portland receive sewer service via an unrecorded private sewer connection that traverses neighboring properties without legal protection of recorded easements. When a shared sewer connection is discovered, residents must be granted an easement by neighbors in order to connect to the City's mainline sewers or pay tens of thousands of dollars to extend and connect to public sewers. In some instances, property owners have charged the dependent property owner exorbitant sums for easements. HB 2822, a City of Portland initiative, creates a temporary fix to this problem by authorizing the private use of a legal tool called "ways of necessity" to

protect a preexisting sewer connection. HB 2822 passed the House and Senate unanimously.

Effective: January 1, 2010
Chapter 318

HB 2918 – Prescription Drug Take-Back Program

HB 2918 would have required that the State Board of Pharmacy create a drug take-back program, in which unused or expired prescriptions could be safely disposed of in a manner that would not release these prescriptions back into the environment. HB 2918 was referred to the House Health Care Committee where it did not receive a hearing and remained upon adjournment.

HB 3037 – Paint Stewardship Program

HB 3037 establishes a pilot program aimed at reducing the generation of post-consumer paint. The bill directs the Department of Environmental Quality (DEQ) to develop a program to promote the reuse of paint and develop a process for its collection, transport, and processing.

Effective: July 22, 2009
Chapter 777

HB 3060 – Product Stewardship

HB 3060 would have required the Department of Environmental Quality (DEQ) to implement a statewide product stewardship program for rechargeable batteries and compact fluorescent light bulbs that contain mercury. Furthermore, the bill established the framework for bringing additional products into the program at a later date. The program for the collection, transportation, recycling, reuse, and disposal of discarded products would be financed and managed by a group of producers, with oversight by DEQ. Upon introduction, HB 3060 was referred to the House Environment and Water Committee. The City joined environment and public health advocates, as well as other local government partners testifying in support of the bill, which was opposed by a broad range of manufacturers and business groups. The bill remained in committee upon adjournment.

HB 3477 – Distribution of Telephone Directories

House Bill 3477 would have prohibited the distribution of telephone directories to residences, unless specifically requested, making a violation an unlawful trade

practice. Under the current system, the printing and distribution of phone directories account for a significant amount of unwanted waste, as well as creates an inconvenience for some elderly and disabled citizens. The City expressed support for the concept in this bill, but suggested an “opt out”, rather than an “opt in” system. HB 3477 was referred to the House Rules Committee, where it saw no movement beyond a public hearing.

SB 320 – Recycling of Rechargeable Batteries

SB 320 would have prohibited people from knowingly disposing of batteries as solid waste and required retailers and manufacturers to establish a battery recycling program. This bill saw no movement beyond a public hearing in the Senate Environment and Natural Resources Committee.

SB 513 – Ecosystem Services

SB 513 establishes that it is the policy of the state to support the maintenance, enhancement, and restoration of ecosystem services. Ecosystem services are defined as “the benefits that human communities enjoy as a result of natural processes and biological diversity.” The bill encourages state agencies to adopt adaptive management strategies and requires that agencies consider the need for biological connectivity when adopting mitigation strategies. It further requires the Sustainability Board to convene an Ecosystem Services Markets Working Group, and requires the Oregon Watershed Enhancement Board to provide staff support to the working group.

Effective: July 23, 2009
Chapter 808

SB 598 – Prescription Drug Take-Back Program

Introduced by the Committee on Human Services and Rural Health Policy, SB 598 would have established a statewide take-back program for prescription drugs. Using a product stewardship approach, the bill required drug manufacturers to establish a take-back program for pharmaceuticals. The bill would have required the Department of Human Services to approve and regulate the program. SB 598 received a public hearing and work session, however remained in committee upon adjournment.

SB 637 – Integrated Pest Management Plan

SB 637 requires school districts to adopt an integrated pest management (IPM) plan, or improve upon an existing one by July 12, 2012. The bill specifies many of the components of the IPM plan including the designation of an IPM plan coordinator, adoption of a list of low-impact pesticides, and requirements as to the notification of parents and guardians of minor students, adult students and staff members.

Effective: January 1, 2010
Chapter 501

SB 742 – Product Stewardship of Compact Fluorescent Light Bulbs

SB 742 would have required the Department of Environmental Quality (DEQ) to implement a statewide product stewardship program for lighting that contains mercury. The bill required manufacturers of lighting containing mercury to develop product stewardship programs and submit the plans to DEQ. This bill saw no movement beyond a public hearing in Senate Environment and Natural Resources.

For other bills relating to Environment, please see:

- HB 2185 – Water Quality Fees (Pg. 76)

ETHICS

In 2007, the Legislative Assembly passed SB 10, which made significant changes to Oregon's government ethics laws. The legislation expanded the reporting requirements for public officials and made changes to the state's gift laws. Numerous ambiguities and ill-defined terms made implementation of the bill very challenging. A substantial number of local officials in communities across the state tendered their resignation in opposition to the expanded reporting requirements. In 2008, the Senate Interim Committee on Rules and Executive Appointments conducted public hearings on concerns related to the change in ethics laws. Senate President Courtney and then House Speaker Merkley appointed an Ethics Reform Review Team, which assessed complaints and summarized perceived problems. In 2009, legislators took up a number of bills aimed to clarify questions raised during implementation of the 2007 legislation.

HB 2518 – Government Ethics Gift Exemptions

HB 2518 exempts certain items and activities from government ethics regulation. These changes include:

- 1) Exempting reimbursement paid to public school employees for expenses to accompany students on educational trips from the definition of "gift;"
- 2) Adding "conference" to the category of meetings that a public official may attend that is excluded from the gift definition;
- 3) Adding program materials to the list of materials, publications, and subscriptions excluded from the definition of gift;
- 4) Changing the prohibition on participation in contracts from two years after a public official held a position to two years after authorization of the contract; and
- 5) Removing "domestic partner" from the definition of "relative" for the purpose of disclosure of potential conflicts of interest.

Effective: July 7, 2009
Chapter 689

SB 30 – Ethics

Intended to address many of the concerns documented by the Ethics Reform Review Team, SB 30 makes changes and clarifications to state ethics laws governing public officials. Most notably, this bill:

- 1) Changes reporting requirements for public officials by increasing the number of public officials that must file annual Statement of Economic

- Interest (SEI), eliminating quarterly reporting for public officials, changing income reporting requirements, and removing requirement to list names of relatives and household members on the SEI form;
- 2) Clarifies that certain gift limits apply when the source has a legislative or administrative interest in the public official, and not in the public official's agency;
 - 3) Clarifies that "legislative or administrative interest" (the threshold gift test) lies in a "decision or vote" of the public official;
 - 4) Clarifies that gift limits do not apply to gifts deriving from private employment or volunteer work of the public official or relative when given as part of the usual and customary practice, and bearing no relationship to the official's holding of public office;
 - 5) Clarifies that officials may attend receptions or meetings when they are representing a governmental entity; and
 - 6) Removes the ban on entertainment gifts passed in 2007, making entertainment subject to the same limits as all other gifts.

Introduced at the beginning of the session, SB 30 passed both chambers with nearly unanimous support after receiving numerous public hearings and work sessions.

Effective: April 15, 2009
Chapter 68

SB 773 – Legal Expense Trust Funds

Passed by the Legislative Assembly in 2007, SB 10 prohibited public officials from using excess campaign contributions to defray the cost of legal expenses related to a civil or criminal action or to pay a civil penalty imposed by an agency or public body. In turn, the measure authorizes a public official to establish a legal expense trust fund if the individual incurs or reasonably expects to incur legal expenses. Currently, a public official is prohibited from acting as their own trustee, as are their relatives, attorneys, and individuals who have a business or employment relationship with public official. The individual is also prohibited from soliciting, receiving or handling contributions, serving as the trustee of their own fund, and using the fund for personal use. Senate Bill 773 removes the restrictions on who can serve as the trustee for a legal trust fund, allowing the public official, or an individual designated by the public official, to serve as trustee. The legal trust fund would remain a separate fund for a public official's campaign fund.

Effective: June 24, 2009
Chapter 505

GENERAL GOVERNMENT

HB 2386 – Electronic Voter Registration

This bill requires the establishment of an electronic voter registration system by the Secretary of State. The system can be used by people who have an Oregon driver's license, drivers permit, or state identification card.

Effective: August 7, 2009
Chapter 914

HB 2726 – Menu Labeling

Adopting the standards of the menu labeling ordinance passed by Multnomah County Commissioners, HB 2726 requires chain restaurants to make nutritional information available in written format to customers. The bill defines chain restaurants as those being “part of an affiliation of 15 or more restaurants in the United States selling standardized menu items and operating under a trade name or service mark.” Movie theaters, health care facilities, and cafeterias are exempted from this definition. The Department of Human Services (DHS) is responsible for establishing rules for the administration and enforcement of the measure and inspecting restaurants to assure compliance with the law.

Effective: June 17, 2009
Chapter 314

HB 2753 - Pawnbrokers

HB 2753 alters state regulations with regard to pawn brokers, limiting the per-pledge fees that cities and counties can charge pawnbrokers to one dollar. Such fees are charged for the purposes of covering the costs associated with administration and use of a tracking system. The original version of the bill limited this fee to 10 cents. The City strongly opposed this provision, which would have deprived cities of the funds necessary to administer an effective tracking system. The other provisions of the bill would authorize pawnbrokers to charge a \$3 fee for a lost or stolen ticket, limit pawnbroker storage fees to a maximum of \$100, allow a pawnbroker and a pledgor to agree to 60-day renewal period for pledge loans, and create notification requirements for pawnbrokers to deem pledges of \$500 or more forfeited. This bill passed by significant margins in both the House and the Senate. Currently, the City of Portland does not assess pawn brokers a transaction fee.

Effective: January 1, 2010
Chapter 372

HB 2865 – System Development Charges

House Bill 2865 would have limited cities' ability to use System Development Charges (SDCs) in three primary ways: (1) limit cities' ability to collect an SDC only to the time of issuance of a building permit or certificate of occupancy; (2) prohibit Parks and Recreation SDCs based on an increase in level of service; and (3) prohibit an increase in SDCs based on presence of fire sprinklers. The bill was referred to the House Revenue Committee where it did not receive a hearing.

HB 2920 – Effective and Cost-Efficient Services

This bill establishes a Task Force on Effective and Cost-Efficient Service Provision. Included on the task force is a spot for a city official, as well as representation from counties, special districts, state agencies, the Governor's office and legislators. The task force is directed to review opportunities to provide services in the most effective and cost-efficient manner, focusing on the following areas: assessment and taxation, elections, human services, criminal justice, intergovernmental agreements, existing and new districts, technology to achieve cost savings, and fiscal support and planning for counties. Finally, the bill directs the task force to submit an interim report to the Legislature, no later than November 30, 2009 and a final report by October 1, 2010.

Effective: August 4, 2009
Chapter 881

HB 3033 – Referral of City Measures

This bill limits the signature gathering period to two years for a petition to initiate a city or county measure. The bill restricts the applicability of the two year time limit on petitions to those petitions for which no other time limit is provided by city or county ordinance.

Effective: January 1, 2010
Chapter 571

HB 3201 – Liquor License Issuance and Renewal

Currently, statute authorizes the Oregon Liquor Control Commission (OLCC) to place restrictions on or revoke a liquor license if an establishment has a "history of serious and persistent problems," a standard undefined in statute and not often used by the agency. The intent of the bill was to give the OLCC additional enforcement tools with which to engage the small minority of liquor serving

establishments that receive the most complaints relating to public safety and community livability. The bill would have changed this threshold to “serious or persistent.”

The City participated in a workgroup convened at the request of the House Business and Labor Committee. The workgroup recommended amendments that would continue to apply the “serious and persistent” standard to cases involving license cancellation, but still allow the agency to impose restrictions for “serious or persistent” problems. The amended bill passed the House with broad bipartisan support. HB 3201 was first referred to the Senate Business and Transportation Committee and went on to the Senate Rules Committee, where it remained upon adjournment. The City testified in support of the bill.

HB 3240 – Election Costs

This bill was introduced to seek clarity on the issue surrounding a county’s authority to pay for excess postage costs related to vote by mail elections. In instances when the length of a ballot increases the overall weight of a return ballot envelope, more than a single standard stamp is required. Failure to include sufficient postage may result in a ballot being returned to the elector for insufficient postage. In such cases, an elector’s ballot will not be counted unless it is returned early enough to allow re-mailing with proper postage or delivery to a ballot drop site. Amendments that were discussed but not adopted would have granted counties the option to pay for all or part of the excess postage for ballots that exceed the cost of postage of mail that weights one ounce or less. After receiving a hearing in the House Rules Committee, HB 3240 was referred to the Joint Ways and Means Committee, where it remained upon adjournment.

SB 227 – Furnishing Alcoholic Beverages to a Minor

This bill increases the fine for knowingly providing alcohol to someone who is visibly intoxicated or a minor. Fines would increase from \$350 to at least \$500 for a first conviction, \$1000 to at least \$1000 for a second conviction, and from \$1000 to \$1500 for a third conviction. Those convicted may reduce fines by doing community service. This bill is a product of the Attorney General’s Underage Drinking Task Force.

Effective: January 1, 2010
Chapter 412

SB 266 – Commencement of Actions

This bill would have provided that for the purposes of statutes of limitation, a civil action is commenced when a complaint is filed with the court. Under current law, an action is timely filed if two conditions are met: the complaint is filed with the court and served on the defendant. SB 266 would have changed this by eliminating the requirement that service be made within the period of limitation. This bill received a public hearing in the Senate Judiciary, where it remained upon adjournment of the legislature.

SB 302 – Oregon Tort Claims Act: Contracts Among Public Agencies

SB 302 would have provided that if a state agency contracts with another public body for performance of functions that would otherwise be performed by the state agency, the other public body becomes an agent of the state for the purposes of the Oregon Tort Claims Act (OTCA). The bill received a hearing in the Senate Judiciary Committee, where it remained upon adjournment.

SB 305 – Oregon Tort Claims Act: Right to Waive Indemnification

SB 305 would have allowed an agent that enters into an agreement with a public body to waive the right to indemnification under the Oregon Tort Claims Act (OTCA), if the agreement also requires the agent to have insurance coverage equal to the limitations imposed on recoveries under the OTCA. The bill remained in the Senate Judiciary Committee upon adjournment.

SB 311 – Oregon Tort Claims Act

The Oregon Tort Claims Act (OTCA) makes the City responsible, subject to certain monetary limits and other defenses, for the torts of its officers, employees, and agents. Following the Oregon Supreme Court's decision in *Clarke v. OHSU*, which held that the caps of the OTCA were unconstitutionally inadequate in that particular case, the Legislature formed an interim task force to respond to the ruling. During the interim task force meetings, several public entities expressed concerns regarding potential increases of insurance costs due to uncertain risk forecasts as well as potential increases in exposure to liability.

The task force recommended three bills for introduction in 2009. The first and only successful bill, SB 311, establishes a new two-tier system for tort caps. A higher cap is applied to the State of Oregon and Oregon Health Sciences University (OHSU), and lower caps to all other public entities, including cities and counties. The new caps which will apply to the City of Portland include: (1) increasing the per claim damage limit from \$200,000 to \$500,000; (2) increasing

the per occurrence damage limits from \$500,000 to \$1 million; (3) increasing the per claim limits by \$33,333 per year until 2015; (4) increasing the per occurrence damage limits by \$66,666 per year until 2015; and (5) increasing all property damage limits from \$50,000 to \$100,000 per claim and \$500,000 per occurrence.

Effective: July 1, 2009
Chapter: 67

SB 497 – Local Government System Development Charges

Current statute permits local governments to assess a system development charge (SDC) for the construction of five types of capital improvement projects: drinking water, waste water, storm water, transportation, and parks and recreation. This bill would have allowed the establishment of SDCs for law enforcement and fire control capital improvements. Upon introduction, this bill was referred to the Education and General Government Committee, where it remained upon adjournment.

SB 794 – Attorney’s Fees in Condemnation Cases

This City of Portland initiative addressed an unintended consequence resulting from the passage of Ballot Measure 39 in 2006. Part of that measure changed the way in which attorney fees and costs were awarded in condemnation proceedings by requiring governments to pay the attorney fees and costs of a property owner, if the property owner received more than the government’s *initial* offer. The standard created an incentive for property owners to take every case to trial resulting in an unnecessary drain on public resources.

SB 794 changes the method of awarding attorney fees in order to create an incentive to settle these cases. Specifically, the bill requires a public entity to pay attorney fees and costs if a judgment exceeds the entity’s highest offer before the filing of a lawsuit, and allows a public entity to make an offer of compromise before trial. The City worked closely with property rights advocates and other local governments and the bill ultimately passed both chambers unanimously.

Effective: January 1, 2010
Chapter 530

SB 813 – Oregon Convention Center Headquarters Hotel

This bill would have authorized the state to sequester tax revenue from the Oregon Convention Center Headquarters Hotel and its employees, placing these revenues into the Oregon Convention Center Headquarters Hotel Grant Fund.

The state would then be authorized to administer grants from this fund for the purposes of repaying loans made to finance the construction of the Convention Center Headquarters Hotel.

Upon introduction of this bill, it was referred to the Senate Finance and Revenue Committee with a subsequent referral to the Joint Ways and Means Committee. The bill did not receive a public hearing.

HEALTH CARE

HB 2009 – Oregon Health Authority

Established during the 2007 legislative session with the passage of SB 329, the seven-member Oregon Health Fund Board (OHFB) was charged with examining the state's health care problems and developing an action plan for reform. Following two years of study and the release of its findings, HB 2009 embodied many of the health care reforms suggested by the OHFB. At over 500 pages, HB 2009 was one of the largest bills of the session, requiring numerous public hearings, work sessions, and copious amendments.

Specifically, HB 2009 establishes the Oregon Health Authority (OHA), a new state agency that will oversee existing state programs that touch on health care and implement many of the recommended reforms at the statewide level. Among other things, the OHA is charged with establishing health industry cost control measures and developing and submitting a plan for the creation of a health insurance exchange, in which consumers may purchase health care plans, to the 2011 Legislative Assembly. Additionally the OHA is charged with studying the possibility of joint contracting for health benefits among state public agencies from the state to local levels. HB 2009 also establishes the Oregon Health Policy Board (OHPB), which will consist of nine members and serve as the policy-making and oversight body for the OHA. Among the duties of the OHPB is the establishment of a Public Health Benefit Purchasers Committee which is to consist of representatives from varying public agencies including cities.

Effective: June 26, 2009
Chapter 595

HB 2116 – Health Care for All Oregon Children Program

The expansion of health care coverage to uninsured children and adults was a priority of legislative leadership and the Governor. HB 2116 establishes the Health Care for All Oregon Children Program which will provide health care coverage for 80,000 children – 95 percent of all uninsured children in the state. Housed in the Department of Human Services, the program will pay the full cost of health insurance for children in families with incomes below 200 percent of the federal poverty level. For families with incomes between 200 and 300 percent of the federal poverty level, the state will subsidize health insurance for children on a sliding scale. Furthermore, in addition to providing coverage to uninsured children, HB 2116 will bring an additional 35,000 low-income adults into the Oregon Health Plan.

This expansion of health care coverage to uninsured children and adults will be paid for by: 1) establishing a one percent gross receipts tax on insurance premiums and Medicaid managed care plans; and, 2) extending the sunset on the hospital tax by raising it to a floating rate somewhere between three and three and a half percent of net hospital revenues. The hospital tax will only be levied on the state's largest 26 hospitals and functions more like a loan from hospitals, as the bill also requires the state to increase Medicaid reimbursement rates enough to offset the tax. Notably, these new and expanded taxes enable the state to leverage additional federal funding.

Effective: September 28, 2009
Chapter 867

HOUSING

HB 2382 – Assistance for Mobile Home Purchases

This bill would have appropriated roughly \$10.2 million to the Housing and Community Services Department to aid in the purchase of mobile home parks by low-income tenants or representative nonprofit organizations. Upon introduction, the bill was referred to the House Consumer Protection Committee, where it remained upon adjournment.

HB 2430 – Prevailing Wage in Mixed-Use Affordable Housing

With the passage of HB 2140 during the 2007 session, legislators sought to provide public agencies with clearer rules as to when prevailing wage rates (PWR) must be applied in mixed-use construction projects and developments relying on public-private financing agreements. While low-income housing projects are exempt from PWR requirements, the issue did not clarify the application of PWR on mixed-use developments. HB 2430 would have provided clarifications by requiring that the commercial parts of mixed-use projects that predominately provide affordable housing pay the prevailing wage, while the low-income housing portion would remain exempt from the requirement. The bill passed the House by a comfortable margin, but remained in the Senate Rules Committee upon adjournment.

HB 2436 – Housing Opportunity Bill: Document Recording Fee

This bill, a priority of the City of Portland and the Housing Alliance, raises the document recording fee for real estate transactions by \$15. The income from this fee increase will go to create a new dedicated stream of funding for affordable housing, with 76 percent going to a new General Housing Account, ten percent to the Emergency Housing Account, and 14 percent to the Home Ownership Assistance Account. In the coming biennium, the fee increase is projected to raise just over \$15 million, with projected revenue increases each subsequent biennium.

Effective: September 28, 2009

Chapter 18

HB 2473 – Real Estate Transfer Tax

HB 2473 would have lifted the preemption on local governments from imposing a real estate transfer tax, if the tax revenues are dedicated to affordable housing programs. This bill was referred to the House Revenue Committee, where it remained upon adjournment. In the Senate, a similar piece of legislation (SB 396, see pg. 62) was introduced, but did not pass out of committee.

HB 3027 – Discrimination in Real Property Transactions

Currently, state statute prohibits discrimination based on “race, color, religion, sex, sexual orientation, national origin, marital status, familial status or source of income” in real property transactions. This bill would have modified the definition of “source of income” to include federal rent subsidies and any other state or local rent assistance, thus prohibiting discrimination of those receiving rent assistance. This bill was referred to the House Sustainability and Economic Development Committee, where it received a public hearing and remained upon adjournment.

HB 5019 – Department of Housing and Community Services Budget

General fund appropriations to the Department of Housing and Community Services support state homeless, emergency housing, home ownership, and food programs. The legislatively approved budget funds these programs at \$10.1 million, a 20.5 percent reduction from the essential budget level. While the Emergency Housing Account sustained the largest cut, those program funds will be replaced with revenue from the Housing Opportunity Bill (HB 2436, see pg. 29). HB 5019 also authorizes the Housing and Community Services Department to receive and spend federal stimulus funds.

Effective: July 7, 2009

Chapter 671

SB 199 – Affordable Housing Tax Credits

SB 199 would have increased the current \$17 million cap on the affordable housing tax credit to \$21 million, becoming effective for the 2010 tax year. After passing out of the Senate Finance and Revenue Committee, this bill was referred to the Joint Ways and Means Subcommittee on Transportation and Economic Development, where it received a public hearing but did not advance.

SB 200 – Statewide Policy to End Homelessness

The Ending Homelessness Advisory Council (EHAC), which is comprised of state and local agencies and charged with addressing the problems of homelessness in Oregon, was established through executive order by Governor Kulongoski in 2006. SB 200 is part of the EHAC's 10-year plan to end homelessness, and declares homelessness a detriment to individuals, families, and communities, and establishes state policy regarding homelessness. The bill requires the Department of Human Services and the Department of Housing and Community Services to work together to end and prevent homelessness through the creation of a comprehensive and collaborative support system and housing resources. The bill outlines that the support system must include: (1) community based treatment; (2) outreach services; (3) early intervention strategies; (4) housing; and (5) public welfare programs. SB 200 passed both chambers unanimously.

Effective: January 1, 2010
Chapter 407

SB 510 – Regulation of Manufactured Dwelling Parks

Oregon statute preempts local governments from adopting and enforcing any laws or ordinances relating to the closure of or partial closure of manufactured dwelling parks. This bill would have removed this preemption, permitting local governments to enact and enforce laws or ordinances that protect, but not impede upon, the rights of tenants living in manufactured dwelling parks. The bill received a public hearing in the Senate Consumer Protection and Public Affairs Committee, where it remained upon adjournment.

SB 628 – Mandatory Mediation in Foreclosures

As originally written, this bill would have mandated mediation between a homeowner facing foreclosure and a lender. Upon a homeowner's default on his/her mortgage, lenders would have been required to send a notice to the homeowner. This would notify them of their right to mediation for the purposes of reaching agreement on modification of the loan.

As amended, this bill requires lenders to provide homeowners facing foreclosure additional notice, an opportunity to meet with the mortgage company, and if a homeowner requests a modification of their mortgage, the lender must do a good faith review of their modification request.

Effective: July 30, 2009
Chapter 864

SB 929 – Billing of Utilities in Mobile Home Parks

This bill requires landlords of mobile home parks with 200 or more spaces, to use submetering for the billing of water services. Currently, mobile home park tenants are billed for their water usage by tracking water charges through a master meter and recovering it in a pro rata apportionment in rent. The pro rata billing method provided no incentive for a park owner to fix leaking pipes and, as such, passed the increased water usage cost on to the tenants.

Effective: January 1, 2010
Chapter 479

SB 952 – Tenants of Properties in Foreclosure

SB 952 was introduced in response to a growing number of tenants that were finding themselves without any protections when their landlord's property entered into foreclosure. Current law failed to provide protections for tenants of properties entering into the foreclosure process and furthermore, failed to distinguish between those tenants with fixed-term leases and those without. SB 952 requires that: (1) tenants receive advance notice of foreclosure proceedings with specific information regarding tenants' rights; (2) allows tenants with fixed-term leases to stay after the foreclosure sale for the remainder of their lease or 60 days, whichever is shorter, except in cases when the purchaser intends to live in the property, in which case tenants must move within 30 days; and (3) allows tenants receiving notice of foreclosure to apply pre-paid security deposits towards ongoing rent obligations.

Effective: August 23, 2009
Chapter 510

HUMAN RESOURCES

HB 2192 – Oregon Medical Insurance Pool Assessments

The Oregon Medical Insurance Pool (OMIP) is a high-risk insurance pool, providing coverage to adults and children who are unable to obtain commercial medical insurance because of pre-existing health conditions. Premiums paid by enrollees cover 55 percent of the program's medical and drug claim costs, with the remaining 45 percent covered through an assessment on commercial insurance companies conducting business in Oregon. House Bill 2192 would have changed the basis of the assessment formula by expanding the types of entities subject to assessment to include third-party administrators for self-insured employers. The bill received a public hearing in the House Health Care Committee, where it remained upon adjournment.

HB 2194 – Oregon Medical Insurance Pool

House Bill 2194 modifies the definition of medical insurance used by the Oregon Medical Insurance Pool (OMIP), conforming it to the definition used by the Oregon Insurance Division of the Department of Consumer and Business Services. Additionally, the bill specifies the types of insured people that are exempt from assessment calculations, clarifies limits on enrollee premiums by public entities or health care providers, and exempts the State Children's Health Insurance Program from assessment.

Effective: January 1, 2010
Chapter 695

HB 2298 – Donated Leave for Military Personnel

Currently, employees that are called into active military duty are eligible to receive donated leave from other employees, which may supplement any compensation received as a military member. The employee may not receive more than the amount they were earning in base salary. HB 2298 changes the calculation of the statutory maximum cap to an employee's total compensation, allowing the inclusion of amounts attributable to overtime hours. The bill does contain a provision that donated leave plus military compensation may not exceed the employee's total civilian salary.

Effective: January 1, 2010
Chapter 12

HB 2420 – Cancer Presumption for Firefighters

HB 2420 adds twelve types of cancer to the existing firefighter presumption for employment-caused occupational diseases. It applies the presumption to non-volunteer firefighters that have completed at least 5 years of employment and are diagnosed after July 1, 2009. The presumption does not apply to claims filed seven years after the termination of employment and is limited to the cancers listed in the bill. Additionally, the presumption may be rebutted by clear and convincing evidence that the cancer was not caused by the firefighter's employment. The City worked with the bill's sponsors to include an amendment that enables the integration of the presumptions with Portland's Fire and Police Disability and Retirement Fund system.

Effective: January 1, 2010
Chapter 24

HB 2503 – Medical Marijuana: Discrimination in Employment

HB 2503 prohibits employment discrimination, if the discrimination is based upon: (1) an employee's status as a medical marijuana registry cardholder or (2) a positive drug test for marijuana if the employee is a medical marijuana registry card holder and the use of medical marijuana did not occur in the workplace. The bill exempted employees that are employed in a "safety-sensitive position," in which marijuana use could endanger the health and safety of others. Upon introduction, the bill was referred to the House Business and Labor Committee, where it received a hearing and remained upon adjournment of the legislative assembly.

HB 2510 – Lifetime Veterans Preference

Currently, there is a 15-year limit for the use of veteran's preference points in the hiring for public agencies. This bill establishes a lifetime preference. The bill passed both chambers unanimously.

Effective: January 1, 2010
Chapter 370

HB 2577 – Blood Borne Disease Presumption for Public Safety Officers

HB 2577 would have established the presumption that certain blood borne diseases are compensable occupational diseases for public safety employees. Upon introduction, the bill was referred to the House Business and Labor Committee, where it remained upon adjournment.

HB 2744 – Leave for Military Families

HB 2744 requires employers, in times of military conflict, to grant 14 days of unpaid leave to the spouse or domestic partner of a member of the military prior to that member's deployment. Upon return to work, the employee must be reinstated to their position in the same manner, as if the employee utilized the Oregon Family Leave Act. The bill applies to any business or public body employing 25 or more employees. The Oregon Bureau of Labor and Industries will be responsible for enforcement. HB 2744 passed both chambers unanimously.

Effective: June 25, 2009
Chapter 559

HB 2839 – Domestic Partnerships

HB 2839 makes a technical correction to Oregon's Domestic Partnership laws. Specifically, the bill clarifies that couples that have previously registered as domestic partners in other states are eligible to register in the State of Oregon. Additionally, the bill provides a means for domestic partners to change surnames in the same manner as married couples and allows partners to subtract from their federal taxable income health insurance benefits for their partner paid for by their employer for the 2008 tax year.

Effective: September 28, 2009
Chapter 561

HB 3162 – “Whistleblower” Protections for Employees

Current statutes provide protection from discrimination for public employees who report a violation of state or federal laws, rules, or regulations. HB 3162 expands this protection to private sector employees, making violation an unlawful employment practice.

Effective: January 1, 2010
Chapter 524

HB 3507 – Employee Protections Regarding Political and Religious Matters

HB 3507 modifies the definitions of “political” and “religious matters” in statute, as they relate to workplace communications regarding an employer's opinions.

Specifically, the bill modifies the definition of “political matters” to include: political policy affiliation, ballot measure campaigns, political candidates, and decisions whether to join or support any political or constituent group. Modifications to the definition of “religious matters” include activities related to religious affiliation and the decision of whether to join or support a religious organization. A related bill, SB 519 (see pg. 37), prohibits action against an employee for declining to participate in employer-sponsored meetings or communications regarding political or religious matters. HB 3507 also provides clarification as to the scope of immunity from adverse employment action against employees, as outlined in SB 519.

Effective: January 1, 2010
Chapter 890

SB 24 – Insurance Coverage for Telemedicine Services

Senate Bill 24 requires health benefit plans to provide coverage of medically necessary, evidence-based telemedical health services when the respective health service is covered by the plan. Additionally, the bill states that telemedicine services should not be limited to areas that are underserved or lack medical specialists. The bill was approved by large margins in both the House and the Senate. The City supported SB 24 as part of its rural partnership agenda.

Effective: January 1, 2010
Chapter 384

SB 462 – Unemployment Insurance Eligibility

Currently, the calculation of an individual’s unemployment insurance benefit is in part based upon his/her earnings during a “base year.” Statute defines the base year as the first four of the last five completed calendar quarters proceeding the benefit year with the most recently completed calendar quarter not included. This bill modifies the manner in which unemployment benefits are calculated, as the bill allows for the use of an alternative base year definition that includes an individual’s most recent earnings, if they fail to qualify for unemployment under the current base year definition.

Effective: July 1, 2009
Chapter 71

SB 519 – Definition of “Political” and “Religious” matters

Currently, while statute includes employee protections from certain forms of discrimination, no law protects employees from being required by their employer to attend religious or political meetings including meetings concerning union organizations. SB 519 prohibits an employer from taking adverse employment action against an employee for declining to participate in employer-sponsored meeting or communication regarding political or religious matters. ,,

Effective: January 1, 2010
Chapter 658

SB 786 – Oregon Workplace Religious Freedom Act

Senate Bill 786 enacts the Oregon Workplace Religious Freedom Act. The bill requires employers to reasonably accommodate the religious practices of employees unless the accommodation causes an undue hardship. Schools, however, are exempted from the law, as they can prohibit teachers from wearing religious clothing while teaching.

Effective: January 1, 2010
Chapter 744

SB 874 – Individuals with Disabilities

The Americans with Disabilities Act (ADA), as well as Oregon law, prohibit employers from discriminating against disabled job applicants and employees. The Americans with Disabilities Act Amendment Act (ADAA) took effect on January 1, 2009, providing an update to the ADA in response to Supreme Court cases and Equal Employment Opportunity Commission interpretations that narrow the scope of the ADA. SB 874 updates Oregon statutes, conforming them to federal ADA law. Specifically, the bill provides criteria to be used in determining whether an individual has a physical and/or mental impairment.

Effective: January 1, 2010
Chapter 508

SB 966 – Family Leave Benefits Insurance Program

While current family leave statute permits employees to take unpaid leave for various purposes, some employees who qualify are unable to take advantage of the leave due to financial constraints. SB 966 would have created an employee-financed insurance program for the purposes of providing benefits to individuals

desiring to take family leave. The bill required that each employer withhold a premium, not to exceed two cents per hour worked and up to 40 hours per week, for each employee. Employees working 40 hours a week at the time of the request would have been eligible to receive a maximum of \$300 per week with application for family leave benefits being processed through the Bureau of Labor and Industries. SB 966 moved out of the Senate Commerce and Workforce Development Committee with a “do pass” recommendation to the Joint Ways and Means Committee, where it remained upon adjournment.

HUMAN SERVICES

HB 2066 – Earned Income Tax Credit

Currently, Oregon residents that qualify for the federal Earned Income Tax Credit (EITC) may take a percentage of the EITC as a credit against Oregon personal income taxes. This bill would have increased that percentage from its current six percent to 18 percent. Upon introduction, this bill was referred to the House Revenue Committee, where it received several hearings but remained upon adjournment.

SB 5529 – Department of Human Services Budget

At a total of \$15.1 billion (a 29 percent increase over the 2007-09 biennium), the FY 2009-11 budget for the Department of Human Services (DHS) is the largest budget in state government. Of the total allocation, \$10.1 billion is from federal funds, \$3.5 billion is from the state General Fund, and \$1.5 billion from other funds including the Medicaid provider tax, fees, and cigarette and tobacco taxes. The growth in the budget is attributable to an infusion of federal funds associated with increased case loads and enrollment in health and welfare programs that is a result of the economic downturn. \$541 million from the federal American Reinvestment and Recovery Act (ARRA) of 2009 is used to offset the state match required for Medicaid, foster care, and adoption programs. Additionally, state funding increased by five percent over the 2007-09 biennium.

The increased funding will allow DHS to hire an additional 1,115 workers to meet the demands of the agency's increased case load. However, despite an increase in the agency's budget through the one-time flow of federal funds, a number of programs still sustained cuts including those that serve disabled individuals and provide training for parents on welfare. Additionally, adults on the Oregon Health Plan will lose dental and vision benefits.

Effective: July 1, 2009
Chapter 732

LAND USE

HB 2003 – Recreational Immunity

HB 2003 extends immunity from a lawsuit to landowners that allow the public to use their property for gardening for a fee of \$25 per year. This immunity already exists for landowners that allow the public to use their property for recreation, woodcutting, or the harvest of special forest products. It further extends this immunity to landowners that allow the public to travel across their property in order to use adjacent land for the covered activities.

Effective: January 1, 2010

Chapter: 532

HB 2229 – Oregon Task Force on Land Use Planning

A product of the Oregon Task Force on Land Use Planning, commonly referred to as the “Big Look Task Force”, HB 2229 provides a process for corrective remapping of rural lands by counties. The process is established in order to ensure sustainable development of rezoned lands and update natural resource protections, allowing for acknowledgement review by the Department of Land Conservation and Development. The bill further prioritizes dense urban development in high growth areas and allows an extension of the regional problem solving deadline to incentivize mediation of land-use disputes.

Effective: August 4, 2009

Chapter 873

HB 2230 – Coordination of Land Use Decision Making

HB 2230 requires the Department of Land Use Conservation and Development (DLCD) to regularly review and update its rules regarding state agency land use coordination and state permit compliance. The goal of the rules review is to eliminate unclear and conflicting provisions.

Effective: January 1, 2010

Chapter 606

HB 2388 – Informed Growth Act

Modeled after legislation in Maine, this bill would have required a city or county to obtain and review a comprehensive economic impact statement prior to approving or disapproving an application for a permit to construct a large retail facility. Only proposed retail facilities with 75,000 square feet or more of gross floor area would be subject to this additional requirement. Upon introduction, the bill was referred to the House Land Use Committee where it did not receive a hearing and remained upon adjournment.

HB 3043 – Urban Growth Boundary Changes

HB 3043 automatically expands a metropolitan service district to encompass the urban growth boundary when the urban growth boundary is expanded. Currently two separate processes must be undertaken for expansion of an urban growth boundary and expansion of a metropolitan service district.

Effective: January 1, 2010
Chapter 216

HB 3058 – Removal-Fill Permitting Program

HB 3058 changes the definition of an “applicant” for the purposes of the State removal-fill permitting program to include persons other than landowners or their representatives. This change was proposed to allow developers to begin the application process prior to getting approval from every affected landowner, under the assumption that the landowners would be required to sign off prior to the beginning any removal or fill activity. This bill passed the House and was referred to the Senate Rules Committee where it saw no further movement.

HB 3153 – Utility Facilities

HB 3153 requires utility providers, following approval of a route for a transmission line but prior to installation of the transmission line, to consult with the owners of high-value farmland in an effort to minimize the impact on farming operations. The bill defines “consult” as “make an effort to contact for the purpose of notifying the record owner of the opportunity to meet,” and sets forth a process for notifying the owner. As originally introduced, HB 3153 would have prohibited the location of a utility facility in farm or forest zones if the utility facility primarily provided services within an urban growth boundary.

Effective: January 1, 2010
Chapter 854

HB 3225 – Measure 49 Claims Processing

Passing in 2007, Measure 49, which modified Measure 37 (2004), offered three different development alternatives for existing claimants. Under the system offered by Measure 49, claimants could settle via an “express” or “conditional” process, or they could proceed with their claim via a “vested rights” process. Of the alternatives, most claimants chose the “express” process, which allows for the development of up to three homes outside of an urban growth boundary. Concerns, however, were raised regarding the timely filing and maintenance of claims, noting they are confusing for claimants. Furthermore, the process is extremely resource-intensive for the Department of Land Conservation and Development (DLCD). HB 3225 provides a process for approximately 450 claims to obtain Measure 49 approval. These are claims that filed with the state but not their local government, claims on land inside a city but outside the urban growth boundary, claims filed for development of more than three houses but were not pursued, and claims that were submitted as much as 30 days late. HB 3225 also extends the deadline for the Land Conservation and Development Commission (LCDC) to finish processing Measure 49 “express lane” claims.

Effective: July 28, 2009
Chapter 855

HB 3298 – Metolius River Protection

In the final days of the session, the legislature approved HB 3298, a highly controversial bill that declares the Metolius River headwaters an area of “state critical concern.” The designation came at the recommendation of the Land Conservation and Development Commission (LCDC). The bill will reduce the scale of a proposed destination resort in the area and makes available alternative locations outside the Metolius area to the developers of another destination resort.

Although not adopted, significant consideration was given to an amendment which dealt directly with a 48-acre Portland property in the NW Hills off NW Skyline Blvd. The amendment would have given the property an automatic removal from the 20-acre f-overlay (Future Urban) in the event that it is designated as a “rural” reserve.

Effective: July 15, 2009
Chapter 712

HB 3368 – Urban Reserves

HB 3368 would have prohibited the Land Conservation and Development Commission, and any local government, from establishing minimum lot or parcel sizes on lands included within designated urban reserves as a result of inclusion. Upon introduction, the bill received a public hearing and work session in the House Land Use Committee, where it remained upon adjournment.

SB 482 – Drinking Water Overlay Zones

SB 482 would have required local governments to establish safe drinking water overlay zones. The bill prescribed minimum boundaries of overlay zones, prohibited certain land uses in overlay zones, and established a permitting process of certain land uses in the zones. Upon introduction, SB 482 was referred to the Senate Committee on Environment and Natural Resources where it saw no movement beyond a public hearing.

SB 607 – Outdoor Advertising Signs

SB 607 would have preempted a city or county from prohibiting the replacement of an existing outdoor advertising sign that has a permit issued by the Department of Transportation. The bill would have also required that the Oregon Department of Transportation (ODOT) certify that the proposed replacement sign would meet city or county criteria. After passing the Senate, the bill was referred to the House Transportation Committee, where it received a hearing but remained upon adjournment.

SB 907 – Discretionary Design Review

The need to address the design quality of new housing developments was identified by community members during the process of building the East Portland Action Plan. SB 907, a City of Portland initiative, would have expanded the City's existing design review authority in a limited way to town centers, main streets, corridors and light rail station communities – areas that are expected to experience rapid growth over the next 20 years and where the City is making significant infrastructure investments. The bill applied only to medium- and high-density residential and mixed-use developments, those with 18 or more units per acre.

Upon introduction, SB 907 was referred to the Senate Education and General Government Committee. While the bill received considerable support from community members at a public hearing, there was also considerable opposition from some members of the development community. The bill remained in committee upon adjournment.

PARKS

HB 2596 – Designation of Forest Park as an Area of Critical State Concern

This bill would have directed the Land Conservation and Development Commission (LCDC) to make a report and recommendation as to whether the Legislature should designate Portland's Forest Park, including the Balch Creek watershed and corresponding areas of influence, as an area of critical state concern. The bill was referred to the House Land Use Committee, where it did not receive a hearing and remained upon adjournment.

HB 5033 – Budget for Oregon Parks and Recreation Department

This bill contained the legislatively approved budget for the Oregon Parks and Recreation Department (OPRD). The department, like many other state agencies, experienced significant cuts as a result of decreased state revenues. The two primary sources of funding for OPRD are state Lottery funds and revenues from park user fees. The \$203 million budget, which includes \$87.3 million from Lottery Funds and \$97 million from other funds, represents an 11.5 percent decrease from the budget for the 2007-09 biennium and is 6.1 percent below the Essential Budget Level, which is the level determined by the Legislative Fiscal Office at which agencies must be funded in order to keep services and programs running at their current level.

The Local Government Grant Program was among the many OPRD programs that were subject to budget cuts. The program, which administers grants for local park development, sustained cuts of \$9.3 million. The City submitted a letter of support on behalf of the program to the Joint Ways and Means Natural Resources Subcommittee.

Effective: July 7, 2009
Chapter 680

For other bills relating to Parks, please see:

- HB 2003 – Recreational Immunity (Pg. 40)
- HB 2865 – System Development Charges (Pg. 22)

PUBLIC EMPLOYEE RETIREMENT SYSTEM

HB 2593 – Retiree Contributions to Labor Organizations

HB 2593 would have required the Public Employees Retirement (PERS) Board to allow retired members and beneficiaries to make voluntary contributions to labor organizations. The cost of administering the measure's provisions would be paid by contributions from members and beneficiaries. This bill was referred to the House Business and Labor Committee, which moved it without recommendation as to its passage, to the House Rules Committee, where it remained upon adjournment.

HB 2704 – Disability Payments

The Public Employees Retirement System (PERS) monitors all Tier Two and Oregon Public Service Retirement Plan (OPSRP) pension program members who are receiving PERS disability payments and temporary total disability or permanent total disability payments under the state's workers' compensation program. Currently, if the total amount of the benefit exceeds the Tier Two member's monthly salary at the time of disability, or exceeds 75 percent of the OPSRP member's monthly salary, the next PERS disability retirement allowance or benefit payment is reduced accordingly. The member is notified of the offset amount each month by letter. If the disability payments have stopped before all offsets are made, the member is invoiced for any overpayment. This bill aligns the treatment of Tier Two and OPSRP Pension program members' PERS disability payments with a Tier One member's disability retirement allowance, in which there is no statutory requirement to offset temporary total or permanent total disability workers' compensation payments.

Effective: May 21, 2009
Chapter 103

SB 112 – PERS Retirees

SB 112 makes a technical correction to clarify that hours worked by employees working in a position exempted from the PERS 1,040 hour limit, do not count toward the limit, even when the employees are simultaneously employed in a non-exempt job. The bill further allows certain PERS retired members that elected to receive a lump sum payment to be reemployed by a public employer subject to hour limitations, without repayment of the lump sum.

Effective: June 18, 2009
Chapter 390

SB 399 – PERS Rollover Contributions

This bill allows PERS members that are currently allowed to fill in gaps in their service by paying into the system, to do so with pre-tax dollars from deferred compensation or a tax sheltered annuity.

Effective: January 1, 2010
Chapter 894

SB 897- PERS Verification of Benefits and Board Membership

A provision of SB 897 would have required the Public Employee Retirement System (PERS) to provide members, up to two years prior to their retirement age, an opportunity to verify their creditable service data (upon which retirement benefits are computed) and provided a mechanism for a member to dispute the data. Also included in the bill was a guarantee of the level of benefits based on the verification. While the bill maintained the PERS Board at five members, it expanded the qualifications for the seat that is now allocated to a public employee who is a member of a bargaining unit to include a retired member.

SB 897 was vetoed by the Governor after passing the legislature without a dissenting vote. The Governor cited pending litigation and the unanimous opposition of the PERS board to the bill's guarantee provision as the rationale for his veto.

Effective: Governor issued veto letter on August 7, 2009

PUBLIC CONTRACTING

HB 2037 – Disclosure of Public Contracts

This bill would have required state and local governments to maintain records pertaining to certain types of public contracts and make those records available to the public via a website with a searchable database. The types of contracts that this bill would have applied to include those for “consulting services” and the procurement of goods and services with a contract price of over \$50,000. Public agencies would have been responsible for providing information pertaining to: (1) the procedures used in soliciting and awarding the contract; (2) the contract price or estimated total dollar value; (3) the nature of the consulting service; (4) and the items related to the persons providing the “consulting services” (i.e., the number of hours). Finally, state and local governments would have been required to report to the Governor and the Legislature no more than 180 days following the close of the fiscal year. After receiving a hearing in the House Business and Labor Committee, this bill was referred to the House Rules Committee, where it remained upon adjournment.

HB 2699 – Application of Prevailing Wage Rates in Enterprise Zones

Currently, there are 59 enterprise zones in Oregon. Sponsored by a city, county, port, or tribal government, these enterprise zones provide a tax exemption on new plant and equipment for eligible businesses that locate or expand within the zone. HB 2699 would have created a requirement that any private project over \$5 million pay prevailing wage in order to be eligible for the property tax exemption. The bill required the sponsor of the enterprise zone to pay a fee to the Bureau of Labor and Industries for the study of prevailing wage rates. After passing the House by a vote of 38-21, the bill was referred to the Senate Rules committee where it received a hearing but remained upon adjournment.

HB 2731 – Prequalification Hearings

Currently, statute requires that when a contractor engaged in a prequalification process with a public contracting agency appeals a decision, a hearing must be held within 30 days of the appeal. This City of Portland initiative allows for the contracting agency to hold the hearing at a later date, when both the contracting agency and contractor appealing the decision agree on the date.

Effective: January 1, 2010
Chapter 149

HB 2763 – Public Contracting for Agricultural Products

HB 2763 allows contracting agencies to pay up to ten percent more than the lowest bidder, for agricultural products produced and transported entirely within Oregon. Additionally, the bill allows a higher percentage to be paid if the agency finds and explains good cause in a written determination. This bill passed unanimously in both the House and Senate.

Effective: January 1, 2010
Chapter 214

HB 2867 – Public Contracting Assessments

This bill requires a public contracting agency to demonstrate that the cost of providing services with an agency's own personnel or resources is greater than procuring them from a contractor. The analysis must be done when the estimated price exceeds \$250,000. If the only reason that the contractor's bid is less is due to lower wage and benefit levels of employees, the agency may not contract out the service. Another provision of the bill requires a contracting agency to establish measurable standards of assessment of the quality of a contractor's performance and consequences for failing to meet those standards, prior to entering into a public contract. This bill passed both chambers in the final hours of the session.

Effective: August 4, 2009
Chapter 880

HB 3420 – Software Procurement by Public Agencies

This bill would have set certain criteria by which public contracting agencies must evaluate bids or proposals for software procurement. Specifically, the evaluation criteria this bill would have established included: (1) the total cost of ownership for the software; (2) whether procuring the software will contribute to job creation; (3) whether procuring the software will enable the contracting agency to avoid dependence on a single vendor or supplier; and (4) whether the software is interoperable or able to exchange data with other software that the contracting agency or other state agencies use. HB 3420 was referred to the House Rules Committee where it received a public hearing and remained upon adjournment.

SB 51 – Prevailing Wage Education and Enforcement Account

Under current law, public agencies that are awarding public works contracts must pay a fee to the Bureau of Labor and Industries in order to cover the costs of surveys, administration, and education relating to the prevailing wage laws. The fee amounts to 0.1 percent of each contract with a minimum of \$250 and a maximum of \$7,500. These minimum and maximum amounts, however, are scheduled to reset to \$100 and \$5,000 respectively in 2011. SB 51 prevents this scheduled reduction, retaining the current minimum and maximum amounts and ensuring that fees will cover the cost of administering prevailing wage laws.

Effective: July 23, 2009
Chapter 788

SB 479 – Opportunities for Disabled Veterans

State public contracting code permits contracting agencies to promote affirmative action goals, policies, or programs for disadvantaged or minority groups. Additionally, contracting agencies may require a contractor to subcontract services or materials to a certified emerging small business and a bidder or proposer who competes for or is awarded a public contract is prohibited from discriminating against a subcontractor that is minority- or women-owned or is an emerging small business. This bill extends these provisions to businesses that are owned, controlled by, or employs service-disabled veterans.

Effective: June 4, 2009
Chapter 235

SB 711 – Emergency Procurement Procedures

A response to the political pressure to quickly spend state and federal stimulus funds and get Oregonians to work, this bill would have encouraged contracting agencies to use emergency procurement methods for capital construction projects. The bill would have sunset on January 2, 2012. SB 711 was referred to the Senate Education and General Government Committee where it did not receive a hearing and remained for the duration of the session.

SB 872 – Public Contracting Preferences for Oregon Residents

This bill would have required public contracting agencies to give preference to Oregon residents that submit bids on public contracts. The bill would have limited a contracting agencies ability to give such preferences to certain circumstances. Upon introduction, the bill was referred to the Senate Commerce

and Workforce Development Committee where it received a public hearing and remained upon adjournment.

SB 884 – Procurements Made With Federal Stimulus Funds

This bill would have authorized public contracting agencies to use alternative contracting methods for public improvement projects receiving federal stimulus funds through the American Recovery and Reinvestment Act of 2009. Upon introduction, SB 884 was referred to the Senate Education and General Government Committee where it remained upon adjournment.

SB 895 – Construction Workforce Diversity

SB 895 sought to increase the involvement of women and minorities in public construction projects. The bill would have created a sixteen-member Construction Diversity Oversight Board, charged with addressing the issue through developing strategies and recommending best practices. The bill also stipulated that the board award grants to organizations. The bill received a public hearing and work session in the Senate Commerce and Workforce Development Committee, which moved the bill to the Joint Ways and Means Subcommittee on Transportation and Economic Development, where it remained upon adjournment.

PUBLIC SAFETY

HB 2052 – Siting of Secure Group Homes

HB 2052 was introduced in an effort to make the process of choosing sites for secure group homes, juvenile centers and other residential treatment facilities more transparent; as the process of siting these facilities can often draw significant community opposition. The bill requires public agencies to inform the local public safety coordinating council (LPSCC) of intent to site residences for individuals under the jurisdiction of the Psychiatry Review Board in the council's locality. The bill expands the duties of the LPSCC to include the appointment of a facility advisory subcommittee for reviewing agency proposals and establishes a timeframe for a subcommittee response.

Effective: January 1, 2010
Chapter 121

HB 2365 – Novelty Lighters

HB 2365 prohibits the sale, distribution, manufacture, or importation of novelty lighters. The bill authorizes the State Fire Marshall to make a list of lighters that would be considered novelty lighters, and would consider such lighters contraband and subject to seizure. It further authorizes the State Fire Marshall to conduct inspections of facilities, inventory, and business records of lighter manufacturers. Violations would be subject to a civil penalty of not more than \$500 per day for retailers, not more than \$1000 per day for wholesalers, and not more than \$10,000 per day for manufacturers and importers. A similar bill containing the same provisions was introduced in the Senate (SB 90) but did not advance.

Effective: March 4, 2009
Chapter 6

HB 2400 – Off-Duty Use of Uniforms

HB 2400 would have directed county sheriffs departments and municipal police departments to adopt policies addressing whether members may appear in uniform off duty. This bill was referred to House Judiciary where it was given a public hearing and remained upon adjournment.

HB 2401 – Assault With a Dangerous Substance

HB 2401 would have expanded the definition of assault in the third degree to include assault with a dangerous substance on a public safety officer, a protection currently afforded to corrections officers and staff or volunteers at corrections facilities. The bill also clarified that there is no requirement to impose a prison sentence for this crime. After passing the House, HB 2401 was referred to the Senate Judiciary Committee where it did not receive a hearing and remained upon adjournment.

HB 2403 – Forfeiture

HB 2403 allows a law enforcement agency to remove a hidden compartment from a vehicle that has been forfeited. The agency may be reimbursed with the proceeds from the sale of the vehicle, for the expense associated with the removal. This bill arose out of concerns by police that reselling vehicles that had been retrofitted with hidden compartments used for smuggling illegal substances could allow them to once again be used for criminal activity.

Effective: January 1, 2010
Chapter 874

HB 2422 – Sales of Catalytic Converters

HB 2422 prohibits the sale or purchase of a catalytic converter unless the seller or purchaser has a permit to do so. The bill authorized the Oregon Department of Transportation (ODOT) to issue the permit. Upon introduction, HB 2422 was referred to the House Judiciary Committee, where it remained upon adjournment of the Legislative Assembly, however, the issue was addressed in SB 570 (see pg. 57).

HB 2463 - Reciprocal Handgun Permits

HB 2463 would have required the State to recognize concealed hand gun licenses of other states, provided the other state's requirements are similar to Oregon's and the reciprocal State recognizes an Oregon license. The bill directed the Oregon Department of State Police to adopt rules and make determinations upon passage. After being amended and receiving a favorable recommendation from the House Judiciary Committee, the bill was sent to the Joint Ways and Means Committee where it remained upon adjournment.

HB 2484 – Metal Theft

One of many bills introduced that addressed metal theft, HB 2484 would have created the crime of “encouraging metal theft,” if a person buys scrap metal without obtaining the sellers mailing address. The bill classified the crime as a Class A misdemeanor. HB 2484 was referred to the House Judiciary Committee, where it did not receive a hearing and remained upon adjournment. The issue was addressed in SB 570 (see pg. 57).

HB 2539 – Fireworks

HB 2539 would have prohibited the use of fireworks in the City of Portland except between the dates of June 30 – July 5 every year. This bill passed the House and was referred to the Senate Committee on Business and Transportation where it did not receive a public hearing.

HB 2645 – Destruction of Firearm Records

HB 2645 would have required the destruction of records obtained during criminal background checks of firearm purchasers within 24 hours. The bill received a hearing in the House Judiciary Committee, where it remained at the close of session.

HB 2701 – Photo Red Light

HB 2701 would have prohibited cities that use photo red light vendors from paying manufacturers and vendors of photo red light services based on the number of citations issued or a percentage of money collected from payment or fees. This bill was referred to the House Committee on Transportation where it never received a public hearing, and remained upon adjournment.

HB 2713 – Investigation of Public Safety Officers

HB 2713 requires employers to adopt written procedures for investigating public safety officers and establishes detailed procedures for investigations of public safety officers. Specifics of the bill include modifications to the procedures for requesting personnel records, and the creation of procedures for placing, reviewing, and challenging an adverse comment in a public safety officer’s personnel file. The bill requires investigations to be completed within six months, but allows for an extension of up to twelve months, if the officer is provided a written explanation for the extension. In addition, the bill adds parole officers and

corrections officers to the definition of public safety officer. Finally, HB 2713 provides an exemption for cases in which a “collective bargaining agreement provides for procedures and safeguards of the sort provided.”

Effective: January 1, 2010
Chapter 716

HB 2727 – Concealed Handgun Records

HB 2727 would have exempted information identifying a holder of a concealed handgun license (CHL) from public release unless the requestor can demonstrate that it serves the public interest. The bill would have further allowed CHL holders to request notification from sheriff if there is a records request for the holder’s permit, and requires the custodian of the record to consider any information provided by the holder prior to determining whether to release the record and describes a process for appeal if the records request is denied. After passing the House, the bill received a hearing in the Senate Judiciary Committee and was then sent to the Senate Rules Committee where it remained upon adjournment.

HB 2790 – Department of Public Safety Standards and Training Board

HB 2790 adds one non-management parole and probation officer to the Department of Public Safety Standards and Training (DPSST) board and removes the Department of Forestry Position. The bill also adds two non-management positions to the Corrections Policy Committee and the Police Policy Committee. Other provisions required a notice of denial or revocation following any policy committee vote and a review by a policy committee, if the DPSST proposes to amend a proposed order issued by an Administrative Law Judge. The DPSST is the body charged with investigating public safety officers and determining whether they should be allowed to return to duty. This version of the bill was significantly amended from previous versions, which among other things, would have eliminated the Portland Police Chief and the Portland Fire Chief from the DPSST Board.

Effective: January 1, 2010
Chapter 629

HB 2991 – Background Check Exemption for Firearms

This bill would have exempted the transfer of a firearm from a background check if the purchaser had a concealed handgun license. The bill received a hearing

and two work sessions in the House Judiciary Committee, where it remained upon adjournment.

HB 3026 – Drive-By Shootings

HB 3026 would have made vehicles used in a drive-by shooting subject to civil forfeiture in cases where the owner of the vehicle was not present at the time of the shooting. Upon introduction, the bill was referred to the House Judiciary Committee, where it did not receive a hearing and remained upon adjournment.

HB 5041 – Department of Public Safety Standards and Training Budget

HB 5041 appropriates money from the General Fund to the Department of Public Safety Standards and Training (DPSST). Of particular interest to the City was the reduction in the number of training academies for new police officers from 19 to 14. These classes are required for police officer licensure and are only available through DPSST. There is uncertainty over the number of classes that will be needed due to a sentiment that the economy may suppress the hiring and retirement of officers. Additionally, demand could increase due to federal funding for hiring additional officers. The Department was told to return to the Emergency Board for additional funding if there was a greater demand for classes than could be met.

Effective: July 7, 2009
Chapter 685

SB 93 – Interception of Federal Tax Refunds

SB 93 allows the Oregon Judicial Department (OJD) to enter into an agreement with the federal government to intercept federal tax refunds of debtors to offset debt owed to OJD for past-due liquid and delinquent accounts for crime victim restitution payments, compensatory fines, and other fines, costs, and assessments. Current statute provides a Judicial Department Collections Account, which holds amounts owed to the state that are subject to the judicial branch. The Department recently began intercepting state tax refunds to pay the obligations.

Effective: July 23, 2009
Chapter 791

SB 280 – Animal Fighting

This bill increases the penalty of involvement in animal fighting from a Class A misdemeanor to a Class C felony. It further adds participation in cockfighting to the list of crimes subject to criminal forfeiture, and increases the penalty for participating in cockfighting from a Class A misdemeanor to a Class C felony.

Effective: January 1, 2010
Chapter 796

SB 309 – Custodial Interviews

SB 309 requires the electronic recording of a custodial interview conducted by a law enforcement agency in a law enforcement facility, if the interview is in connection with a range of violent crimes. The recording requirement does not apply to statements made before a grand jury, in open court, a custodial interview conducted in another state, an interview conducted by federal law enforcement, a spontaneous statement of a defendant, or if good cause is shown for not electronically recording the interview. Additionally, the bill requires the state to provide a defendant with an electronic copy of the interview, but not a written transcript. Finally, the bill permits the recordings use as evidence in any pre-trial or post-trial proceedings.

Effective: January 1, 2010
Chapter 488

SB 310 – DNA Evidence

Currently, Oregon has no uniform provision requiring courts and law enforcement to preserve DNA evidence. SB 310 requires a law enforcement agency to preserve biological evidence sufficient to provide a DNA sample in cases of aggravated murder, murder, manslaughter I and II, criminally negligent homicide, aggravated vehicular homicide, and sex crimes.

Effective:
Chapter

SB 405 – Metal Theft: Scrap Metal Dealers

SB 405 would have prohibited a scrap metal business from conducting a transaction involving metal property with an individual unless that individual provides a name, valid street address, and telephone number at the time of the transaction. This requirement as well as other provisions were included in a

similar bill, SB 570 (see below), the primary piece of metal theft legislation to advance during the 2009 session.

SB 570 – Metal Theft

SB 570 provides new tools to combat metal theft. The bill creates two types of processes: a streamlined process for commercial accounts that have been established, and another for scrap sellers that requires additional documentation. The bill requires scrap dealers to keep additional records of scrap metal purchases, requires that payments be made by check and that the check be mailed at least three days after the transaction to the seller's home address. The bill further requires scrap dealers to report to law enforcement within 24 hours, any purchase of metal property for which there is reason to believe it might be stolen.

Effective: January 1, 2010
Chapter 811

SB 665 – Use of Polygraph Tests in Law Enforcement Hiring Processes

This bill would have permitted the administration of a polygraph test to police and reserve officer applicants during the hiring process. The bill specified that the decision to hire or not hire an officer solely based on the polygraph results is an unlawful employment practice. SB 665 was referred to the Senate Judiciary Committee where it never received a public hearing.

SB 708 – Law Enforcement Hiring Processes

SB 708 provides that if a person applies for employment with a law enforcement agency, the current and all former employers must make all information on the applicant available to the law enforcement agency. This bill was referred to the Senate Committee on Commerce and Workforce Development where it saw no movement beyond a public hearing.

SB 971 – Reimbursement of Training Costs

SB 971 requires the reimbursement of training costs between law enforcement agencies, when one agency hires an officer from another agency within three years of receiving his/her training. The reimbursement will be done on a sliding scale that reduces the amount of the reimbursement each year. A provision in the bill allows the agency that originally trained the employee to waive the reimbursement. The bill is in response to situations in which officers from smaller

law enforcement agencies seek employment at departments in larger cities, which are capable of offering higher compensation.

Effective: January 1, 2010
Chapter 902

TAXATION & FINANCE

HB 2074 – Tax Supervising and Conservation Commission

The Tax Supervising and Conservation Commission (TSCC) is an independent panel of citizen volunteers established to monitor and report on the financial affairs of local government. Currently, Multnomah County is responsible for the cost of the TSCC.

Under HB 2074, the County will be responsible for 50 percent of the costs with the remaining 50 percent apportioned to the taxing jurisdictions other than the county. Apportionment will be done using two separate methods: 1) budgeted expenditures of taxing districts for the current fiscal year, and 2) property taxes imposed for the prior fiscal year from a taxing district's permanent tax rate limitations. Each of these methods will contribute equally and have a minimum apportionment of \$250 for a total of \$500. Additionally, a provision in the bill allows jurisdictions with a population of less than 200,000 the ability to opt out of TSCC jurisdiction. The bill had the support of many of the underlying taxing jurisdictions. The additional cost to the City is estimated at \$50,000 per year. Both chambers approved HB 2074 unanimously.

Effective: June 26, 2009
Chapter 596

HB 2429 – Qualifications for Enterprise Zone Tax Exemptions

HB 2429 would have modified the qualifications for property tax exemptions for businesses eligible to participate in the enterprise zone program. Specifically, the bill would have required firms engaged in a construction project with a value of \$5 million or more to pay prevailing wage. Referred to the House Business and Labor Committee, the bill received several hearings and work sessions but never advanced.

HB 2461 – Malt Beverage Tax

HB 2461 would have imposed a tax on malt beverages of \$49.61 per 31 gallon barrel, equivalent to a 15 cent tax per 12 ounce bottle. Revenue from the proposed tax would have been dedicated to fund alcohol abuse prevention, treatment and recovery programs. The bill was referred to the House Revenue Committee where it received several public hearings but did not advance.

HB 2531 – Sequestration of Professional Soccer Income Taxes

Introduced by the Portland Timbers, HB 2531 would have allowed for the personal income taxes of players and executives of a potential major league soccer team to be sequestered and placed into the Major League Stadium Grant Fund. Grants would then be administered to the City of Portland to repay bonds sold to finance the construction and furnishing of a major league soccer stadium. The bill capped the total amount of grants allowed at \$5 million.

After hearings in the House Sustainability and Economic Development and House Revenue Committees, the full House narrowly passed the bill. The City testified in support at a hearing in the House Sustainability and Economic Development Committee. In the Senate, the bill was referred to the Rules Committee, and ultimately to the Joint Ways and Means Committee, where it remained upon adjournment.

HB 2616 – Local Government Tobacco Taxes

HB 2616 proposed to remove the preemption on local governments from imposing taxes on cigarettes and tobacco products. The bill passed the House and was referred to the Senate Committee on Finance and Revenue where no further action was taken.

HB 2649 – Personal Income Tax Increase

HB 2649 increases the tax rate for individuals with taxable income above \$125,000 for tax years beginning on January 1, 2009. The tax increase, which is projected to raise \$472 million over the 2009-11 biennium, is set to phase out on January 1, 2012. The bill was part of the Legislature's plan to fill holes left by declining state revenues.

Effective: Pending referral to voters, election January 2010.

HB 3049 – Corporate Minimum Tax

HB 3049 would have increased the corporate minimum tax to \$300 beginning January 1, 2010. The corporate minimum tax is currently set at \$10. Upon introduction, the bill was referred to the House Revenue Committee, where it received a public hearing, but did not move forward.

HB 3056 – Urban Renewal

This bill was the result of a compromise reached after many hours of negotiation between stakeholders. The legislation includes a cap on new urban renewal area indebtedness, sharing of revenue with underlying jurisdictions when certain triggers are met, and limits the size of plan amendments unless underlying taxing districts that comprise 75 percent of the tax base agree to the amendment. An additional component of this bill, added at the request of Portland Public Schools, addressed the district's gap levy by exempting it from contributing tax increment to urban renewal areas, making it similar to bonds and local option levies. The bill also includes a remedy that conforms the City of Portland's tax increment finance collections procedure, as established in the City charter, to state law. All of the stakeholders, which included cities, counties, fire districts, special districts, school districts, labor and finance interests, agreed to not revisit urban renewal statutes until 2017 unless all the parties agreed to a review of this consensus agreement. Finally, stakeholders have agreed to meet regularly to monitor implementation. The City of Portland and the Portland Development Commission were active participants in the development of this legislation, which it ultimately supported.

Effective: January 1, 2010
Chapter 700

HB 3405 – Corporate Minimum Tax Increase

This bill increases the state's corporate minimum tax, which has not been modified in decades. Specifically, the bill increases the C-corporation minimum tax from \$10 to an amount that ranges from \$150 for corporations with less than \$500,000 in Oregon sales to \$100,000 for corporations with Oregon sales in excess of \$100 million. Additionally, the bill raises the minimum tax on S-corporations and establishes a second marginal corporate tax rate that applies only to taxable income greater than \$250,000. The bill is projected to raise \$261 million in the coming biennium and was part of the Legislature's plan to fill the state's revenue shortfall.

Effective: Pending voter referral, election January 2010.

HB 3408 – Real Estate Transfer Tax Preemption

This bill, along with SB 396 (see pg. 62), would have removed the preemption on local government from implementing any new real estate transfer taxes. Neither bill saw any movement over the course of the session. Upon adjournment, HB 3408 remained in the House Revenue Committee.

SB 192 – Historic Properties

As originally introduced, SB 192, a product of the Historic Properties Task Force, would have extended the state's historic properties program's sunset by ten years and maintained the 15-year tax incentive. The bill was amended in the Senate Finance and Revenue Committee to limit the length of the tax benefit to ten years and require the property owner to invest ten percent of the market value in work on the property. Additionally, the bill contains a provision that establishes a new calculation for property tax on condominiums in historic buildings. This mechanism corrects a provision in the program that enabled some condo owners in historic buildings to pay very small property tax rate for 15 years.

Effective: September 28, 2009
Chapter 892

SB 217 – Historic Preservation Revolving Loan Fund

SB 217 allows the Historic Preservation Revolving Loan Fund to be used for the enforcement of cultural resources protection laws and the promotion of cultural preservation through public education. While the Attorney General has specific authority to protect historic property, funding for enforcement has never been designated.

Effective: May 14, 2009
Chapter 89

SB 396 – Real Estate Transfer Tax Preemption

This bill, along with HB 3408 (see pg. 61), would have removed the preemption on local governments from implementing any new real estate transfer taxes. Upon introduction, SB 396 was referred to the Senate Finance and Revenue Committee, where it saw no movement and remained upon adjournment.

SB 440 – Transient Lodging Tax

SB 440 would have removed the requirement that 70 percent of revenues from a new or increased transient lodging tax be used to fund tourism promotion or tourism related activities. This would have allowed local governments to use 100 percent of the revenues to fund any city or county services. Removal of the preemption on the transient lodging tax was one of the recommendations made by the Task Force on Comprehensive Revenue Restructuring. Upon

introduction, SB 440 was referred to the Senate Committee on Finance and Revenue, where it saw no movement beyond a public hearing.

SB 495 – Pacific Northwest AC Intertie

SB 495 eliminates the property tax exemption that was established in the 2005 legislative session for the Pacific Northwest AC Intertie, a power line owned by an out-of-state public utility. This session, an Oregon electric cooperative that uses the line sought parity through an exemption which the Senate advanced. The House Revenue Committee amended the bill to create parity by eliminating the exemption completely.

Effective: September 28, 2009
Chapter 804

SB 768 – Local Malt Beverage Recovery Fees

SB 768 would have authorized counties to adopt by ordinance a malt beverage recovery fee from all malt beverages sold at retail establishments in the county. The fee would be collected by the OLCC and used for county alcohol and drug addiction programs. The bill was passed out of Senate Environment and Natural Resources Committee without recommendation, and moved to Senate Finance and Revenue Committee where it saw no further action.

TELECOMMUNICATIONS

HB 2405 – Voice-over Internet Protocol

HB 2405, introduced at the request of Verizon, would have preempted state and local governments from regulating Voice-over Internet Protocol (VoIP) services, or any other Internet Protocol enabled services. The City strongly opposed this bill, raising concerns regarding inadequate protections for consumers and protection of local authority. Additionally, the breadth of the bill threatened local government cable franchising authority and future revenues. The bill was moved out of the House Business and Labor Committee to the full House with a “do pass” recommendation. Amidst a chorus of opposition from the City, the Public Utilities Commission, the Citizens Utility Board, the Attorney General and other local governments, the bill was re-referred back to committee, where it remained upon adjournment.

HB 3036 – Telecommunication Service Providers Deregulation

HB 3036 would have allowed telecommunications service providers to elect to be regulated, making their terms, conditions, charges and fees exempt from regulation by the Public Utilities Commission (PUC). The bill laid out a set of rules limiting the amount telecommunications providers could increase their fees per year. The bill was referred to the House Committee on Sustainability and Economic Development, where it received a public hearing but saw no additional movement.

HB 3158 – Oregon Broadband Advisory Council

With the Legislature’s passage of SB 765 in 2001, the Oregon Telecommunications Coordinating Council (ORTCC) was established. The ORTCC was directed to study and recommend strategies for public-private telecom investments that would help Oregon businesses compete in global markets and to study alternative approaches to providing coordinated, statewide, regional, and local telecommunication services throughout the state. HB 3158 replaces the ORTCC with the Oregon Broadband Advisory Council (OBAC). A smaller body than the ORTCC, HB 3158 establishes that the (OBAC) board shall consist of 14 members including representatives from the education, health care, public safety, eGovernment, telecommunications, and local government sectors. The focus of the group will be to create, advocate, and receive funding for the statewide deployment of broadband infrastructure and the applications that run

on the broadband system, as well as to establish Oregon's broadband policies and coordinate their implementation.

Effective: July 22, 2009
Chapter 782

HJR 6 – Statewide Broadband Policy

This House Joint Resolution would have encouraged the State to develop a broadband policy to provide the foundation and direction for public and private sector decisions geared towards ensuring Oregon's competitiveness with regard to broadband telecommunications access. Upon introduction, HJR 6 was referred to the House Rules Committee and saw no additional movement.

SB 269 – Utility Relocation

Public improvement projects often require the identification and relocation of utilities, and coordination of such among public agencies, utility owners, and construction contractors has been an issue of increasing concern. SB 269, as introduced, would have imposed onerous requirements on public entities and exposed them to high fees. The City participated on a legislative workgroup with utilities and other public representatives to work out a compromise bill. The resulting bill requires public bodies to coordinate with utilities in the planning of highway projects in order to minimize costs. The bill also allows a public utility not subject to rate-of-return regulation (i.e., Qwest Communications) to request authorization from the Public Utilities Commission to recover relocation costs from customers.

Effective: January 1, 2010
Chapter 444

TRANSPORTATION

HB 2001 – Oregon Jobs and Transportation Act

The Oregon Jobs and Transportation Act (HB 2001), served as the vehicle for the legislature’s comprehensive transportation package. The bill is the result of a long-term process begun in 2007, and continued in the interim by the Governor’s Vision Committee, which was comprised of business leaders, local and state officials, transportation stakeholders, and land use experts. The Committee was charged with developing recommendations for a comprehensive transportation package. Many of the Committees recommendations were included in HB 2120, which was filed by Governor Kulongoski. Many of these items also found their way into HB 2001, the bill that ultimately passed.

In HB 2001, the Oregon Department of Transportation (ODOT) will generally receive 50 percent of revenue raised by fees and gas taxes, with the remaining 50 percent going to local governments. The City of Portland will receive about \$21 million a year, a 50 percent increase. Preemptions in the bill include a four-year ban on new or increased local gas taxes and Vehicle Registration Fees (VRF) other than those dedicated to the Sellwood Bridge project. Additionally, any new local gas taxes must go to a vote of the people. Other notable provisions include:

- Authorization for metro counties to adopt a local VRF dedicated to the replacement of the Sellwood Bridge;
- An allocation of \$30 million for the Highway 47 interchange component of the Sellwood Bridge replacement project;
- A requirement that ODOT work with the City, Metro counties, and Metro to design and implement a congestion pricing pilot within 36 months;
- Allowance for federal flex funds to be used for elderly and disabled transit, bicycle, pedestrian, and carpool projects;
- Environmental provisions that require ODOT to incorporate environmental performance standards into the design and construction of all state highways and improve the environmental permitting process for state highway construction projects; and
- Eliminates the requirement for counties with a population of over 350,000, that enact a vehicle registration fee to go before a vote of the electorate.

Effective: September 28, 2009
Chapter 865

HB 2040 – Roadside Assistance

During the 2003 legislative session, Oregon’s “move over” law was enacted with the passage of HB 2176. The legislation created the offense of failing to

maintain a safe distance from an emergency vehicle or ambulance stopped alongside a roadway while displaying warning lights; the statute specifies that drivers must slow down, or change lanes when possible. Non-emergency vehicles that provide roadside assistance were not considered in the original “move over” legislation. HB 2040 expands the move over statute to include roadside assistance vehicles and tow trucks equipped with warning lights. Additionally, HB 2040 clarifies the definition of “slow down” to mean a speed at least five miles per hour below the speed limit.

Effective: January 1, 2010
Chapter 198

HB 2043 – County Vehicle Registration Fees

Current statute provides that counties have the authority to collect fees for vehicles registered to drivers who live within the county. However, in order to implement a county-wide vehicle registration fee, the ordinance must be approved by voters in an election. This bill would have eliminated the requirement that counties submit any proposed vehicle registration fee to a vote of electorate. While HB 2043 received a public hearing and work session in the House Transportation Committee, it was moved to the House Revenue Committee, where it remained upon adjournment. However, a provision was added to HB 2001, The Oregon Jobs and Transportation Act, (HB 2001, pg. 66) that eliminates the vote of the electorate requirement for a county with a population of over 350,000.

HB 2377 – Cell Phone Use While Driving

While a number of bills were introduced during the 2009 session that dealt with the use of mobile communication devices while driving, HB 2377 carried the issue into law. The bill bans the use of mobile communication devices (cell phones, pagers, etc.) unless they are used with a hands-free device (i.e., headset). The bill includes exemptions for public safety personnel, those using a device in the scope of their employment, and the use of walkie-talkie types of communication devices.

Effective: January 1, 2010
Chapter 834

HB 2417 – Railroad-Highway Grade Crossings

House Bill 2417 would require the Department of Transportation to notify a road authority 60 days prior to closing a railroad-highway grade crossing. The City

supported this bill, which saw no movement beyond a public hearing in the House Transportation Committee.

HB 2542 – Medium-Speed Electric Vehicles

This bill would have updated Oregon Vehicle Code to recognize a “medium-speed electric vehicle,” as electric vehicles with a maximum speed of 35 miles per hour. The bill would have prohibited the operation of such vehicles on a highway with a posted speed limit of 45 miles per hour or greater. While HB 2542 didn’t move out of the House Transportation Committee, its provisions were incorporated in HB 2001, Oregon Jobs and Transportation Act (HB 2001, pg. 66).

HB 2562 – Maximum Vehicle Length

Currently, statute sets the maximum length per vehicle at 40 feet and provides exceptions for road maintenance, mass transit, and recreational vehicles, among others. This bill adds school buses to those vehicles exempted from the 40 foot maximum length requirement, increasing the maximum length for a school bus to 45 feet. This bill was in response to a new model of school bus in operation that is just over the maximum vehicle length.

Effective: March 26, 2009
Chapter 31

HB 2578 – Patrol Towing

HB 2578 addresses the practice of “patrol towing,” which involves an agreement between a property owner and a towing company that permits any unauthorized vehicle to be towed without notice. The bill prohibits the practice except in instances where public safety or access may be compromised, where there is a prominently posted parking prohibition that has been violated, or in residential lots where there are fewer parking spaces than units. Additionally, prior to towing a vehicle, a tow company representative must contact the owner of the facility or an agent of the owner, as well as provide photographic evidence of an improperly parked vehicle. HB 2578 received unanimous support in both chambers.

Effective: January 1, 2010
Chapter 622

HB 2618 – Designated Speed Limits

This bill would have required a road authority to evaluate and review all requests to change the designated speed limits on certain highways within 90 days and require the Oregon Department of Transportation (ODOT) to act on the request within 120 days. Upon introduction, HB 2618 was referred to the House Transportation Committee, where it remained upon adjournment.

HB 2650 – Local Control of Speed Limits

This bill would have allowed any city with a population of 140,000 or greater to designate the speed limit on highways, under certain circumstances. This was referred to the House Transportation Committee where it did not receive a hearing and remained upon adjournment.

HB 2685 – Disabled Parking Placards

This bill would have increased the number of disabled parking placards by allowing the Oregon Department of Transportation (ODOT) to issue disabled parking placards for each vehicle registered by an applicant. Upon introduction, the bill was referred to the House Transportation Committee, where it did not receive a hearing and remained upon adjournment.

HB 2690 – Idaho Rolling Stops

Introduced by the Bicycle Transportation Alliance, HB 2690 would have allowed bicyclists to enter an intersection controlled by a stop sign to proceed without stopping, provided they slow to a safe speed and yield the right of way to traffic and pedestrians. As the bill was modeled after similar legislation in Idaho, it was referred as the “Idaho Rolling Stop” bill. HB 2690 was opposed by a broad range of interest, including public safety agencies and some local governments. The bill received a hearing in the House Transportation Committee, where it remained upon adjournment.

HB 2770 – Disabled Parking License Plates

This bill would have required the Oregon Department of Transportation to design and issue registration plates granting parking privileges to individuals with a qualifying disability. Upon adjournment of the legislative body, this bill remained in the House Transportation Committee.

HB 2902 – Financing for Non-Motorized Transportation Projects

This bill would have authorized the issuance of Lottery backed bonds for the financing of bicycle and pedestrian related transportation projects. The bill received a hearing in the House Transportation Committee, where it remained upon adjournment of the Legislative Assembly.

HB 2971 – Financing for Bicycle Transportation Projects

Introduced by the Bicycle Transportation Alliance, this bill would have required that at least two percent of state highway funds be spent on bicycle or pedestrian related transportation projects. Currently, statute requires that no less than one percent be spent on bicycle or pedestrian transportation projects. HB 2971 received two hearings in the House Transportation Committee, where it remained upon adjournment of the legislature.

HB 3008 – Bicycle Registration

HB 3008 would have required bicyclists to register their bicycles with the State. The bill set the price of a two year registration at \$54 per bicycle. Upon introduction, the bill was referred to the House Transportation Committee. Although it did not receive a public hearing, the bill elicited strong opposition from bicycle advocates citing that: (1) the requirement would discourage bicycling; and (2) fail to provide a significant source of revenue.

HB 3028 – Low-Speed Vehicles

This bill would have permitted the operation of a “low-speed vehicle” on a highway with a posted speed limit of 45 miles per hour or less. HB 3028 received a hearing in the House Transportation Committee, where it remained upon adjournment. The issue, however, was addressed as the provisions of HB 2541, a similar bill relating to low-speed vehicles were incorporated into the Oregon Jobs and Transportation Act (HB 2001, pg. 66).

HB 3047 – Mass Transit Safety

HB 3047 directs TriMet to implement a pilot project to use volunteer greeters on light rail station platforms to greet riders and report problems to transit officials or law enforcement. The bill was introduced in response to public safety concerns on light rail. After passing the House by a wide margin, HB 3047 was referred to the Senate Business and Transportation Committee, where it remained upon adjournment.

HB 3113 – City Vehicle Registration Fees

While the state as well as counties have the authority to impose a vehicle registration fee (VRF), cities lack the authority in statute to do so. This bill would have lifted this preemption, allowing a city to impose a VRF. An amendment to the Oregon Jobs and Transportation Act (HB 2001, pg. 66) that would have provided the City of Portland with the option of adopting a mileage-based vehicle registration was considered at a public hearing, but not included in the final bill. HB 3113 did not receive a public hearing and remained in the House Transportation Committee upon adjournment.

HB 3248 – Railroad Grade Crossings

This bill, which was introduced at the request of the City of Portland, addressed the process undertaken when changes are made to a railroad grade crossing. Specifically, the bill would have required the Oregon Department of Transportation (ODOT) to prioritize actions taken when altering, relocating, or eliminating a railroad grade crossing, and require ODOT to submit written findings on the cost/benefit analysis of changes to the railroad grade crossing. Upon introduction, the bill was referred to the House Transportation Committee. With a federal court ruling during session that raised possible preemption issues, the bill was ultimately not pursued and remained in committee upon adjournment.

HB 3253 – Plug-in Electric Vehicles

HB 3253 would have created a tax credit for the purchase of plug-in electric vehicles. To qualify for the tax credit, the vehicle must: (1) run solely on battery power of at least four kilowatt-hours capacity; (2) have a maximum speed of at least 35 miles per hour; and (3) be acquired by the tax payer claiming the credit. Additionally, in an effort to spur the growth of this emerging technology in the state, the vehicle must have been assembled in Oregon. Additionally, the maximum tax credit allowed would have been \$5,000 per vehicle. HB 3253 remained in the House Revenue Committee, where it received several hearings, upon adjournment.

HB 3379 – Streetcar Funding and Transportation Planning Rule

Oregon's Transportation Planning Rule (TPR) is designed to ensure that the state's transportation system supports a pattern of travel and land use in urban areas that minimizes traffic, air pollution, and livability problems. The TPR requires the Oregon Department of Transportation (ODOT), metropolitan

planning organizations, all counties, and all cities with populations over 2,500 to adopt transportation system plans with a 20-year horizon. A provision of the TPR requires that transportation projects necessitated by proposed zone changes be fully planned, as well as supported by funding commitments, within 15-20 years. HB 3379 addresses the difficulties many communities have in complying with TPR funding requirements and eases the rules restrictions on local land-use jurisdictions. Specifically, the bill allows cities to apply for extensions or submit alternatives if unable to meet transportation-funding requirements when amending comprehensive plans in compliance with the TPR.

A provision was added requiring ODOT to determine if there are sufficient funds in the Oregon Streetcar Project Fund to purchase newly constructed streetcars. If ODOT determines that there are not sufficient funds, the agency must make a recommendation to the Oregon Transportation Commission regarding any funds that are available to the Department that could be used. ODOT has to report to the Legislature by January 1, 2010 on the determination and recommendation. Another provision of HB 3378, referred to as the “poison pill,” renders all of the provisions of the Oregon Jobs and Transportation Act (HB 2001, pg. 66) inoperative if any portion is repealed by the voters.

Effective: June 25, 2009
Chapter 589

SB 34 – Transit Payroll Tax

This bill will allow TriMet and the Lane Transit District to increase the payroll tax in their service districts from seven-tenths of one percent to eight-tenths of one percent. If they chose to increase the tax it must be phased in over a ten-year period. Furthermore, the payroll tax phase-in may only begin after the transit board has determined that the economy in the region has recovered to an extent sufficient enough to warrant the tax increase. This additional revenue raising authority will provide support for the operations of an expanding transit system. The City expressed its support for SB 34.

Effective: January 1, 2010
Chapter 253

SB 36 – Tolling of Willamette River Bridges

Senate Bill 36 authorizes the Multnomah County Board of Commissioners to collect tolls for the use of bridges across the Willamette River that are operated by the County. The bill passed both chambers by a comfortable margin.

Effective: January 1, 2010
Chapter 385

SB 292 – Financing for Bicycle and Pedestrian Transportation Projects

This bill, introduced by the Bicycle Transportation Alliance, was the Senate version of HB 2971 (see pg. 70) and would have required at least two percent of state highway funds be spent on bicycle or pedestrian related projects. The bill was referred to the Senate Business and Transportation Committee, where it remained upon adjournment.

SB 420 – Electric Assisted Bicycles

This bill would have established the definition of “electric assisted bicycles” and specified that these types of bicycles be equipped with a horn and lights. The bill was referred to the Senate Business and Transportation Committee where it remained upon adjournment of the legislative body.

SB 580 – Tolling Columbia River Bridges

Senate Bill 580 directs the Oregon Department of Transportation (ODOT) to implement tolling on the I-5 and I-205 bridges that cross the Columbia River. Additionally, the bill requires ODOT to develop a rate structure that allows for congestion price indexing, and submit the plan to the Oregon Transportation Commission no later than January 1, 2011. After passing both chambers, SB 580 was vetoed by the Governor who stated in his veto letter “SB 580 imposes an artificial deadline that is not helpful and ultimately could be detrimental to the progress we've made.”

Effective: Governor veto issued on June 24, 2009

SB 937 – Disabled Parking Permits

Introduced at the request of the City of Portland, this bill addresses the problem of fraudulent use of disabled parking permits. Specifically, the bill requires that a health professional certify that an individual applying to renew a disabled parking placard is still disabled. The bill passed both chambers unanimously.

Effective: January 1, 2010
Chapter 238

SB 961 – Pacific Wonderland License Plates

This bill requires the Oregon Department of Transportation (ODOT) to recreate the “Pacific Wonderland” license plates. The bill specifies that ODOT may only recreate 40,000 sets at a \$100 surcharge. Of the revenue raised, 50 percent will be transferred to the Oregon State Capitol Foundation with the remaining 50 percent allocated to the Oregon Historical Society. The “Pacific Wonderland” plates were issued between 1959 and 1963 to commemorate the state’s Centennial. The re-issue of a limited number of new “Pacific Wonderland” plates is to commemorate the state’s sesquicentennial.

Effective: January 1, 2010
Chapter 823

SB 5054 – General Fund Appropriations: Elderly and Disabled Transit

Among many items included in this General Fund appropriations bill was \$10 million for elderly and disabled transportation – a priority of TriMet and other transit agencies.

Effective: August 6, 2009
Chapter 910

SB 5548 – Oregon Department of Transportation Budget

This bill contains the legislatively approved budget for the Oregon Department of Transportation (ODOT) for the 2009-11 biennium with an allocation of \$4.07 billion to the agency, a 16 percent increase over the FY 2007-11 budget level. The budget accounts for increased revenues from the passage of the Oregon Jobs and Transportation Act (HB 2001), including \$25 million in revenue bonds backed by Lottery Funds for multi-modal transportation infrastructure projects. Also included in the budget is a shift of \$24 million in flexible federal highway funds previously used to fund road construction projects to public transit and other non-motor vehicle programs as well as \$10 million in General Funds for public transit operating grants.

Additionally, the Legislature approved \$75 million in revenue bonds backed by highway trust funds for ODOT’s share of the Oregon Wireless Interoperability Network (OWIN) project. Another provision of the budget allocates \$3.45 million from an increase in Custom License Plate Fees to support passenger rail, replacing General Fund dollars in the process. Finally, the budget reflects \$220 million in revenue bond proceeds backed by Lottery Funds, authorized by the

Legislature in 2007, to be distributed during the FY 2009-11 biennium for the street car grant program and TriMet light rail.

Effective: July 16, 2009
Chapter 739

For additional bills relating to Transportation, please see:

- HB 2003 – Recreational Immunity (Pg. 40)
- SB 269 – Utility Relocation (Pg. 65)
- SB 794 – Attorney’s Fees in Condemnation Cases (Pg. 25)

WATER

HB 2185 – Water Quality Fees

Section 401 of the Clean Water Act states that any project requiring a federal license or permit to conduct an activity that may lead to a discharge into waters must receive a water quality certification. In Oregon, the Department of Environmental Quality (DEQ) is responsible for certifying that projects will be conducted in accordance with water quality standards. HB 2185, which was introduced at the request of the Governor, deletes existing exemptions from fees for 401 certification applications.

Effective: January 1, 2010
Chapter 761

HB 2232 – Geotechnical Hole Fee

This bill requires that well drillers submit a log to the Oregon Water Resources Commission after drilling certain geotechnical holes, such as those for mining and excavation work. Additionally, HB 2232 requires the payment of a \$25 recording fee for the first hole per site, plus a \$10 fee for each additional hole per contiguous site.

Effective: July 1, 2009
Chapter 767

HB 2406 – Columbia River Water Appropriation

This bill would have required the Oregon Water Resources Department (WRD) to issue permits to appropriate water from the Upper Columbia River for use in the Columbia Basin. The bill limited the appropriation to: (1) 131,000 acre-feet per year to reduced groundwater use in critical groundwater areas or recharge ground water in critical areas; and (2) 1,000 acre-feet per year to provide additional water for use by a municipal corporation. Following a hearing in the House Environment and Water Committee, a subcommittee on Water Resources was created. The subcommittee crafted amendments to the bill that eventually became the provisions of HB 3369 (see pg. 77).

HB 2859 – Exempt Wells

HB 2859 would have reduced, from 15,000 gallons a day to 1,000 gallons a day, the amount of ground water used for domestic purposes that is exempt from the

permit requirements. The bill would have also grandfathered uses that commenced prior to the proposed effective date of the bill. Upon introduction, the bill was referred to the House Environment and Water Committee where it remained upon adjournment.

HB 2980 – Water Conservation Tax Credit

This bill would have created a personal and business tax credit for the purchase and installation of water conservation devices and systems. The bill was referred to the House Environment and Water Committee, where it did not receive a hearing and remained upon adjournment.

HB 3156 – Fluoride

HB 3156 would have required water suppliers that serve more than 10,000 persons to add fluoride to drinking water. Upon introduction, the bill was referred to the House Health Care Committee, where it remained upon adjournment.

HB 3369 – Integrated Water Resources Strategy

HB 3369 directs the Water Resources Department (WRD), in cooperation with the Department of Environmental Quality (DEQ), the Oregon Department of Fish and Wildlife (ODFW), other state agencies, local governments, and additional stakeholders to develop a statewide, integrated water resources strategy. The strategy must help the state meet its in-stream and out-of-stream water needs in terms of water quantity, water quality, and ecosystem needs while considering population growth, land use changes, and climate change. The bill requires that the WRD report to the legislature by February 2011 and update the strategy every five years.

In addition to mandating the development of a statewide integrated water resources strategy, HB 3369, in concert with bonding authority authorized in SB 5505 and SB 5535 (see pg/below) provides for: (1) a \$2.5 million grant for the Umatilla aquifer recharge project; (2) up to \$25 million in loans for the Umatilla project and other non-municipal water development projects in the Columbia Basin; and (3) \$283,000 for the WRD to develop an integrated water strategy. While the loan funding is intended to help finance the Umatilla effort, HB 3369 also creates loan provisions and an unfunded grant fund for non-municipal water development projects in the Columbia River Basin.

Effective: August 4, 2009
Chapter 907

HB 3442 – Reduction of Municipal Water Use

This bill would have required municipal water use providers to reduce annual per capita consumption of water by the following schedule: five percent by December 21, 2012; ten percent by December 31, 2015; and 20 percent by December 31, 2020. Those municipalities failing to meet these benchmarks would be ineligible to apply for: water supply development grants or loans, appropriations of surface or ground water, a reservoir permit, or an aquifer storage or recovery license or permit. Additionally, HB 3442 would have required an agricultural water supplier or user to submit a report showing water measurement before applying for certain grants, loans, permits, or licenses. Upon introduction, the bill was referred to the House Environment and Water Committee, where it did not receive a hearing and remained upon adjournment.

HB 3454 – Storm Water Discharge into Irrigation Canals and Drainage Ditches

HB 3454 would have required written permission from an owner or operator and paid compensation to tap water out of, or discharge water into, an irrigation canal or drainage ditch. This would have made illegal the longstanding circumstance of certain storm water facilities emptying into canals and ditches in some communities. The original bill received one hearing and was then amended, completely removing the original language and adding language directing the Oregon Water Resources Department (WRD) to develop and adopt an integrated water resources strategy. Ultimately, the language of the amended bill was amended into HB 3369 (see pg. 77).

SB 193 – Integrated State Water Resources Strategy

SB 193 would have authorized the Water Resources Department (WRD), in consultation with the Department of Environmental Quality (DEQ) and the Oregon Department of Fish and Wildlife (ODFW) to develop an integrated, statewide water resources strategy. The bill was considered by the Senate Environment and Natural Resources Committee, and the bill went on record in support of the bill. The bill then moved to the Joint Ways and Means Natural Resources Subcommittee where it remained upon adjournment of the legislature. Language authorizing the development of the water resources strategy was included in HB 3369 (see pg. 77) which did pass both chambers.

SB 787 – Conservation Requirements for State Funding of Water Projects

SB 787 would have required municipal water suppliers to complete implementation of a series of specified water conservation measures in order to be eligible for state funding for a water supply development project. Upon introduction the bill was referred to the Senate Environment and Natural Resources Committee, where it received a hearing and was the subject of a work group, however remained in committee upon adjournment.

SB 788 – Water Fees and Peak Ecological Flows

As originally introduced, this bill would have required water storage project permits to include conditions to protect peak and ecological flows that maintain stream habitat and aquatic organisms. These components of the bill were removed and replaced with a package of new and increased fees to support the Oregon Water Resources Department (WRD). The amended bill includes a \$300 recording fee on new exempt wells, and additional fees that will raise the average fee-for-service cost recovery on various transactions to 50 percent. The latter new and increased fees are scheduled to sunset in 2013 so that stakeholders, WRD, and the Legislature can review the adequacy and equity of the fees. Finally, the bill also requires the owner of a property where a new exempt well is located to provide a map to WRD showing the exact location of the well on the tax lot.

Effective: July 23, 2009
Chapter 819

SB 888 – Delinquent Utility Bills

This City of Portland legislative initiative would have streamlined the process for collecting the substantial uncollected debt owed by owners of multifamily dwellings. Under current law, it is difficult to collect this debt without adversely impacting tenants. It can also be complicated and more expensive to collect these debts because existing law provides different remedies for drinking water and sewer. This bill makes all tools available to both water and sewer providers in order for debts to be collected relying on the same tools. The three tools – which already exist in state law – are water shut-off, imposing liens against property, and transferring debt to the county tax collector to be collected along with property taxes. The bill was drafted to make these debt collection tools available to any public provider of water, sewer, or stormwater services, from single-service provider special districts to multi-service provider cities. Upon introduction, SB 888 was referred to the Senate Finance and Revenue Committee where it received a public hearing and remained upon adjournment of the legislature.

SB 930 – Backflow Assembly Service Licensing

This bill instructed the Oregon State Plumbing Board to establish a limited specialty plumber license to allow servicing, maintaining, and repairing backflow assemblies by backflow testers certified by the Oregon Department of Human Services to streamline the backflow testing and servicing process. Upon introduction, this bill was referred to the Senate Business and Transportation Committee, where it remained upon adjournment.

SB 5505 – General Obligation Bonds

This bill authorizes general obligation bonds for a host of purposes. The bill includes \$10 million in the 2009-11 biennium and \$15 million in the 2011-13 biennium to provide loans for non-municipal water development projects in the Columbia River Basin through the Water Development Fund. The funds are subject to new Water Development Fund provisions set forth in HB 3369 (see pg. 77) and are intended to provide financing for the Umatilla Basin aquifer recharge effort.

Effective: August 4, 2009
Chapter 903

SB 5535 – Lottery Bonds for Water Projects

Part of the end-of-session spending package, SB 5535 authorizes the use of Oregon Lottery bonds for a host of purposes, including a number of water projects. Contained in the bill are: (1) \$500,000 for the Water Conservation, Reuse, and Storage Investment Fund, which was created by SB 1069 during the 2008 special session, for water project feasibility studies to be done in concert with HB 3369 (see pg. 77); (2) \$2.5 million for the Umatilla Aquifer recharge project; (3) \$283,000 for the Oregon Water Resources Department (WRD) to develop an integrated water resources strategy; and (4) \$217,000 to pay for WRD administrative costs in issuing grants and loans as provided for by HB 3369. Additionally, SB 5535 authorized the issuance of Lottery Bonds to finance an additional \$17.5 million in community infrastructure projects through the Special Public Works Fund.

Effective: August 4, 2009
Chapter 906

SB 5551 – Oregon Water Resources Department Budget

The legislatively approved budget for the Water Resources Department (WRD) appropriates a total of \$46 million to the agency over the 2009-11 biennium. While the agency's budget represents a 21 percent cut in General Fund dollars from the 2007-09 biennium, the Legislature restored some funding to the agency as a result of \$24.6 million in bonds, fee increases, federal funds, and other funds. The City supported the increased appropriations to WRD. The Legislature also included two budget notes that: (1) require the agency to work with stakeholders to evaluate the adequacy and equity of new fees and report findings to the legislature, and (2) make significant progress in addressing backlogs in water rights and services.

Effective: July 1, 2009
Chapter 648

For other bills relating to Water, please see:

- SB 482 – Drinking water overlay zones (Pg. 43)
- HB 2080 – Gray water reuse and disposal systems (Pg. 1)
- SB 269 -- Utility Relocation (Pg. 65)
- HB 3153 – Utility Facilities (Pg. 41)
- HB 2865 – System Development Charges (Pg. 22)
- SB 794 – Attorney's Fees in Condemnation Cases (Pg. 25)